

MATERIALS FOR A HIGH TECH WORLD

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ANNUAL REPORT 2024

ABN 88 644 982 123

CORPORATE DIRECTORY

Directors

Warrick Hazeldine
Stephen Strubel
Alwyn Vorster

Auditor

William Buck Audit (VIC) Pty Ltd
Level 20, 181 William Street
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Company Secretary

Stephen Strubel

Solicitors

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Perth WA 6000

Registered Office

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East Perth WA 6004

Stock Exchange Listing

ChemX Materials Limited shares are
listed on the Australian Securities
Exchange

Principal Place of Business

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(ASX code: CMX)

Share Register

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Dear Shareholders

It is my pleasure to present your Company's Annual report for the 2024 financial year.

Throughout FY24 ChemX continued to move forward with its projects in what has been a challenging macroeconomic backdrop. The Company was pleased to be able to report a maiden resource at its Manganese project on the Eyre Peninsula, South Australia as well as make significant advancement in its HiPurA® High Purity Alumina Project, which will be covered in further detail in the Chief Executive Officer's address.

Like you, I have noted with some irritation that the company's share price is currently not reflecting the impressive performance we are achieving. Worldwide the critical materials space has been affected by a perception of oversupply. Although this in fact relates only to part of the sector - lithium and nickel, for example - almost everyone is being painted with the same brush. The world is nervous about a lot of things.

However, beneath the general uncertainties there remain many opportunities for those who look for businesses with true value. Our company is one of those. We are making solid progress in our chosen fields. The products towards which we are advancing are real and valuable. You are early investors and I am convinced that is a good place to be.

It is a credit to the staff at ChemX and management team to have been able to move the HPA project forward with validation of the flow sheet by achieving the required purity levels of 4N HPA allowing the Company to push forward with the construction of the HPA Pilot Plant. The construction of the HPA pilot plant requires a level of detail, testing, and chemical engineering which is at cutting edge of capabilities with processes being analyzed at the atomic scale to ensure accuracy and overall product suitability. The ChemX team along with its supporting contractors has moved conscientiously to ensure the plant is constructed as quickly as possible, while also ensuring that safety remains the highest priority.

CHAIRMAN'S ADDRESS



Notwithstanding the challenges currently experienced in the critical minerals sector, ChemX sees new opportunities for HPA and related high purity products in the emerging world of Artificial Intelligence Semiconductors, synthetic sapphire and Micro LEDs which are increasingly becoming embedded in the consumer products sector

Following completion of the HPA Pilot Plant ChemX will be in the position of being able to dispatch product samples to potential customers for qualification and seeking partners for joint venture and or offtake agreements for future commercial plants.

High purity materials are the future of technology. ChemX has developed unique skill sets and analytical processes which place it in a sound position to take advantage of the next wave of consumer product innovation.

I would like to thank the staff and management team for their perseverance and commitment during FY24 and look forward to a rewarding year ahead for staff and shareholders alike.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Warrick Hazeldin", with a stylized flourish at the end.

Warrick Hazeldin

Chair

GAICD, BCom

23 October 2024



Over the past 12 months, ChemX Materials has significantly strengthened its capabilities. Our 100% owned HiPurA® technology has evolved from a novel chemical process to become a producer of 4N High Purity Alumina (HPA) at a Micro Plant scale (1kg/d), and we now hold three patents in Australia, New Zealand and Africa (OAPI).

In September 2023, ChemX announced the successful production of HPA with purity exceeding 99.99% (4N). We have further refined our process, achieving an unprecedented level of 38 ppm impurities – well above the defining 4N threshold of 100 ppm and nearing our 5N target (10 ppm). This achievement positions us for strong potential profitability.

To advance our commercial endeavours, ChemX initiated the next phase of project de-risking: the development of our 24tpa HPA Pilot Plant (100 kg/d). Throughout the past year, we have engaged in comprehensive design, engineering, construction, and staged commissioning of our globally significant HiPurA® technology. We have meticulously integrated key learnings from our Micro Plant operation and established our internal High Purity Laboratory, which will support efficient commissioning once the Pilot Plant is fully constructed.

As of October 2024, the HPA Pilot Plant is 95% complete, with several areas – including Leach, Precipitation, Filtration, Drying, and Calcination – successfully commissioned. While the Pilot Plant approaches operational readiness, we have undertaken deliberate enhancements, including the installation of a sophisticated control system. This system will improve safety and enable advanced optimisation functionality, expediting the HiPurA® control system design for the Commercial Plant phase and delivering immediate operational expenditure (Opex) savings through automation.

Our High Purity Manganese (HPM) program achieved a maiden Mineral Resource in September 2023, confirming the potential for manganese-based battery materials to be developed and produced in South Australia.

CEO'S ADDRESS



Looking ahead, ChemX is poised for an exciting year as we eagerly anticipate patents in Africa, Canada, the EU, Eurasia, Korea, Japan, Mexico, and the United States, as well as becoming notable producer of +4N HPA from our Perth-based 24 tpa HiPurA® Pilot Plant once commissioned.

I would like to express my gratitude to our Shareholders, Directors, and the ChemX Team for their ongoing support. I also extend a warm welcome to TritonLake, our recently appointed strategic global corporate and financial advisors.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be "P. Lee", enclosed within a light blue circular outline.

Peter Lee
Chief Executive Officer

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MANGANESE RESOURCE ESTIMATE



Mineral Resource Statement as at 30 June 2024.

Additional details including JORC 2012 reporting tables, where applicable can be found in cross referenced announcements lodged with ASX. The Company is not aware of any new data or information that materially affects the information in the announcement referenced in the annual report and that all material assumptions and technical parameters underpinning the mineral resource estimate continue to apply and have not materially changed.

The Company ensures that all Mineral Resource estimates are subject to appropriate

levels of governance and internal controls. Exploration results are collected and managed by independent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates are prepared by qualified Competent Persons. The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2012. There has been no material changes to the Mineral Resources during the financial year. Mineral Resource is located on Eyre Peninsula, South Australia.

JORC classification	Tonnes (%)	Mn (%)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)
Indicated	2.7	5.9	14.8	48.9	9.1	0.093
Inferred	10.4	5.6	14.8	48.7	10.2	0.095
Total	13.1	5.7	14.8	48.7	10.0	0.094

Table A: Mineral Resource estimate (MRE) summary, with applied grade cut-off 4%Mn

2. ASX Announcement, 20 September 2023, "Manganese Resource Supports CMX High Purity Strategy"



TENEMENT SCHEDULE



Tenement	Registered Holder	Tenement Status	Location	% Interest
EL 6634	ChemX Materials Ltd	Granted	Eyre Peninsula South Australia	100%
EL 5920	ChemX Materials Ltd	Granted	Eyre Peninsula South Australia	100%

For Tenements EL 6634 and EL 5920 the Company is a party to a mineral rights agreement with Pirie Resources Pty Ltd a subsidiary of Itech Minerals Ltd (ASX:ITM) to explore for and if warranted develop mining operations exclusively for graphite.

Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Mr Mark Pudovskis and Mr Aaron Meakin. Mr Mark Pudovskis is a full-time employee of ERM Sustainable Mining Services and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Aaron Meakin is a full-time employee of ERM Sustainable Mining and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Mark Pudovskis and Mr Aaron Meakin have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Mr Mark Pudovskis and Mr Aaron Meakin consent to the disclosure of the information in this report in the form and context in which it appears.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of ChemX Materials Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were Directors of ChemX Materials Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Warrick Hazeldine - Independent Non-Executive Chair

Stephen Strubel - Executive Director until 30 June 2024 & Non-Executive Director thereafter

Alwyn Vorster - Independent Non-Executive Director

Tara Berrie - Non-Executive Director (resigned 26 October 2023)

Principal activities

The principal activity is mining exploration and the development of its propriety High Purity Alumina (HiPurA) technology.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the Group after providing for income tax amounted to \$4,485,548 (30 June 2023: \$4,182,306).

The financial result is largely driven by lower employee and corporate expenses partly offset by increased finance charges associated with the \$2,200,000 raised the convertible notes issued during the year and investment in the Company's projects. The lower employee expenses are largely due to the expensing of performance rights issued to key management personnel in the previous reporting period. The lower corporate expenses reflect management decisions to reduce the use of consultants and appoint roles internally including the replacement of the previous CEO with former Chief Operating Officer, Mr Peter Lee.

During the reporting period the Company reported a maiden Manganese Resource of 13.7mt at 5.7 Mn%, and thereafter initiated an internal scoping study. The Company also made significant progress on the development of its High Purity Alumina (HPA) Project and reported that the HPA Micro Plant achieved the targeted purity levels of 99.99% HPA. At the close of the reporting period, the larger scale HPA Pilot Plant was under construction with orders placed for long lead time items together with further investments made in the Company's internal laboratory. The company received its Australian Patent for the High Purity Alumina process. Further international patents are

expected to follow in subsequent reporting periods.

To further advance the Eyre Peninsula High Purity Manganese Project (HPM) and the HiPurA (HPA) Project, the Company completed the financing activities as described below.

On 4 August 2023, a \$6,000,000 unsecured convertible note funding facility with Mercer Street Global Opportunity Fund, LLC was announced. The facility allowed for \$500,000 to be drawn immediately (Tranche 1) and a further \$1,700,000 (Tranche 2) was drawn following shareholder approval on 26 September 2023.

A total of 2,640,000 (Tranche 1: 600,000 and Tranche 2: 2,040,000) convertible notes were issued with a face value of \$1.00. Assuming a Floor Price of \$0.06 per share, the conversion of Tranche 1 and Tranche 2 convertible notes will result in the issue of a maximum of 10,000,000 and 34,000,000 fully paid ordinary shares respectively. Tranche 1 was issued 14 August 2023 and Tranche 2 was issued 9 October 2023. The maturity dates for both Tranche 1 and Tranche 2 is 15 months from the date issue.

Under the terms of the funding facility, the following equity securities were issued:

* 2,415,761 (Tranche 1) and 155,668 (Tranche 2) fully paid ordinary shares (commencement shares), and

*2,272,727 (Tranche 1) and 6,179,009 (Tranche 2) options to acquire fully paid ordinary shares with exercise prices of \$0.11 and \$0.1376 respectively. The options expire three years after the issue date being 9 October 2023.

During the 2nd half of the reporting period, the Company completed a share placement (SP) and share purchase plan (SPP) raising \$1,616,600 from the issue of 33,679,148 ordinary shares at \$0.048 each.

Following shareholder approval on 27 May 2024:

- as SP participants, directors were issued 1,354,166 shares at \$0.048 each,
- all SP and SPP participants were entitled to receive one free attaching option for every two shares acquired resulting in the issue of 16,839,567 options with duration of three years and an exercise price of \$0.09, and
- a further 900,000 options were granted to the SP/SPP broker as part of their remuneration on the same terms as the free attaching options described above.

