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Annual Report 2024

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Stock Exchange Listing

Zeotech Limited securities are listed on the Australian Securities Exchange (ASX code: ZEO)

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CHAIR'S LETTER

Sylvia Tulloch BSc. MSc.

Zeotech made tremendous progress during the year in advancing key strategic projects, which include high-reactivity metakaolin for low-carbon cement and concrete and manufactured zeolites for methane emissions control and soil carbon sequestration.

Our vision is to leverage the Company's high-grade Toondoon kaolin resources and advanced materials for a sustainable future. Our investment in novel and proprietary mineral processing technology, together with large-scale climate technology initiatives, continues to position the Company well to benefit from the tailwinds in sustainability and climate change mitigation.

The research program completed by Central Queensland University on a range of the Company's kaolin profiles demonstrated that a high reactivity metakaolin ("HRM") can be produced from Toondoon kaolin that exceeds the Australian and international standards for a manufactured pozzolan.

Toondoon's high-grade raw kaolin unlocks a simple and cost-effective process circuit that can produce a competitive HRM and extends a potential commercial advantage due to the reduced processing required.

The Company aims to deliver a superior supplementary cementitious material ("SCM") that can be used in concrete to partially replace cement and, in the future, to partially replace clinker in cement, thus lowering the carbon footprint of both.

With a test pit completed at the Toondoon project earlier this year, the Company is now focused on preparing larger samples of Zeotech's HRM for concrete pilot trials, commencing feasibility and front-end engineering design studies, and advancing commercial opportunities associated with low-carbon cement and concrete.

While these activities focus on HRM for cement and concrete, as metakaolin is the primary feedstock to produce manufactured zeolites, this work will accelerate the commercialisation of our proprietary mineral processing technology and climate technology initiatives relating to methane emissions control and soil carbon sequestration.

In collaboration with Cleanaway Waste Management, the methane emission control program has shown positive progress as it has advanced to infield validation trials at Griffith University ("Griffith").

Early batch experiments showed promising oxidation efficiencies of 70-80% for two of the tested zeoteCH₄® compounds, and continual trials over the March quarter demonstrated that two of the Company's zeoteCH₄®

products had achieved continuously high oxidation rates of greater than 70%, following the initial inoculation period.

The strategic decision to extend infield validation by 6-months allows time for the configurations to be further optimised for improved bio-methane generation, accommodate additional data collection and analysis across a range of seasonal conditions, and importantly evaluate maximum methane oxidation potential that can be achieved.

Our agri-soil product development associated with nutrient management and soil carbon research was completed during the year with positive results that continue to validate the potential of an agri-soil product to enhance the efficiency of fertiliser application, together with considerable potential to sequester organic and inorganic soil carbon.

Together with the Company's preceding agronomic study, this represents more than 3-years of combined research and development effort, resulting in the lodging of a patent application associated with carbon sequestration in soils using our zeolite-based products.

We continue to prudently manage the Company's balance and develop pathways that best leverage the cashflow to advance our research and development activities, including through the Federal Government's R&D tax incentive.

Recognising the magnitude of the near-term opportunities with Zeotech's HRM product, the Company has completed a restructure of its personnel. This included recruiting an experienced principal process engineer and, more recently, we welcomed new Chief Executive Officer, James Marsh. With these appointments, I am confident we have the experience and expertise to deliver on the Company's strategic objectives.

On behalf of the entire Board, I would like to express my gratitude to our Managing Director, Peter Zardo, and our entire team, for their commitment to advancing the interests of our Company.

Finally, I would again like to thank you, our shareholders, for your support. We are all stakeholders in building an innovative Australian technology company and have much to look forward to as we advance our goal to contribute to a net zero future.

Yours sincerely,

Sylvia Tulloch
Chair

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DIRECTORS' REVIEW OF ACTIVITIES



MINERAL PROCESSING TECHNOLOGY: MANUFACTURED ZEOLITE

In-house Research & Development

Activities in the in-house lab focussed on scaled-up production of manufactured zeolite products using the Company's trade-secret and patent-pending processes.

Production during the year was aimed at Zeotech products that could advance under the methane Program with Griffith University ("Griffith"), pending the final decision to move forward with infield trials, which was announced in January 2024.

A Zeotech product synthesised from coal combustion by-product feedstock from a Southeast Queensland generator using its patent-pending process was introduced into the Company's methane emission control program, and advanced through to infield trials. This follows the lodgement of two patent applications in July 2023 for the synthesis of low-cost zeolites from coal combustion and lithium process by-product.

More than 300 kilograms of the product were delivered to Griffith in preparation for the methane Program advancing to the field validation stage. Toward the end of the year, effort was focussed on producing manufactured zeolite product to fulfill the 500-kilogram bulk sample for Protekta Incorporated ("Protekta") using the Company's trade-secret and patent-pending processes.

Planning work was completed to scale up in-house zeolite production to approximately 100kg per week to meet ongoing R&D requirements and increase zeolite inventory to meet commercial inquiries.

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HIGH REACTIVITY METAKAOLIN FOR LOW-CARBON CONCRETE

Early in the year, the Company executed a proposal with Central Queensland University ("CQUniversity") to investigate the suitability of its Toondoon and Abercorn kaolin clays across a variety of grades as a high reactivity metakaolin ("HRM" or "Metakaolin") to maximise their potential commercial value as an effective supplementary cementitious material ("SCM") that could advance low carbon cement and concrete.

¹ "Analysis of theoretical carbon dioxide emissions from cement production" Journal of Cleaner Production (2022)

² "Investigation into the suitability of natural clays from Central South Queensland, Australia, deposits as supplementary cementitious material". Central Queensland University (2024)

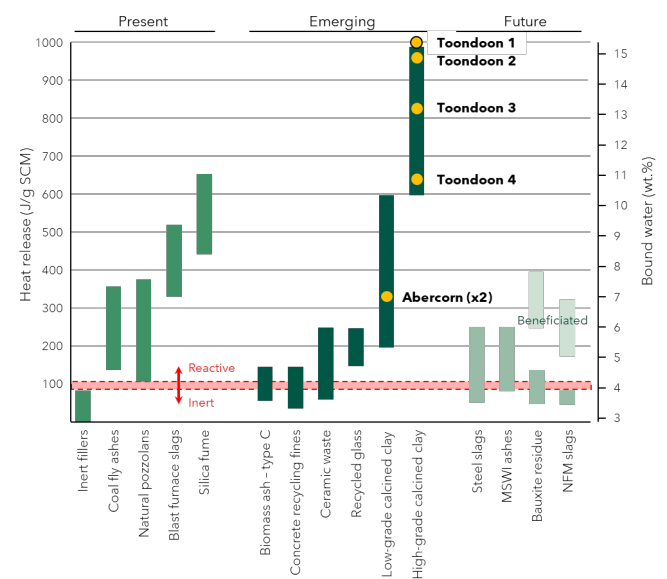
Production and use of cement accounts for approximately 8% of worldwide carbon dioxide emissions¹, highlighting a major market opportunity for the Company.

Metakaolin is in demand as an SCM to partially substitute clinker in Portland cement, along with the potential to partially or fully replace conventional SCMs such as fly ash and blast furnace slag that are increasing in cost and are forecast to decrease in availability².

The use of metakaolin or calcined clays as SCMs provides the opportunity to reduce the cement industry's carbon emissions significantly, and followed some early results provided by a Queensland cement producer, that received and analysed Toondoon kaolin samples and highlighted the considerable promise for an effective SCM.

The use of SCM's is the most viable alternative to mitigate carbon dioxide emissions of the cement and concrete industries in the short term, and metakaolin is increasingly regarded as the most promising pozzolanic material for the future².

The results from the CQUniversity study confirmed that a HRM that exceeds the Australian Standard³ and ASTM International Standard⁴ for a manufactured pozzolan, can be produced from a range of the Company's Toondoon kaolin profiles.



(Figure 1) Reactivity levels of Toondoon & Abercorn samples compared with presently used inert fillers and common, emerging and future SCMs ("Cement and Concrete Research" Snelling et al. (2023))

³ Australian Standard AS 3582.4

⁴ ASTM International Standard C1897

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Various test methods and indicators were developed to determine the physical and mineralogical composition, reactivity, and mortar strength, alongside practical considerations such as water demand and workability.

The tests followed the Australian Standard³ and the ASTM International Standard⁴ for SCMs. Under the ASTM International Standard, the 'R3 test' (Rapid, Relevant, Reliable) was carried out on all samples to assess the pozzolanic reactivity of the metakaolin (Fig.1).

Results from the characterisation and reactivity tests showed that all four kaolin samples from Toondoon are considered high-grade kaolin clays with high pozzolanic reactivity, capable of producing HRM.

The high kaolinite content of Toondoon's raw ore, of between 80-90%, is an important indicator of pozzolanic strength and underpins a simple flowsheet and extends the potential competitive advantage due to the limited beneficiation required to produce metakaolin.

Two samples from Abercorn were considered low-grade kaolin clays by comparison; however, they display characteristics of a reactive pozzolan and comparable performance to conventional SCMs such as fly ash and blast furnace slag.

The results have supported ongoing commercial discussions with the cement industry to target the provision of a high-quality SCM that could advance low-carbon cement and concrete products alongside expanding business development activities.

Test Pit Completed



(above) test pit at the Toondoon Kaolin Project

The Company completed a test pit that produced 35 tonnes of high-grade raw ore kaolin. This is being utilised to manufacture HRM and advance commercial opportunities with the cement and concrete industry, as well as to scale up manufactured zeolite production.

The increased quantities of HRM will facilitate pilot trials with the cement and concrete industry and support expanded business development activities.

The kaolin will undergo simple processing (milling and classifying) and be bagged for easier handling. The bagged product will then be transferred to a separate facility where it will undergo calcination to produce the targeted HRM products.

Life Cycle Analysis

The Company has reviewed and has since accepted a proposal to conduct a Life Cycle Analysis ("LCA") for the production of HRM from the Toondoon kaolin project.

The LCA aims to establish the carbon footprint of a HRM product by evaluating the greenhouse gas ("GHG") emissions associated with the lifecycle of 1 tonne of HRM.

The results could inform decision-making around manufacturing and distribution processes, alongside evaluating the impact of HRM replacing a percentage of cement to deliver low-carbon concrete.



METHANE EMISSIONS CONTROL

The methane emissions control program ("Methane Program"), in collaboration with Griffith and Cleanaway Waste Management Limited ("Cleanaway"), aims to develop a zeolite-based technology that can be deployed within landfills' surface capping soil.

The solution aims to adsorb and eliminate methane emissions through a process of chemical or biological oxidation, and potentially mitigate a greenhouse gas that has 28 times the global warming potential of carbon dioxide⁵. The primary mechanism of methane abatement is biological oxidation using methane consuming bacteria known as methanotrophs.

Bench-scale trials showed that the presence of zeoteCH₄® materials does not inhibit microbial growth, and that the microbes are actively colonising and co-existing with the zeoteCH₄® products, which is an important step for pairing the zeolite materials with the methanotroph communities.

Early batch experiments showed promising 70-80% oxidation efficiencies for two of the tested zeoteCH₄® compounds, and all product formulations achieved at least 50% oxidation.

Continual trials over the March quarter demonstrated that two of the Company's zeoteCH₄® products had achieved continuously high oxidation rates of greater than 70% following the initial inoculation period.

⁵ IPCC. Climate Change 2014: Synthesis Report 2014.

Additional testing on configurations more closely aligned to the intended infield design had shown oxidation rates exceeding 90%, highlighting the potential to enhance constant oxidation rates as the Methane Program aims to further optimise the technology during the field validation stage.

Completion of Activity B triggered a 'stop/go' provision within the research agreement with Griffith. Based on the positive results and high levels of constant methane oxidation, Zeotech and Griffith decided to advance to Activity C – Configuration Development and Activity D – Field Validation.

Methane Program stakeholders agreed to progress with controlled field trials at Griffith, utilising materials sourced from a Cleanaway landfill site.



(above) simulated configuration development at Griffith University

The adjustment from a Cleanaway landfill to simulated configurations at Griffith was determined as the most efficient pathway to scale the Company's methane emissions control technology following the successful lab trials.

The simulated field trials allow the project team to optimise configurations, increase data collection frequency, and evaluate the maximum methane oxidation potential that can be achieved by the Company's zeoteCH₄® products.

The two zeoteCH₄® products taken forward to field validation are manufactured utilising feedstock from the Company's Toondoon kaolin resource, together with a circular product using Toondoon kaolin combined with a coal combustion by-product from a Southeast Queensland generator.

The latter product is manufactured under process conditions associated with the Company's 'methods of preparing a zeolite' patent application lodged in July 2023 and has the potential to offer a circular solution for substantial quantities of coal combustion by-products, alongside contributing to GHG gas mitigation.

Three field simulation configurations were commissioned in May. Two configurations contain the Company's zeoteCH₄® products, which have shown

constant high oxidation rates in earlier lab-scale activities during the Methane Program. A third configuration contains methanotroph inoculum only and will be used as a benchmark for the Company's products.



