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# Sprintex Quarterly Report

For the Quarter Ended 30 Sept 2024

31 Oct 2024

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I am pleased to report that Sprintex has achieved significant milestones this quarter. We successfully delivered the first compressors to Mest Water. This partnership positions us to generate significant revenue for the 2025 calendar year with orders expected for 600–800 compressors.

Successful trials with Qunying Corporation in China demonstrated the effectiveness of our energy-efficient solutions, achieving 69% electricity savings and delivering A\$1.25 million in annual electricity cost reductions per factory. These results highlight the impact of our technology in driving significant energy efficiency.

The recent integration of an updated PLC system has further enhanced our product capabilities. This upgrade allows our blowers to interface seamlessly with client systems via MODBUS protocols, enabling them to act as either a slave device controlled by the client's primary PLC or as the primary control unit for autonomous operation.

This flexibility aligns with the increasing industry demand for intelligent automation. With this development in place, we expect to sell 5,400 G15 units over the next 12 months, generating A\$14.75 million in revenue.

We are pleased to welcome John Bell as our new CFO and Company Secretary. With his appointment, we are confident that Sprintex will meet all reporting deadlines going forward.

Looking ahead, we are expanding into new markets, including wastewater, textiles, food production, and agriculture, positioning Sprintex to deliver energy savings and environmental solutions across diverse industries. Our focus remains on innovation and growth as we continue to pursue new opportunities and partnerships.

Sprintex remains committed to delivering long-term value to our shareholders and partners. The months ahead are full of promise, and I look forward to sharing further updates with you soon.

**Steven Apedaile**  
Executive Chairman of Sprintex



# Quarter Highlights

## » Mest Water Collaboration Expansion

- Delivered 1 of 20 units to the Netherlands, remaining units to be delivered in November 2024.
- Deliveries expected to reach 600–800 farms in the Netherlands within the first year.

## » Appointment of New CFO

- John Bell appointed CFO and Company Secretary, ensuring Sprintex will meet all future reporting deadlines.

## » Qunying Corporation Trial Success

- G15 7.5kW blowers achieved 69% electricity savings, reducing project annual aeration electricity costs by A\$1.25 million.
- Payback period of under three months for this application.

## » Production and Market Expansion

- Ongoing trials and new partnerships in textiles, agriculture, and food production sectors.
- Preparations underway for upgrading Malaysian factory to meet demand
- Significant upgrades to Suzhou facility many key production processes are now automated

## » PLC System Integration Milestone

- Upgraded PLC system enables MODBUS compatibility, allowing blowers to act as either a slave or primary PLC in client systems.
- Improved automation capabilities driving increased product demand.



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Company Update



## Mest Water Collaboration

Project Milestones: Delivered the first compressors from the initial 20-unit evaluation project to the Netherlands, supporting ammonia-reduction efforts.

The collaboration with Mest Water reflects the increasing demand for sustainable agricultural solutions in Europe. Both companies anticipate meeting substantial market requirements and intend to enter into a long-term supply agreement in early 2025 to enable production planning and sustainable growth for both companies, which is expected to contribute significant revenue for Sprintex over the term of the agreement.

European Market Opportunity: Positioned to meet growing ammonia emission regulations, with a significant market across livestock farms in the EU.



The first Sprintex GS27MHT at Mest Water, the Netherlands

# Airtech Evaluation Agreement



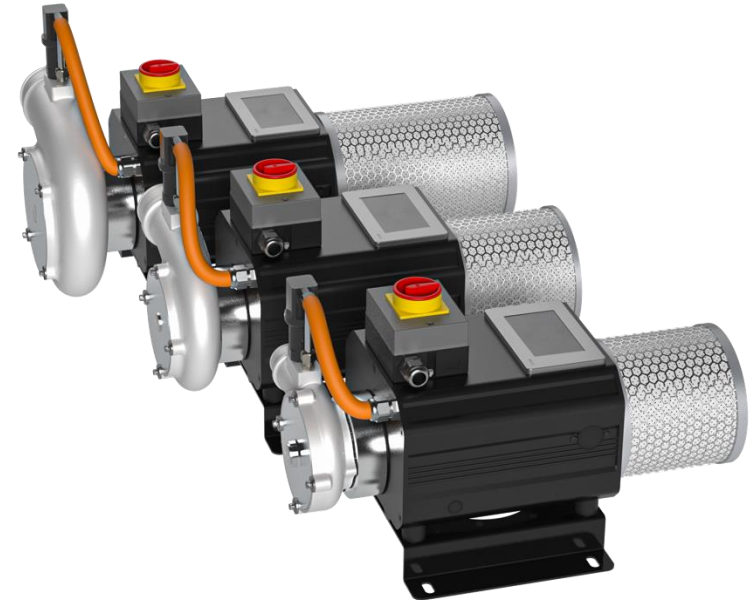
Progress Update: Testing of the Sprintex G Series blowers is actively underway in Germany.

