

AQUIRIAN LIMITED – FINANCIAL RESULTS FOR FY24

Financial Highlights:

- Revenue of \$23.2 million, down 12.0% on PCP.
- Underlying EBITDA¹ of \$3.5 million, down 2.8% on PCP.
- Positive operating cash flow of \$6.8 million.
- Cash and cash equivalents of \$4.7 million.
- ASX reporting changes to half-yearly based on Aquirian Limited's positive net operating cash flow.

Operational Highlights:

- Wubin Emulsion Facility was acquired and is in production.
- Ammonium Nitrate (AN) storage and handling revenues committed for 1,500t.
- Western Energetics in commercial discussions for contracted volumes.
- Successful field trial of the Collar Keeper® automated system
- Subsidiary Maglok awarded \$1.3 million Australian Government contract.

Managing Director – Greg Patching commented:

"This year, we have consolidated our business to focus on our key strategic growth areas, energetics and technology. These operational changes have improved our operating cost base and allowed us to invest in critical areas that drive earnings growth. Exiting the non-core businesses has streamlined our resources and improved our capital management capability.

Operationally, production at the Wubin Emulsion Facility is increasing and generating revenue through multiple streams. Successful field trials of the automated Collar Keeper® System are progressing to a production-ready model in the upcoming fiscal year. Our customers will benefit from this unique service offering, as it will deliver efficiency and cost savings to their business while improving their blast hole and blast outcomes.

Our energetics and technology strategy brings us closer to our customers and develops deep relationships through its unique offering. Our contracted positions enable us to create diverse and sustainable revenues to deliver shareholder value."

Aquirian Limited (ASX: AQN) ('Aquirian' or 'the Company') is pleased to report its results for the financial year ending 30 June 2024 (FY24).

Total revenue was \$23,163,888, a 12.0% decrease, while FY24 underlying EBITDA¹ of \$3,477,951 was a 2.8% decrease compared to the PCP.

The underlying financial results exclude the non-cash expense of \$1.3 million related to the strategic review of the Cybem Services business. The Group exited the engineering and heavy vehicle workshops with \$0.8 million for write-down/disposal of parts and equipment, and \$0.5 million is associated with goodwill impairment. The goodwill impairment value sits outside of EBITDA¹.

The Company's balance sheet remains strong, with net assets of \$11.4 million.

The Company's operating cash flow was \$6.8 million, with cash and cash equivalents of \$4.7 million¹. Net debt is \$9.3 million, an increase of \$5.9 million from PCP, which includes \$10 million debt for the Wubin Emulsion Facility acquisition.

The strategic decision to exit CYBEM mechanical and engineering workshops and lower underground fleet utilisation impacted the annual financials along with 'one time' non-restart expenses associated with Wubin.

FY24 Operational Overview

Mining Services:

Overall, the Mining Services Division delivered a solid year, driven by products, technology, and energetic storage manufacturing. Maglok was awarded a \$1.3m Government contract in the last quarter of FY24, which underpins the order book for FY25.

Field trials of the prototype Automated Collar Keeper® System on an Epiroc T45 drill performed exceptionally well, allowing the drill operator to remain in the cab throughout the drilling and collaring process. No significant issues were identified during testing, with positive feedback for our in-house technical team to incorporate into the production-ready model.

Additionally, the manual Collar Keeper® System development for Sandvik drill rigs is nearly completed, with trials expected in the coming quarter. The ability to provide our technology to Sandvik drill rigs significantly increases the available market for this unique technology.

The opencut rental fleet continued to be highly utilised. However, demand remains subdued for some underground rental fleet.

The heavy equipment and engineering workshops were exited during the year following a strategic review. This decision allows us to redeploy capital and focus on our growth areas of Collar Keeper® System and Western Energetics.

Western Energetics

The company successfully acquired and reactivated the Wubin Emulsion plant ahead of schedule and without any significant issues. The facility is in production, and there has been significant interest, with several customers visiting the facility and expressing interest in toll manufacturing, product supply, and storage. Commercial discussions for contract volumes are being held. Additionally, logistics providers are exploring opportunities to use some of our 150 hectares of land at the site.

We have also announced that Western Energetics has reached confidential terms with a prominent industry partner to store and handle ammonium nitrate (AN) for all the available capacity at Wubin. With this agreement and the growing interest, Western Energetics has initiated a study to expand Wubin's AN capacity.

The acquisition of Western Energetics is an integral part of our strategy to provide customers with a unique solution for optimising blast holes and blast outcomes. This move will bring us closer to customers and position our business for long-term growth.



(Figure 1: Wubin Emulsion Plant)

People Services

The **People Services** division performed well, with recruitment experiencing increased demand in the year's second half. Labour availability remains the biggest challenge to growth. Training continued to experience a steady demand for classroom activities.

Outlook for FY25

The Company remains optimistic about the outlook for FY25 as we work towards achieving our strategic outcomes. While various economic factors will undoubtedly impact market sentiment, we are experiencing steady demand for our unique products and services across our business units.

We actively review all business areas and are confident in our positioning of Western Energetics and the Mining Services divisions. Recent initiatives with these business divisions have resulted in significant customer interest, which we are confident will result in sustainable increased revenue and improved margins over the medium to long term.

Our commitment to our technology and energetics strategy remains unwavering. We continue to prioritise delivering high-quality products and services for our customers. Our strategic approach aims to deepen customer relationships by ensuring more consistent and beneficial blast fragmentation outcomes.

-ENDS-

This announcement has been approved for release by the Board of the Company.

Investor Enquiries

Greg Patching
Managing Director
Aquirian Limited
greg.patching@aquirian.com
+61 8 6370 5400

Stephen Moloney
Corporate Storytime
stephen@corporatestorytime.com
+61 (0)403 222 052

About Aquirian

Aquirian is a specialised mining services company that provides drill and blast solutions to mining clients. It offers innovative products and services to optimise blast hole outcomes, improve cost and production efficiencies, and enhance environmental performance.

The Company has a solid national and international presence, with in-house capabilities and extensive relationships developed over many years of working in mining services globally. Western Energetics is a wholly owned subsidiary of Aquirian, with its facility strategically located to provide storage, logistic and energetic solutions to Western Australia's mining industry.

¹ EBITDA refers to earnings before interest, taxation, depreciation, and amortisation costs.