HIGH PURITY MANGANESE (HPM)

The Company owns 100% of two exploration tenements on the Eyre Peninsula in South Australia, EL 5920 & EL 6634 covering a combined area of 718 sq km. The tenements are located 115 kms south-west of Whyalla in South Australia, a significant mining and industrial city with ready access to port, rail and a skilled workforce.

During the reporting period the Company reported a maiden JORC Manganese Resource of 13.7mt at 5.7 Mn%, During the reporting period ChemX appointed global engineering firm Wood to commence an internal scoping study program on the High Purity Manganese (HPM) project.

The scoping study will be used to inform management and Board of the project's nominal capital and operating expenditure requirements (to a scoping accuracy level) in consideration of key synergies within the region such as logistics, industrial inputs, port and other infrastructure, within the burgeoning South Australian renewable energy landscape.

The Company will evaluate the outcomes of the Wood led scoping study before undertaking further exploration work on the Eyre Peninsula. During the reporting period the manganese project. The Company is considering options to move the project forward which may include joint venture, or outright sale to increase shareholder value.

HIGH PURITY ALUMINA (HPA)

HiPurA® HPA Micro Plant

During FY24 the company continued to optimise its HPA Micro Plant, which resulted in flow sheet enhancements providing valuable data for process control.

In September 2024 the Company reported that the Micro Plant achieved Assay results confirming 4N HPA (99,99%) purity. The result was assessed across 66 elements which provided crucial validation of the unique HiPurA HPA process. The Company continued to refine the process delivering further results of 4N HPA and providing data for the pilot plant.

HiPurA® HPA Pilot Plant

As a result of the experience developing and operating the Micro Plant, ChemX has been able to optimise the pilot plant flowsheet and size while still achieving the planned outcomes. Using data from the Company's HPA Micro Plant operation, the design outlined in the Primero PFS for the

Pilot plant has been optimised to produce 24tpa. In addition, ChemX invested further in house laboratory analytical equipment and the human resources necessary to speed process iteration and collect further data, which will aid in future scale up initiatives as well as position ChemX as a specialist developer of high purity and high value critical materials.

Importantly, the optimised design will enable continued process development along with the production of material for qualification with potential buyers.

At the conclusion of the reporting period the Company had made significant progress in the construction of the HPA Pilot Plant. Early-stage commissioning was made of the HPA Leach Circuit a key part of ChemX's unique flow sheet and purification process. The Company continued construction of the Pilot Plant with structural and control infrastructure carrying over into FY25.

The financial impact of the projects listed above is a requirement for further expenditure on the projects on Eyre Peninsula. Furthermore, the development of the HiPurA® technology requires ongoing development funding for piloting and commercialisation.

The Company confirms that it has used its cash and assets in a form readily convertible to cash that it had at the time of ASX admission in a way that is consistent with its business objectives.

The future strategy of the Company is to seek opportunities to maximise value at the Eyre Peninsula Project & HPA process for shareholders. In addition, the Company seeks to develop a vertically integrated model by undertaking value added processing of minerals for the battery market. The Company will continue to develop its HiPurA® technology and where possible seek to expand into related value-added minerals technology businesses.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year other than those stated above in the review of operations.

Matters subsequent to the end of the financial year

With effect from 1 July 2024, Director Stephen Strubel transitioned to a Non-Executive Director role whilst retaining

the position as Company Secretary.

Under this arrangement, Stephen's cash based remuneration entitlements will be \$110,000 per annum comprising \$60,000 per annum for director responsibilities and \$50,000 per annum for company secretarial responsibilities.

On 6 September 2024, the Company announced that it had received \$250,000 as tranche 1 of a short term loan facility

(R&D funding method) secured against the estimated 2024 R&D Tax Incentive refund of \$552,419. A second tranche of funding provided a further \$191,935, taking the total funding up to 80% of the expected refund. The facility was provided by Radium Capital.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Deferred consideration shares

Deferred Consideration Shares, also referred to as contingent consideration, relate to the acquisition of HiPurA Pty Ltd which was completed on 31 December 2021. The details are provided below.

- i. The terms and conditions attached to the Deferred Consideration Shares allows for a further 2,500,000 shares to be issued upon commissioning the HiPurA Pilot Plant.
- ii. During the previous reporting period, on 1 September 2022, the Company issued 2,000,000 Deferred Consideration

Shares upon completion of the Flow Sheet Design milestone.

- iii. At the date of this report the number of Deferred Consideration Shares pending issue was 2,500,000. No Deferred Consideration Shares were cancelled during the reporting period.
- iv. Upon the commissioning the HiPurA Pilot Plant, 2,500,000 Deferred Consideration Shares will be issued. During this reporting period and up to the date of this report, the vesting criteria attached to attached to this tranche had not been met.

Environmental regulation

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Groups operations are subject to various environmental regulations under the Commonwealth and State laws of Australia. The majority of its activities involve low levels of disturbances associated with exploration drilling programs. Approvals, licences and other regulatory requirements are performed as required by the Group's management for each of its exploration tenements. The Company's High Purity Alumina project is conducted in line with local government environmental regulations.

Key risks and uncertainties

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a

material impact on the financial performance of the Company and the market price of its securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

General risks

(a) Economic risks

General economic conditions, movements in interest and inflation rates, the prevailing global commodity prices and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. As with any exploration or mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should the Company achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of the Company to commodity price and exchange rate risks.

(b) Market conditions

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Further, share market conditions may affect the value of the Company's quoted Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- i. general economic outlook;
- ii. interest rates and inflation rates;
- iii. currency fluctuations;
- iv. changes in investor sentiment;
- v. the demand for, and supply of, capital; and
- vi. terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Force majeure

The Company's Projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, subversive activities or sabotage, fires, floods, explosions or other catastrophes.

(d) Government and legal risk

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect the Projects. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its Projects. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) Litigation risks

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company and its subsidiaries are not currently engaged in any litigation.

(f) Insurance risks

The Company intends to insure its operations in accordance with industry practice. However, the Company is subject to a number of operational risks and may not be adequately insured for certain risks, including industrial and transportation accidents, catastrophic accidents, changes in the regulatory environment, natural occurrences

or technical failures. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(g) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account by the Company. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(h) Climate change risks

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- i. the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- ii. climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(i) Infectious diseases

The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and

may continue to have a significant impact on capital markets.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains.

Specific risks

(a) Going concern risk

The Company's financial report includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern. Notwithstanding the 'going concern' paragraph included in the financial report, the Directors believe that the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the short and medium to long term working capital costs of the Company.

(b) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its technology development and exploration programs as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(c) Contractual risk

The Company has entered into a mineral rights agreement with Pirie Resources Pty Ltd (Pirie) under which the Company has agreed to grant Pirie mineral rights and allow Pirie the right to explore for and if warranted, develop mining operations on the Company's tenements exclusively for graphite. The ability of the Company to achieve its

stated objectives will depend on the performance by the parties of their obligations under these (and other) agreements. If the Company is unable to satisfy its undertakings under these agreements the Company's interest in their subject matter may be jeopardised. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(d) HPA work Program

The HiPurA® HPA Technology has been developed to a stage of confirming its ability to produce HPA at a laboratory scale. The HiPurA® HPA Technology has not been proven at a commercial scale. Any proposed development will be subject to risks usual with this type of development including but not limited to scale up risk, cost increases, delays in milestones being reached and commissioning risk. The test work required to confirm that the process can be upscaled to a commercial scale and produce HPA within the required specifications at an economically viable cost of production is unclear. The Pilot Plant is currently under construction and contains risk in scale up and operation which investors should be aware of including cost overruns and potential delays in commissioning. There is a risk that the Pilot Plant program does not produce the anticipated results to justify further development.

(e) Exploration and operating

The mineral exploration licences comprising the Company's Eyre Peninsula Project in South Australia (Eyre Peninsula Project), 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 licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected

shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Eyre Peninsula Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Eyre Peninsula Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Eyre Peninsula Project.

(f) Tenure, access and grant of applications

A number of the Company's tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including private land, public land and areas on which native title is determined to exist. The key halloysite, kaolin and manganese deposits located within the Eyre Peninsula Project are located on freehold farmland. As such, there are periods in the cropping cycle when access is limited. The Company will work with the landowners to reduce the impact of exploration activities on farm activities.

(g) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse

(h) Research and Development

effect on the Company's business.

The Company intends to undertake research and development activities in relation to the Projects, which may or may not result in any commercially viable outcome within the expected timeframe or not at all.

(i) Production risk

The Company intends to construct production facilities to produce its materials. The facilities are likely to be unique in process and design. There is no guarantee that a facility will operate as expected or that construction and/or operating costs do not exceed budgeted costs potentially making production unprofitable.

(j) Marketing risk

The Company must locate buyers for its production. There is a risk that the Company may not be able to enter into arrangements with sufficient buyers to enable production to become profitable. The nature of the industrial materials that are the focus of the Company may require them to meet buyer specific specification. There is a risk that any production by the Company does not meet the required specifications and may not be accepted by the intended buyer.

Information on Directors



Name: Warrick Hazeldine

Title: Independent Non-Executive Chair

Experience and expertise: An Australian Institute of Company Directors graduate, Mr Hazeldine holds a Bachelor of Commerce from Curtin University. He is a winner of Business News' 40 Under 40 award, which recognises the top 40 entrepreneurs in WA under the age of 40.

Mr Hazeldine has more than 20 years' capital markets experience from working with a range of ASX-listed companies on investor relations activities to attract capital and grow shareholder value.

He has worked predominately in the natural resources sector, focusing on initial public offerings, mergers and acquisitions, and secondary capital raisings. In recent years, he has played a key role in several lithium, hydrogen and battery metal transactions.

Mr Hazeldine is a founding director of investor and corporate communications firm Cannings Purple. A communications strategist and Board level advisor, he has an established network across the global resources and generalist funds and a track record in assisting companies build and manage their institutional and retail investor bases.

Other current directorships:

Evion Group (ASX:EVG) from May 24

Former directorships (last 3 years):

Non-Executive Chair of Global Lithium Exploration Ltd (ASX:GL1) 1 Feb 21 to 9 Aug 23.

Interests in shares:

866,666

Interests in options:

1,283,333

Interests in rights:

1,500,000



Name: Stephen Strubel

Title: Non-Executive Director (Executive Director until 28 June 2024)

Experience and expertise: Stephen has approximately 10 years' experience working in financial markets predominantly with Paterson's Securities. Stephen has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting and shareholder relations. Stephen holds a Bachelor of Business Banking & Finance/International Trade, Graduate Certificate of Business in Finance from Victoria University and Master of Business Administration from the Australian Institute of Business.

