17 November 2025

Calix executes Joint Development Agreement with Rio Tinto to provide over $35m of value for Zesty Green Iron Demonstration Plant

Sydney, Australia | 17 Nov 2025 – Australian environmental technology company, Calix Limited (ASX: CXL) (Calix) is pleased to announce today that it has executed a Joint Development Agreement (JDA) with Rio Tinto, one of the world's leading iron ore producers (ASX: RIO) (LSE: RIO) (Rio Tinto), for over $35m of cash and in-kind support for the demonstration of Calix's Zero Emissions Steel Technology (Zesty™) in Kwinana, Western Australia, and to help enable the future commercialisation of the Zesty technology.

Highlights:

- Calix and Rio Tinto have executed a non-exclusive JDA to support the demonstration and commercialisation of the Zesty technology for the decarbonisation of iron and steel.
- The Zesty Green Iron Demonstration Plant will be located in Kwinana, WA.
- Under the terms of the JDA, Rio Tinto will contribute over $35m of value to the Zesty Demonstration Project (Project) through a combination of $8m in cash and further in-kind contributions.
  - Cash payments will be provided in two tranches of $3m and $5m prior to a Final Investment Decision (FID), subject to the completion of confirmatory due diligence and Project milestones.
  - In-kind contributions aim to assist with the successful development, commissioning and operations of the Demonstration Plant, and remain subject to the achievement of Project milestones.
- The JDA also outlines the principles by which Rio Tinto may:
  - take up shares in a Zesty subsidiary business up to the value of its $8m cash contribution to the Project.
  - use the Zesty technology under a global and perpetual non-exclusive licence agreement, and/or market and sub-licence Zesty to its affiliates and steelmaking customers.
- The Zesty Demonstration Project is also supported by a grant of up to $44.9m from the Australian Renewable Energy Agency (ARENA), previously announced and subject to matched funding being secured.

- The JDA is a significant step towards the commercial and financial commitments required to progress the Project to FID. The cash and some of the in-kind contributions from Rio Tinto count towards the required matched funding for the ARENA grant award.
- Calix will host an investor webinar and Q&A at 2pm AEDT, today, Monday 17 November. Registration is available at: https://events.teams.microsoft.com/event/cd6ae021-1e9f-44f9-84b2-ca3c26ce8d1f@881ca852-0f27-471e-b2ca-9b468b57387a

Rio Tinto support for the Zesty Green Iron Demonstration Plant

The Zesty Demonstration Plant will be located in Kwinana, WA. The Kwinana site is in close proximity to the NeoSmelt Project for downstream processing of direct reduced iron being developed jointly by Rio Tinto, BHP, BlueScope, Mitsui and Woodside.[1,2] It provides access to established utilities, ports and other infrastructure, and is in relative proximity to other major sources of iron ore in Australia.

Under the terms of the JDA, Rio Tinto's in-kind contributions will support the Project to reach a positive FID through the provision of the Project site, technical support, engineering services, and advocacy. Subject to a positive FID and construction of the plant, Rio Tinto will provide up to 10,000 tonnes of a range of Pilbara Iron Ores for use in plant commissioning and operations, and introductions to potential users of the Zesty green iron product for material testing and downstream processing to steel.

Commercialisation of Zesty

Rio Tinto's support under the terms of the JDA, including the cash and some of the in-kind contributions, are a significant step towards the commercial and financial commitments required to match and progress the $44.9m ARENA grant award. Calix intends to source the remaining funding required for the Project at the Zesty subsidiary or project level.

The JDA outlines the principles by which Rio Tinto may, at its discretion, and subject to full documentation and execution, take up shares in a Zesty subsidiary business up to the value of its $8m cash contribution to the Project.

Rio Tinto may further support the commercialisation of the Zesty technology by marketing and licensing the technology to its global customer base. Rio Tinto and Calix have outlined the key terms, including royalties, for a potential non-exclusive global and perpetual licence agreement for Rio Tinto's commercial use of the Zesty technology. Under these key terms, Rio Tinto may also sub-license the Zesty technology to its affiliates and customers. Calix retains the right to provide the technology under licence to other partners and deploy the Zesty technology as an industry-wide solution.

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[1] BlueScope, BHP and Rio Tinto select WA for Australia's largest ironmaking electric smelting furnace pilot plant study. 17 Dec 2024

[2] No affiliation with NeoSmelt is implied.