(above) landfill cover soil collection at a Cleanaway Waste Management site

Following commissioning, a steady ramp-up of bio-methane production was observed; however, due to cooler seasonal conditions, the level of bio-methane production did not reach targeted levels.



(above) simulated infield configurations at Griffith University

The configurations are being further optimised for improved bio-methane generation that better reflects an operating landfill in the current climatic conditions. This led to the strategic decision to extend infield validation by 6-months to accommodate additional data collection and analysis, across a range of seasonal conditions. Methane Program completion is now expected in December 2024.

The extension does not reflect the potential of the Company's technology but rather seasonal factors that have impacted the level of bio-methane generation and, consequently, the ability to measure the oxidation efficiency of the methane control solution. The extension is also expected to provide the Company with a fuller dataset to advance potential commercial opportunities during and upon completion of the Methane Program.

Patent Protection

The Methane Program continues to unlock significant new intellectual property and a broader understanding of the commercialisation process. The Company is taking practical steps to protect the intellectual property being generated by exploring the patentability of novel aspects of Zeotech’s technology.

Following extensive development of the Company’s technology, a provisional patent application titled ‘Zeolites for Methane Control’ was lodged with the Australian Patent Office⁶.

The invention relates to a method for treating ground-based methane gas emissions from an area, such as landfill, by applying the Company’s methane control technology, utilising zeolite material and methanotrophic bacteria.

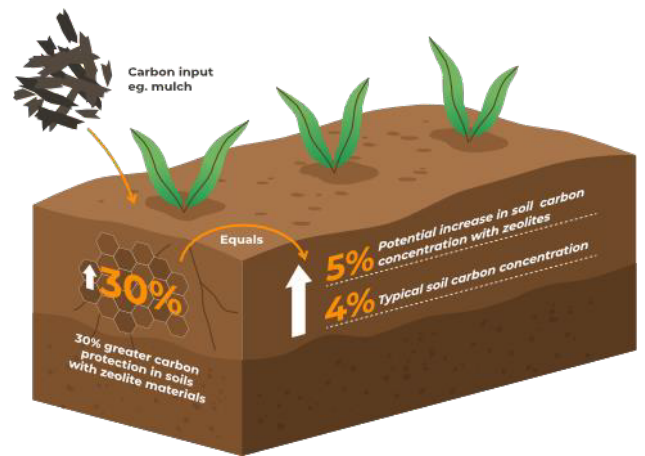
The patent establishes potential novel and inventive steps associated with the Company’s methane control solution and aims to safeguard possible commercial opportunities that could result from the technology and its ongoing commercialisation.

The datasets generated from the agri-soil program, led to the lodging of a ‘Method and Use of Zeolites’ patent application on 21 August 2023, associated with carbon sequestration in soils utilising the Company’s zeolite-based products⁷.

Soil Organic Carbon

Datasets have been established across multiple experiments, ranging from small-scale incubations containing soils only, through to the recent larger-scale five-month plant growth trials, that have confirmed that the addition of manufactured zeolites to soils has the potential to significantly boost soil carbon sequestration.

The results from trials accord well with the earlier carbon incubation trials and demonstrate that zeolites protect 30% more carbon added to soils (e.g. in the form of mulch) than soils receiving added carbon with no zeolites (refer Fig. 2).



(Figure 2) Illustration showing the impact of the Company’s zeolite materials protecting 30% more carbon added to soils, than soils with no zeolites.

When scaled up, this protected carbon could represent significant amounts of additional carbon sequestration. For example, for a typical soil with 4% initial soil carbon concentration, this would equate to an increase of 5% carbon, and result in additional carbon sequestration of 160 tonnes of CO₂ equivalents per hectare⁸.

Alongside recent independent and peer-reviewed publications^{9,10}, the results from the Agri-soil Program confirm the ability of high surface area minerals, like zeolite, to offer good prospects for meaningful long-term soil organic carbon sequestration.

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NUTRIENT MANAGEMENT & SOIL CARBON

Zeotech continues to advance its integrated business model by cultivating potential markets for large-scale applications for its targeted manufactured zeolite products. A key pillar of this strategy is the dual-stream nutrient management and soil carbon research program (“Agri-soil Program”), in collaboration with Griffith.

The Agri-soil Program, together with the Company’s preceding agronomic study, represents more than 3-years of combined research and development effort. The results and data from the Agri-soil Program have continued to validate the potential for Zeotech targeted products to enhance the efficiency of fertiliser application, together with considerable potential to sequester organic and inorganic soil carbon.

Soil Carbon

Activities under the soil carbon stream aimed to establish the carbon sequestration potential of Zeotech products when applied to common agricultural soil types.

⁶ ASX Announcement 29/07/2024 “Quarterly Activities Report ended 30 June 2024”

⁷ ASX Announcement 30/10/2023 “Quarterly Activities Report Ended 30 September 2023”

⁸ Dr. Chris Pratt – Griffith University. Assumes soil bulk density of 1.6 tonne/m³ and an active depth of 30cm.

⁹ Kirschbaum, M. U. F., Moinet, G. Y. K., Hedley, C. B., Beare, M. H. and McNally, S. R. 2020. A conceptual model of carbon stabilisation based on

patterns observed in different soils. Soil Biology and Biochemistry 141: 107683

¹⁰ Georgiou, K., Jackson, R. B., Vinduřková, O., Abramoff, R. Z., Ahlström, A., Feng, W., Harden, J. W., Pellegrini, A. F. A., Polley, H. W., Soong, J. L., Riley, W. J. and Torn, M. S. 2022. Global stocks and capacity of mineral-associated soil organic carbon. Nature Communications 13(1): 3797 10.1038/s41467-022-31540-9.

Soil Inorganic Carbon

Results confirmed the effectiveness of the Company's manufactured zeolites in protecting soil organic carbon and supporting soil inorganic carbon (carbonate). Soil inorganic carbon stocks are lower than organic carbon; nevertheless, they represent an important carbon pool in regulating the global climate.

Results demonstrated that the addition of Zeotech products can provide the necessary chemical conditions for organic and inorganic carbon protection in soil, primarily from their alkaline pH and supply of base nutrients.

This process is particularly promising for agricultural soils, which commonly experience acidification resulting from continued application of ammonium-based fertilisers. Over time, the ammonium is oxidised to nitrate by the soil microbial community, and the soil becomes acidic¹¹. By buffering against this acid-generating process, zeolites can directly protect common soil inorganic carbon compounds.

Nutrient Management

The nutrient management stream focussed on developing and optimising zeolite-based nutrient delivery compounds, and evaluating the performance of the compounds in glasshouse agronomic trials.

Following the promising nutrient sorption and desorption trials announced in May 2023, that demonstrated superior phosphate, nitrate, and ammonium retention capacity of Zeotech products relative to natural zeolites, activities progressed toward optimising nutrient loading and testing configurations in nutrient delivery trials.

Formulation development considered loading the zeolite compound with key commercially available nutrients – nitrogen (N), phosphorus (P), and potassium (K). Two approaches were investigated to form the zeolite and fertiliser compound, including:

1. Dry fusion – where the zeolite powder was directly blended with the commercial fertiliser and a binding agent to form the granule; and
2. Liquid sorption – where the zeolite granule was 'soaked' in the commercial fertiliser that has been dissolved in water.

Nutrient leach testing on the formulations blended with commercial fertiliser showed promising results, by exhibiting lower leached nutrient concentrations compared with conventional chemical fertiliser.

This shows that the zeolite-fertiliser compounds provide a more efficient release mechanism for nutrients over a longer period, compared with conventional fertiliser application.

When applied in the plant growth agronomic trials, the zeolite fertiliser compounds that underwent liquid sorption generally resulted in a positive impact on plant growth and outperformed the dry fused compound. Given the similar performance of the two blending approaches observed in the leaching test, the reasons for the variance are not clear, and further research may be warranted to understand this difference.

Overall, results from the nutrient management stream confirmed that several liquid sorption zeolite formulations display promising performance in terms of nutrient leaching and plant growth in the agronomic trials.

Next Steps

The final report has provided a platform to extend the Company's engagement with industry and underscores the potential for the Company to develop an agri-soil product to improve soil carbon and nutrient dynamics in agricultural soils.

Subsequent to the quarter, a publication was approved in Science Direct Soil and Tillage Research titled "High surface area inorganic minerals show promise in protecting carbon from soil organic amendments". The publication adds further validation to the Company's trials, which have delivered promising results.

The Company continues to engage with fertiliser industry participants, with the intent to leverage the datasets generated throughout the Agri-soil Program to attract an industry partner to support progressing to infield trials.



INTELLECTUAL PROPERTY PORTFOLIO

The Company is continuing to advance its commercial strategy by developing a portfolio of Intellectual Property ("IP") and pursuing protection of its IP through a combination of patent and trade-secret protocols.

Zeotech's patent application associated with mineral processing technology for 'The Synthesis of Adsorption Materials' (manufacturing pure Linde Type A zeolite) and 'Treating a Material', associated with lithium process by-product (leached spodumene), continue to advance through the National Phase of the patent granting process.

Since January 2023, the in-house technical team has advanced several alternate process innovations (targeting lower cost) using the Company's scaled-up pilot and various feedstock sources. These potentially novel steps are being protected using trade-secret protocols.

¹¹ Bouman et al. (1995). "Soil Acidification from Long-Term Use of Anhydrous Ammonia and Urea."

Additionally, the Company has advanced two 'Methods of Preparing a Zeolite' patent applications, that are associated with a circular process solution for the synthesis of low-cost zeolites from coal fly ash and lithium process by-product. The applications have since progressed under Patent Cooperation Treat ("PCT") from July 2024.

The 'Method and Use of Zeolites' patent associated with mechanisms for carbon protection and enhancement in the soil, is based on data and findings from the Company's Agri-soil Program at Griffith and has also advanced under PCT since August 2024.

Following extensive development of the Company's potential solution under the Methane Program at Griffith, a provisional patent application titled 'Zeolites for Methane Control' was lodged in June 2024 with the Australian Patent Office. The Company continues to manage and, where possible, add further value to its portfolio of IP and seek the appropriate protection that best leverages the commercial prospects of the technology it is advancing.



COLLABORATION

Carbon Capture & Utilisation

Zeolite-Based Nanocomposite Membrane

The Advance Queensland Industry Research Fellowship ("AQIRF") associated with zeolite-based nanocomposite membranes for selective GHG capture commenced during the year.

Members of Zeotech met with Dr Gloria Milena Monsalve Bravo at The University of Queensland ("UQ") and provided three initial samples of the Company's manufactured zeolite product together with characterisation data.

To date, initial fabrication of the high-value nanocomposite membranes has begun, using Zeotech's zeolite samples. Two types of zeolite-based mixed membranes were produced using the Company's zeolite samples, for testing with pure gases. Further simulation work will continue throughout the program.

ARC Centre of Excellence for Green Electrochemical Transformation of Carbon Dioxide ("GETCO2")

In November 2023, representatives from Zeotech attended the UQ International Symposium on Green Transformation of Carbon Dioxide, which connects to Zeotech's ongoing carbon capture and utilisation research programs at UQ and GETCO2.

The symposium showcased the developments in zeolite technology, particularly in the areas of carbon dioxide

hydrogenation and storage, which could be essential in advancing Australia's net-zero emissions target by 2050.

GETCO2 commenced January 2024, and chiefly aims to investigate efficiently converting carbon dioxide into valuable products, such as chemicals and fuels.

Zeotech has been accepted as a Partner Organisation within GETCO2, and the combined funding will support a PhD student who will be dedicated to advancing the design of polymer-zeolite composite membranes for direct air capture (DAC) of carbon dioxide, in tandem with the Company's AQIRF zeolite membrane project.

ARC Industrial Transformation Training Centre for the Global Hydrogen Economy ("GlobH2E")

Zeotech has continued its collaboration with GlobH2E's UQ researchers. The research program targets developing a sustainable process for effective CO₂ conversion into valued-added hydrocarbon fuels such as methanol, through hydrogenation, using structured metal-doped synthetic zeolites as a catalyst.

The aim is to develop a sustainable and cost-effective utilisation solution that will close the loop in a circular carbon economy.

During the year, various monometallic and bimetallic zeolite catalysts for hydrogenation of CO₂ have been developed and tested with good conversion and high selectivity for methane and ethane products.

A nickel catalyst using the Company's zeolite samples has been produced and tested for CO₂ methanation purposes. Zeotech's zeolite sample-based nickel catalyst exhibited superior catalytic activity compared to a commercially available zeolite sample.

A paper on bimetallic nickel-iron catalysts for CO₂ methanation was published in *Fuel Journal* in June 2024.

Resources Technology and Critical Minerals Processing Trailblazer Program ("Trailblazer")

Due to the passage of time since Trailblazer was initiated (December 2021) and after further consultation with project partner, Covalent Lithium, Trailblazer no longer aligned with the Company's strategic objectives.