Other current directorships:

None

Former directorships (last 3 years):

Star Minerals Ltd (ASX:SMS) from 18 Feb 21 to 21 Oct 22 and Auric Mining Ltd (ASX:AWJ) 12 Aug 19 to 27 May 22.

Interests in shares:

5,645,834

Interests in options:

1,510,417



Name: Alwyn Vorster

Title: Independent Non-Executive Director

Experience and expertise: Mr Vorster holds a Bachelor of Science (Hons) Geology and Master of Business Administration (MBA) from the University of Stellenbosch in South Africa and a Master of Science (Mineral Economics) from the University of Witwatersrand, Johannesburg.

Mr Vorster is a mining executive with 30 years' experience in the Australian, African and Asian minerals industry across a range of commodities including iron ore, coal, mineral sands, graphite, salt, potash and various other industrial minerals. He has a proven track record of delivery in exploration, project development and approvals, infrastructure access, project transactions, and company M&A - all underpinned by strong operational leadership, financial discipline and technical & commercial capability.

Other current directorships: None

Former directorships (last 3 years): BCI Minerals Ltd (ASX:BCI) from Sep 16 to Sep 22.
Lindian Resources Ltd (ASX:LIN) since 22 Aug 23 to June 24, Arrow Minerals Ltd (ASX:AMD) since 24 Oct 22 to June 24 and Alien Metals Ltd (AIM:UFO) since 4 Aug 23 to June 24.

Interests in shares: 760,083

Interests in options: 208,333

Interests in rights: 1,500,00

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

The Company Secretary is Stephen Strubel

who was also an Executive Director throughout the reporting period.

Meetings of Directors

Due to the size and nature of the Company, the Board fulfils the role of both the Audit & Risk Committee and Nomination & Remuneration Committee.

The number of meetings of the Company's Board of Directors held during the year ended 30 Jun 2024, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held
Warrick Hazeldine	7	7
Stephen Strubel	7	7
Alwyn Vorster	7	7
Tara Berrie – Non-Executive Director (resigned 26 October 2023)	1	4

Held: represents the number of meetings held during the time the Director held office.

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Link between remuneration and performance
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aims to align executive reward with the achievement of strategic objectives and the creation of value for shareholders. The Board of Directors ('the Board') aims to ensure that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness,
- acceptability to shareholders,
- performance linkage / alignment of executive compensation, and
- transparency

Non-Executive Director remuneration

The total maximum non-executive director fee pool was initially set by the Board and any subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The current non-executive director fee pool, which excludes non-cash performance incentives such as options and performance rights, has been set at an amount not to exceed \$300,000 per annum. The determination of individual remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each

non-executive director. During the previous reporting period the Board set non-executive director base remuneration levels at \$96,000 for the Board chair and \$60,000 for other non-executive directors.

Executive remuneration

The Group aims to reward executives including directors and other key management personnel based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The Board reviews and approves the remuneration levels to enable the Company to attract and retain executives who will create shareholder value having regard to the amount considered to be commensurate for a company of its size, level of activity and the executive's responsibilities. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

The executive remuneration and reward framework has four components:

- base pay, superannuation and non-monetary fringe benefits (fixed remuneration)
- short and long-term based performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Short and long-term performance incentives

The Group continues to develop programs covering short-term incentive payments ('STIP') and long-term incentive payments ('LTIP'). In August 2023, key performance indicators were assigned to the CEO as part of the short term incentive program.

Employees may be entitled to a STIP of an approved percentage of base salary in cash (or equivalent value of securities in the Employer) subject to achievement of key performance indicators / milestones determined by the Board. The targets forming the basis of any STIP will be approved annually by the Board.

Employees may also be entitled to performance rights (with a three year term) granted on an annual basis to the value of an approved percentage of base salary subject to the terms of a separate written offer letter from the Employer including milestones determined by the Board.

Long-term employee benefits include long service leave and any share-based payments pursuant to any STIP and LTIP programs.

Employee Securities Incentive Plan (Incentive Plan)

The Incentive Plan allows eligible participants to be issued Company securities.

Eligible participants include a person who is a full-time or part-time employee, a non-executive director, a contractor or a casual employee of the Company, or an Associated Body Corporate (as, defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Incentive Plan from time to time.

The purpose of the plan is to:

- assist in the reward, retention, and motivation of Eligible Participants;
- link the reward of Eligible Participants to Shareholder value creation; and
- align the interests of Eligible Participants with shareholders by providing an opportunity to receive an equity interest.

Use of remuneration consultants

No remuneration consultants were engaged during the financial reporting period.

Voting and comments made at the Company's Annual General Meeting ('AGM')

At the AGM held 29th November 2023, 95.48% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group comprises:

Directors

- Warrick Hazeldine – Independent Non-Executive Chair
- Alwyn Vorster – Independent Non-Executive Director
- Stephen Strubel – Executive Director until 30 June 2024 & Non-Executive Director thereafter
- Tara Berrie – Non-Executive Director (resigned 26 October 2023)

Other key management personnel

- Peter Lee – appointed as Chief Executive Officer on 2 August 2023 from his previous role as Chief Operating Officer.
- David Leavy – Marketing Strategy Manager (resigned 13 October 2023)
- Mark Tory – Chief Executive Officer (appointed 6 February 2023 and resigned 2 August 2023).

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)



	Short-term benefits			Post-employment benefits	Long-term benefits	Share based payment	Total
	Cash salary and fees	Cash bonus	Non-monetary ⁽¹⁾	Super-annuation	Long service leave	Equity-settled ⁽²⁾	
30 Jun 2024	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Warrick Hazeldine ⁽³⁾	102,160	-	-	-	-	-	102,160
Alwyn Vorster	60,000	-	-	-	-	-	60,000
Stephen Strubel	221,746	-	(14,563)	24,392	(21)	-	231,554
Tara Berrie	22,815	-	-	2,510	-	-	25,325
<i>Other Key Management Personnel:</i>							
Peter Lee (CEO) ^{(4) (5)}	308,125	43,500	12,387	26,949	60	66,564	457,585
David Leavy	49,294	-	(6,139)	4,750	(92)	-	47,813
Mark Tory	52,318	-	(16,369)	3,646	(24)	-	39,571
	-	-	-	-	-	-	-
	816,458	43,500	(24,684)	62,247	(77)	66,564	964,008

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)



	Short-term benefits			Post-employment benefits	Long-term benefits	Share based payment	Total
	Cash salary and fees	Cash bonus	Non-monetary ⁽¹⁾	Super-annuation	Long service leave	Equity-settled ⁽²⁾	
30 Jun 2024	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Warrick Hazeldine ⁽³⁾	136,847	-	-	-	-	227,925	364,772
Alwyn Vorster	39,146	-	-	-	-	227,925	267,071
Tara Berrie	21,996	-	-	2,324	-	148,380	172,700
Kristie Young	56,426	-	(5,063)	5,040	(12)	-	56,391
<i>Executive Directors:</i>							
Stephen Strubel	177,718	-	19,374	18,660	48	-	215,800
David Leavy (MD)	90,474	-	-	7,552	-	-	98,026
<i>Other Key Management Personnel:</i>							
David Leavy	100,800	-	(7,785)	3,938	59	-	97,012
Mark Tory (CEO)	143,188	-	16,369	9,876	24	-	169,457
Peter Lee (COO)	199,744	-	16,171	20,973	33	24,231	261,152
	966,339	-	39,066	68,363	152	628,461	1,702,381

1. Non-monetary short term benefits relates to the change in annual leave entitlements accrued during the reporting period.
2. Refer to "Share-based compensation" section below for further information relating to share-based payments.
3. Cash salary and fees for Warrick Hazeldine includes \$6,160 (2023: \$59,708) paid to Cannings Purple Pty Ltd (a director related entity) for strategic communications support services.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)



4. During the reporting period, the salary paid to Peter Lee included annual leave paid out in addition to his normal salary.
5. The short term incentive key performance indicators assigned to Peter Lee were assessed as 29% satisfied. Pursuant to the conditions of his service agreement, a \$43,500 STIP was granted and will be paid after the end of the reporting period by cash, equity or a combination thereof.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
<i>Non-Executive Directors:</i>						
Warrick Hazeldine	100%	38%	-	-	-	62%
Alwyn Vorster	100%	15%	-	-	-	85%
Tara Berrie	100%	14%	-	-	-	86%
Kristie Young	-	100%	-	-	-	-
<i>Executive Directors:</i>						
Stephen Strubel	100%	100%	-	-	-	-
David Leavy (MD)	-	100%	-	-	-	-
<i>Other Key Management Personnel:</i>						
Peter Lee	76%	91%	9%	-	15%	9%
David Leavy	100%	100%	-	-	-	-
Mark Tory	100%	100%	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Warrick Hazeldine
Title:	Independent Non-Executive Chair
Term of agreement:	Ongoing
Details:	Pursuant to a consultancy agreement Northpoint Equity Pty Ltd (a director- related entity) is entitled to receive annual director fees of \$96,000 (excluding GST). Cannings Purple Pty Ltd (a director related entity) has entered a service agreement to provide strategic communications support. The fee entitlements are shown as remuneration.
Name:	Alwyn Vorster
Title:	Independent Non-Executive Chair
Term of agreement:	Ongoing
Details:	The material terms and conditions of a consultancy agreement include an annual fee of \$60,000 (excluding GST).
Name:	Stephen Strubel
Title:	Executive Director, Corporate Affairs
Term of agreement:	3 years expiring 1 August 2024 unless terminated earlier in accordance with the Executive Services Agreement (ESA). (Effective 1 July 2024, Stephen's role changed and the agreement was terminated. <i>(Refer to subsequent role change heading below).</i>)
Details:	The material terms and conditions of the ESA included; * a base salary of \$220,000 plus superannuation required by law, * a potential STIP of up to 40% of base salary and * a potential LTIP up to the value of up to 40% of base salary.
Termination:	Either party were able to terminate the ESA by 3 months' notice in writing. Customary summary termination events apply in favour of the Company in the event of misconduct or breach. Upon a change of control event a severance payment in lieu of notice of 3 months base salary may be made, subject to the ESA requirements.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

**Subsequent role change:**

With effect from 1 July 2024, Director Stephen Strubel transitioned to a Non-Executive Director role whilst retaining the position as Company Secretary. Under this arrangement, Stephen's cash based remuneration entitlements will be \$110,000 per annum comprising \$60,000 per annum for director responsibilities and \$50,000 per annum for company secretarial responsibilities.

