

# ASX Announcement

27 APRIL 2022

## MARCH 2022 – QUARTERLY REPORT

### Highlights

#### **PARKWAY PROCESS SOLUTIONS (PPS)**

- Business Development
  - Continued success in securing new business from a diverse range of companies, for the provision of industrial water treatment related products, services, and solutions.
  - ISO certification is assisting Parkway achieve approved vendor status with key clients.
- Product Development
  - Finalised the design and commenced fabrication of a high-performance, integrated water treatment system based on a rapidly deployable modular design.
- Group Sales of approximately \$1.1 million, with cash receipts of \$1.0 million, underpinned by a rapidly growing project backlog with high likelihood of revenue conversion in the near term.

#### **PARKWAY PROCESS TECHNOLOGIES (PPT)**

- Continued progress in leveraging proprietary process technology platform to support existing & emerging business development initiatives. Expanded strategic relationship with Worley.
- Core Technologies
  - Ongoing technoeconomic evaluations supporting aMES® commercialisation.
  - In April 2022, awarded material contract for feasibility study based on iBC® technology.
  - Construction of new scaled-up iBC® pilot plant on-track for completion in May 2022.
- Third-Party Technologies: developing piloting capabilities for several innovative technologies.
- Commercialisation Activities: include ongoing technoeconomic evaluations to demonstrate the substantial operational, financial and sustainability advantages of the technology portfolio.

#### **PARKWAY VENTURES (PV)**

- The KLPP-Joint Venture ownership advancing towards finalisation of 40% working interest.

#### **CORPORATE**

- Strong balance sheet with \$4.5 million in cash reserves as at 31 March 2022.
- Cash balance excludes grant funds, R&D tax incentive rebate for FY21 and other receivables.

Parkway Corporate Limited (“**Parkway**” or the “**Company**”) (ASX: PWN) is pleased to report its activities for the quarter ending 31 March 2022. This report is presented by operating division (strategic business unit), as follows:

- Parkway Process Solutions (PPS)
- Parkway Process Technologies (PPT)
- Parkway Ventures (PV)
- Corporate (Parkway group)

## PARKWAY PROCESS SOLUTIONS (PPS)

Parkway Process Solutions (Parkway Process Solutions Pty Ltd, PPS) is a wholly owned subsidiary and the main operating division of the Company.

### Business & Corporate Development

#### Growth of PPS

Parkway continues to strategically expand the operations of PPS, by pursuing a range of commercial opportunities relating to industrial water treatment, predominantly in Australia. In addition to generating growing revenues through the provision of conventional water treatment solutions, PPS is increasingly supporting the commercialisation of the Company’s next-generation technology portfolio, including the delivery of highly differentiated integrated water treatment and industrial process solutions.

#### Business Development

During the reporting period, PPS continued to successfully secure new business from a range of companies, for the provision of industrial water treatment related products, services, and solutions. PPS continued to progress the development of a range of modular water treatment plants (see below), which are successfully supporting various ongoing business development related efforts. PPS has recently achieved first orders from a range of new customers, involving the provision of new products and services, including the sale of several small, pre-packaged water treatment systems, which represent additional international sales, by PPS.

The early-stage preliminary engineering study for a previously disclosed wastewater treatment plant was completed during the reporting period, with the client soliciting a further proposal from PPS to advance the project through the project evaluation process (refer to *Activities Subsequent to Reporting Period*).

Additional business development opportunities including collaborations with several previously foreshadowed companies, continues to progress positively, with several collaborative arrangements agreed with various parties.

The Parkway Integrated Management System (further details provided in the *Corporate – Parkway Integrated Management System*, section of this report) was independently certified during the reporting period and continues to support the establishment of PPS as a qualified vendor and assist in a range of business development related initiatives. With growing inhouse engineering and technical services capabilities, an innovative product and services offering and operations in Perth, Melbourne and Darwin, PPS is increasingly well placed to secure larger industrial water treatment related opportunities moving forward.