During 2023, Zeotech's in-house lab team developed a compelling new flowsheet utilising lithium process by-product as feedstock to synthesize zeolites. This body of work culminated in a patent application being lodged in July 2023, and this proprietary process presents the direction that will be taken with circular by-product utilisation. Therefore, a decision was made to not proceed with Trailblazer.

Zeotech continues to work with Covalent Lithium and presented a proposal for in-house research associated with the Company's patent-pending technology developed in 2023 for the synthesis of low-cost zeolites from lithium process by-product.

OPERATIONS

Product Marketing

High Reactivity Metakaolin: AusPozz™

The Company provided samples of its Toondoon kaolin to a large Queensland cement producer to investigate the suitability of a HRM product as a SCM. Further product samples of the Company's Toondoon kaolin were also provided to one of the largest suppliers and manufacturers of building materials in Australia and New Zealand for testing and analysis.

To support further engagement with industry, and as discussed earlier in this report, the Company executed a proposal with CQUniversity to investigate the suitability of its Toondoon and Abercorn kaolin clays, as a HRM to maximise their potential commercial value as an effective SCM.

Completion of the test pit alongside the capacity to produce larger volumes of HRM will advance commercial opportunities with the cement and concrete industry and support further business development activity.

Manufactured Zeolites

The Company executed a non-binding Memorandum of Understanding ("MOU") with Protekta Incorporated ("Protekta"), an innovative North American company that produces and distributes animal nutrition products.

The MOU establishes the framework to negotiate in good faith the terms of a potential offtake agreement for the Company's manufactured zeolite product. The agreement also considers the potential for a joint venture or alternative profit-sharing structures that could advance Zeotech's mineral processing technology in North America.

Protekta has a portfolio of innovative and evidence-based products that are designed to prevent illness through optimal nutrition. The group's solutions include a leading product that contains manufactured zeolite.

Protekta's novel zeolite-based product is used to prevent subclinical hypocalcemia, also known as milk fever, in cows.

Zeotech has previously supplied Protekta with product samples for testing and analysis in December 2022, leading to a meeting with Protekta at the Company's office and laboratory facility in Brisbane, in April 2023.

In June, the Company shipped a 500-kilogram bulk sample of its manufactured zeolite product to Protekta. The purpose of the bulk sample is to complete a test run with the Company's zeolite materials to produce Protekta's zeolite-based product, alongside the potential for animal trials in the future.

Direct Shipping Ore (DSO)

The Company has engaged with Conrad Partners, a Hong Kong based commodity marketing agency, to promote its high-quality DSO kaolin product, with a focus on large Asian markets.

Zeotech provided approximately 40 kilograms of kaolin product samples to Conrad's in Beijing, China to support early marketing and engagement with prospective offtake partners.

MINING TENEMENTS

TOONDOON PROJECT - AUSTRALIA

The Toondoon Project ("Toondoon") is located in central Queensland, approximately 20km from Mundubbera, and is one of the highest-grade (alumina content) raw ore kaolin deposits in Australia held under an approved Mining Lease.

Toondoon is well served by existing infrastructure, including two major ports within 280km and access to major arterial highways.

The tenement comprises an approved Mining Lease (ML 80126) together with Exploration Permit for Minerals (EPM 27395 and 27866) which spans over 28,000 hectares.

The Mineral Resource Estimate of the Toondoon Project is set out on page 57 of the Ausrocks Mineral Estimate Report and includes:

Measured Resource

Kaolinite Clay (High Iron) – 0.88Mt @ 36.79% Al₂O₃, 1.92% Fe₂O₃, 44.92% SiO₂

Kaolinite Clay (Low Iron) – 1.57Mt @ 37.48% Al₂O₃, 0.41% Fe₂O₃, 46.5% SiO₂

Indicated Resource

Kaolinite Clay (High Iron) – 1.66Mt @ 36.48% Al₂O₃, 2.32% Fe₂O₃, 45.24% SiO₂

Kaolinite Clay (Low Iron) – 1.99Mt @ 37.57% Al₂O₃, 0.4% Fe₂O₃, 46.43% SiO₂

(refer to the Ausrocks Mineral Estimate Report contained in the ASX announcement dated 28 July 2022 titled 'Notice of General Meeting/Proxy Form (Part 2 of 2)')

The potential exists to expand the high-grade kaolin resource, which remains open in all directions. Toondoon's near surface, high grade and low impurity raw ore kaolin is amenable to low-cost, open cut mining operations.



Near surface kaolin ore at the Toondoon Project

The Toondoon project's approved mining lease offers the Company a low-cost high-grade kaolin feedstock. Raw ore from the project does not need to undergo sizing (wet/dry processing) to increase alumina content and provides an immediate feedstock for HRM and manufactured zeolite production.

Planning & Approvals

The waste rock assessment report associated with the estimated rehabilitation cost calculations has been completed during the year.

The report, prepared by tenement managers, Ardent Group, concluded that the quality characteristics of the topsoil were assessed as suitable for use in rehabilitation, with no amendments necessary to reach the proposed post-mining land use outcome of native ecosystems. Consequently, management measures proposed for topsoil, overburden, and ore stockpiles are in accordance with standard practices on mine sites.

The traffic impact assessment for notifiable road use was finalised during the period. The report will inform future engagement with the Department of Transport & Main Roads alongside the North Burnett Regional Council for a notifiable road use application.

Test Pit

A test pit to procure further quantities of the Company's kaolin product at Toondoon was completed during the quarter.

The campaign produced 35 tonnes of high-grade raw ore kaolin, which will advance the Company's research and development initiatives. It has provided the capacity to boost HRM inventory to support commercial collaboration through concrete industry pilot trials and scaled-up zeolite production.

ABERCORN PROJECT - AUSTRALIA

The Abercorn Project is a large-scale kaolin prospect located in central Queensland, and has demonstrated it contains a consistent grade of kaolinite mineralisation.

The Abercorn Project comprises 4 contiguous EPM's for a total of 50 sub-blocks, these are:

- EPM 26837 comprising 33 sub-blocks;
- EPM 26903 comprising 4 sub-blocks;
- EPM 19081 comprising one sub-block; and
- EPM 27427 comprising 12 sub-blocks.

Resource test work at the Abercorn Project Total has delivered an indicated and Inferred JORC 2012 resource of:

39.06Mt yielding 36.8% -20µm grading 28.6% Al₂O₃ & 1.18% K₂O, using a cut-off grade of 26% Al₂O₃

(refer ASX announcement dated 6 July 2020)

No groundwork was undertaken during the year.

CORPORATE

Research & Development

The Company received a cash refund of \$682,019 from its R&D tax incentive claim for the financial year ending 30 June 2023.

The Australian Federal Government's R&D Tax Incentive Program provides a cash refund on eligible research and development activities undertaken by Australian companies.

Options Exercise

Zeotech received \$300,000 from the exercise of 20,000,000 options at 1.5c each in March 2024.

Executive Management Changes

Former CEO, Mr. Alister Morrison, transitioned to the role of Chief Development Officer (CDO), while Mr. Scott Burkhart transitioned from the role of COO to CEO during the period. The changes came into effect on 1 November 2023.

Settlement of legal proceedings

On 26 May 2023, the Company provided an update on the legal proceedings in relation to Second Milestone Performance Rights in the Company issued to Goody Investments Pty Ltd and Gold Coast Tweed Pet Motels (the "Plaintiffs") as part consideration under the Abercorn Project Term Sheet executed on 9 August 2019 (the "Agreement") under which the Company acquired the Abercorn project.

The court ordered mediation initiated in March 2023 has concluded and all parties have executed a final binding Deed of Settlement and Release (the "Settlement Agreement").

Pursuant to the Settlement Agreement, Zeotech and the Plaintiffs have reached a mutually agreeable release of all legal claims and the terms upon which both legal proceedings will be discontinued.

Amongst the key terms of the Settlement Agreement, settlement was conditional upon the Company obtaining shareholder approval to issue the following settlement performance rights (“Settlement Performance Rights”) to the Plaintiffs:

- (i) Goody Investments Pty Ltd – 23,782,500 Settlement Performance Rights; and
- (ii) Gold Coast Tweed Pet Motels Pty Ltd – 15,847,500 Settlement Performance Rights.

A General Meeting was held on 7 August 2023, where shareholders passed a resolution related to the issuance for the Settlement Performance Rights as per the requirements of the Settlement Agreement. 39,630,000 Performance Rights were issued to the Plaintiffs on 23 August 2023. Subsequent to 30 June 2024, on 31 July 2024, the 39,630,000 Performance Rights were converted into Shares.

The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

MATERIAL BUSINESS RISKS

Development and commercialisation of the Company's technology

The success of the Company will depend upon the Company's ability to further develop and commercialise its mining assets, technology and intellectual property. A failure to successfully develop and commercialise these could lead to a loss of opportunities and adversely impact the Company's operating results and financial position.

Exploration and development

The Company's mining tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these tenements, or any other mineral tenements that may be acquired in the future, will result in the discovery of an economic resource. Even where an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

Staffing and reliance on key management

The Company relies on the experience and knowledge of key members of its staff. In the event that key personnel leave and the Company is unable to recruit suitable replacements, such loss could have a materially adverse effect on the Company.

Intellectual property

The success of the Company, in part, depends on its continued ability to protect its intellectual property and use any trademarks to increase brand awareness. The Company will depend on its intellectual property to protect its brand, trade secrets, and any pending patents on its products and production processes. In the event the Company is unable to protect its intellectual property adequately, the value of the Company's products and brands could be adversely affected. This may further impact the overall business with respect to its financial position, overall profitability, and operational output.

Capital and funding requirements

Given its focus on commercialising its mining assets and proprietary mineral processing technology, the Company has negative operating cash flow and, at present, it does not generate any material revenue. No assurance can be given that the Company will achieve commercial viability through its mining assets, existing technology, or otherwise. Until the Company is able to realise the full value of its mining assets or technology, it is likely to incur ongoing operating losses.

Directors' Report

Your directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of Zeotech Limited (the Company), and the entities it controlled at the end of, or during, the year ended 30 June 2024.

DIRECTORS

The names and details of the Company's directors in office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience, and special responsibilities

Sylvia Tulloch BSc, MSc (Non-Executive Chairman)

Sylvia is a materials scientist, with many years' experience in establishment and management of high technology businesses, with a focus on commercialisation, mineral processing technologies and the cleantech sector. Sylvia holds a Bachelor of Science and Masters in Materials Science from the University of New South Wales and is an investor in and Director of many start-up companies, has founded and taken 2 companies to ASX listing and held government advisory positions in the start-up, renewable energy, and manufacturing sectors. She is also currently Chairman of Griffin Accelerator Holdings – ACT's only start-up business accelerator program and is on the board of The Canberra Innovation Network.

Peter Zardo MAICD (Managing Director)

Peter joined Zeotech as Chief Operating Officer on 7th April 2020 and appointed Managing Director on 8th July 2020, after spending more than 16 years in the corporate and business banking division of the Westpac Group. Prior to joining Zeotech, Peter was a Director of Industry banking, having completed Westpac's Emerging Leader Program in 2019 and previous to this, spent several years in financial and equity markets. He has undertaken studies in Applied Science at Charles Sturt University and Circular Economy & Sustainability at Cambridge Judge Business School. Peter is a member of the Australian Institute of Company Directors and possesses significant experience in business advisory, project management and corporate finance, having accumulated a vast network of relationships across a number of industries, bringing these connections and expertise to his role.

Robert Downey B.Ed., LL.B (Hons) (Non-Executive Director)

Mr Downey is a qualified solicitor who has practised mainly in the areas of international resources law, corporate law and initial public offerings as well as mergers and acquisitions. He has extensive experience as an adviser, founder and director of various ASX, TSX and AIM companies. Mr Downey is currently a partner at Dominion Legal, a boutique law firm in Perth. Mr Downey became Non-Executive Chairman on 18 October 2016, resigned as Chairman on 7 April 2020 but assumed the role of Non-Executive Director.

Mr Downey is currently a director of Connexion Telematics Ltd, Reach Resources Limited, Askari Metals Ltd, Mt Malcolm Mines NL and Everest Metals Corporation Ltd.

COMPANY SECRETARY

Mr Bassett was appointed Company Secretary on 7 May 2015.

Mr Bassett is a chartered accountant operating his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. Mr Bassett has been involved with numerous public company listings and capital raisings. His involvement in the corporate arena has also taken in mergers and acquisitions and includes significant knowledge and exposure to the Australian financial markets. Mr Bassett has experience in matters pertaining to the *Corporations Act*, ASX listing requirements, corporate taxation, and finance.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The following relevant interests in shares of the Company or a related body corporate were held by directors at the date of this report:

	Ordinary Shares	Options	Performance Rights
Directors			
Sylvia Tulloch	11,550,000	-	-
Peter Zardo	73,808,088	-	40,000,000
Robert Downey	5,250,000	-	-

There were 5,000,000 performance shares issued with a non-recourse loan, and no share options or performance rights of Zeotech Limited were granted to directors of the Company with shareholder approval since 1 July 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the period were:

- the exploration of the Group's mineral tenements with the objective of identifying economic mineral deposits;
- advancing feasibility and front-end engineering design (FEED) studies associated with its Toondoon kaolin project and HRM production in Queensland, Australia, as a supplementary cementitious material that has the potential to lower the carbon emissions from the cement and concrete industries;
- advancing commercialisation of its patent-pending and trade-secret zeolite mineral processing technology at its in-house laboratory that consumes kaolin or suitable process by-products to produce high value zeolites;
- collaborating with research and industry partners to advance new market applications associated with climate change mitigation technology utilising the Company's targeted zeolite-based products; and
- the identification and evaluation of new venture and corporate opportunities.