Name:

Peter Lee

Title:

Chief Executive Officer (previously Chief Operating Officer)

Term of agreement:

An Executive Service Agreement (ESA) commenced 2 August 2023 under which the term of employment will continue until terminated in accordance with the ESA

Details:

The material terms and conditions of the ESA include:

- * a base salary of \$300,000 plus superannuation required by law,
- * a potential STIP of up to 50% of base salary and
- * a potential LTIP up to the value of up to 50% of base salary.

Termination:

Either party may terminate the ESA by 3 months' notice in writing. Customary summary termination events apply in favour of the Company in the event of misconduct or breach. Upon a change of control event a severance payment in lieu of notice of 3 months base salary may be made, subject to the ESA requirements.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options

On 18 August 2023 the Company issued and granted 1,000,000 unquoted and fully vested employee incentive options to Peter Lee, Chief Executive Officer (CEO). The options expire 9 August 2026 and the exercise price is \$0.205. As at the grant date, the fair value of the options was \$48,800 (\$0.0488 per option).

There were no other options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024.

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant Date	Vesting status by class	Expiry/lapse date	Share price hurdle for vesting	Fair Value per right at grant date
Peter Lee	250,000	20 May 2022	A - not vested	20 May 2025	\$0.0000	\$0.2100

The vesting conditions are as follows:

- Class A: will vest on the announcement by the Company of the successful commissioning of the (HiPurA) HPA Pilot Plant subject to a condition of on-going service to the Company.

Performance rights granted carry no dividend or voting rights.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)



Link between remuneration and performance

The Company aims to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's historical financial performance. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2024 \$	2023 \$
Profit / (loss) after income tax	(4,485,548)	(4,182,306)

	cents	cents
Earnings / (loss) per share	(4.44)	(4.51)
Share price at financial year end	4.80	7.10

The share-based compensation section above includes performance rights with vesting subject to the successful commissioning of the HiPurA HPA Pilot Plant and various share price hurdles.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	On market additions	Other additions / disposals (net)	Balance at the end of the year
Ordinary shares					
Warrick Hazeldine **	300,000	-	150,000	416,666	866,666
Stephen Strubel **	5,125,000	-	-	520,834	5,645,834
Alwyn Vorster **	52,941	-	290,476	416,666	760,083
Peter Lee**	-	-	-	416,667	416,667
David Leavy (resigned as KMP 13 October 2023)	3,862,500	-	-	(3,862,500)	-
Mark Tory (resigned as KMP 2 August 2023)*	337,500	-	-	(337,500)	-
	9,677,941	-	440,476	(2,429,167)	7,689,250

* Other disposals reflects securities held at the date of ceasing to be a KMP.

** Other additions (net) reflect director and other KMP share placement participation. On 27 May 2024 shareholders approved director share placement participation.

Option holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)



	Balance at the start of the year	Granted and vested as at grant date	Exercised	Expired / forfeited / other	Balance at the end of the year ***
<i>Options over ordinary shares</i>					
Warrick Hazeldine **	1,075,000	208,333	-	-	1,283,333
Stephen Strubel **	1,250,000	260,417	-	-	1,510,417
Alwyn Vorster **	-	208,333	-	-	208,333
Peter Lee *	-	1,208,333	-	-	1,208,333
David Leavy (resigned as KMP 13 October 2023)	778,126	-	-	(778,126)	-
	3,103,126	1,885,416	-	(778,126)	4,210,416

* On 18 August 2023 Peter Lee was granted 1,000,000 options as remuneration upon his appointment as Chief Executive Officer (CEO). Peter also participated in the share placement and was granted a further 208,333 options.

** Other grants reflect free attaching options pursuant to director share placement participation as approved by shareholders on 27 May 2024.

*** At the end of the reporting period, all KMP held options were vested and exercisable.

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Expired / forfeited / other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>				
Warrick Hazeldine (Classes E & F, each with 750,000 rights)	1,500,000	-	-	1,500,000
Alwyn Vorster (Classes E & F each with 750,000 rights)	1,500,000	-	-	1,500,000
Tara Berrie (resigned 25 October 2023)	1,500,000	-	(1,500,000)	-
Peter Lee (Classes A,B,C & D each class has 250,000 rights)	1,000,000	-	-	1,000,000
	5,500,000	-	(1,500,000)	4,000,000

The performance right vesting conditions are as follows:

- Class A: will vest on the announcement by the Company of the successful commissioning of the HiPurA HPA Pilot Plant.
- Class B: will vest on the day the share price of the Company (ASX:CMX) trades on ASX at a volume weighted average price (VWAP) at or above \$0.40 for 10 consecutive days.
- Class C: will vest on the day the share price of the Company (ASX:CMX) trades on ASX at a VWAP at or above \$0.60 for 10 consecutive days.
- Class D: will vest on the day the share price of the Company (ASX:CMX) trades on ASX at a VWAP at or above \$0.80 for 10 consecutive days.
- Class E: will vest on the day the share price of the Company (ASX: CMX) trades on ASX at a volume weighted average price (VWAP) at or above \$0.40 for 20 consecutive days.
- Class F: will vest on the day the share price of the Company (ASX: CMX) trades on ASX at a volume weighted average price (VWAP) at or above \$0.60 for 20 consecutive days.

No performance rights have vested as none of the vesting conditions have been met.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of ChemX Materials Limited under option at the date of this report are as follows:

Grant date	Expiry Date	Exercise price	Number under option
18 January 2021	18 January 2024	\$0.3000	2,000,000
1 November 2021	1 November 2024	\$0.3000	2,000,000
30 May 2022 (issued 11 July 2022)	11 July 2025	\$0.4000	1,500,000
11 July 2022	11 July 2025	\$0.3000	22,693,038
18 August 2023	9 August 2026	\$0.2050	1,000,000
9 October 2023	9 October 2026	\$0.1376	6,179,009
9 October 2023	9 October 2026	\$0.1100	2,272,727
29 May 2024	29 May 2027	\$0.0900	15,639,567
17 June 2024	29 May 2027	\$0.0900	<u>2,100,000</u>
			55,384,341

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights

Unissued ordinary shares of ChemX Materials Limited under performance rights at the date of this report are as follows:

Grant date	Expiry Date	Exercise price	Number under option
20 May 2022	20 May 2025	\$0.0000	1,000,000
18 Nov 2022	18 Nov 2025	\$0.0000	3,000,000
1 Dec 2022	1 Dec 2025	\$0.0000	<u>200,000</u>
			4,200,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of ChemX Materials Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of ChemX Materials Limited issued on the exercise of performance rights during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

The Company has paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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 part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 27 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 27 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and

- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of William Buck Audit (VIC) Pty Ltd

There are no officers of the Company who are former partners of external auditor William Buck Audit (VIC) Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor

William Buck Audit (VIC) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Stephen Strubel

Director

30 September 2024

LEAD AUDITOR'S INDEPENDENCE DECLARATION



WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of ChemX Materials Limited

As lead auditor for the audit of ChemX Materials 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 as set out in 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 ChemX Materials Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins

J. C. Luckins
Director
Melbourne, 30 September 2024

Level 20, 181 William Street, Melbourne VIC 3000

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ANNUAL FINANCIAL STATEMENTS

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General information

The financial statements cover ChemX Materials Limited as a Group consisting of ChemX Materials Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is ChemX Materials Limited's functional and presentation currency.

ChemX Materials Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Danpalo Group Pty Ltd
Suite 1, 1 Tully Road
East Perth WA 6004

Principal place of business

3 Findell Street
O'Connor WA 6163

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2024. The Directors have the power to amend and reissue the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024



		Consolidated	
	Note	30 Jun 2024 \$	30 Jun 2023 \$
Revenue		646,838	934,652
Government grants			
Interest income		2,005	14,200
Gain on remeasurement of convertible note embedded derivative	10	78,473	-
Expenses			
Employee benefits expense	4	(1,516,830)	(2,115,944)
Corporate expense	4	(1,074,113)	(1,634,615)
Development expense		(1,812,124)	(1,344,334)
Finance expense		(809,797)	(36,265)
Loss before income tax expense		(4,485,548)	(4,182,306)
Income tax expense		-	-
Loss after income tax expense for the year		(4,485,548)	(4,182,306)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(4,485,548)	(4,182,306)
		Cents	Cents
Basic earnings per share	26	(4.44)	(4.51)
Diluted earnings per share	26	(4.44)	(4.51)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024



		Consolidated	
	Note	30 Jun 2024	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		594,900	798,012
Other receivables	5	758,392	1,049,569
Term deposits		-	20,000
Other assets		2,258	5,631
Total current assets		<u>1,355,550</u>	<u>1,873,212</u>
Non-current assets			
Property, plant and equipment		28,152	39,279
Right-of-use assets	6	430,472	565,785
Intangibles	7	975,534	1,105,534
Exploration and evaluation	8	4,843,234	4,324,509
Other assets		68,807	88,807
Total non-current assets		<u>6,346,199</u>	<u>6,123,914</u>
Total assets		<u>7,701,749</u>	<u>7,997,126</u>
Liabilities			
Current liabilities			
Trade and other payables	9	847,833	636,754
Borrowings	10	1,882,587	-
Lease liabilities	11	124,582	117,390
Employee benefits		66,617	74,969
Total current liabilities		<u>2,921,619</u>	<u>829,113</u>
Non-current liabilities			
Lease liabilities	11	355,269	475,286
Employee benefits		266	249
Total non-current liabilities		<u>355,535</u>	<u>475,535</u>
Total liabilities		3,277,154	1,304,648
Net assets		4,424,595	6,692,478
Equity			
Issued capital	12	12,676,777	11,130,414
Reserves	13	2,270,128	1,747,206
Accumulated losses		(10,522,310)	(6,185,142)
Total equity		4,424,595	6,692,478

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024



Consolidated	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	10,669,031	1,498,970	(2,002,836)	10,165,165
Loss after income tax expense for the year	-	-	(4,182,306)	(4,182,306)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(4,182,306)	(4,182,306)
Transactions with owners in their capacity as owners:				
Vesting of share-based payments	-	648,236	-	648,236
Shares issued as deferred consideration for achievement of intangible asset performance milestone	400,000	(400,000)	-	-
Loyalty options issued	113,465	-	-	113,465
Capital raising costs	(52,082)	-	-	(52,082)
Balance at 30 June 2023	11,130,414	1,747,206	(6,185,142)	6,692,478