By way of illustration, PPS was recently approached by a global mining company to provide a proposal to supply and maintain water related process equipment for a major mine, with an indicative contract value greater than \$5 million over 3 years. PPS is increasingly fielding similarly large and complex enquiries, which highlight the growing recognition of the capabilities of PPS, despite very limited marketing efforts to date. Subsequent to the reporting period (refer to *Activities Subsequent to*

*Reporting Period*), another global mining company awarded PPS a contract to design, build and supply a water treatment plant to treat mine pit water for a significant operating mine. Despite a range of well-documented supply chain and Covid-19 related impacts, PPS expects to complete this project during the current quarter, highlighting the operational capabilities rapidly being developed by the Company. Based on the effective and successful engagement with the client, the Company expects there is a high likelihood, that a subsequent water treatment plant project, will also be awarded by the same client to PPS, later in the year.

PPS continues to field additional unsolicited enquiries from a range of prospective clients requiring sophisticated industrial process expertise, particularly in the field of processing hypersaline brines. For instance, during the quarter, PPS was engaged by a sulphate of potash (SOP) project developer, seeking process expertise in developing and evaluating more efficient SOP processing routes.

## **Product Development**

Parkway previously advised that it had identified significant opportunities for relatively small, rapidly deployable, integrated water treatment plants based on a modular and reconfigurable design platform. Parkway continues to progress the design of a range of these modular water treatment systems, and has taken delivery of most components, including long-lead items, which will also become stocked items for PPS. Parkway continues to receive very favourable feedback regarding the advantages of the modular systems, including the pre-sale PPS design capabilities, and the post-sale support (service and consumables), which is becoming increasingly important, given the significant supply chain challenges being experienced, globally.

Importantly, the growing inhouse product development capabilities, is also assisting PPS in designing, and eventually building and delivering modular water treatment (and related process) plants, incorporating technologies being commercialised by Parkway Process Technologies.

Based on the encouraging market feedback, including in relation to several projects that have advanced during and subsequent to the reporting period, Parkway has recently developed a strategy to further expand its capacity to design and build a range of modular integrated water treatment systems.

## **Corporate Development**

PPS continues to successfully secure access, including distributorships to high-value and specialty industrial water treatment related products, from a range of leading global OEMs with additional negotiations ongoing. Whilst these products represent attractive business opportunities (for either resale or as part of a value-added conventional water treatment solution), in many instances, these products also support the development and provision of more innovative solutions incorporating PPT technologies.

## **Quarterly Sales**

As a result of ordinary operations, PPS generated group sales of approximately \$1.1 million, with cash receipts of \$1.0 million, underpinned by a rapidly growing project backlog with high likelihood of revenue conversion in the near term.

Given the increasing levels of business development activities described above, the ramp-up period associated with onboarding new projects and typical procurement cycles, there is a timing impact on working capital, where cash receipts generally lag the corresponding sales and project activities during the relevant period. Given the significant progress and corresponding investments in PPS to date, including the growing project backlog, the Company remains optimistic about building a sustainable and rapidly growing revenue base moving forward.

## **PARKWAY PROCESS TECHNOLOGIES (PPT)**

Parkway Process Technologies (Parkway Process Technologies Pty Ltd, PPT) continued to make progress in leveraging its proprietary (core) process technology platform to support existing and

emerging business development initiatives. PPT also continues to make progress with a range of third-party process technologies, that enable Parkway to provide a broader range of synergistic industrial process technologies.

Many of the developments outlined in the *Parkway Process Solutions (PPS) – Business Development* and *Corporate Development* sections, are being pursued, as they also support the ongoing commercialisation of the PPT technology portfolio.

### **Expansion of Global Strategic Cooperation Agreement with Worley**

On [10 February 2022](#), the Company advised that it had entered into an amendment agreement with Worley to extend the term of the existing cooperation agreement from three years to five years. In addition, the scope of the original Global Strategic Cooperation Agreement was expanded to incorporate the iBC<sup>®</sup> technology, to further assist with the commercialisation of this promising technology.

### **Core Technologies – iBC<sup>®</sup>**

The iBC<sup>®</sup> technology involves the pre-treatment of complex brines, particularly from the energy, mining and other industrial sectors, to enable further downstream processing, to reduce wastewater volumes and potentially recover a range of valuable chemical products.

