

## SHAREHOLDER AND INVESTOR UPDATE Q3 FY2022

Dear Shareholder,

On behalf of CleanSubSea's Board and Management Team, I am pleased to provide you with an update on the activities of your Company during Q3 FY2022.

### CORPORATE

#### COVID-19

Under current government directives, Western Australia's border restrictions have been eased. However, there are still several restrictions that are impacting the Company's ability to entertain potential international customers for demonstrations of the System.

Having the freedom to pursue directly, key opportunities overseas, will facilitate faster uptake of the technology.

#### CAPITAL RAISING

The Board is pleased to advise shareholders that during the Quarter, CleanSubSea raised at total of \$837,500 including an investment of \$700,000 at a price of \$0.10 per share.

The Board is currently undertaking further capital raising, via a cornerstone investor in 2H CY2022.

The funds from these raisings are a precursor that leads up and into the runway for our planned ASX listing later in the year. This will include funding for a prospectus & preparatory work for the ASX, completion of another 2 Envirocart units, further establishing international marketing & business development channels, and general working capital.

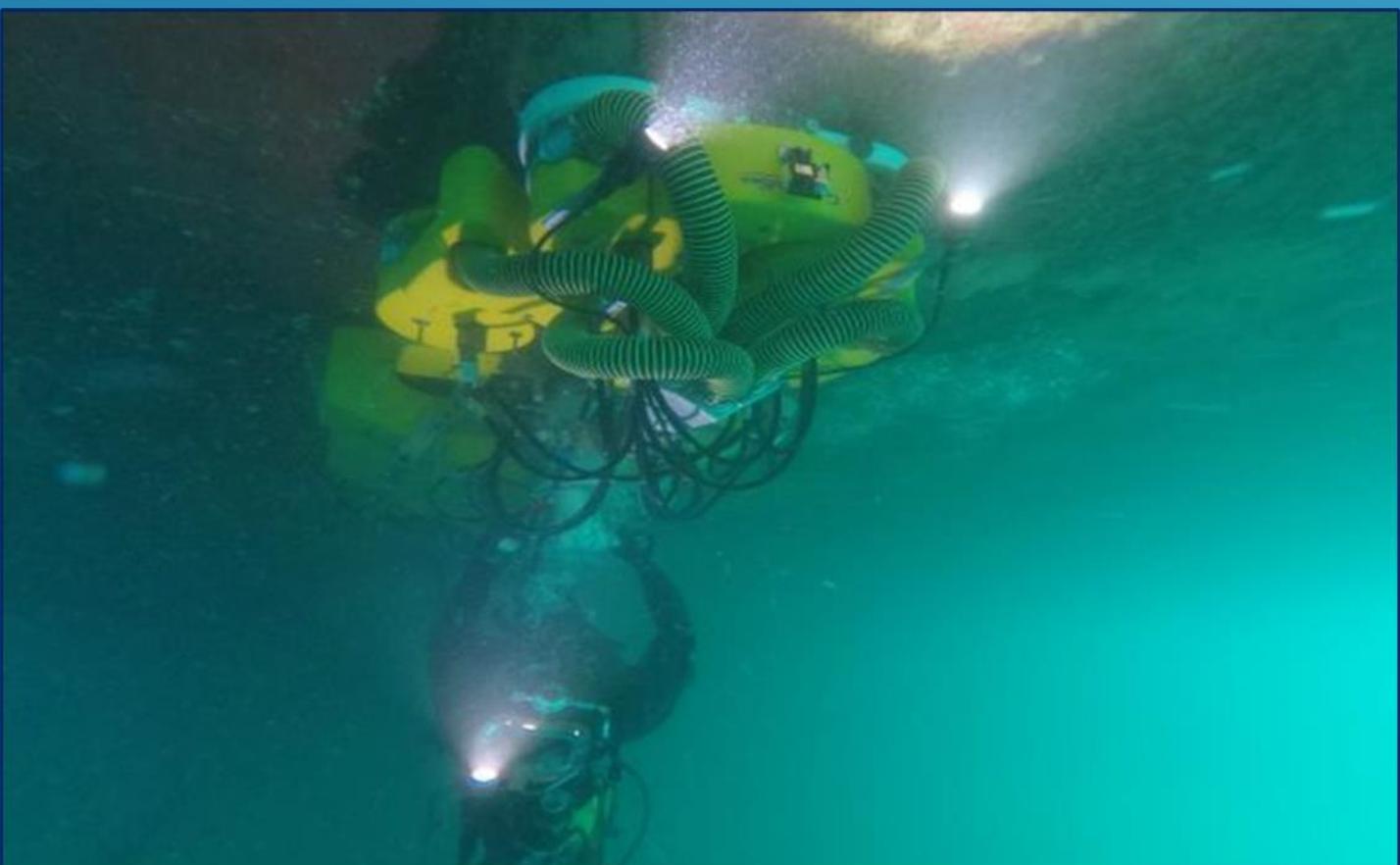
#### ASX LISTING UPDATE

The company is continuing to progress towards a targeted ASX listing in 2H CY2022.