DIVIDENDS

No dividends were paid or declared during the period. No recommendation for payment of dividends has been made.

OPERATING AND FINANCIAL REVIEW

Finance Review

The Group commenced the financial year with cash assets of \$4,212,481.

During the period, total exploration expenditure expensed by the Group amounted to \$69,991 (2023: \$96,985). Net administration expenditure incurred amounted to \$662,832 (2023: \$721,840), technology expenses incurred amounted to \$1,051,260 (2023: \$756,003) and expense for share based payments amounted to \$2,567,600 (2023: \$360,000). This has resulted in an operating loss after income tax for the year ended 30 June 2024 of \$5,528,679 (2023: \$2,468,947). At 30 June 2024, cash assets available totalled \$2,267,531.

Operating Results for the Period

Summarised operating results are as follows:

	2024	
	Revenues	Results
	\$	\$
Revenues and loss from ordinary activities before income tax expense	775,121	(5,528,679)

Shareholder Returns

	2024	2023
Basic loss per share (cents)	(0.323)	(0.153)

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Group believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Annual Report, no significant changes in the state of affairs of the Group occurred during the financial year other than that referred to in the financial statements or notes thereto in the *Review of Activities*.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years other than as referred to in the *Review of Activities and as detailed below*.

- (i) On 19 August 2024, the Company announced the appointment of Mr James Marsh as Chief Executive Officer (“CEO”), effective 9 September 2024. As part of the appointment, the current CEO, Mr Scott Burkhart, will be appointed as Chief Operating Officer (“COO”).
- (ii) The Company repaid in full the \$500k Secured Research and Development (R&D) Loan Facility with Santilario Pty Ltd that was outstanding at 30 June 2024 and obtained a \$566,270 Secured Research and Development (R&D) Loan with R&DIUM Capital Ltd.
- (iii) On 31 July 2024, the 39,630,000 Settlement Performance Rights that were issued to Goody Investments Pty Ltd and Gold Coast Tweed Pet Motels Pty Ltd during the year were converted into Shares.

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LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's objective is to commercialise its high-grade kaolin projects and proprietary mineral processing technologies, using strong environmental stewardship for the sustainable production of high reactivity metakaolin ("HRM") and advanced materials 'manufactured zeolites'.

Zeotech is advancing feasibility and front-end engineering design (FEED) studies associated with its Toondoon kaolin project and HRM production in Queensland, Australia, as a supplementary cementitious material that has the potential to lower the carbon emissions from the cement and concrete industries. The HRM product also provides the preferred feedstock for manufactured zeolite production.

Development of its proprietary mineral processing technology has transitioned in-house where it is advancing novel zeolite synthesis processes and safeguarding its intellectual property through a combination of patent protection and trade-secret protocols.

Zeotech aspires to improve environmental outcomes by continuing to build on the potential of its mineral processing technology to be applied in the circular economy, utilising process tailing streams as feedstock for the low-cost production of zeolites, and continues to advance innovations associated with coal fly ash and leached spodumene by-products.

The Company's technology, together with its Toondoon and Abercorn kaolin projects, offers an integrated business model. In conjunction with the Company's expanded in-house research and development facilities, Zeotech continues to leverage the academic capability of its research partners to focus on new market applications associated with climate technology. Current research initiatives include:

- Methane emissions control, initially targeting the landfill sector;
- Soil carbon sequestration and agricultural nutrient management;
- Tailor-made nanocomposite membranes for greenhouse gas capture; and
- Carbon capture and utilisation technology advanced by the GlobH2E and GETCO2 research centres.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation in respect to its exploration activities in Australia. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the period under review.

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Zeotech Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The Board of Zeotech Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses, and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 11.5% (2024: 11.0%), and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment, and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$300,000). Base fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee incentive plan.

Performance based remuneration

During the year, the Group did not issue incentive options or performance rights to directors or other key management personnel.

Use of remuneration consultants

The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2024.

Voting and comments made at the Company's 2023 Annual General Meeting

The Company received approximately 80.04% of "yes" votes on its remuneration report for the 2023 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Details of remuneration

Details of the remuneration of the directors and the key management personnel of the Group are set out in the following table.

The key management personnel of the Group comprise the directors and the chief executive officer (where appointed) who have authority and responsibility for planning, directing and controlling activities within the Group.

Given the size and nature of operations of the Group, there are no other employees who are required to have their remuneration disclosed in accordance with the *Corporations Act 2001*.

Key management personnel of the Group

	Short-Term		Post-Employment		Share-based	Total
	Salary & Fees	Non-Monetary	Superannuation	Retirement benefits	Payments	
	\$	\$	\$	\$	\$	\$
Directors						
Sylvia Tulloch						
2024	90,909	-	-	-	-	90,909
2023	90,909	-	-	-	-	90,909
Peter Zardo						
2024	286,098	-	31,576	-	-	317,674
2023	271,320	-	28,489	-	360,000	659,809
Robert Downey						
2024	60,000	-	-	-	129,500	189,500
2023	60,000	-	-	-	-	60,000
Other key management personnel						
Alister Morrison – CEO Appointed 13 March 2023, Chief Development Officer Appointed 1 November 2023						
2024	191,178	-	21,081	-	232,800	445,059
2023	75,072	-	7,920	-	-	82,992
Scott Burkhardt – CEO Appointed 1 November 2023						
2024	206,250	-	20,281	-	-	226,531
2023	-	-	-	-	-	-
Total Key Management Personnel Remuneration						
2024	834,435	-	72,938	-	362,300	1,269,673
2023	497,301	-	36,409	-	360,000	893,710

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Service agreements

Peter Zardo

In April 2020, the Company entered into an Executive Service Agreement with Mr Peter Zardo.

Under the Agreement, Mr Zardo was engaged by the Company to provide services to the Company in the capacity of COO, amended to Managing Director in July 2020.

The material terms of the executive service agreement with Mr Zardo are as follows:

1. \$311,320 per annum base salary (plus statutory superannuation) – following review and approval by the Board in May 2024.
2. Under the terms of the initial agreement with Mr Zardo continues to hold the rights to the following performance incentive securities (issued 6 April 2020):

Four tranches of performance rights (Class C, D, E, F and G) of 10,000,000 performance rights each, with each tranche having the following performance hurdles:

- a. Class D – Upon completion and sign off by a competent person of a prefeasibility study (as that phrase is defined in the JORC Code 2012) of the Abercorn Project;
 - b. Class E – upon the first to occur of either:
 - a. Execution and completion of a sub-licencing agreement under clause 4.2 of the Licence Agreement between Zeotech and UQ and pursuant to which Zeotech has commenced receiving royalty payments from the sub-licensor arising from commercial production of synthetic zeolites; or
 - b. Execution and completion of an unconditional offtake agreement pursuant to which the third party agrees to take or pay a minimum of 1,000,000 tonnes of kaolin (on a dry metric tonne basis) per annum for minimum period of five years
 - c. Class F – Upon the commencement of commercial production of either ALUM or HPA from the proprietary HPA processing patents owned and developed by Zeotech; and
 - d. Class G – Upon commencement of commercial production of synthetic zeolite (as that phrase is defined in the Licence Agreement).
4. The agreement was initially for a fixed term of 2 years, and now continues for no fixed term although;
 - a. May be terminated by the Company with 6 months' notice under specified terms and subject to a termination benefit equal to the balance of term
 - b. May be terminated by the Company with immediate effect in the event of serious or wilful misconduct.

Service agreements (continued)

Alister Morrison

In December 2022, the Company entered into an Executive Service Agreement with Mr Alister Morrison, effective 13 March 2023.

Under the Agreement, Mr Morrison was engaged by the Company to provide services to the Company in the capacity of Chief Executive Officer (CEO).

The material terms of the executive service agreement with Mr Morrison were as follows:

1. \$270,000 per annum base salary (plus statutory superannuation).
2. Rights to the following performance incentive securities (yet to be issued):

Six tranches of performance rights (Class A, B, C, D, E and F) of 5,000,000 performance rights each, with each tranche having the following performance milestone:

- a. Class A – On the execution of a licensing agreement utilising the Company’s proprietary leached spodumene to zeolite processing technology;
 - b. Class B – Upon Zeotech accruing its maiden gross revenue of greater than or equal to AUD\$500,000.00 in an audited financial year from the Company’s proprietary technology developed or held by the Company and associated with carbon capture or carbon utilisation;
 - c. Class C – Upon Zeotech accruing its maiden gross revenue of greater than or equal to AUD\$500,000.00 in an audited financial year from the Company’s proprietary technology developed or held by the Company and associated with zeolite-based agricultural soil products;
 - d. Class D – Upon Zeotech accruing its maiden gross revenue of greater than or equal to AUD\$500,000.00 in an audited financial year from the Company’s proprietary technology developed or held by the Company and associated with any one of the following applications; wastewater treatment, methane control or greenhouse gas mitigation;
 - e. Class E – Upon execution and completion of unconditional binding off-take agreement(s) totalling 100,000 tonnes of manufactured zeolites; and
 - f. Class F – Upon execution and completion of unconditional binding off-take agreement(s) totalling 100,000 tonnes of direct shipping ore (DSO) kaolin.
3. The agreement was for no fixed term, although;
 - a. May be terminated by the Company with 6 months’ notice under specified terms and subject to a termination benefit equal to the balance of term
 - b. May be terminated by the Company with immediate effect in the event of serious or wilful misconduct.

On 1 November 2023, Mr Alister Morrison transitioned to the role of Chief Development Officer (CDO) with the following material variations:

- (i) Total Fixed Remuneration of \$162,500 per annum, plus statutory superannuation entitlements;
- (ii) Removal of right to the performance incentive securities;
- (iii) Permanent, part-time position of three days per week; and
- (iv) Termination notice period amended from six months to three months.

Service agreements (continued)Scott Burkhart

In October 2023, the Company entered into an Executive Service Agreement with Mr Scott Burkhart, effective 1 November 2023. Mr Burkhart joined Zeotech in October 2021 as Chief Operations Officer (COO).

Under the Agreement, Mr Burkhart is engaged by the Company to provide services to the Company in the capacity of Chief Executive Officer (CEO).

The material terms of the executive service agreement with Mr Burkhart are as follows:

1. \$275,000 per annum base salary (plus statutory superannuation) on a full time basis.
2. Rights to the following performance incentive securities (yet to be issued):

Five tranches of performance rights (Class A, B, C, D, E and F) of 5,000,000 performance rights each, with each tranche having the following performance milestone:

- a. Class A – Upon commissioning of a demonstration plant and production of 5 (five) tonnes of manufactured zeolite;
- b. Class B – Upon the commencement of mining at Toondoon Project and execution of unconditional binding off-take agreement(s) totalling 50,000 tonnes of direct shipping ore (DSO) kaolin or 25,000 tonnes of metakaolin (domestic or international markets);
- c. Class C – Upon execution and completion of binding off-take agreement(s) totalling 50,000 tonnes of manufactured zeolites;
- d. Class D – Upon Zeotech accruing its maiden gross revenue of greater than or equal to AUD\$500,000.00 in an audited financial year from the Company's proprietary technology developed or held by the Company and associated with zeolite-based products for any one of the following applications; agricultural soil, wastewater treatment, methane control, leached spodumene treatment, coal fly ash treatment, carbon capture or carbon utilisation; and
- e. Class E – On the date that the Company's 14-day volume weighted average share price is greater than or equal to a market capitalisation of AUD\$250,000,000.

All Performance Rights will lapse on the earliest to occur of:

- a. Subject to any automatic vesting in accordance with other terms, if the Vesting Condition has not been met;
 - b. Cease employment with Zeotech; or
 - c. On 5:00PM AEST on the five-year anniversary of the commencement date of employment.
3. The agreement is for no fixed term, although;
 - a. May be terminated by the Company with 6 months' notice under specified terms and subject to a termination benefit equal to the balance of term
 - b. May be terminated by the Company with immediate effect in the event of serious or wilful misconduct.

Subsequent to year end on 9 September 2024, Mr Scott Burkhart transitioned to the role of Chief Operations Officer (COO). As a result, the performance incentive securities (class A, B, C, D, and E) will no longer apply.

Shareholdings of key management personnel

The number of ordinary shares in the Group held during the financial year by each director of Zeotech Limited and other key management personnel of the Group, including their personally related parties, is set out below.