The Company is exploring large-scale and high-value potential applications of the iBC<sup>®</sup> technology with a range of industrial companies.

Ongoing testwork continues to provide encouragement that in addition to achieving significant wastewater volume reductions, the application of the iBC<sup>®</sup> technology is likely to be able to achieve a highly desirable zero-liquid discharge (ZLD) solution for certain applications. In addition to the advantages of a ZLD approach, recent testwork continues to support the business case that an iBC<sup>®</sup> based processing route, also has the potential to create a valuable revenue stream, through the sale of industrial chemicals.

### **New iBC<sup>®</sup> Pilot Plant**

Given the highly encouraging results from testwork performed to date, as well as positive industry feedback, the Company recently finalised the design for a scaled-up iBC<sup>®</sup> pilot plant and has recently commenced construction of a New iBC<sup>®</sup> Pilot Plant, which is scheduled for mechanical completion in May 2022. The New iBC<sup>®</sup> Pilot Plant will assist the Company perform larger scale testwork and produce product samples, for industry evaluation. The New iBC<sup>®</sup> Pilot Plant will also support a range of ongoing commercial discussions with a range of key stakeholders, including prospective clients and partners.

Subsequent to the reporting period (refer to *Activities Subsequent to Reporting Period*), the Company was awarded a feasibility study contract by QGC (a Shell Group company), which will incorporate process piloting, including with the New iBC<sup>®</sup> Pilot.

### **Core Technologies – aMES<sup>®</sup>**

The aMES<sup>®</sup> technology enables the processing of concentrated industrial process and wastewater streams including brine solutions, to recover a range of valuable compounds, reagents, and fresh water.

In late 2020, the Company finalised the Karinga Lakes Potash Project – Pre-feasibility Study (KLPP-PFS), which assisted the Company to demonstrate the significant advantages of the aMES<sup>®</sup> technology in a sulphate of potash (SOP) related application. In conjunction with the PFS, a new state-of-the-art aMES<sup>®</sup> pilot plant was commissioned, providing the Company with an important process demonstration, optimisation and validation capability, an essential requirement for successful commercialisation of the aMES<sup>®</sup> technology.

The performance data generated by the aMES<sup>®</sup> pilot plant, is providing important information that will impact the engineering design of a commercial-scale modularised aMES<sup>®</sup> plant. During the reporting period, the Company continued to perform a range of technoeconomic evaluations as well as engage

in discussions with several parties, to further advance a range of prospective commercial arrangements.

### **Core Technologies – Other**

By leveraging the process engineering capabilities of the Company, PPT has been able to develop innovative applications for a range of water treatment processes, to achieve improvements in the processing and treatment of challenging industrial wastewater streams. In addition, the Company continues to develop new technologies as well as identify additional applications for its portfolio of proprietary process technologies, to solve high-value problems facing industry.

### **Third-Party Technologies – Various**

As part of efforts to further expand the coverage of Parkway's cutting-edge technology portfolio, the Company is continually evaluating a range of prospective technology platforms. The most attractive technology platforms are those that not only provide substantial efficiency, financial and sustainability related advantages over conventional processes, but are also highly complementary with Parkway's existing technologies.

The Company recently disclosed that it had entered into a strategic partnership agreement with a leading European membrane technology company. The innovative membrane-based technology provides Parkway with a highly effective and selective pre-concentration technology, which enables more dilute feedstocks including brine and/or wastewater to be concentrated, before treatment with Parkway's aMES<sup>®</sup> process technology platform. Parkway has recently developed a small scale inhouse testing capability, to enable bench scale testing, including with a compact pilot plant incorporating the innovative membrane-based technology.

The Company has also recently developed capabilities in relation to an advanced oxidation technology, which is expected to provide a more efficient, cost-effective and sustainable (chemical free) wastewater treatment process, to deal with a range of problematic, particularly biological parameters. During the reporting period, the Company procured a range of process equipment, to support the development of an inhouse pilot plant, expected to be operational in the current quarter. The Company has already received interest from several existing and prospective customers to evaluate the effectiveness of the advanced oxidation technology in a number of applications. Encouragingly, the Company continues to make strong progress in building a portfolio of technologies, capable of providing a highly integrated process solution, for a range of wastewater and process streams traditionally considered difficult to treat.