Consolidated	Issued capital \$	Share-based payments reserve \$	Convertible note reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	11,130,414	1,747,206	-	(6,185,142)	6,692,478
Loss after income tax expense for the year	-	-	-	(4,485,548)	(4,485,548)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(4,485,548)	(4,485,548)
Transactions with owners in their capacity as owners:					
Vesting of share-based payments	-	77,236	-	-	77,236
Performance rights lapsed (note 13)	-	(148,380)	-	148,380	-
Shares issued pursuant to the convertible note facility (note 12)	201,360	-	-	-	201,360
Options issued pursuant to the convertible note facility (note 13)	-	-	574,356	-	574,356
Shares issued pursuant to a share placement plan and a share purchase plan (note 12)	1,616,600	-	-	-	1,616,600
Capital raising costs (note 12)	(271,597)	19,710	-	-	(251,887)
Balance at 30 June 2024	12,676,777	1,695,772	574,356	(10,522,310)	4,424,595

The above statement of changes in equity should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024



		Consolidated	
	Note	30 Jun 2024 \$	30 Jun 2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(3,884,115)	(3,813,018)
Interest received		2,005	14,200
Interest and other finance costs paid		(42,675)	(36,265)
Government grants received		<u>919,600</u>	<u>342,435</u>
Net cash used in operating activities	25	<u>(3,005,185)</u>	<u>(3,492,648)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(1,489)	(40,728)
Payments for exploration and evaluation	8	(517,978)	(1,327,964)
Payments for term deposits		-	(68,807)
Proceeds from term deposits redeemed		<u>20,000</u>	<u>-</u>
Net cash used in investing activities		<u>(499,467)</u>	<u>(1,437,499)</u>
Cash flows from financing activities			
Proceeds from issue of shares	12	1,616,600	-
Proceeds from issue of options	12	-	113,465
Proceeds from issue of convertible notes	10	2,200,000	-
Capital raising transaction costs	12	(171,889)	(52,082)
Transaction costs related to loans and borrowings	10	(230,346)	-
Repayment of lease liabilities		<u>(112,825)</u>	<u>(83,892)</u>
Net cash from/(used in) financing activities		<u>3,301,540</u>	<u>(22,509)</u>
Net decrease in cash and cash equivalents		(203,112)	(4,952,656)
Cash and cash equivalents at the beginning of the financial year		<u>798,012</u>	<u>5,750,668</u>
Cash and cash equivalents at the end of the financial year		594,900	798,012

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies adopted 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.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial statements have been prepared on a going concern basis.

For the period ended 30 June 2024, the Group incurred a net loss of \$4,485,548, had operating cash outflows of \$3,005,185 and as at 30 June 2024 had net current liabilities of \$1,566,069, net assets of \$4,424,595 and cash and cash equivalents balance of \$594,900. As at 30 June 2024, further additional funding was needed to complete planned activities. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be

unable to realise its assets and discharge its liabilities in the normal course of business.

However, it is important to note the following:

- as an ASX listed entity the Group has ready access to financial markets.
- the Group has a history of successful R&D rebate claims,
- the Group is not currently committed beyond its existing financial resources (refer to note 19 'Commitments').
- the Group has recently appointed corporate advisors, and based on experience, the Group has reasonable grounds to believe it can successfully execute a capital raising to strengthen its financial position, and
- the Group has reason to believe that the current borrowings balance, owing to issued convertible notes, will not be called upon within 12 months from the date of this report.

Members of key management personnel have written to the Company advising of their intention and ability, if required, to not call upon amounts (excluding employment related costs) owing or that will contractually be owed to them or their related parties, including borrowings balances, in cash for the foreseeable future, in the event that such an action jeopardises the consolidated entity's reserves of available working capital.

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Based on the above and on its assessment of the cash flow projections over the ensuing 12 months from the date of this report the Board is satisfied that sufficient funds are available for the Group to pay its debts as and when they fall due for at least the next 12 months from the date of this report.

The financial statements are normally prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the Group has neither the intention nor the need to liquidate or curtail materially the scale of its operations. If such an intention or need exists, the financial statements may have to be prepared on a different basis and, if so, the basis will be disclosed and the impacts quantified.

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 ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the revaluation of financial liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 21.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately 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.

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Acquired intellectual property

Acquired intellectual property including the propriety High Purity Alumina (HiPurA) technology is capitalised where it is probable that future economic benefits exist and thereafter amortised on a straight line basis over the term of its expected useful economic life being 10 years.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the

expenditure incurred thereon is written off in the year in which the decision is made.

Borrowings with variable equity conversion features

Upon initial recognition, the directors assess borrowings with conversion clauses for fixed or variable conversion terms. Where terms are variable, an embedded derivative is initially recognised at fair value, and the difference received between the consideration received for the note and the fair value of the derivative(s) are recognised in the underlying host (debt) contract.

Thereafter at each reporting date, the embedded derivative is reassessed at its fair value, with changes in fair value taken to the profit or loss. The underlying host contract is recognised at amortised cost.

Costs of issuing the convertible note are amortised over the life of the underlying host contract.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Basic earnings per share is calculated by dividing the profit attributable to the owners of ChemX Materials Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances.

The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities

within the next annual reporting period but may impact profit or loss and equity.

Recognition of refundable R&D tax offset receivable

Over the past year, the Company has successfully claimed from the Australian Taxation Office credits for its research and development program. Under this program, the ATO has the right, extending back 4 tax years to investigate, audit and potentially clawback these claims in the event that they fail to meet the necessary criteria as established under the research and development credit claim legislation and regulations. It is the directors' view that there is no probable likelihood that any potential action may take place based upon the following reasons:

- Upon submission of the claim, the ATO and AusIndustry conduct an overall desktop review of the claim, including the eligibility of any overseas research and development activity undertaken (which requires an Advanced Overseas Finding before being eligible);
- The industry environment in which the entity deals in is known for its research and development activities which have historically been supported through research and development claims; and

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

- The entity has a track record extending to last year of never ever being challenged on its research and development claims by the ATO or AusIndustry.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and any unused tax losses only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are

applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Valuation of equity conversion features attached to the convertible notes

As disclosed in note 10 on 4 August 2023, the Company executed a \$6,000,000 unsecured convertible note funding facility from Mercer Street Global Opportunity. The equity conversion features attached to the notes represent embedded derivatives which were recognised at fair value at the time of issue and thereafter at fair value at the end of each reporting period.

Aside from those inputs arising directly from the conversion clause entitlements and the Company's spot price applied at each remeasurement date, the key judgments

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

applied in determining the fair value of the embedded derivatives, included the following:

- a. an expected expiry date being the maturity date for each issue,
- b. the applicable share price,
- c. annualised volatility calculations, and
- d. a risk-free rate based on the 1-year Australian Government Bond Rate Benchmark Yield.

No reasonable change in any of the inputs and assumptions used in the calculation of the embedded derivative would have materially impacted its value as at 30 June 2024.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term,

all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

NOTE 3. OPERATING SEGMENTS

Based on the information used for internal reporting purposes by the chief operating decision maker (directors of the Company) the Group operated in one reportable segment during the period which was mining exploration and the development of its propriety High Purity Alumina technology within Australia.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 4. EXPENSES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation included in development expenditure</i>		
Plant and equipment	12,616	10,547
Buildings right-of-use assets	127,040	105,267
Plant and equipment right-of-use assets	8,273	5,516
Total depreciation	147,929	121,330
<i>Amortisation included in development expenditure</i>		
Intellectual property (High Purity Alumina processing technology)	130,000	130,000
Total Depreciation and amortisation	277,929	251,330
<i>Corporate expense</i>		
Corporate and consulting	859,565	1,387,129
Marketing and promotion	113,826	95,072
Other expenses	100,722	152,414
Total corporate expense	1,074,113	1,634,615
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	41,592	36,265
Amortisation of the discount on convertible notes (note 10)	767,122	-
Other	1,083	-
Finance costs expensed	809,797	36,265
<i>Employee benefits expense</i>		
Salaries, wages and non-superannuation related oncosts	1,314,157	1,342,630
Defined benefit superannuation expense	125,437	125,078
Vesting of share-based payments	77,236	648,236
Total employee benefits expense	1,516,830	2,115,944

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 5. OTHER RECEIVABLES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Current assets</i>		
Refundable R&D tax offset receivable	661,890	934,652
BAS receivable	<u>96,502</u>	<u>114,917</u>
	758,392	1,049,569

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 6. RIGHT-OF-USE ASSETS

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	635,201	635,201
Less: Accumulated depreciation	(232,307)	(105,267)
	<u>402,894</u>	<u>529,934</u>
Plant and equipment - right-of-use	41,367	41,367
Less: Accumulated depreciation	(13,789)	(5,516)
	<u>27,578</u>	<u>35,851</u>
Total	430,472	565,785

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Consolidated	Land and buildings - right-of-use \$	Plant and equipment - right-of-use \$	Total \$
Balance at 1 July 2023	529,934	35,851	565,785
Depreciation expense	<u>(127,040)</u>	<u>(8,273)</u>	<u>(135,313)</u>
Balance at 30 June 2024	402,894	27,578	430,472

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 7. INTANGIBLES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Intellectual property - at cost *	1,300,000	1,300,000
Less: Accumulated amortisation	<u>(324,466)</u>	<u>(194,466)</u>
	975,534	1,105,534

* High Purity Alumina processing technology.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Consolidated
	30 Jun 2024
	\$
Balance at 1 July 2023	1,105,534
Amortisation expense	<u>(130,000)</u>
Balance at 30 June 2024	975,534

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 8. EXPLORATION AND EVALUATION

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$

Non-current assets

Exploration and evaluation	4,843,234	4,324,509
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	Consolidated
	30 Jun 2024
	\$

Exploration and evaluation at end of the current period comprises:

Mineral exploration licences EL 5920 & EL 6634 located on the Eyre Peninsula.

- Deposits paid	150,000
- Share-based payment	2,314,224
- Legal fees	26,646
- Exploration and evaluation expenditure	1,833,639
Balance as at 30 June 2023	4,324,509
- Exploration and evaluation expenditure	518,725

Balance as at 30 June 2024	4,843,234
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NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 9. TRADE AND OTHER PAYABLES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	530,034	330,769
Accrued expenses and other payables	<u>317,799</u>	<u>305,985</u>
	847,833	636,754

Trade and other payables combined include amounts owing to directors totalling \$49,390 (2023: \$ 28,693) and other key management personnel totalling \$44,372 (2023: \$ nil). Refer to note 20 'Related party transactions'.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 10. BORROWINGS

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Convertible notes - host liability - at amortised cost	1,874,604	-
Convertible notes - fair value of embedded derivatives	<u>7,983</u>	<u>-</u>
	1,882,587	-

On 4 August 2023 the Company executed a \$6,000,000 unsecured convertible note funding facility from Mercer Street Global Opportunity Fund, LLC for the purpose of advancing the Eyre Peninsula High Purity Manganese Project (HPM) in South Australia and HiPurA HPA Project in Perth, Western Australia. The initial drawdown was \$500,000 (Tranche 1) and a further \$1,700,000 (Tranche 2) was drawn following shareholder approval granted on 26 September 2023.

