

Quarterly Report - Update

Operation Report for Quarter Ended 31 March 2023

During the quarter the Company has continued R&D and product development as follows:

R&D Activities:

The company has continued its R&D activities in two major areas:

1. Air Treatment with the zero ozone FRG booster – The company is working on refining the design of the zero-ozone version of the FRG air treatment system and validating its performance. The focus of this quarter has been on seeking local manufacturing of prototypes for both reactor and power supply parts to make the product smaller and more energy-efficient. The company is prioritizing the ability of the FRG to destroy mould spores (*Aspergillus niger*) and vegetative forms of the same fungus as they are considered a severe health hazard. Internal testing has shown promising results, and the company is planning to seek independent validation in the upcoming months.
2. Surface Treatment with ACERT – The company is validating its Air Conditioning Environmental Remediation Treatment (ACERT) system by using challenging surface sterilization targets such as the *Aspergillus niger* spores mentioned earlier, which are difficult to kill and usually require high concentrations of disinfectants along with prolonged exposure. The company is developing new technologies to be used in combination with the ACERT system for effective sterilization of mold spores. This activity has the potential to expand into new markets, such as the medical instrument sterilization market, with a low energy-consumption product that could disrupt the industry.

Partnerships and commercialization:

1. Water Treatment with Osmoflo – The preliminary test work carried out with Osmoflo from February 2022 to December 2022 has been successful, and as a result, a commercial FRG-based water treatment system is being considered for use in key market sectors such as PFAS removal, brine treatment, and treatment of water without residual disinfectants. The two parties, are in the process of forming a co-development agreement for pilot testing and commercial development exploration in these and other sectors.
2. The company continues to seek other strategic partnerships for installation and maintenance of the ACERT and Air Purifier products together with partnership options on manufacturing and distribution. The company is also looking for OEM partnerships for the zero ozone FRG to existing HEPA based Air purification devices. Purifloh has opened up communications with other potential partners for its technologies..

Comment on Appendix 4C – Quarterly Cashflow Report

- The Company notes that it has continued to operate on funds drawn down from its Dilato facility. Expenditures are remaining relatively steady on a quarter by quarter basis.
- The Company drew down an additional \$50,000 only during the quarter and retains a facility through Dilato of \$2.205M.
- Funds spent during the quarter were mainly on R&D and associated expenditure.
- There were no director fees paid during the quarter. Most Directors continue to accrue fees.

This ASX announcement was authorized and approved by the Board of Directors of PuriflOH Limited.

End

For further information:

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