As part of PPS's growing modular product development capabilities, the Company continues to invest in developing capabilities to build modular systems based on commercial scale equipment, including incorporation of a range of technologies, such as the innovative membrane-based technology as well as the advanced oxidation technology.

### **Commercialisation Activities**

Parkway continues to perform a range of evaluations to demonstrate the substantial operational, financial and sustainability advantages of the technology portfolio, incorporating both the core and third-party technologies.

## **PARKWAY VENTURES (PV)**

Parkway Ventures (Parkway Ventures Pty Ltd, PV) holds all resource project and royalty related interests owned by the Company.

### **Karinga Lakes Potash Project (KLPP, 15% interest, earning 40%)**

Parkway currently holds an equity interest in the Karinga Lakes Potash Project (KLPP), through Parkway Ventures. As a result of a recently finalised tenement rationalisation process, during the

quarter, no substantive mining exploration activities occurred in relation to this project.

The KLPP is a joint venture between Verdant Minerals Pty Ltd and Consolidated Potash Corporation Pty Ltd (a wholly owned subsidiary of the Company), which is administered through Territory Potash Pty Ltd (JV Operator).

On [05 Nov 2020](#), the Company announced completion of the KLPP-PFS, a pre-feasibility study based on the strategic application of the aMES<sup>®</sup> technology. The Company notes the recent strength in commodity markets, is supporting elevated fertiliser prices, with the primary target product from the KLPP, sulphate of potash (SOP), trading significantly higher than the prices assumed by the Company in the KLPP-PFS.

Following finalisation of joint venture accounting processes that are nearing completion, the Company anticipates satisfying the earn-in requirements to have acquired a 40% working interest in the project.

As at 31 March 2022, exploration tenure for the KLPP project area was held in the three newly granted exploration licences, details of which are outlined in the *Tenement Interests* section of this Quarterly Report, outlined below.

## Mineral Resources

The Mineral Resource Estimate underpinning the KLPP-PFS is summarised below.

Lake	Mineralisation Contained in Drainable Porosity	Indicated Mineral Resource contained in Total Porosity that meets reasonable prospects of economic extraction	Production
	Potassium Tonnage	Potassium Tonnage	Potassium Tonnage
	(kt)	(kt)	(kT)
Lakes included in the mine plan (x8)			
<b>Sub Total</b>	<b>300</b>	<b>580</b>	<b>430</b>
Remaining Lakes (x16)			
<b>Sub total</b>	<b>220</b>	<b>430</b>	
<b>Totals</b>	<b>520</b>	<b>1000</b>	<b>430</b>

The Mineral Resource estimate underpinning the production targets in this announcement were prepared by a competent person in accordance with the requirements of the JORC Code 2012.

## COMPETENT PERSONS STATEMENT

Parkway reported the Mineral Resource estimate for the Karinga Lakes Potash Project in accordance with Listing Rule 5.8 in its ASX announcement dated 5 November 2020. Parkway confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 5 November 2020 and that all material assumptions and technical parameters underpinning the estimates in the announcement of 5 November 2020 continue to apply and have not materially changed.

## Other Resource Projects

During the quarter, the Company continued to consider potential involvement in a number of additional resource projects, whereby the Company may contribute its proprietary process technologies, in exchange for the Company receiving agreed equity interests and/or royalties in the respective project/s. In the event the Company is successful in adopting this strategy, the Company intends to leverage its

technology portfolio to gain economic exposure to additional resources project/s (including, amongst others, lithium brine projects), without necessarily incurring material balance sheet exposure. For the avoidance of doubt, this technology commercialisation strategy is similar and consistent with the previously disclosed [innovative business model](#), being pursued by the Company.

