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ASX Announcements
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Clarification of Media Release

PuriflOH Limited ("PuriflOH" or "Company") wishes to provide clarification of its Media Release provided to the ASX on 3 June 2021 – "*Press Release Hotel Quarantine*".

The Media Release was developed in response to the ABC 7.30 Report on 31 May 2021 entitled "*The invisible threat of airborne COVID transmission inside hotel quarantine*". The Media Release was intended to provide commercial market awareness to the Products that the Company is currently preparing for sale and to highlight previously released information on the PuriflOH pre-commercial and commercial ready suite of solutions that could be utilised for prevention of airborne transmission.

There was certain information contained in the Media Release that is subject to both clarification and retraction as noted within this release.

Statements within the Media Release on PuriflOH's ability to kill microbes

The Media Release highlighted that *"Tests show PuriflOH devices can destroy up to 99.9% of airborne biological and chemical contaminants, including viruses, bacteria, spores, mould, VOC and smoke."*

PuriflOH has previously advised the ASX on 17 May 2018 - "*Aerosol Results*" - that independent test results conducted at an independent laboratory, Aerosol Research and Engineering Laboratories ("Aerosol") in Kansas had proven that the Company's Free Radical Generator Technology produced "*Total kill rates of biological contaminants in the entire room is extremely high, achieving 99.999% bacteria removal and 99.9999% virus removal in 90 minutes."*

PuriflOH confirms the above statement but clarifies that the PuriflOH device has not been tested against SARS-CoV-2, the virus that causes the disease known as COVID-19. It must also confirm that it has not yet endeavored to confirm that it can kill SARS-CoV-2 through TGA prescribed methodology1 as there are limited ISO17025 (Good Laboratory Practice) certified laboratories that have certification and equipment to challenge airborne pathogens. Those that are available have had waiting lists to achieve the testwork.

[1] https://www.tga.gov.au/disinfectants-sterilants-and-sanitary-products

PuriflOH retracts the following Statement in the Media Release.

"*We have our Air Conditioning Sanitisation device currently being manufactured and due to market in the next three weeks and as such call on all state governments to install this innovative, proprietary Free Radical Generator (FRG) technology into hotels being used for quarantine.*"

This may lead investors to believe that the Company has proven that its devices can kill SARS-CoV-2. The Company has not yet conducted that testwork and hence retracts the Statement. Investors should not rely on the retracted information for their investment decision.

PuriflOH advised in its recent quarterly that it had decided not to continue with its plans to test that its devices can kill SARS-CoV-2. However the Company is currently in discussions with an appropriately certified Australian based laboratory to seek to prove that the Company's FRG units can destroy SARS-CoV-2 amongst other testwork planned to be undertaken. As part of overall testwork the costs of this testing is not material.

The Company stated in its Media Release that its technology "*delivers the assurance of best-in-class air and air conditioning surface disinfection*." The Company notes that PuriflOH is not aware of other products offering daily disinfection of the air conditioning coils which harbour pathogens and hence the PuriflOH product may well be best in class. This has not yet been assessed by an independent third party.

PuriflOH acknowledges that the statement represents an aspirational target and consequently retracts the statement. Investors should not rely on the retracted information for their investment decision.

Sales, Marketing and Production of PuriflOH products

PuriflOH has previously advised the ASX that it is preparing for sale two products as below:

1. The Airconditioning disinfection technologies ("ACERT"); and
2. The whole of room air purifier ("WRAP").

The treatments are intended for all sites identified by ASHRAE (The American Society of Heating, Refrigerating and Air-Conditioning Engineers) and US CDC (Center for Disease Control) as potentially harbouring pathogens in air handling systems.

The ACERT unit is an elegant and inexpensive solution recently pioneered by Dr Alex Sava as a comprehensive answer to the known problems of pathogen harboring sites within air conditioners. This technology is currently undergoing patent protection by PuriflOH. These hard-to-access sites are the main suspect of airborne transmission between guests and guests-to–staff. [2]The ACERT unit will also be ready for market once it has completed its trials through Aspen Medical and other interested parties and is the unit to which the Media Release was dominantly referring. The unit is able to be both presented in new units and retrofitted.

The comercialising of the WRAP unit is a little way behind the ACERT unit but on track for the previously advised Q4 (December) production.

[2] https://www.agcoombs.com.au/news-and-publications/advisory-notes/modifying-hvac-systems-to-reduce-sars-cov-2-transmission/

The Company has regularly provided updates as to the manufacturing of its units, noting that:

1. Design and Industry (D+I) www.design-industry.com.au, which lists Bioscience and Medical devices amongst its specialties has been engaged to produce a Design for Manufacture for the Company's WRAP. D+I is focussed on the manufacture of the cabinetry and power supply associated with the Company's core Free Radical Generator; and
2. The Company is currently manufacturing its core FRG at Industry Star of Detroit. www.industrystar.com

The Core FRG unit is utilized in both ACERT and WRAP and is relatively interchangeable between the two.

An initial order for 200 units has been placed with Industry Star, delivery and deployment of which will commence before the end of June 2021. The Company has previously advised that: *"Initial sales of these products will provide for field pilot sites and hence will not provide material revenue or cost but act as a critical reference site for future sales."* (ASX: "Aspen Medical Agreement" 12 May 2021).

The Company confirms the above statement that initial sales of the ACERT unit during the trial phase will not provide material revenue. It would also confirm that whilst it is well aware of deployment plans by Aspen and others, it does not have a physical sale order as represented by a purchase order or similar.

The Company's Media Release stated that its FRG technology was easily and cost effectively scaleable for a broad range of settings. The current scale up is an increase from the single prototype production the Company has previously experienced and is an important step forward for the Company. The Aspen Medical Agreement noted that the initial scale and revenues are for field pilot sites and hence is not a mass scale production, nor a material revenue. The Company has noted a significant reduction in costs from the single unit production to a larger batch production and anticipates such a reduction of costs will continue as PuriflOH moves towards continuous production. As PuriflOH is not aware of any other product available in the market that is pursuing the outcomes of the ACERT unit PuriflOH believes the solution will be cost effective.

Both D+I and Industry Star are finalising a process to scale up manufacturing of the devices. That process will identify suitable partners with production and sourcing capability, together with the cost per unit for scale manufacturing. Once that process, together with the results from the field trials, have been concluded the Company will be able to consider its capital needs as part of the scale up process.

At the moment the Company is adequately funded through its loan facility from its major shareholder, Dilato Holdings Pty Ltd. He Company retains a drawdown capability of $853,000 from Dilato and has reduced its operating costs significantly.

This release is authorised by the Board of PuriflOH Limited.

End

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Relevant ASX Releases

17 May 2018 "Aerosol Results"
29 Jan 2021 "Quarterly operations update"
22 April 2021 "Board Changes"
12 May 2021 "Aspen Medical Agreement"
22 May 2021 "Presentation to Baker McKenzie CleanTech Conference"