Based on our updated financial forecasts for sales/leasing contract revenue, and given the time delays imposed by the pandemic, the Board still believes this updated time frame to be a realistic and achievable one.

### Q3 HIGHLIGHTS

- First new Envirocart system is currently being commissioned for delivery to South Africa in mid 2022.
- Significant interest has been received from other commercial entities in Africa and negotiations with several service providers are currently ongoing.
- International market opportunities currently being pursued in China, Singapore, UAE, Norway and Brazil.
- Oil & Gas Fortune 50 company recommits to the need for customised Envirocart systems for decommissioning assets.
- CleanSubSea ASX Listing preparation continues for targeted listing in 2H CY2022.





## ENVIROCARD MARKET OPPORTUNITIES

Despite Covid challenges, the Company continues to maintain strong engagement with a wide range of interested parties and has negotiated positions close to final contracts with several Underwater Maritime Service providers. The Company has now developed a pipeline of 25 real opportunities with various entities in different markets around the world.

Current opportunities being progressed include:

### Africa

The Company is pleased to advise that commissioning of the new Envirocart system is expected to be completed in May with arrival in South Africa due to occur late June. A considerable amount of interest has been received from other entities in Africa. Negotiations are ongoing with several service providers with significant interest shown for an in-country demonstration once the system arrives in South Africa.

### Brazil

The Company is in discussions with two Brazilian market leaders in Maritime Operations for collaboration and possible partnership to introduce the Envirocart technology into the Brazilian market. The company looks forward to sharing further details in due course.

### China

The Company is currently in negotiations with an organisation based in China. The current rapidly evolving Covid-19 situation in China is impacting on these discussions, and we expect to be able to re-engage with the potential client in the near future. The Company looks forward to sharing further details in due course..

### Norway

The Company is currently in advanced discussions with a large In-Water Hull Cleaning diving operator located in Norway. The Company looks forward to sharing further details in due course.

### Singapore

The Company is continuing to progress discussions with a diving operator that operates in both Singapore and Greece. The Company looks forward to sharing further details in due course.

### UAE

The Company is currently in negotiations with an In-Water Hull Cleaning diving operator located in Abu Dhabi. The Company looks forward to sharing further details in due course.

### Fortune 50 Opportunity

The Company is pleased to advise that it has re-engaged with a Fortune 50 Oil & Gas company regarding the opportunity to provide a customised Envirocart systems for decommissioning assets, with a planned start date of 1H FY2023. As previously mentioned, funding for the project will be provided by the customer. The Company looks forward to sharing further details in due course.

## OPERATIONS

CleanSubSea is pleased to provide the following update on our operations and progress during Q3 FY2022.

### ENVIROCART MANUFACTURE TIMELINE

The Company is pleased to advise that commissioning of the new Envirocart system is expected to be completed in May 2022. This includes the integration of remotely operable capabilities across the whole system.

### QUALITY ASSURANCE – ISO & LLOYDS APPROVAL IN PRINCIPLE (AIP)

A structured QHSE management system which incorporates a quality assurance program, is being established and followed.

The ISO 9001:2015 stage 1 audit has been completed with stage 2, which will lead to ISO accreditation, planned to be completed in 2H FY2022. The Company continues to pursue Lloyds AIP which is a pre-requisite to becoming an endorsed BIMCO IWHC equipment provider. Along with quality assurance standards, these steps will also lead to streamline manufacturing processes and a reduction of associated costs.

### FINANCE

The Company continues to manage its cash position carefully, as it completes the manufacture and commissioning of two new Envirocart systems and prepares for planned listing ASX.

### INTERNATIONAL LEGISLATION AND ACCREDITATION

#### Baltic And International Maritime Council (BIMCO)

CleanSubSea continues to participate in BIMCO's IWHC focus groups and providing advice for new international standards being released in FY2022. This allows CleanSubSea to be a part of the process that determines performance criteria that will form the guidelines. CleanSubSea expects BIMCO accreditation to be awarded to the company in 1H FY2023. It is highly anticipated that the BIMCO guidelines will become a cornerstone of the new IMO legislation.

#### International Maritime Organisation (IMO)

The International Maritime Organisation made a presentation on Responsible BioFouling Management to mitigate GHGe and protection of Marine Biodiversity at COP26 in Glasgow last year. This is the first time this industry pain point has been shared with world leaders. This level of exposure and focus aligns closely with the maritime sector, being one of the largest GHGe industry sectors. CleanSubSea maintains its direct line of sight contact with the International Maritime Organisation through its founding membership status of the IMO GloFouling Initiative. CleanSubSea will ensure it is firmly at the front edge of this curve and the legislative changes that are expected to be introduced.

#### International Organization for Standardization (ISO)

CleanSubSea is proactive participant in the work group looking to develop an internationally recognised ISO standard for In-Water Hull Cleaning.





Thank you for your ongoing support and commitment to CleanSubSea. If you have any questions or would like to discuss any of the details presented in this newsletter, I encourage you to contact the Company.

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