	Balance at start of the year	Granted as compensation	Acquired / (Disposed)	Net Change Other	Balance at end of the year
Directors					
Sylvia Tulloch	10,600,000	-	950,000	-	11,550,000
Peter Zardo	57,808,088	-	(4,000,000)	20,000,000	73,808,088
Robert Downey ⁽¹⁾	1,378,925	5,000,000	-	-	6,378,925
Other key management personnel					
Alister Morrison	312,500	8,000,000	-	-	8,312,500
Scott Burkhart	-	-	-	5,000,000	5,000,000

⁽¹⁾ Subsequent to year end, Stella Downey, a related party of Robert Downey (spouse), disposed of 1,128,925 shares through an on-market trade.

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

There were 5,000,000 Shares issued to Mr Robert Downey by way of a provision of a 5-year, non-recourse, interest free loan on 24 November 2023 under the Incentive Share Plan approved by Shareholders at the 2020 AGM. The amount of the loan is for a maximum of 5,000,000 Shares based on an issue price of \$0.052 per Share for a total value of \$260,000.

There were 8,000,000 Shares issued to Mr Alister Morrison by way of a provision of a 5-year, non-recourse, interest free loan on 2 November 2023 under the Incentive Share Plan approved by Shareholders at the 2020 AGM. The amount of the loan is for a maximum of 8,000,000 Shares based on an issue price of \$0.052 per Share for a total value of \$416,000.

No funds will be raised from the issue of the Plan Shares as there will be no change to the Company's cash position (i.e. the Loan made by the Company will be used to subscribe for the Plan Shares to be issued to the Related Parties and Key Management Personnel). Amounts repaid to the Company by the Related Party in the future in satisfaction of the Loan will be used by the Company for general working capital purposes.

The fair value per Share issue to Mr Robert Downey was 2.59 cents each on the date of issue (calculated using the Black Scholes method – stock price at \$0.04, the risk-free interest rate is 4.25% and the volatility is 84.8%), the total value \$129,500.

The fair value per Share issue to Mr Alister Morrison was 2.91 cents each on the date of issue (calculated using the Black Scholes method – stock price at \$0.045, the risk-free interest rate is 4.25% and the volatility is 80.8%), the total value \$232,800.

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Option holdings of key management personnel

The number of unlisted options over ordinary shares in the Company held during the financial year by directors of Zeotech Limited and other key management personnel of the Group, including their personally related parties, is set out below.

	Balance at start of the year	Granted as compensation	Acquired / (Exercised)	Net Change Other	Balance at end of the year	Vested and exercisable	Unvested
Directors							
Sylvia Tulloch	-	-	-	-	-	-	-
Peter Zardo	20,000,000	-	(20,000,000)	-	-	-	-
Robert Downey	-	-	-	-	-	-	-
Other key management personnel							
Alister Morrison	-	-	-	-	-	-	-
Scott Burkhart	-	-	-	-	-	-	-

Share-based compensation

The number of performance rights in the Company held during the financial year by directors of Zeotech Limited and other key management personnel of the Group, including their personally related parties, is set out below.

	Balance at start of the year	Granted as compensation	Acquired / (Exercised)	Net Change Other	Balance at end of the year	Vested and exercisable	Unvested
Directors							
Sylvia Tulloch	-	-	-	-	-	-	-
Peter Zardo	40,000,000	-	-	-	40,000,000	-	40,000,000
Robert Downey	-	-	-	-	-	-	-
Other key management personnel							
Alister Morrison	-	-	-	-	-	-	-
Scott Burkhart	-	-	-	-	-	-	-

Shares provided on exercise of remuneration options

During the financial year ended 30 June 2024, remuneration options totalling 20,000,000 were exercised.

End of remuneration report

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DIRECTORS' MEETINGS

During the financial year the Company held meetings of directors. The attendance of directors at meetings of the Board were:

	Director's Meetings		Audit Committee Meetings	
	A	B	A	B
Sylvia Tulloch	4	4	2	2
Peter Zardo	4	4	2	2
Robert Downey	4	4	2	2

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the period.

SHARES UNDER OPTION

At the date of this report there are 68,917,388 unissued ordinary shares in respect of which options are outstanding.

	Number of options
Balance at the beginning of the year	88,917,388
Movements of share options during the period	
Lapsed	-
Exercised	(20,000,000)
Issued	-
Total number of options outstanding as at 30 June 2024 and the date of this report	68,917,388

The balance is comprised as follows:

Expiry date	Exercise price (cents)	Number of options
listed		
-	-	-
unlisted		
30 September 2024	\$0.10	26,308,690
30 June 2025	\$0.10	42,608,698
Total number of options outstanding at the date of this report		68,917,388

The following options lapsed during the year:

Original Expiry date	Exercise price (cents)	Number of options
listed		
-	-	-
unlisted		
-	-	-
Total option lapsed		-

20,000,000 shares in Zeotech Limited were issued during the year ended 30 June 2024 upon the exercise of options.

No person entitled to exercise any option referred to above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

INSURANCE OF DIRECTORS AND OFFICERS

The Company has in place an insurance policy insuring Directors and Officers of the Company against any liability arising from a claim brought by a third party against the Company or its Directors and officers, and against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

In accordance with a confidentiality clause under the insurance policy, the amount of the premium paid to the insurers for 2024 has not been disclosed. This is permitted under Section 300(9) of the Corporations Act 2001.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Other than the matters included in this Directors Report or elsewhere in the Annual Financial Report, future developments, business strategies and prospects of the Company and the expected results of those operations have not been disclosed as the Directors believe that their inclusion would most likely result in unreasonable prejudice to the Company.

NON-AUDIT SERVICES

No non-audit services have been provided by the Company's auditors, In.Corp Audit & Assurance Pty Ltd (formerly known as Rothsay Audit & Assurance Pty Ltd).

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 28.

Signed in accordance with a resolution of the directors.



Sylvia Tulloch
Chair
27 September 2024

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the directors of Zeotech Limited:

As lead auditor of the audit of Zeotech Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Zeotech Limited and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

27 September 2024

In.Corp Audit & Assurance Pty Ltd
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ZEOTECH LIMITED
INDEPENDENT AUDITOR'S REPORT

To the members of Zeotech Limited

Opinion

We have audited the financial report of Zeotech Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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ZEOTECH LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following key audit matters to communicate in our report:

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Key Audit Matter - Exploration and Evaluation Expenditure	How our Audit Addressed the Key Audit Matter
<p>As disclosed in Note 11 to the financial statements, the Group has capitalised exploration and evaluation costs of \$6,647,290, which represents 52% of the Group's total assets.</p> <p>The recognition and recoverability of capitalised exploration and evaluation costs was considered a key audit matter due to the following:</p> <ul style="list-style-type: none"> • the carrying value represents a significant asset to the Group; and • significant management judgement is involved in determining whether impairment indicators exist. 	<p>Our procedures in assessing exploration and evaluation expenditure included but were not limited to the following:</p> <ul style="list-style-type: none"> • We reviewed the ownership rights to the tenements, against which the expenditure is capitalised, their expiry dates and, where required, that expenditure commitments were met; • We assessed the reasonableness of capitalising exploration and evaluation expenditure in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>; • We assessed the reasonableness of the management's assessment for the existence impairment indicators; and • We assessed the appropriateness of the related disclosures included in the financial report.

ZEOTECH LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- ii) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- iii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

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ZEOTECH LIMITED
INDEPENDENT AUDITOR'S REPORT (continued)
REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion the remuneration report of Zeotech Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities for the Remuneration Report

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

27 September 2024

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2024	Notes	Consolidated	
		2024 \$	2023 \$
REVENUE	4	775,121	1,073,091
EXPENDITURE			
Depreciation and amortisation expense		(201,231)	(162,674)
Employee benefits expense	5	(1,667,584)	(1,396,659)
Exploration expenses		(69,991)	(96,985)
Administration expenses		(662,832)	(721,840)
Technology expenses		(1,051,260)	(756,003)
Share based payments expense	28	(784,250)	(360,000)
Share based payments expense – legal settlement	28	(1,783,350)	-
Loss on disposal of fixed assets		(39,959)	-
Financing costs		(43,343)	(47,877)
LOSS BEFORE INCOME TAX		(5,528,679)	(2,468,947)
Income tax (expense)	6	-	-
LOSS FOR THE YEAR		(5,528,679)	(2,468,947)
OTHER COMPREHENSIVE INCOME			
Fair value decrease in financial assets		-	(140,000)
Foreign exchange loss on translation of foreign operations		17	57
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF ZEOTECH LIMITED		(5,528,662)	(2,608,890)
Basic and diluted earnings per share for loss attributable to the ordinary equity holders of the Company (cents per share)	26	(0.323)	(0.153)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2024	Notes	Consolidated	
		2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	7	2,267,531	4,212,481
Trade and other receivables	8	56,787	104,506
Financial assets	9	-	-
TOTAL CURRENT ASSETS		2,324,318	4,316,987
NON-CURRENT ASSETS			
Property, Plant and equipment	10	1,383,997	1,498,244
Exploration and evaluation costs	11	6,647,290	6,647,290
Intangible assets	12	2,231,815	2,165,210
Right-of-use asset	13	249,176	325,001
TOTAL NON-CURRENT ASSETS		10,512,278	10,635,745
TOTAL ASSETS		12,836,596	14,952,732
CURRENT LIABILITIES			
Trade and other payables	14	481,544	375,886
Financial Liabilities	15	500,658	-
Lease liability	13	67,929	54,768
TOTAL CURRENT LIABILITIES		1,050,131	430,654
NON-CURRENT LIABILITIES			
Lease liability	13	248,183	311,266
TOTAL NON-CURRENT LIABILITIES		248,183	311,266
TOTAL LIABILITIES		1,298,314	741,920
NET ASSETS		11,538,282	14,210,812
EQUITY			
Issued capital	16	43,897,623	43,489,091
Reserves	17(a)	5,256,645	2,809,028
Accumulated losses	17(b)	(37,615,986)	(32,087,307)
TOTAL EQUITY		11,538,282	14,210,812

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2024	Notes	Issued Equity	Share-Based Payments and Options Reserves	Foreign Exchange Reserves	Financial Asset Reserve	Accumulated Losses	Total
Consolidated		\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2022		35,577,639	2,703,500	195,471	-	(29,618,360)	8,858,250
Loss for the period	17(b)	-	-	-	-	(2,468,947)	(2,468,947)
TOTAL COMPREHENSIVE LOSS		-	-	-	-	(2,468,947)	(2,468,947)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS							
Shares issued during the year		5,209,930	-	-	-	-	5,209,930
Shares issued for acquisition		2,035,000	-	-	-	-	2,035,000
Shares issued for licence agreement		600,000	-	-	-	-	600,000
Shares issued on satisfaction of performance rights		360,000	-	-	-	-	360,000
Options issued during the year (share issue cost)		-	50,000	-	-	-	50,000
Share issue costs		(293,478)	-	-	-	-	(293,478)
Fair value decrease in financial assets		-	-	-	(140,000)	-	(140,000)
Foreign exchange movement		-	-	57	-	-	57
BALANCE AT 30 JUNE 2023		43,489,091	2,753,500	195,528	(140,000)	(32,087,307)	14,210,812
BALANCE AT 1 JULY 2023		43,489,091	2,753,500	195,528	(140,000)	(32,087,307)	14,210,812
Loss for the period	17(b)	-	-	-	-	(5,528,679)	(5,528,679)
TOTAL COMPREHENSIVE LOSS		-	-	-	-	(5,528,679)	(5,528,679)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS							
Shares issued on exercise of options		420,000	(120,000)	-	-	-	300,000
Shares issued under loan funded share plan		-	784,250	-	-	-	784,250
Settlement performance rights issued		-	1,783,350	-	-	-	1,783,350
Share issue costs		(11,468)	-	-	-	-	(11,468)
Foreign exchange movement		-	-	17	-	-	17
BALANCE AT 30 JUNE 2024		43,897,623	5,201,100	195,545	(140,000)	(37,615,986)	11,538,282

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2024	Notes	Consolidated	
		2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(3,225,188)	(2,675,164)
Expenditure on mining interests		(65,132)	(101,032)
Finance costs		(42,659)	(47,877)
Other income		775,121	1,073,091
Net cash outflow from operating activities	25	(2,557,858)	(1,750,982)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(45,176)	(1,424,821)
Net cash on acquisition of Kalotech Pty Ltd		-	297
Payments to acquire mining assets		-	(350,000)
Payments for other intangible assets		(59,765)	(115,964)
Net cash outflow from investing activities		(104,941)	(1,890,488)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares (net of share issue cost)		(32,229)	4,987,213
Proceeds from exercise of options		300,000	-
Proceeds from borrowings		500,000	-
Payments for lease liabilities		(49,922)	(40,218)
Net cash inflow from financing activities		717,849	4,946,995
Net (decrease)/increase in cash and cash equivalents		(1,944,950)	1,305,525
Cash and cash equivalents at the beginning of the financial year		4,212,481	2,906,956
Effects of exchange rate fluctuations on cash held		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	2,267,531	4,212,481

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

1. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Zeotech Limited and its subsidiaries. The financial statements are presented in Australian currency. Zeotech Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 27 September 2024. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Zeotech Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of Zeotech Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2023 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2023.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention unless otherwise stated.