## CORPORATE

### Parkway Integrated Management System (PIMS)

The Company is committed to achieving high quality environmental, social & governance (ESG) outcomes, including achieving and maintaining high levels of compliance. As part of the Company's commitment to industry best practices and continuous improvement, the Company has recently developed an Integrated Management System, to facilitate the certification and ongoing compliance in relation to:

- ISO9001:2015, Quality Management System;
- ISO14001:2015, Environmental Management System; and
- ISO 45001:2018, Occupational Health & Safety Management System.

Based on an independent audit and site evaluation performed in January 2022, on [04 February 2022](#), the Company announced that it had achieved certifications for all the relevant standards.

### Funding

During the quarter, the Company experienced moderate cash outflows (\$0.4 million), largely as a result of ongoing investment in the technology portfolio, expanding the operations of Parkway Process Solutions, as well as funding work in progress, including the associated build-up of significant inventory.

Notwithstanding the ongoing investment in a range of strategic initiatives including the expansion of operations, as at 31 March 2022, the Company held cash reserves of \$4.5 million, excluding i) grant funds, ii) R&D rebate, and iii) other receivables. The strong cash position means the Company is well funded to execute the CY2022 business plan, including the continued roll-out of PPS, to the point where it is anticipated to make an increasingly significant revenue contribution to the group.

### Grant Funds

The Company has a strong track-record in securing a range of grants, including from the Australian Research Council (ARC), to support innovative research and development (R&D) and associated commercialisation related activities. The Company has recently been invited to participate in several research grant schemes designed to fund innovative research, which the Company intends to pursue, where research interests align, and commercial arrangements are consistent with the Company's requirements. During the reporting period, the Company was offered, and agreed in-principle, to participate in an ARC supported research hub focused on the circular economy. The project budget for activities to be directed by the Company, is in the order of \$0.6 million (excluding in-kind contributions) to be invested into various research activities over a period of 4 years, where the Company will make an annual contribution in the order of \$60,000 for the duration of the project. The balance of project funding will be provided by the ARC and Victoria University, leveraging Parkway's contribution to provide a larger project budget.

A proportion of the R&D activities performed at Victoria University in collaboration with the Company, including the construction, testing and operation of state-of-the-art aMES<sup>®</sup> and iBC<sup>®</sup> pilot plants, is funded by previously awarded grant funding. The Company is also in the process of establishing a small inhouse piloting capability which will provide further operational advantages.

The Company acknowledges the financial support of the Australian Government.

### **R&D Rebate**

As a result of research and development activities performed and/or funded by the Company during FY21, the Company anticipates receiving an Australian Government research and development tax incentive (R&DTI) payment in the order of \$0.25 million for eligible activities, in May 2022. The Company continued to fund eligible activities during the reporting period, and expects to receive an additional R&DTI payment for these activities, as part of an application covering FY22, at a later date.

### **Other Receivables**

The Company has a growing receivables profile made up predominantly of trade receivables generated through ordinary operations, where the commercial terms result in a delay in receiving certain payments for works already performed and/or in progress. In addition, as a result of certain post-acquisition related accounting adjustments, the Company also expects to receive a credit adjustment from a vendor. As a result, the Company has accumulated net receivables in the order of \$0.5 million, which it expects to be able to realise in the near term.

### **Cash on Hand**

As at 31 March 2022, the company held \$4.5 million in cash reserves. As outlined above, it should be noted that the reported cash balance excludes, i) undrawn grant funds, ii) the anticipated R&D rebate, and iii) other receivables.

### **COVID-19 Impacts**

The Company continued to experience a range of disruptions during the quarter, including significant delays in the transportation of products and restrictions impacting the movement of staff to support various project and business development related activities. The delay in the transportation of key products and parts, is an industry wide phenomenon, and has significantly delayed the completion of several awarded works, and the corresponding recognition of revenues during the period.

### **Investor Relations**

The Parkway group managing director & CEO, Bahay Ozcakmak, is scheduled to provide a number of interviews, to provide an operational update as well as provide an outlook on near-term activities.

### **Other Items**

During the quarter, no exploration and evaluation related expenditures were incurred in relation to the Karinga Lakes Potash Project (following the recent resolution of the Native Title Objection), pending finalisation of joint venture accounts, which the Company anticipates will satisfy the earn-in requirements to have acquired a 40% working interest in the project.