Calix CEO and Managing Director, Phil Hodgson said:

"The Joint Development Agreement with Rio Tinto is a major milestone in the commercialisation of Zesty. It provides cash and hands-on support, including industry leading resources, expertise and market reach, to progress the Zesty Demonstration Project.

"This strong support from Rio Tinto provides further validation of the potential for the Zesty technology to be deployed to the world's largest minerals and metals market, its potential to help decarbonise a critical industry responsible for ~8% of global CO_2 emissions, and the opportunity to help future-proof Australia's largest source of export income. We look forward to working with Rio Tinto, further industry partners and other key stakeholders, and ARENA on this important Australian project."

Rio Tinto Iron Ore CEO, Matthew Holcz said:

"The world needs low-emissions steel if it is going to decarbonise, and we continue to look at a range of ways Pilbara iron ores can help to do this as new technologies emerge.

"We're pleased to partner with Calix, an Australian technology company, to help progress the Zesty technology to be able to use Pilbara iron ores for lower-emissions steel making."

Western Australian Premier Roger Cook said:

"Locally made green iron is a key part of my vision to become a renewable energy powerhouse and make more things here.

"Coupled with my government's recent announcement that government will take an "if not, why not" approach to green steel procurement on major government projects, the Zesty Green Iron Demonstration Plant will support our efforts to diversify WA's economy so that it can remain the strongest in the nation.

"I welcome this agreement between Calix and Rio Tinto, which will play an important role in growing this exciting new industry in WA."

ARENA General Manager – Heavy Industry, Jody Herley, said:

"Decarbonising iron and steelmaking is critical to meeting global climate goals. The Zesty project shows how Australian innovation combined with partnerships across industry and government can accelerate the shift to cleaner, more sustainable metals production.

"Calix's partnership with Rio Tinto demonstrates the level of ambition and joint leadership Australia needs to transform heavy industry for a low emissions future, and ARENA is proud to have supported Calix from early-stage studies through to this pivotal next phase of development."

About Zesty

Calix's Zesty technology uses a combination of electric heating and hydrogen reduction to produce green iron and ultimately, green steel. Zesty aims to provide lowest cost pathways to green iron and steel through minimal hydrogen consumption, flexible electric heating compatible with intermittent renewable energy sources, elimination of ore pelletisation, and enabling the use of fines and lower-grade iron ores. Zesty pilot-scale trials in collaboration with the Heavy-Industry Low-carbon Transitions Cooperative Research Centre (HILT CRC) and industry partners have proven the ability of the technology to produce green iron from a range of iron ore types and grades.[3]

The Zesty Green Iron Demonstration Plant is designed to produce up to 30,000 tonnes per annum of hydrogen direct reduced iron (H_2-DRI) or hot briquetted iron (HBI) from a range of iron ore sources. The Demonstration Plant intends to provide an industry-wide facility for the non-exclusive toll processing of iron ores into H_2-DRI or HBI, with the aims of supporting the ongoing viability of Australian iron ore in a low emissions steel value chain and the development of a green iron industry in Australia. The Project is supported by a grant of up to $44.9m from the Australian Renewable Energy Agency, subject to matched funding being secured.

The Zesty Demonstration Project has entered its detailed design engineering phase to help inform a FID, expected in 2026.

Please refer to Calix's ASX announcement on 25 July for further information about the Zesty Demonstration Project.[4]

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This announcement has been authorised for release to the ASX by the Calix Board of Directors.

About Calix

Calix Limited (ASX: CXL) is a technology company creating businesses that solve global challenges in industrial decarbonisation and sustainability.

Calix's patented core platform technology is being developed for indirect heating of raw materials to enable efficient, precise, flexible and renewably powered metals and minerals processing and capture of unavoidable industrial emissions.

Calix is applying its core technology to the cement, steel, magnesia, alumina, critical minerals and direct air capture industries.

Leveraging its core platform technology and a global network of partners, Calix is urgently developing multiple businesses that deliver positive global impact. Because there's only one Earth.

Mars is for quitters.

For more information:

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[3] Calix ASX Announcement. ZESTY Deep dive presentation. 31 Jul 2025

[4] Calix ASX Announcement. Calix executes $44.9m ARENA grant agreement for ZESTY Green Iron Demonstration Plant. 24 July 2025

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