(b) Revenue recognition

Interest

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

Other income

Other income is recognised when it is received or when the right to receive payment is established. R&D refunds are a tax offset under the R&D tax incentive recognised on receipt of funds from the Australian Taxation Office for research and development expenditure incurred in the previous financial year.

(c) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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NOTES TO THE FINANCIAL STATEMENTS (CON'T)**(d) Financial liabilities**

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise of trade and other payables.

(e) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the reducing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates vary between 20% and 40% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss. When re-valued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(f) Exploration and evaluation costs

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through the sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial year the decision is made. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

(g) Intangible Assets

Intangible assets are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Patents, trademarks and licences

Patents, trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses once the asset is considered held ready for use. Intellectual property and licences are amortised on a systematic basis matched to the future economic benefits over the useful life of the project once the patents are considered held ready for use.

Significant costs associated with trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 20 years.

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)**(h) Share-based payments**

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Options over ordinary shares have also been issued as consideration for the acquisition of interests in tenements and other services. These options have been treated in the same manner as employee options described above, with the expense being included as part of exploration expenditure.

(i) Critical accounting judgements, estimates and assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Impairment of assets

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(j) Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Group's assets and the discharge of its liabilities in the normal course of business.

The directors consider it is appropriate to prepare the consolidated entity's financial statement on a going concern basis and recognise that additional funding may be required to ensure the consolidated entity can continue its operations for the next twelve months and to fund the continued development of the consolidated entity's exploration assets. This basis has been determined after consideration of the following factors:

- The ability to issue additional share capital under the Corporations Act 2001, if required, by a share purchase plan, share placement or rights issue;
- Debt financing, including convertible note issues and financing available secured by future research and development tax incentives;
- The option of farming out all or part of the consolidated entity's exploration projects; and
- The ability, if required to dispose of interests in exploration and development assets.

Consequently, the Board considers the Group is a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Board has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk*(i) Price risk*

Given the current level of operations, being mineral exploration projects, the Group is not exposed to price risk.

(ii) Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of un-restricted cash and cash equivalents for the Group \$2,267,531 (2023: \$4,212,481) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the period depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Group was 2.51% (2023: 0%).

Sensitivity analysis

At 30 June 2024, if interest rates had changed by +/- 100 basis points from the weighted average rate for the period with all other variables held constant, post-tax loss for the Group would have been \$22,675 (2023: \$42,125) lower/higher as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Group has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Group does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

3. SEGMENT INFORMATION

The Group operates in the mineral exploration industry in Australia. For management purposes, the Group is organised into one main operating segment which involves exploration, evaluation and related activities of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

4. REVENUE**From continuing operations**

Interest	86,140	32,738
Other income	6,962	-
R&D refund	682,019	1,040,353
	775,121	1,073,091

5. EXPENSES**Loss before income tax includes the following specific expenses:**

Employee benefits expense		
Defined contribution superannuation expense	141,418	106,868

6. INCOME TAX**(a) Income tax expense**

Current tax	-	-
Deferred tax	-	-
	-	-

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(5,528,679)	(2,468,947)
Prima facie tax benefit at the Australian tax rate of 30%	(1,658,604)	(740,684)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Research and Development Grant	(204,728)	(312,106)
Entertainment	(1,802)	(1,237)
Share-based payments	770,280	108,000
	(1,094,854)	(946,027)
Movements in unrecognised temporary differences	405,083	26,454
Tax effect of current year tax losses for which no deferred tax asset has been recognised	689,771	919,573
Income tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

6. INCOME TAX (CON'T)**(c) Unrecognised temporary differences****Deferred Tax Assets (at 30%)***On Income Tax Account*

Provision for expenses	106,021	88,962
Capital raising costs	62,747	104,879
Investments	-	-
Carry forward revenue tax losses	10,990,789	7,466,420
	11,159,557	7,660,261
Deferred Tax Liabilities (at 30%)		
Intangible assets	309,545	289,563
Capitalised tenement acquisition costs	252,687	252,687
Investments	-	-
	562,232	542,250

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group's ability to use losses in the future is subject to the Group satisfying the relevant tax authority's criteria for using these losses.

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS**Cash and cash equivalents**

Cash at bank and in hand	2,267,531	4,212,481
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	2,267,531	4,212,481

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

Trade and other receivables	56,787	104,506
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NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

9. CURRENT ASSETS – FINANCIAL ASSETS**Financial assets**

Financial assets at FV through OCI	-	-
Net book amount	-	-

Reconciliation

Carrying amount at the beginning of the period	140,000	140,000
Movement in fair value of financial assets – FV through OCI	(140,000)	(140,000)
Balance at the end of the financial year	-	-

On 14 December 2021, the Company announced it had entered into a Subscription Agreement with environment farm management technology start-up, Regen Digital Pty Ltd (“Regen”).

Zeotech invested \$140,000 for a 4% post money interest in Regen, through a fully subscribed \$500,000 seed capital round undertaken by the Group. Regen provides members of Regen Farmers Mutual a platform to enter into and manage environmental and green provenance contracts and Regen Farmers Mutual Limited holds 77% of Regen on a post-money basis.

The early-stage investment establishes a symbiotic partnership with Zeotech’s agronomic objectives, aimed at developing agri-products that improve nutrient management and offer farmers access to carbon markets.

10. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT**Property, Plant and equipment**

Cost	1,600,666	1,599,885
Accumulated depreciation	(216,669)	(101,641)
Net book amount	1,383,997	1,498,244

Property, Plant and equipment

Opening net book amount	1,498,244	159,695
Additions	45,176	1,419,973
Disposals	(44,395)	(165,697)
Reversal of accumulated depreciation on disposal	4,436	165,697
Depreciation charge	(119,464)	(81,424)
Closing net book amount	1,383,997	1,498,244

11. NON-CURRENT ASSETS – MINING PROPERTIES**Tenement acquisition costs carried forward in respect of mining areas of interest**

Opening net book amount	6,647,290	4,267,216
Additions	-	2,380,074
Capitalised tenement acquisition costs written off	-	-
Closing net book amount	6,647,290	6,647,290

The ultimate recoupment of costs carried forward for tenement acquisition is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production.

Tenement acquisition costs carried forward relate to the Group’s Australian held tenements.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

12. NON-CURRENT ASSETS – INTANGIBLE ASSETS**Patents and Licences**

Cost	2,231,815	2,165,210
Less: Accumulated amortisation and impairment losses	-	-
Net book amount	2,231,815	2,165,210

Reconciliation

Carrying amount at the beginning of the period	2,165,210	1,451,895
Additions during the period	66,605	713,315
Disposals	-	-
Amortisation expense	-	-
Balance at the end of the financial year	2,231,815	2,165,210

Synthetic Zeolite Mineral Processing Technology

On the 7 April 2020, the Company announced it had secured an exclusive worldwide licence from UniQuest, the technology transfer company of The University of Queensland (UQ) for the manufacturing (synthesising) of zeolites (Technology). The UQ synthetic zeolite mineral processing technology has the potential to significantly reduce the cost of manufacturing synthetic zeolites.

On 7 May 2020, the Company announced it had executed the research agreement (“Research Agreement”) with UQ for the continued research and development of the patent pending mineral processing Technology.

On 29 January 2021, Zeotech and UniQuest Pty Ltd, the technology transfer company of The University of Queensland executed a Deed of Assignment that formed part of the Licence Agreement and paid the \$500,000 Assignment Fee. Which facilitated all rights, title, and interest in the licensed Intellectual Property to be legally assigned to Zeotech from UniQuest, the technology transfer company of The University of Queensland.

On 28 November 2022, the Company announced that it had successfully produced more than twenty kilograms of manufactured zeolite from the Pilot and it had triggered a further milestone under the Company’s original Licence Agreement where a success milestone of \$600,000 is payable by way of cash or the issue of ordinary fully paid shares in the capital of the Company, calculated on a 30-day VWAP (at the Company’s election). The Company elected to issue 16,176,820 fully paid ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

13. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Group's right-of-use assets include a building and car parking bays (in the form of an office lease). In May 2022, the Group signed a 5-year office lease commencing on 30 June 2022.

Right-of-use assets

Leased buildings and car parking bays	406,251	406,251
Accumulated amortisation	(157,075)	(81,250)
	<u>249,176</u>	<u>325,001</u>

Lease liability

Current	67,929	54,768
Non-current	248,183	311,266
	<u>316,112</u>	<u>366,034</u>

14. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Trade payables	162,203	87,521
Other payables and accruals	319,341	288,365
	<u>481,544</u>	<u>375,886</u>

Fair Value and Risk Exposures

- (i) Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.
- (ii) Trade and other payables are unsecured and usually paid within 60 days of recognition.

15. CURRENT LIABILITIES – FINANCIAL LIABILITIES

Secured borrowings	500,658	-
	<u>500,658</u>	<u>-</u>

The \$500,658 (2023: \$Nil) loan is payable to Santilaro Pty Ltd, with interest of 16% per annum calculated daily and is secured by the 2024 R&D Refund from the Australian Taxation Office. The loan is to be repaid on the earlier of the date of receipt of the 2024 R&D Refund or 31 January 2025. Subsequent to 30 June 2024, the Company repaid the loan in full and obtained a \$566,270 Secured Research and Development (R&D) Loan with R&DIUM Capital Ltd.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

16. ISSUED CAPITAL

(a) Share capital

	Notes	2024		2023	
		Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	15(b), 15(d)	1,753,423,065	43,897,623	1,705,923,065	43,489,091
Total issued capital		1,753,423,065	43,897,623	1,705,923,065	43,489,091

(b) Movements in ordinary share capital

Beginning of the financial year		1,705,923,065	43,489,091	1,524,915,470	35,577,639
Issued during the year:					
• Issued to employees for Incentive Share Plan (refer Note 28)		22,500,000	-	-	-
• Issued to directors for Incentive Share Plan (refer Note 28)		5,000,000	-	-	-
• Exercise of options at \$0.015		20,000,000	420,000	-	-
• Issued for cash at 4.2 cents per share		-	-	52,617,380	2,209,930
• Issued for cash at 4.6 cents per share		-	-	65,217,395	3,000,000
• Conversion of performance rights at 3.6 cents per share		-	-	10,000,000	360,000
• Issued for acquisition at 5.5 cents per share		-	-	37,000,000	2,035,000
• Issued for licence agreement at 3.7 cents per share		-	-	16,172,820	600,000
Less: Transaction costs		-	(11,468)	-	(293,478)
End of the financial year		1,753,423,065	43,897,623	1,705,923,065	43,489,091

(c) Movements in options on issue

Beginning of the financial year		88,917,388	20,000,000
Options exercised during the year		(20,000,000)	-
Issued during the year		-	68,917,388
End of the financial year		68,917,388	88,917,388

At the beginning of the financial year the Company had the following options on issue:

- 20,000,000 (unlisted, ex \$0.015 on or before 6 April 2024)
- 26,308,690 (unlisted, ex \$0.10 on or before 30 September 2024)
- 42,608,698 (unlisted, ex \$0.10 on or before 30 June 2025)

During the financial year the following options were exercised:

- 20,000,000 (unlisted, ex \$0.015 on or before 6 April 2024)

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(e) Performance Rights

Beginning of the financial year	40,000,000	125,000,000
Issued during the year	39,630,000	-
Performance rights converted on satisfaction of performance milestone	-	(10,000,000)
Performance rights lapsed during the year	-	(75,000,000)
End of the financial year	79,630,000	40,000,000

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

17. RESERVES AND ACCUMULATED LOSSES**(a) Reserves**

Share-based payments and option reserve	5,201,100	2,753,500
Foreign currency translation reserve	195,545	195,528
Financial asset reserve	(140,000)	(140,000)
	<u>5,256,645</u>	<u>2,809,028</u>

Movements:*Share-based payments and option reserve*

Balance at beginning of financial year	2,753,500	2,703,500
Options issued during the year	-	50,000
Options exercised during the year	(120,000)	-
Share based payment expense	2,567,600	-
Balance at end of financial year	<u>5,201,100</u>	<u>2,753,500</u>

Foreign currency translation reserve

Balance at beginning of year	195,528	195,471
Exchange differences on translation of foreign operation	17	57
Balance at end of financial year	<u>195,545</u>	<u>195,528</u>

Financial asset reserve

Balance at beginning of year	(140,000)	-
Fair value decrease in financial assets	-	(140,000)
Balance at end of financial year	<u>(140,000)</u>	<u>(140,000)</u>

(b) Accumulated losses

Balance at beginning of financial year	(32,087,307)	(29,618,360)
Net loss for the year	(5,528,679)	(2,468,947)
Balance at end of financial year	<u>(37,615,986)</u>	<u>(32,087,307)</u>

(c) Nature and purpose of reserves*(i) Share-based payments reserve*

The share-based payments reserve is used to recognise the fair value of options issued.

(ii) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve. The reserve is recognised in profit and loss when the net investment is disposed of.