Tranche 1 and Tranche 2 comprised the issue of 600,000 and 2,040,000 convertible notes respectively with a face value of \$1.00. Assuming a Floor Price of \$0.06 per share, the conversion of Tranche 1 and Tranche 2 convertible notes will result in the issue of a maximum of 10,000,000 and 34,000,000 fully paid ordinary shares respectively. Tranche 1 was issued 14 August 2023 and Tranche 2 was issued 9 October 2023. The maturity date for both Tranche 1 and Tranche 2 is 15 months from the date issue. The Company has the ability to repurchase the tranches under the convertible note facility early at a 5% mark up from face value.

The convertible notes have a zero coupon and therefore no interest is payable with the exception of a default event.

The host liability is shown at amortised cost and the embedded derivatives representing the equity conversion features are shown at fair value.

The Directors appointed an external valuation expert to perform a fair valuation of the embedded derivatives as at the respective issue dates and as at 30 June 2024. The valuer adopted the Monte Carlo Simulation model fair value methodology. The table below demonstrates the host liability and embedded derivative movements during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 10. BORROWINGS (CONTINUED)

	Host liability at amortised cost	Embedded derivatives At fair value	Total
	\$	\$	\$
Convertible note movements - 30 June 2024			
Addition of convertible notes (Tranche 1 and 2) at face value	2,640,000	-	2,640,000
Discount convertible notes (Tranche 1 and 2) to fair value	(440,000)	-	(440,000)
Facility transaction costs	-	-	-
- Initial recognition of embedded derivative at fair value	(86,456)	86,456	-
- Fair value of facility transaction costs settled by the issue of options(a) (note 13)	(574,356)	-	(574,356)
- Fair value of facility transaction costs settled by the issue of shares (note 12)	(201,360)	-	(201,360)
- Facility transaction costs settled in cash	(230,346)	-	(230,346)
Change in fair value of embedded derivative ^(b)	-	(78,473)	(78,473)
Amortisation of convertible notes fair value (finance charges)	767,122	-	767,122
Closing balance	1,874,604	7,983	1,882,587

(a) Fair value of facility transaction costs settled by the issue of options over ordinary shares

On 9 October 2023, the Company issued 2,272,727 (Tranche 1) options, and 6,179,009 (Tranche 2) options. The effective grant date for both issues was 26 September 2023. The options expire 9 October 2026 and the exercise prices are \$0.11 (Tranche 1) and \$0.1376 (Tranche 2). The other key inputs to determine the fair value were:

- * the Company's share trading price at grant date being \$0.12,
- * the expected dividend yield: nil%,
- * expected volatility 102.9%, and
- * the risk free interest rate of 3.99%.

NOTE 10. BORROWINGS (CONTINUED)

(b) Change in fair value of embedded derivative

Aside from those inputs arising directly from the conversion clause entitlements and the Company's spot price applied at each remeasurement date, the key judgments applied in determining the fair value of the embedded derivatives at the end of the reporting period, included the following:

- * the expected expiry date being the maturity date for each issue,
- * the expected dividend yield: nil%,
- * the annualised volatility calculated to be 94.13%, and
- * the risk-free rate based on the 1-year Australian Government Bond Rate Benchmark Yield being 4.419%.

Refer to note 15 for further information on financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 11. LEASE LIABILITIES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Lease liability	124,582	117,390
<i>Non-current liabilities</i>		
Lease liability	355,269	475,286
Total	479,851	592,676

Refer to note 15 for further information on financial instruments.

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Maturity analysis - contractual undiscounted cashflows</i>		
Less than one year	160,204	154,417
One to five years	369,250	529,453
Total	529,454	683,870

The lease liabilities largely relate to the warehouse facility which is leased for a term of three years ending September 2025 with a two year extension option. The lease liability calculations assume the extension option is exercised.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 12. ISSUED CAPITAL

	Consolidated			
	30 Jun 2024 Shares	30 Jun 2023 Shares	30 Jun 2024 \$	30 Jun 2023 \$
Ordinary shares - fully paid	129,022,321	92,771,744	12,563,312	11,016,949
Listed loyalty options ¹	-	-	113,465	113,465
	129,022,321	92,771,744	12,676,777	11,130,414

⁽¹⁾ On 11 July 2022, the Company issued 22,693,038 listed options under the trading symbol of CMXO. The options expire 11 July 2025 and the exercise price is \$0.30.

Movements in issued capital - current year

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	92,771,744		11,130,414
Shares issued pursuant to the convertible note facility (<i>Tranche 1</i>) ⁽¹⁾	14 August 2023	2,415,761	\$0.0781	188,488
Shares issued pursuant to the convertible note facility (<i>Tranche 2</i>) ⁽¹⁾	9 October 2023	155,668	\$0.0827	12,872
Shares issued pursuant to a share placement ⁽²⁾	8 April 2024	21,937,508	\$0.0480	1,053,000
Shares issued pursuant to a share purchase plan ⁽²⁾	17 May 2024	6,187,474	\$0.0480	297,000
Shares issued pursuant to a share placement ⁽²⁾	29 May 2024	1,354,166	\$0.0480	65,000
Shares issued pursuant to a share placement ⁽²⁾	17 June 2024	4,200,000	\$0.0480	201,600
Capital raising costs ⁽²⁾				(271,597)
Balance	30 June 2024	129,022,321		12,676,777

NOTE 12. ISSUED CAPITAL (CONTINUED)

1. Refer to note 10 'Borrowings'.
2. During the year, the Company completed a share placement (SP) and share purchase plan (SPP) raising \$1,616,600 from the issue of 33,679,148 ordinary shares at \$0.048 each. Following shareholder approval on 27 May 2024:
 - * as SP participants, directors were issued 1,354,166 shares at \$0.048 each,
 - * all SP and SPP participants were entitled to receive one free attaching option for every two shares acquired resulting in the issue of 16,839,567 options with duration of three years and an exercise price of \$0.09, and
 - * a further 900,000 options were granted to the SP/SPP broker as part of their remuneration on the same terms as the free attaching options described above. The fair value of these options was \$19,710 and was recognised as capital raising costs.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Upon a poll every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Listed loyalty options

For each option held, the holder is entitled to exercise a right to acquire one fully paid ordinary share by paying the exercise price any time prior to the expiry date. The option does not provide any entitlements to dividends, voting at shareholder meetings or proceeds on the winding up of the Company.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

The Group may look to raise capital when an opportunity to invest in a business or existing asset growth acceleration was seen as value adding relative to the current Company's share price at the time of the investment.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 13. RESERVES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Convertible note reserve	574,356	-
Share-based payments reserve	<u>1,695,772</u>	<u>1,747,206</u>
	2,270,128	1,747,206

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Convertible note reserve

The reserve is used to recognise the fair value of equity benefits provided pursuant to the convertible note facility. (Refer note 10 'Borrowings').

NOTE 14. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 15. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives

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. The Group is not exposed to interest rate risk as its borrowings and other interest bearing liabilities set with fixed interest rates. Consequently, liquidity risk was the Group's only material financial risk during the year.

Material financial assets and liabilities of the Group include cash, accounts payable, lease liabilities and convertible notes (borrowings).

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) supported by fixed rate borrowings to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

Details of the contractual maturities of financial instruments are disclosed in notes to these financial statements, including material accounting policies in Note 1.

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 15. FINANCIAL INSTRUMENTS (CONTINUED)

Consolidated - 30 Jun 2024	Weighted average interest rate \$	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	530,034	-	-	-	530,034
Other payables		317,799	-	-	-	317,799
Convertible loans*		2,640,000	-	-	-	2,640,000
<i>Interest-bearing - fixed rate</i>						
Lease liability	7.24%	160,204	369,250	-	-	529,454
Total non-derivatives		<u>3,648,037</u>	<u>369,250</u>	<u>-</u>	<u>-</u>	<u>4,017,287</u>
Derivatives						
Convertible note (embedded)	-	7,983	-	-	-	7,983
Total derivatives		<u>7,983</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,983</u>

Consolidated - 30 Jun 2023	Weighted average interest rate \$	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	330,769	-	-	-	330,769
Other payables	-	161,498	-	-	-	161,498
<i>Interest-bearing - variable</i>						
Lease liability	7.24%	117,390	131,985	343,301	-	592,676
Total non-derivatives		<u>609,657</u>	<u>131,985</u>	<u>343,301</u>	<u>-</u>	<u>1,084,943</u>

* The Convertible Notes have a zero coupon rate. The effective interest rate follows the note amortisation schedule. Refer note 10 'Borrowings'.

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

NOTE 16. FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 30 Jun 2024

Level 1 \$	Level 2 \$	Level 3 \$	Total \$
---------------	---------------	---------------	-------------

Liabilities

Convertible note - fair value of embedded derivatives	-	-	7,983	7,983
Total liabilities	-	-	7,983	7,983

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

The embedded derivatives attached to the convertible notes are recognised at fair value utilising Monte Carlo Simulation valuation techniques. The key inputs applied in determining fair value, include:

1. an expected expiry date being the maturity date for each issue,
2. the applicable share price,
3. annualised volatility calculations, and
4. a risk-free rate based on the 1-year Australian Government Bond Rate Benchmark Yield.

The sensitivity analysis undertaken on the unobservable inputs identified no material impact to the valuation at 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 17. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Short-term employee benefits	835,274	1,005,405
Post-employment benefits	62,247	68,363
Long-term benefits	(77)	152
Vesting of share-based payments	<u>66,564</u>	<u>628,461</u>
	964,008	1,702,381

NOTE 18. CONTINGENT LIABILITIES

The previous owner of the mineral exploration licences is entitled to a 2% Net Smelter Return royalty on the value of all minerals (excluding graphite) extracted from the Tenements. Refer note 8 'Exploration and evaluation'.

The Company has a contingent liability associated with a \$20,000 environmental bond and in the same amount.

The Company has a contingent liability associated with a \$48,807 bank guarantee facility for the commercial property lease and in the same amount.

NOTE 19. COMMITMENTS

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Planned exploration expenditure		
Within one year	140,000	140,000
One to five years	560,000	560,000
More than five years	140,000	140,000
	840,000	840,000

The Company holds two mineral exploration licences EL 5920 & EL 6634 located on the Eyre peninsula.

Expenditure commitments are reported and assessed every two years in an Expenditure Return. If expenditure commitments have not been met, the licence holder can request a variation to their expenditure commitment and ask to have the underspend carried over into the future term, or they can request to have the expenditure commitment waived, or they can request to reduce the area of the licence to ensure compliance.

EL 5920 was assessed in July 2024 by the Department for Energy and Mining SA as being compliant, and approved a forward 2 year minimum expenditure of \$80,000.