During the same period, \$0.55 million was incurred in relation to staff costs, \$0.33 million in administration and corporate costs, and \$0.50 million for cost of goods sold and additional inventory. As the Company entered into additional commercial arrangements, the net inventory available for sale during the quarter increased further to approximately \$1.70 million.

Additional details are provided in the attached *Appendix 5B*.

### **Payments to Related Parties**

As outlined in the attached *Appendix 5B* (section 6.1), during the quarter approximately \$0.15 million in payments were made to related parties and their associates for director salaries, consultancy fees, superannuation, and other related costs.



## Tenement Interests

As at 31 March 2022 the Company held an interest in the following Mineral Exploration Licences (ELs) held through the KLPP-JV:

### Australian Projects – Karinga Lakes Potash Project

Tenement ID	Location	State	Interest
EL32249	Karinga Lakes	NT	15%
EL32250	Karinga Lakes	NT	15%
EL32251	Karinga Lakes	NT	15%

## Activities Subsequent to Reporting Period

### Water Treatment Plant Contract

The Company has recently been awarded a project to design, build and supply an integrated water treatment plant and related infrastructure for a major global mining company. The water treatment plant will use mine pit water as the feedwater. The design of the water treatment plant is approaching completion with procurement well underway. The primary scope to be delivered by the Company, including the supply of the integrated water treatment plant, is anticipated to be finalised in the current quarter. The parties have also been exploring the scope for a second containerised water treatment plant, which the Company expects to be awarded, later this year.

### Wastewater Treatment Plant Contract

In January 2022, the Company was awarded a contract to perform an early-stage preliminary engineering study to assist a government entity assess options for treating a problematic wastewater source through potential onsite treatment. Following successful completion of the project scope during the quarter, the Company has been awarded a contract to perform a process piloting program, as well as engage with the EPA, in relation to the potential for an on-site demonstration, which may lead to a commercial deployment.

### Feasibility Study Contract Awarded by QGC

On [7 April 2022](#), the Company announced it had been awarded a material contract, a feasibility study, by QGC Pty Limited, a Shell Group company. The material contract is based on Parkway performing a range of evaluations and assessing the feasibility of treating waste brine derived from QGC's coal seam gas water treatment plants, using Parkway's iBC<sup>®</sup> technology.

Subsequent to the contract award, the Company has recently received a purchase order from QGC for the contracted amount of approximately \$0.56 million (exclusive of GST).

The Company has commenced a range of activities in relation to the feasibility study related work program, and has additionally identified a potential offtake party that could conceivably procure the entire forecast production of the primary product (sodium hydroxide) from a potential wastewater treatment plant incorporating the iBC<sup>®</sup> technology. Whilst initial discussions are highly encouraging as they potentially provide a practical path-to-market for the primary recovered product, as discussions are preliminary in nature, these will be explored further during the feasibility study process, during the course of the year.

Immediately prior to announcing the feasibility study award, the Company provided an updated market assessment, indicating that the potential market opportunity for the iBC<sup>®</sup> technology was in the order of

\$307 million/yr, or up to \$9.2 billion<sup>1</sup> over the life of existing CSG projects operating in Queensland, Australia. Further details regarding the potential market opportunity for the iBC<sup>®</sup> technology are outlined in the [07 April 2022](#) announcement.

### **Major Chemical Complex Feasibility Study**

The Company has been collaborating with an EPC company that has been in discussions with a national government in relation to exploring the feasibility of expanding the processing of a salt project to include an integrated downstream chemical complex. The historical salt works project has been in operation for several decades and is a significant global producer of a range of salt derived chemical products. The Company has recently been informed, that the EPC company anticipates that it is likely to be formally award a feasibility study contract by the national government, in the near future. Subject to suitable contractual arrangements being finalised, Parkway expects to support (sub-contract to) the EPC company to provide a range of services, including process expertise relating to the beneficial processing of hypersaline brines for the recovery of saleable salt derived products.

On behalf of Parkway Corporate Limited Group Managing Director & CEO.