(iii) Financial asset reserve

The financial asset reserve records the fair value movement on financial assets.

18. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

19. KEY MANAGEMENT PERSONNEL DISCLOSURES**(a) Key management personnel compensation**

Short-term benefits	834,435	497,301
Post-employment benefits	72,938	36,409
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	362,300	360,000
	1,269,673	893,710

Detailed remuneration disclosures are provided in the remuneration report on pages 19 to 25.

Apart from the detail in this note, no director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end. Certain non-executive directors provided consulting services to the Group during the year. These services were charged to the Group based on the days worked. The total amount payable while they held positions as directors is shown in the Remuneration Report.

(b) Loans to key management personnel

There were no loans to key management personnel during the year other than non-recourse loan for the Shares issued under the Incentive Share Plan (refer Note 28 for further details).

(c) Other transactions with key management personnel**Services**

Legal fees of \$11,013 (2023: \$80,588) were paid to Dominion Legal, a partnership of which Mr Robert Downey is a partner of. The amounts paid were on arm's length commercial terms.

Consultancy fees of \$9,000 (2023: \$nil) were paid to Conviam Pty Ltd, of which Sylvia Tulloch's son is the sole shareholder and director. The amounts paid were on arm's length commercial terms.

20. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

(a) Audit services

Rothsay Audit & Assurance Pty Ltd – audit and review of financial reports	39,000	38,500
Total remuneration for audit services	39,000	38,500

(b) Non-audit services

Total remuneration for other services	-	-
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NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

21. COMMITMENTS**(a) Exploration commitments**

The Group has certain commitments to meet minimum expenditure requirements on the mining exploration assets it has an interest in. Outstanding exploration commitments are as follows:

within one year	294,000	330,100
later than one year but not later than five years	633,500	887,500
	927,500	1,217,600

- (i) Work programs associated with recently renewed EPMs are outcomes based. Therefore, the financial commitments are an estimate only and does not reflect a minimum amount that must be spent.

(b) Research commitments

The Group has certain commitments to meet research milestone payments to Uniquest Pty Ltd, the commercialisation company for the University of Queensland, Griffith University and the University of New South Wales as follows:

within one year	562,678	781,556
later than one year but not later than five years	115,000	225,000
	677,678	1,006,556

Research agreements relate to:

- (i) High Reactivity Metakaolin (HRM) for low-carbon cement and concrete;
(ii) Methane emissions control; and
(iii) Carbon capture and utilisation research initiatives.

22. CONTINGENCIES**Toondoon Royalties**

On 8 December 2022, the Company executed Agreements for the freehold land underlying the Company's approved Mining Lease (ML 80126) at the high-grade Toondoon kaolin project, located in the North Burnett District of Queensland. The property acquisition was settled on 20 December 2022.

Royalties of \$2.00 per tonne on all minerals produced and sold from the land is payable as part of the acquisition Agreement.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

23. RELATED PARTY TRANSACTIONS**(a) Parent entity**

The ultimate parent entity within the Group is Zeotech Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 24.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 19.

(d) Loans to related parties

Zeotech Limited has provided unsecured, interest free loans to its wholly owned subsidiaries totalling \$5,568,063 (2023: \$5,494,718). An impairment assessment is undertaken each financial year by examining the financial position of each subsidiary and the market in which the respective subsidiary operates to determine whether there is objective evidence that the subsidiary is impaired. When such objective evidence exists, the Company recognises an allowance for the impairment loss. The loans were impaired by a total of \$5,542,541 (2023: \$5,374,751).

24. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name	Country of incorporation	Class of shares	Equity Holding ⁽¹⁾	
			2024 %	2023 %
Kalotech Pty Ltd	Australia	Ordinary	100	100
Abercorn Kaolin Pty Ltd	Australia	Ordinary	100	100
Kraaipan Founders Pty Ltd	Australia	Ordinary	100	100
Kraaipan Founders (UK) Pty Ltd	UK	Ordinary	100	100
KFPL (UK) Pty Ltd	UK	Ordinary	100	100
South East Metals (Pty) Ltd	Botswana	Ordinary	100	100
Laconia South America Pty Ltd ⁽²⁾	Australia	Ordinary	100	100
Gold Mines of Peru SAC	Peru	Ordinary	100	100

⁽¹⁾ The proportion of ownership interest is equal to the proportion of voting power held.

⁽²⁾ This entity was incorporated on 1 November 2011 with Zeotech Limited as the sole shareholder.

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NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

25. STATEMENT OF CASH FLOWS**Reconciliation of net loss after income tax to net cash outflow from operating activities**

Net loss for the year	(5,528,679)	(2,468,947)
Non-Cash Items		
Depreciation of non-current assets	201,231	162,674
Share-based payments expense	2,567,600	360,000
Loss on disposal of fixed asset	39,959	-
Change in operating assets and liabilities		
Decrease in trade and other receivables	47,719	11,444
Increase in trade and other payables	114,312	183,847
Net cash outflow from operating activities	(2,557,858)	(1,750,982)

26. EARNINGS PER SHARE**(a) Reconciliation of earnings used in calculating earnings per share**

Loss attributable to the owners of the Company used in calculating basic and diluted earnings per share	(5,528,662)	(2,468,947)
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Number of shares

	2024	2023
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(b) Weighted average number of shares used as the denominator

Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share

	1,711,128,544	1,610,826,527
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(c) Information on the classification of options

As the Group has made a loss for the year ended 30 June 2024, all 68,917,388 options on issue and 27,500,000 loan shares are considered anti-dilutive and have not been included in the calculation of diluted earnings per share. These options and loan shares could potentially dilute basic earnings per share in the future.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

Consolidated

	2024	2023
	\$	\$

27. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Zeotech Limited, at 30 June 2024. The information presented here has been prepared using accounting policies consistent with those presented in Note 1.

Current assets	2,337,596	4,328,021
Non-current assets	10,529,273	10,652,739
Total assets	12,866,869	14,980,760
Current liabilities	1,049,010	429,516
Non-current liabilities	248,183	311,266
Total liabilities	1,297,193	740,782
Net assets	11,569,676	14,239,978
Issued capital	43,897,623	43,489,091
Foreign Currency Reserve	166,449	166,449
Share-based payments and option reserve	5,201,099	2,753,500
Financial asset reserve	(140,000)	(140,000)
Accumulated losses	(37,555,495)	(32,029,062)
Total equity	11,569,676	14,239,978
Loss for the year	(5,526,434)	(2,463,965)
Total comprehensive loss for the year	(5,526,434)	(2,463,965)

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NOTES TO THE FINANCIAL STATEMENTS (CON'T)

28. SHARE BASED PAYMENTS**Shares issued under Incentive Share Plan:**

There were 27,500,000 Shares issued to directors, employees and consultants by way of a provision of, non-recourse, interest free loans during the period ending 30 June 2024 under the Incentive Share Plan approved by Shareholders at the 2020 AGM. The total value of the loans is \$1,430,000 and are detailed below.

Incentive Share Plan	Number	Date Issued	Issue Price per Share	Loan Value
Plan Shares 1	14,500,000	2-Nov-23	\$0.052	\$754,000
Plan Shares 2 ⁽¹⁾	8,000,000	2-Nov-23	\$0.052	\$416,000
Plan Shares 3 ⁽²⁾	5,000,000	24-Nov-23	\$0.052	\$260,000

⁽¹⁾Shares issued to Mr Alister Morrison

⁽²⁾Shares issued to Mr Robert Downey

No funds will be raised from the issue of the Plan Shares as there will be no change to the Company's cash position (i.e. the Loan made by the Company will be used to subscribe for the Plan Shares to be issued to the Related Party, employee or consultant). Amounts repaid to the Company by the Related Party, employee or consultant in the future in satisfaction of the Loan will be used by the Company for general working capital purposes.

The fair value per Share was calculated using the Black Scholes method and are detailed below. The total value of the shares issued is \$784,250. The Shares were issued pursuant to shareholder approval at the Company's 2020 AGM.

Incentive Share Plan	Share Price	Risk Free Interest Rate	Volatility	Loan Term	Fair Value per Share	Milestone Probability	Total Value
Plan Shares 1	\$0.045	4.25%	80.80%	5 Years	\$0.0291	100%	\$421,950
Plan Shares 2 ⁽¹⁾	\$0.045	4.25%	80.80%	5 Years	\$0.0291	100%	\$232,800
Plan Shares 3 ⁽¹⁾	\$0.040	4.25%	84.80%	5 Years	\$0.0259	100%	\$129,500

⁽¹⁾Shares issued to Mr Alister Morrison

⁽²⁾Shares issued to Mr Robert Downey

There were no Shares issued to directors, employees and consultants by way of a provision of, non-recourse, interest free loans during the year ended 30 June 2023.

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NOTES TO THE FINANCIAL STATEMENTS (CON'T)

28. SHARE BASED PAYMENTS (CON'T)**Options issued under Incentive Option Scheme:**

There were no (2023: nil) new options granted during the year under the Incentive Option Scheme.

The following table is a summary of the movement of options that have been issued under the Incentive Option Scheme.

	2024 number	2023 number	2024 weighted average exercise price	2023 weighted average exercise price
Outstanding at the beginning of the year	20,000,000	20,000,000	1.5 cents	1.5 cents
Granted during the year	-	-	-	-
Exercised during the year	(20,000,000)	-	1.5 cents	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	-	20,000,000	-	1.5 cents
Exercisable at the end of the year	-	-		

\$2,567,600 (2023: \$360,000) share based payments and options expense was charged against operations for the year.

Performance Rights Granted:

There were 39,630,000 (2023: nil) performance rights issued during the year.

The following table is a summary of the movement of performance rights.

	2024 number	2023 number	2024 weighted average exercise price	2023 weighted average exercise price
Outstanding at the beginning of the year	40,000,000	125,000,000	-	-
Granted during the year	39,630,000	-	-	-
Exercised during the year	-	(10,000,000)	-	3.6 cents
Lapsed during the year	-	(75,000,000)	-	-
Outstanding at the end of the year	79,630,000	40,000,000	-	-

Mr Peter Zardo Performance Rights

As part of Mr Peter Zardo's executive service agreement, 50,000,000 performance rights were issued in 2020. 10,000,000 Class C performance rights vested on completion of the pilot plant on 28 November 2022 and Shares were issued at \$0.036 each, total value \$360,000. Nil value has been ascribed to the remaining 40,000,000 performance rights as it is not definitively known whether certain milestones would be achieved.

Abercorn High Purity Alumina ("HPA") Project Performance Rights

As part of the acquisition of the Abercorn High Purity Alumina ("HPA") Project, 150,000,000 performance rights were issued to the Vendors. \$900,000 value has been ascribed to 75,000,000 of the performance rights as the first milestone was met in July 2020 and Shares were issued at \$0.012 each. Nil value was ascribed to the remaining 75,000,000 performance rights as it was not definitively known whether the final milestone would be achieved. The remaining 75,000,000 performance rights expired on 8 August 2022.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

28. SHARE BASED PAYMENTS (CON'T)

On 31 August 2022, the Company advised that Goody Investments Pty Ltd (a related party of John Goody being an ex-director of the Company) ("the Plaintiff") had commenced legal proceedings against the Company in the Supreme Court of Western Australia. The Company was been served with a Writ and Statement of Claim.

On 10 November 2022, the Company advised that Gold Coast Tweed Pet Motels Pty Ltd ("the Plaintiff") had commenced legal proceedings against the Company in the Supreme Court of Queensland. The Company was served with a Writ and Statement of Claim.

The proceedings related to the issue of ordinary fully paid shares in Zeotech (Shares) with respect to the Second Milestone Performance Rights in the Company (Performance Rights), issued to the plaintiff as part consideration under the Abercorn Kaolin Project Term Sheet executed on 9 August 2019. Under this agreement the Company acquired the Abercorn Kaolin Project.

Goody Investments Pty Ltd and Gold Coast Tweed Pet Motels Pty Ltd were issued with 23,782,500 and 15,847,500 Performance Rights respectively, which conversion into Shares was subject to the achievement of a second milestone, being the completion of a scoping study on the Abercorn Project ("Abercorn Scoping Study") before the expiry date, being 8 August 2022.

The statement of claims alleged that the Company was subject to an obligation to undertake the Abercorn Project Scoping Study to satisfy the second performance milestone by the expiry date. The Company denied the nature of the allegation. The proceedings with Goody Investments Pty Ltd seek damages of \$1,426,950 plus interest and any further orders of the Court. The proceedings with Gold Coast Tweed Pet Motels Pty Ltd seek damages, interest, and such further or other relief as the Court considers just.

On 26 May 2023, the Company provided update on the legal proceedings in relation to Second Milestone Performance Rights in the Company issued to the Plaintiffs. The court ordered mediation initiated in March 2023 concluded and all parties have executed a final binding Deed of Settlement and Release (the "Settlement Agreement").

Pursuant to the Settlement Agreement, Zeotech and the Plaintiffs have reached a mutually agreeable release of all legal claims and the terms upon which both legal proceedings would be discontinued.