EL 6634 was assessed in July 2023 by the Department for Energy and Mining SA as being compliant, and approved a forward 2 year minimum expenditure of \$200,000.

EL 5920 is due to expire on 19 February 2028.

EL 6634 will be due for renewal on the 31 January 2026 and can be renewed for a further 6 year term.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 20. RELATED PARTY TRANSACTIONS

Parent entity

ChemX Materials Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 23.

Key management personnel

Disclosures relating to key management personnel are set out in note 17 and the remuneration report included in the Directors' report.

Transactions with related parties

(a) Shares issued to related parties pursuant to the acquisition of HiPura Pty Ltd

On 1 September 2022, the Company issued 2,000,000 ordinary shares to the vendors of HiPura Pty Ltd at an issue price of \$0.20 for consideration of \$400,000 pursuant to the HiPura Share Sale Agreement where the completion of Flow Sheet Design milestone has been met. As one of the vendors, David Leavy was issued 750,000 ordinary shares for consideration of \$150,000. On 13 October 2023 David Leavy ceased to be a key management personnel member.

Refer to note 22 'Asset acquisition'.

(b) Payables to related parties

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Trade and other payables</i>		
<i>Directors</i>		
Warrick Hazeldine and related entities	12,540	20,068
Alwyn Vorster and related entities	16,500	5,500
Stephen Strubel	20,350	-
Tara Berrie (former director)	-	3,125
	<u>49,390</u>	<u>28,693</u>
<i>Other key management personnel</i>		
Peter Lee (CEO)	<u>44,372</u>	<u>-</u>

NOTE 20. RELATED PARTY TRANSACTIONS (CONTINUED)

There were no other payables to or receivables from related parties at the current and previous reporting date.

(c) Director share placement participation

Following shareholder approval on 27 May 2024, the directors participated in a share placement on the same terms as other participants. Participants acquired fully paid ordinary shares at \$0.048 each. For every two shares acquired participants were entitled to a free attaching option over three years to acquire shares at \$0.09 each. Details of director participation are set out below:

	Consideration paid for ordinary shares \$	Ordinary shares acquired No.	Free attaching options No.
Warrick Hazeldine	20,000	416,666	208,333
Stephen Strubel	25,000	520,834	260,417
Alwyn Vorster	20,000	416,666	208,333
	65,000	1,354,166	677,083

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 21. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 21. PARENT ENTITY INFORMATION (CONTINUED)

Statement of financial position

	Parent	
	30 Jun 2024	30 Jun 2023
	\$	\$
Loss after income tax	(3,116,809)	(3,345,002)
Total comprehensive loss	(3,116,809)	(3,345,002)
Total current assets	1,216,135	1,767,285
Total assets	9,944,374	8,947,129
Total current liabilities	2,718,828	702,439
Total liabilities	3,074,363	1,177,974
Equity		
Issued capital	12,676,777	11,130,414
Convertible note reserve	574,356	-
Share-based payments reserve	1,695,772	1,747,206
Accumulated losses	(8,076,894)	(5,108,465)
Total equity	6,870,011	7,769,155

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 Jun 2024 and 30 Jun 2023.

Capital commitments

Refer to note 19 'Commitments'.

NOTE 21. PARENT ENTITY INFORMATION (CONTINUED)

Contingent liabilities

Refer to note 18 'Contingent liabilities'.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 22. ASSET ACQUISITION

On 31 December 2021 the Company issued 2,000,000 ordinary shares at \$0.20 per share to vendors Nicholas Welham and David Leavy as partial consideration of \$400,000 for the acquisition of 100% of HiPurA Pty Ltd. At the time of settlement David Leavy was a ChemX Materials Limited Director and also held a 50% ownership interest in HiPurA Pty Ltd.

On 1 September 2022, having met the Completion of Flow Sheet Design milestone, the Company issued 2,000,000 ordinary shares at \$0.20 per share to vendors Nicholas Welham and David Leavy as partial consideration of \$400,000 for the acquisition of 100% of HiPurA Pty Ltd.

Additional shares were to be issued to the vendors subject to achievement of the following milestones:

- (i) Commissioning of the Pilot Plant - 2,500,000 shares at \$0.20 per share.

In determination of fair value, the Company had assessed a 100% probability of meeting the milestones required for the issue of these shares in the future.

Details of the asset acquisition were as follows:

	Fair value \$
Intellectual property (High Purity Alumina processing technology)	1,300,000
Acquisition-date fair value of the total consideration transferred	1,300,000

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 22. ASSET ACQUISITION (CONTINUED)

Fair value
\$

Representing:

Shares issued to vendors.

800,000

Shares to be issued to vendors in the future (subject to the achievement of milestones).

500,000

1,300,000

NOTE 23. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 Jun 2024 %	30 Jun 2023 %
HiPurA Pty Ltd	Australia	100.00%	100.00%

NOTE 24. EVENTS AFTER THE REPORTING PERIOD

With effect from 1 July 2024, Director Stephen Strubel transitioned to a Non-Executive Director role whilst retaining the position as Company Secretary. Under this arrangement, Stephen's cash based remuneration entitlements will be \$110,000 per annum comprising \$60,000 per annum for director responsibilities and \$50,000 per annum for company secretarial responsibilities.

On 6 September 2024, the Company announced that it had received \$250,000 as tranche 1 of a short term loan facility (R&D funding method) secured against the estimated 2024 R&D Tax Incentive refund of \$552,419. A second tranche of funding provided a further \$191,935, taking the total funding up to 80% of the expected refund. The facility was provided by Radium Capital.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 24. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTE 25. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Loss after income tax expense for the year	(4,485,548)	(4,182,306)
Adjustments for:		
Depreciation and amortisation	277,929	251,330
Share-based payments	77,236	648,236
Non-cash finance expenses	767,122	-
Gain on remeasurement of convertible note derivative	(78,473)	-
Change in operating assets and liabilities:		
Decrease/(increase) in other receivables	291,177	(631,354)
Decrease in other current assets	3,373	3,572
Increase in trade and other payables	130,334	373,946
Decrease in other non-current assets	20,000	-
Increase/(decrease) in employee benefits	(8,335)	43,928
Net cash used in operating activities	(3,005,185)	(3,492,648)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 26. EARNINGS PER SHARE

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
Loss after income tax	(4,485,548)	(4,182,306)
	Cents	Cents
Basic earnings per share	(4.44)	(4.51)
Diluted earnings per share	(4.44)	(4.51)
The performance rights and options on issue are non-dilutive as the Group has generated a loss for the year.		
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	101,088,566	92,771,744
Weighted average number of ordinary shares used in calculating diluted earnings per share	101,088,566	92,771,744

The performance rights and options on issue have not been included in the weighted average number of shares used for calculating the diluted loss per share as they do not meet the requirements for inclusion under AASB 133 'Earnings per share'.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024



NOTE 27. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by William Buck Audit (VIC) Pty Ltd, the auditor of the Company:

	Consolidated	
	30 Jun 2024	30 Jun 2023
	\$	\$
<i>Audit services - William Buck Audit (VIC) Pty Ltd</i>		
Audit or review of the financial statements	51,250	47,261
<i>Other services - William Buck Audit (VIC) Pty Ltd</i>		
Investigating accounting services	-	-
Tax return	-	-
Other	-	-
	-	-
	51,250	47,261

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 30 JUNE 2024



This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
ChemX Materials Limited	Body corporate	Australia	-	Australia
HiPurA Pty Ltd	Body corporate	Australia	100.00%	Australia

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

- **Australian tax residency** - The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.
- **Foreign tax residency** - Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).
- **Partnerships and Trusts** - None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group.

DIRECTORS' DECLARATION

30 JUNE 2024



In the Directors' opinion:

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read "Stephen Strubel", with a long horizontal flourish extending to the right.

Stephen Strubel

Director

30 September 2024

WilliamBuck

ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of ChemX Materials Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of ChemX Materials Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- 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
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

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

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ACCOUNTANTS & ADVISORS

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$4,485,548 and net cash outflows from operating activities of \$3,005,185 during the year ended 30 June 2024 and, as of that date, the Group's current liabilities exceeded its current assets by \$1,566,069. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Convertible note	Area of focus (refer also to notes 1, 2, 10, 15 & 16)	How our audit addressed the key audit matter
	During the year, the Group issued convertible notes in two tranches for a combined face value of \$2,640,000 for which a total of \$2,200,000 of cash was received. As part of issuing these notes, fully paid ordinary shares and options were issued to the noteholder. Based on the contractual terms, the Group identified the components of the notes and determined there was a value associated with a host liability and additionally a value associated with the embedded derivative which is accounted for at fair value through profit or loss. The accounting for the convertible notes and related derivatives is a key audit matter due to the complex nature, including judgmental estimates used in determining the valuation of the convertible notes at initial recognition and at year-end.	Our audit procedures focused on the appropriateness of the accounting treatment as well as the judgments made in determining the valuation methodology. Our procedures included, among others: — Examining the contract and assessing the conversion terms to consider whether the convertible notes were appropriately recognised as a hybrid arrangement under <i>AASB 9 Financial Instruments</i> and <i>AASB 132 Financial instruments: Presentation</i>; — Utilising an external valuation specialist to assist with assessing the reasonableness of the valuation method and model used to value the embedded derivative; — Assessing the accuracy of the calculation of the interest expense; and — Involving our technical accounting specialists to assist in considering the appropriateness of the adopted accounting treatment.

WilliamBuck
ACCOUNTANTS & ADVISORS

		— We also considered the adequacy of the Group's disclosures in the notes to the financial report.
Capitalisation of exploration and evaluation costs	Area of focus (refer also to notes 1, 2 & 8) The Group has incurred exploration and evaluation costs for exploration projects in Australia of \$518,725 for the year ended 30 June 2024 and has elected to capitalise all these costs as a non-current asset in the Statement of Financial Position in accordance with the Group accounting policies. There is a risk that the Group may lose or relinquish its rights to explore and evaluate those areas of interest and therefore amounts capitalised to the Statement of Financial Position from the current and historical periods, be no longer recoverable. The assessment of the non-current assets for impairment requires significant judgement involved and as such, has been deemed to be a key audit matter. During the year no impairment charge was recognised in relation to exploration and evaluation.	How our audit addressed the key audit matter Our audit procedures included: — Understanding and vouching the underlying contractual entitlement to explore and evaluate each area of interest; — Examining project spend per each area of interest and comparing this spend to the minimum expenditure requirements set out in the underlying exploration expenditure plan; — Examining project spend to each area of interest to ensure that it is directly attributable to that area of interest; and — From an overall perspective, comparing the market capitalisation of the Group to the net carrying value of its assets on the Statement of Financial Position to identify any other additional indicators of impairment. We also considered the adequacy of the Group's disclosures in the Notes to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group'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.