**Bahay Ozcakmak**

Group Managing Director & CEO

**The attached Appendix 5B has been authorised for release by Bahay Ozcakmak (Group MD & CEO) and Robert Van der Laan (Group CFO).**

### **ADDITIONAL INFORMATION**

For further information or investor enquiries, please contact:

**Bahay Ozcakmak**

Group MD & CEO

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**Alexander Cook**

General Counsel

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**General Enquiries**

1300 7275929

[1300 PARKWAY](tel:13007275929)

<sup>1</sup> Estimates based on evaluations performed by the Company, incorporating information from a range of public and internal sources. These estimates are provided for illustrative purposes only and should not be relied on for any investment related purposes. All estimates are subject to review, and may be revised or withdrawn, without notice.

## FORWARD-LOOKING STATEMENTS

This announcement may contain certain “forward-looking statements”. The words “continue”, “expect”, “forecast”, “potential” and other similar expressions are intended to identify “forward-looking statements”. Indications of (and any guidance on) future earnings, financial position, capex requirements and performance are also “forward-looking statements”, as are statements regarding internal management estimates and assessments of market outlook.

Where Parkway expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, “forward-looking statements” are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Parkway, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results, because events and actual circumstances frequently do not occur as forecast and their differences may be material.

Parkway does not undertake any obligation to publicly release any revisions to any “forward-looking statements” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under the applicable securities laws.

## ABOUT PARKWAY CORPORATE LIMITED

Parkway Corporate Limited is an Australian cleantech company focused on developing and implementing, industrial-scale innovative water treatment solutions. Parkway is listed on the Australian Securities Exchange (ASX: PWN) and is emerging as an innovative player in water related sustainability solutions. With significant inhouse technical expertise and established partnerships, Parkway is well-placed to deliver the next generation of wastewater treatment plants, incorporating the company’s portfolio of world-class technologies.

Parkway operates through three (3) core business units, comprising:

- Parkway Process Solutions (PPS) – Parkway’s primary operating division and an emerging provider of industrial water treatment products, services, solutions and associated technology to customers throughout Australia. PPS has recently established commercial relationships with key water industry participants, including globally recognised OEMs;
- Parkway Process Technologies (PPT) – Parkway’s technology development, acquisition, and commercialisation division. PPT owns a portfolio of industrial wastewater treatment technologies, including the patented aMES® and iBC® process technologies. PPT has global aspirations and is supported by a network of strategic partners, including global engineering company Worley; and
- Parkway Ventures (PV) – holds a portfolio of project equity and royalty interests, including interests relating to Parkway’s Karinga Lakes Potash Project in the Northern Territory of Australia.

Additional information regarding Parkway, including an overview of the corporate structure of Parkway and the companies in its corporate group, can be found at: [www.pwnps.com/pages/about-us](http://www.pwnps.com/pages/about-us).

## SOCIAL MEDIA & EMAIL ALERTS

Parkway is committed to communicating with the investment community through all available channels. Whilst the ASX announcements platform remains the most appropriate channel for market-sensitive news about Parkway, investors and other interested parties are also encouraged to:

- follow Parkway on LinkedIn, Twitter, Facebook and YouTube; and
- subscribe for our email alert service, Parkway News Alerts, on our website ([www.pwnps.com](http://www.pwnps.com)).

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Parkway Corporate Limited

ABN

62 147 346 334

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (09months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	980	2,161
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(550)	(1,619)
(e) administration and corporate costs	(331)	(959)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Cost of goods sold & inventory purchase)	(497)	(1,782)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(398)</b>	<b>(2,199)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	(780)
(b) tenements	-	-
(c) property, plant and equipment	(23)	(70)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (09months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(23)</b>	<b>(850)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	12
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>12</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,888	7,504
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(398)	(2,199)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(23)	(850)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	12

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (09months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,467</b>	<b>4,467</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,422	4,843
5.2	Call deposits	45	45
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,467</b>	<b>4,888</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	153
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
<b>7.4 Total financing facilities</b>		
<b>7.5 Unused financing facilities available at quarter end</b>		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(398)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(398)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,467
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,467
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>11.22</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2022

Authorised by: By the board  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.