A General Meeting was held on 7 August 2023, where shareholders passed a resolution related to the issuance for Settlement Performance Rights as per the requirements of the Settlement Agreement. 39,630,000 Performance Rights were issued to the Plaintiffs on 23 August 2023. \$1,783,350 value was ascribed to the 39,630,000 Performance Rights.

NOTES TO THE FINANCIAL STATEMENTS (CON'T)

29. EVENTS OCCURRING AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years other than the below.

- (i) On 19 August 2024, the Company announced the appointment of Mr James Marsh as Chief Executive Officer (“CEO”), effective 9 September 2024. As part of the appointment, the current CEO, Mr Scott Burkhart, will be appointed as Chief Operating Officer (“COO”).
- (ii) The Company repaid in full the \$500k Secured Research and Development (R&D) Loan Facility with Santilario Pty Ltd that was outstanding at 30 June 2024 and obtained a \$566,270 Secured Research and Development (R&D) Loan with R&DIUM Capital Ltd.
- (iii) On 31 July 2024, the 39,630,000 Settlement Performance Rights that were issued to Goody Investments Pty Ltd and Gold Coast Tweed Pet Motels Pty Ltd during the year were converted into Shares.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name	Entity Type	Country of Incorporation	Ownership Interest %	Tax Residency
Kalotech Pty Ltd	Body Corporate	Australia	100	Australia
Abercorn Kaolin Pty Ltd	Body Corporate	Australia	100	Australia
Kraaipan Founders Pty Ltd	Body Corporate	Australia	100	Australia
Kraaipan Founders (UK) Pty Ltd	Body Corporate	UK	100	UK
KFPL (UK) Pty Ltd	Body Corporate	UK	100	UK
South East Metals (Pty) Ltd	Body Corporate	Botswana	100	Botswana
Laconia South America Pty Ltd	Body Corporate	Australia	100	Australia
Gold Mines of Peru SAC	Body Corporate	Peru	100	Peru

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DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements, notes and additional disclosures are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's and the consolidated entity's financial position as at 30 June 2024 and of their performance for the financial year ended on that date;
- (b) the consolidated entity disclosure statement is true and correct;
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (d) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.



Sylvia Tulloch

Chair

27 September 2024

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ANNUAL MINERAL RESOURCE STATEMENT

1. Mineral Resource Estimate – Abercorn Project

A summary of the Mineral Resources at the Abercorn Project as at 30 June 2024 is shown in Table 1 below.

The Mineral Resource estimation was carried out by Angela Phipson BSc, MSc and reported on 6 July 2020.

In completing the annual review for the year ended 30 June 2024, the historical resource factors were reviewed and found to be relevant and current. The Abercorn Project has not been converted to any active operation yet and hence no resource depletion has occurred for the review period.

The Mineral Resource estimate consists of:

- 37.45Mt yielding 36.8% -20µm grading 28.6% Al₂O₃ & 1.18% K₂O, using a cut-off grade of 26% Al₂O₃;
- A high-grade section within the Project area called the Railcut Prospect contains 14Mt yielding 38% -20µm fraction grading 30.26% Al₂O₃ & 0.89% K₂O, using a cut-off grade of +29% Al₂O₃;
- A second high-grade section within the Project area called the Area 3 Prospect contains 1.66 Mt yielding 30.9% -20µm fraction grading 30.7% Al₂O₃ & 0.83% K₂O.

Table 1: Abercorn Project Mineral Resources Statement (as at 30 June 2024)

Grade Category	Estimated Grade			
	Tonnes (million)	Al ₂ O ₃ (%)	K ₂ O (%)	-20µm (%)
Al₂O₃% ≥ 26%				
Indicated	22.22	29.06	1.13	37.14
Inferred	15.23	27.88	1.25	36.35
Total	37.45	28.58	1.18	36.82

Grade Category	Estimated Grade			
	Tonnes (million)	Al ₂ O ₃ (%)	K ₂ O (%)	-20µm (%)
Al₂O₃ ≥ 29%				
Inferred	1.66	30.74	0.83	30.86

2. Mineral Resource Estimate – Toondoon Project

A summary of the Mineral Resources at the Toondoon Project as at the date of this report is shown in Table 2 below. The acquisition of the Toondoon Project was completed on 1 September 2022.

The Mineral Resource estimation was carried out by Ausrocks Pty Ltd and reported on 28 July 2022.

Table 2: Toondoon Project Mineral Resources Statement

Resource Category	Lithology	Volume (Mm3)	Density (t/m3)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO ₂ %	TiO ₂ %	LOI %	K ₂ O %	Cut-Off Grade
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O ₃
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O ₃
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O ₃

3. Material Changes and Resource Statement Comparison

A comparison between the 2023 and 2024 Mineral Resource Estimate for the Abercorn Project is shown in Table 3 and for the Toondoon Project in Table 4.

Table 3: Abercorn Project Mineral Resource Comparison Between 2023 and 2024

Estimate as at 30 June 2024

<i>Grade Category</i>	<i>Tonnes (million)</i>	<i>Estimated Grade</i>		
		<i>Al₂O₃ (%)</i>	<i>K₂O (%)</i>	<i>-20µm (%)</i>
Al₂O₃% ≥ 26%				
Indicated	22.22	29.06	1.13	37.14
Inferred	15.23	27.88	1.25	36.35
Total	37.45	28.58	1.18	36.82

<i>Grade Category</i>	<i>Tonnes (million)</i>	<i>Estimated Grade</i>		
		<i>Al₂O₃ (%)</i>	<i>K₂O (%)</i>	<i>-20µm (%)</i>
Al₂O₃ ≥ 29%				
Inferred	1.66	30.74	0.83	30.86

Estimate as at 30 June 2023

<i>Grade Category</i>	<i>Tonnes (million)</i>	<i>Estimated Grade</i>		
		<i>Al₂O₃ (%)</i>	<i>K₂O (%)</i>	<i>-20µm (%)</i>
Al₂O₃% ≥ 26%				
Indicated	22.22	29.06	1.13	37.14
Inferred	15.23	27.88	1.25	36.35
Total	37.45	28.58	1.18	36.82

<i>Grade Category</i>	<i>Tonnes (million)</i>	<i>Estimated Grade</i>		
		<i>Al₂O₃ (%)</i>	<i>K₂O (%)</i>	<i>-20µm (%)</i>
Al₂O₃ ≥ 29%				
Inferred	1.66	30.74	0.83	30.86

The updated estimation represented no change.

The Toondoon Project JORC compliant Mineral Resource estimate was announced on 28 July 2022, with the acquisition of the Toondoon Project completing subsequent to the reporting date, as such no comparison information is reported.

Table 4: Toondoon Project Mineral Resource Comparison Between 2023 and 2024

Estimate as at 30 June 2024

Resource Category	Lithology	Volume (Mm3)	Density (t/m3)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO ₂ %	TiO ₂ %	LOI %	K ₂ O %	Cut-Off Grade
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O ₃
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O ₃
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O ₃

Estimate as at 30 June 2023

Resource Category	Lithology	Volume (Mm3)	Density (t/m3)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO ₂ %	TiO ₂ %	LOI %	K ₂ O %	Cut-Off Grade
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O ₃
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O ₃
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O ₃

The updated estimation represented no change.

4. Governance Arrangements and Internal Controls

The Company's currently does not have a formal governance arrangement and internal control process for the reporting and review of its Mineral Resource Estimates, other than those prescribed for the initial estimation of Mineral Resource estimates in the JORC Code. The Company is of the view that a formal governance arrangement and internal control process is not required at this stage on the basis that the maiden Mineral Resource Estimate for the Abercorn Project was announced on 6 July 2020 and the Abercorn Project has not been converted to any active operation yet and hence no resource depletion has occurred since the maiden Mineral Resource Estimate. The Mineral Resource Estimate for the Toondoon Project was announced on 28 July 2022 and the Toondoon Project has not been converted to any active operation yet and hence no resource depletion has occurred since reporting the Mineral Resource Estimate. The Company will consider whether a formal governance arrangement and internal control process is required prior to 30 June 2025.

The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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ASX ADDITIONAL INFORMATION

Additional information required by Australian Securities Exchange and not shown elsewhere in this report is as follows. The information is current as at 10 September 2024.

Number of quoted and unquoted equity securities

Equity Security	Quoted	Unquoted
Ordinary shares	1,793,053,065	-
Performance Rights – Class D	-	10,000,000
Performance Rights – Class E	-	10,000,000
Performance Rights – Class F	-	10,000,000
Performance Rights – Class G	-	10,000,000
Options expiring 30 September 2024	-	26,308,690
Options expiring 30 June 2025	-	42,608,698

Distribution of holders of equity securities

	Fully paid ordinary shares	Performance Rights	Options 30/09/2024	Options 30/06/2025
1 - 1,000	104	-	-	1
1,001 - 5,000	131	-	-	-
5,001 – 10,000	221	-	-	-
10,001 - 100,000	878	-	3	4
100,000 and over	708	1	27	44
	2,042	1	30	49
Holding less than a marketable parcel	647			

Substantial Shareholders

Substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are as follows:

Shareholder	No. of Shares	%
Mr Anthony Paul Sheridan	127,301,000	7.10
LL & P Pty Ltd	110,796,540	6.18
Uniquist Pty Ltd	108,480,512	6.05

Twenty largest holders of quoted equity securities

Fully Paid Ordinary Shares

The names of the twenty largest holders of quoted ordinary shares (ASX:ZEO) are:

	Number of shares	Percentage of total ordinary shares
1 Uniquet Pty Ltd	108,480,512	6.05%
2 LL&P Pty Ltd <The Andrew Solomons S/F A/C >	101,178,795	5.64%
3 Buttonwood Nominees Pty Ltd	76,000,000	4.24%
4 Goody Investments Pty Ltd <Goody Family A/C>	59,282,500	3.31%
5 Dontoro Pty Ltd <The Mollica Family A/C>	56,982,609	3.18%
6 Miss Charlotte Grigg	49,893,528	2.78%
7 Mr Michael John Gregg	47,150,000	2.63%
8 Echelon Super Pty Ltd <Echelon Super Fund A/C>	43,360,109	2.42%
9 Baldey Super Pty Ltd <Baldey Super Fund A/C>	41,220,420	2.30%
10 Whitcombe Super Investments Pty Ltd <Whitcombe Super Fund A/C>	39,907,891	2.23%
11 Mr Michael John Gregg & Mrs Suzanne Jane Gregg	34,900,000	1.95%
12 J&M Page Superannuation Pty Ltd <J&M Page Super Fund A/C>	31,363,140	1.75%
13 Mr Anthony Poloni	30,000,000	1.67%
14 Mr Peter Zardo <Zardo Family A/C>	26,000,000	1.45%
15 Acilloom Pty Ltd <Mollica Super Fund A/C>	25,850,000	1.44%
16 Mr Peter Dallas Checkley & Ms Niomie Esther Varaday <Checkley Family S/F A/C>	25,749,688	1.44%
17 Agribusiness Management Pty Ltd <Zardo Super Fund A/C>	25,308,088	1.41%
18 Mr Anthony Paul Sheridan	22,871,480	1.28%
19 Mr Andre Szarukan & Ms Rose Braniska <The A & R Super fund A/C>	22,575,151	1.26%
20 Mr Peter Coroneos	22,000,000	1.235%
	890,073,911	49.64%

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Unquoted Equity Securities holdings greater than 20%

	Number Held
Performance Rights – Class D	
Mr Peter Zardo <Zardo Family A/C>	10,000,000
Performance Rights – Class E	
Mr Peter Zardo <Zardo Family A/C>	10,000,000
Performance Rights – Class F	
Mr Peter Zardo <Zardo Family A/C>	10,000,000
Performance Rights – Class G	
Mr Peter Zardo <Zardo Family A/C>	10,000,000
Options exercisable at \$0.10 each, expiring 30 September 2024	
Mr Michael John Gregg & Mrs Suzanne Jane Gregg	12,000,000
Options exercisable at \$0.10 each, expiring 30 June 2025	
Evolution Capital Pty Ltd	10,000,000

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Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Home exchange

The Company is listed on the Australian Securities Exchange. The Home Exchange is Perth. The Company's securities are not quoted on any other stock exchange.

Buy back

Nil.

Restricted securities

There were no securities restricted by the ASX at the date of this report or the year ended 30 June 2024.

Schedule of interest in mining tenements

Location	Tenement	Percentage held/earning
Australia	EPM 19081	100
Australia	EPM 26837	100
Australia	EPM 26903	100
Australia	EPM 27427	100
Australia	ML 80126	100
Australia	EPM 27395	100
Australia	EPM 27866	100

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Zeotech Limited are responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and accountable. The Board continuously reviews its governance practices to ensure they remain consistent with the needs of the Company.

ASX Listing Rule 4.10.3 requires listed companies to disclose the extent to which they have complied with the ASX Best Practice Recommendations of the ASX Corporate Governance Council in the reporting period. The Corporate Governance Statement and the Appendix 4G statement have been released to the ASX and can be found on the Company's website at www.zeotech.com.au

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