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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:

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

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

WilliamBuck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

 Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of ChemX Materials Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 9 to 16 of the directors' report for the year ended 30 June 2024.

Responsibilities

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.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director
Melbourne, 30 September 2024

The Company is listed on the Australian Securities Exchange.

Company Secretary: Stephen Strubel

Registered Office:

Danpalo Group Pty Ltd

Suite 1, 1 Tully Road

East Perth WA 6004

(08) 6374 2070

The shareholder information set out below was applicable as at 9th October 2024. There are currently no escrowed securities on issue.

Distribution of equity securities

Analysis of number of listed equitable security holders by size of holding:

	Ordinary shares (CMX)	Units	Ordinary shares % total shares issued
	Number of holders		
1 to 1,000	18	5,344	0.00
1,001 to 5,000	147	486,661	0.38
5,001 to 10,000	166	1,440,791	1.12
10,001 to 100,000	348	12,753,380	9.88
100,001 and over	147	114,022,321	88.62

826 129,022,321 100.00

Holding less than a marketable parcel	Minimum parcel Size	Holders	Units
	14,286	382	2,548,223

ASX ADDITIONAL INFORMATION

30 JUNE 2024



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	Options over ordinary shares (CMXO) \$0.30 11/07/25	Units	Options over ordinary shares
	Number of holders		% of Total Options issued
1 to 1,000	20	11,484	0.05
1,001 to 5,000	93	279,586	1.23
5,001 to 10,000	34	267,336	1.18
10,001 to 100,000	96	3,758,287	16.56
100,001 and over	32	18,376,345	80.98
	275	22,693,038	100.00
Holding less than a marketable parcel			
Minimum \$ 500.00 parcel cannot be calculated due to no price	-	-	-

ASX ADDITIONAL INFORMATION

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Analysis of number of unlisted equity security holders by size of holding:

	Unlisted Performance Rights	Units	Unlisted Performance Rights over ordinary shares
	Number of holders		% of Total Performance Rights issued
1 to 1,000			
1,001 to 5,000			
5,001 to 10,000			
10,001 to 100,000			
100,001 and over	4	4,200,000	100
Total	4	4,200,000	100

	Unlisted Options \$0.09 29/05/27	Units	Unlisted Options
	Number of holders		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	59	2,587,906	14.59
100,001 and over	48	15,151,661	85.41
Total	107	17,739,567	100

ASX ADDITIONAL INFORMATION

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	Unlisted Employee Options \$0.205 09/08/26	Units	Unlisted Options over Ordinary Shares
	Number of holders		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	1	1,000,000	100
Total	1	1,000,000	100

	Unlisted Options \$0.1376 09/10/26	Units	Unlisted Options over Ordinary Shares
	Number of holder		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	1	6,179,009	100
Total	1	6,179,009	100

ASX ADDITIONAL INFORMATION

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	Unlisted Options \$0.30 01/11/24	Units	Unlisted Options over ordinary Shares
	Number of holders		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	2	2,000,000	100
Total	2	2,000,000	100

	Unlisted Options \$0.40 11/07/25	Units	Unlisted Options over Ordinary Shares
	Number of holder		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	1	1,500,000	100
Total	1	1,500,000	100

ASX ADDITIONAL INFORMATION

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	Unlisted Options \$0.30 18/01/25	Units	Unlisted Options over Ordinary Shares
	Number of holders		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	2	2,000,000	100
Total	2	2,000,000	100

	Convertible Note	Units	Unlisted Convertible Note
	Number of holder		% of Total Convertible Note issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	1	2,640,000	100
Total	1	2,640,000	100

ASX ADDITIONAL INFORMATION

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	Unlisted Options \$0.11 09/10/26	Units	Unlisted Options over Ordinary Shares
	Number of holders		% of Total Options issued
	0	0	0
1 to 1,000	0	0	0
1,001 to 5,000	0	0	0
5,001 to 10,000	0	0	0
10,001 to 100,000	0	0	0
100,001 and over	1	2,272,727	100
Total	1	2,272,727	100

Equity Security Holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders (Grouped) of quoted equity securities are listed below:

	Ordinary shares (CMX) Number held	Ordinary shares % of Total Shares issued
R J & A INVESTMENTS PTY LTD MULLER MORVAN FAMILY A/C>	23,621,176	18.31
ARCHER MATERIALS LTD	11,571,119	8.97
MR STEPHEN STRUBEL	5,645,834	4.38
MR DAVID JOHN LEAVY	3,862,500	2.99
BRIO CAPITAL MASTER FUND LTD	2,716,152	2.11
3A CAPITAL ANSTALT	2,670,000	2.07
MR CHRISTOPHER WILLIAM CHALWELL + MR IAN WAYNE	2,541,666	1.97
WILSON CHALWELL PENSION FUND A/C>		
NEOMETALS INVESTMENTS PTY LTD	2,500,000	1.94
BNP PARIBAS NOMS PTY LTD	2,459,900	1.91
BOTSIS HOLDINGS PTY LTD	1,887,500	1.46
PANTHER TRADING PTY LTD PANTHER A/C>	1,750,000	1.36
MR PETER GEOFFREY HOLLICK + MS HELEN THERESE PATTISON	1,625,000	1.26
MACDY NO 5 SUPER FUND A/C>		
NICHOLAS JAMES WELHAM	1,450,000	1.12
PANDON HOLDINGS PTE LIMITED	1,292,000	1.00
BNP PARIBAS NOMINEES PTY LTD IB AU NOMS RETAILCLIENT>	1,271,564	0.99
LOQUELA PTY LTD	1,250,000	0.97
MR NICHOLAS JAMES WELHAM + MS ERIKA BIBIANA ROSERO	1,250,000	0.97
REYES THE WELHAM ROSERO FAM A/C>		
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,190,183	0.92
BOND STREET CUSTODIANS LIMITED PETKI3 - D88720 A/C>	1,125,000	0.87
COUGAR 40 PTY LTD	1,041,667	0.81
REPLAY HOLDINGS PTY LTD THE SUNSET SUPER FUND A/C>	1,041,667	0.81
WEBED SOLUTIONS PTY LTD	1,041,667	0.81
Totals: Top 22 holders of ORDINARY FULLY PAID (Total)	74,804,595	57.98
Total Remaining Holders Balance	54,217,726	42.002

ASX ADDITIONAL INFORMATION

30 JUNE 2024



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	Options over ordinary shares (CMXO) Number held	Options over ordinary shares % of Total Options issued
R J & A INVESTMENTS PTY LTD (MULLER MORVAN FAMILY A/C)	4,812,500	21.21
ARCHER MATERIALS LTD	2,892,780	12.75
MR STEPHEN STRUBEL	1,250,000	5.21
SUPERHERO SECURITIES LIMITED (CLIENT A/C)	995,329	4.39
MR MD AKRAM UDDIN	971,649	4.28
MR DAVID JOHN LEAVY	778,126	3.43
3A CAPITAL ANSTALT	667,500	2.94
HSBC CUSTODY NOMINEES ((AUSTRALIA) LIMITED A/C)	568,816	2.51
MADEIROS PTY LTD (VISSER SUPER FUND A/C)	548,980	2.42
NICHOLAS JAMES WELHAM	500,000	2.20
MERCER STREET GLOBAL OPPORTUNITY FUND LLC	475,000	2.09
MS KRISTIE PETA YOUNG	312,500	1.38
MR CHRISTOPHER RICHARD BRISCOE	300,000	1.32
MPL ENTERPRISES PTY LTD (MPL SUPERANNUATION FUND A/C)	250,000	1.10
MICHAEL EU SENG ILES	240,000	1.06
MR PATRICK JAMES BELL + DR FRANCESCA ANN BELL (FP BELL A/C)	237,500	1.05
MR ANUSH KARKI	234,310	1.03
TRANSFORM MANAGEMENT PTY LTD	222,500	0.98
MR DARREN JAMES MONK	212,692	0.94
MR MALCOLM JOHN STRACHAN	202,500	0.89
Totals: Top 20 holders of LISTED OPTIONS	16,671,682	73.47
EXPIRING 11/07/2025 @ \$0.30 (Total)		
Total Remaining Holders Balance	6,020,356	26.53

Unquoted equity securities

	Number on issue	Number of holders
CMXAK Convertible Note	2,640,000	1
Unlisted Employee Options \$0.205 Expiring 09/08/2026	1,000,000	1
Unlisted Performance Rights	4,200,000	4
Unlisted Options \$0.1376 09/10/2026	6,179,009	1
Unlisted Options Expiring \$0.30 Expiring 01/11/2024	2,000,000	2
Unlisted Options Expiring \$0.30 18/01/2025	2,000,000	2
Unlisted Options \$0.40 Expiring 11/07/2025	1,500,000	1
Unlisted Options \$0.09 Expiring 18/01/2025	17,739,567	107
Unlisted Options \$0.11 Expiring 09/10/2026	2,272,727	1

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
MR WARRICK HAZELDINE	Unlisted Options Expiring 01/11/2024	1,000,000
MS KRISTIE PETA YOUNG	Unlisted Options Expiring 01/11/2024	1,000,000
CHEN DM PTY LTD	Unlisted Options Expiring 18/01/2024	1,000,000
VENTNOR SECURITIES PTY LTD	Unlisted Options Expiring 18/01/2025	1,000,000
AMVEST CAPITAL PRINCIPAL STRATEGIES LLC	Unlisted Options Expiring 11/07/2025	1,500,000
REVERSE HOLDINGS PTY LTD (REVERSE A/C)	Unlisted Employee Options Expiring 09/08/2026	1,000,000
REVERSE HOLDINGS PTY LTD (REVERSE A/C)	Unlisted Performance Rights	1,500,000
NORTHPOINT AUSTRALIA PTY LTD (WN & D HAZELDINE FAMILY A/C)	Unlisted Performance Rights	1,500,000
MR ALWYN PETRUS VORSTER (VORSTER FAMILY A/C)	Unlisted Performance Rights	1,500,000
Mercer Street Global Opportunity Fund LLC	Convertible Note	2,640,000
Mercer Street Global Opportunity Fund LLC	Unlisted Options \$0.1376 Expiring 09/10/2026	6,179,009
Mercer Street Global Opportunity Fund LLC	Unlisted Options \$0.11 Expiring 09/10/2026	2,272,727

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of Total Shares issued
RJ & A Investments Pty Ltd	23,621,176	18.31
Archer Materials Limited	11,571,119	8.97

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

On market buy back

There was no on market buy back in operation.

There are no other classes of equity securities.

There are no restricted securities on issue.

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MATERIALS

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