Airtech's Managing Director expressed strong interest in prioritising Sprintex G15 blower evaluations, reflecting their bullish outlook on the collaboration.

Next Steps: Airtech plans to finalise the lab results by mid-November.

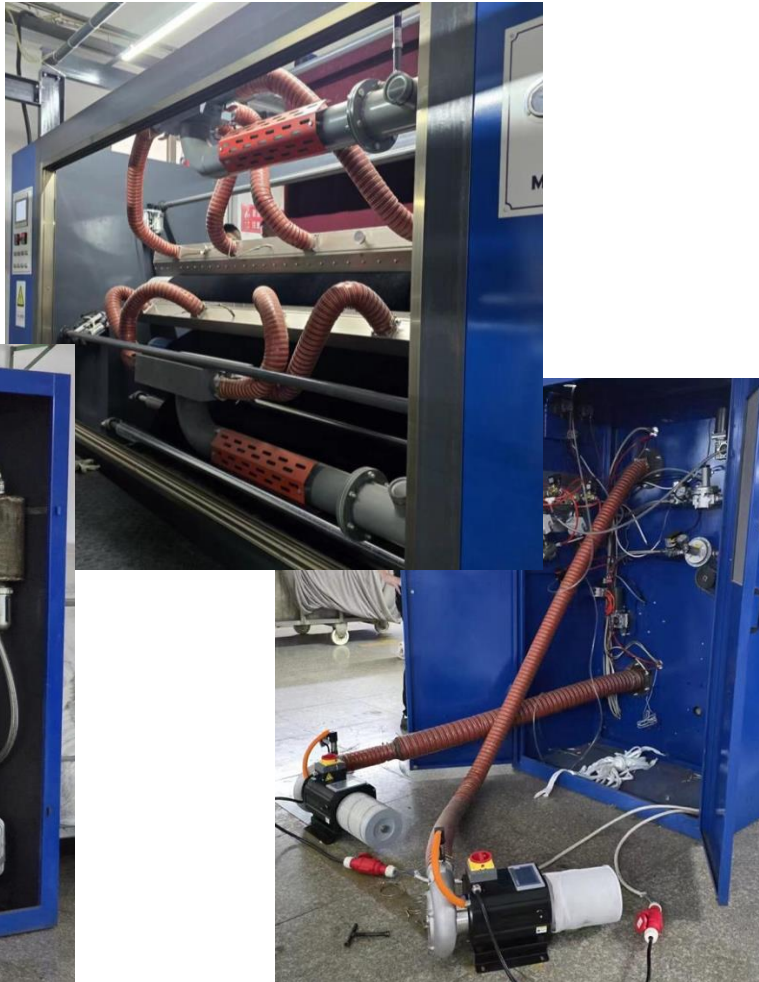
A follow-up conference call has been scheduled for the week commencing November 25th, where we expect to review results, and discuss next steps for advancing the partnership.

Partnership Potential: Sprintex is optimistic about the outcome of these tests and look forward to sharing key results. This agreement presents a significant opportunity to expand our presence in the global blower market through private labelling.



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# Qunying Corporation Trial Success



**Trial Nearing Completion:** The trial phase with Qunying Corporation is in its final stages, with performance data showing substantial improvements over previous systems.

**Energy Savings:** The G15 7.5kW blowers have demonstrated 69.75% electricity savings, replacing 18kW and 22kW side channel blowers and reducing system consumption from 40kW to 12.1kW per air knife. **Cost Impact:**

Projected annual savings of RMB 6.5 million (AU\$1.3M) in electricity per factory line (62 G15 units) have been validated through the trial, offering Qunying an attractive payback period of under three months.

**Order Expected:** Based on trial success, an initial purchase order is expected in early November, solidifying our partnership with Qunying and opening doors for further opportunities.

**Scalable Technology:** With 62 G15 units required per factory, Qunying plans to extend adoption across their national operations to maximise cost and energy efficiencies.

**Market Expansion:** This success reinforces Sprintex's ability to deliver sustainable energy solutions to the textile industry, visits to Pakistan and India with Sprintex partners being planned now

## PLC System Integration Milestone

**Enhanced MODBUS Compatibility:** The upgraded PLC system allows Sprintex blowers to seamlessly integrate with client systems, acting as either a slave device controlled by the primary PLC or as the primary control unit for autonomous operation.

**Improved Flexibility:** This upgrade makes Sprintex blowers suitable for complex industrial environments, where multiple devices must communicate efficiently and operate in synchronisation.

**Operational Efficiency Gains:** By integrating with client systems through real-time data exchange, operators gain precise control over blower performance, resulting in reduced downtime, optimised energy consumption, and faster system responses.

**Increased Product Demand:** MODBUS compatibility aligns with industry trends favouring intelligent automation, increasing interest from sectors such as wastewater treatment, food production, and industrial manufacturing.

**Scalable IoT Capabilities:** The PLC system also supports remote monitoring and data analysis, enabling predictive maintenance, performance tracking, and the potential for future IoT-based upgrades.





## Production & Market Expansion

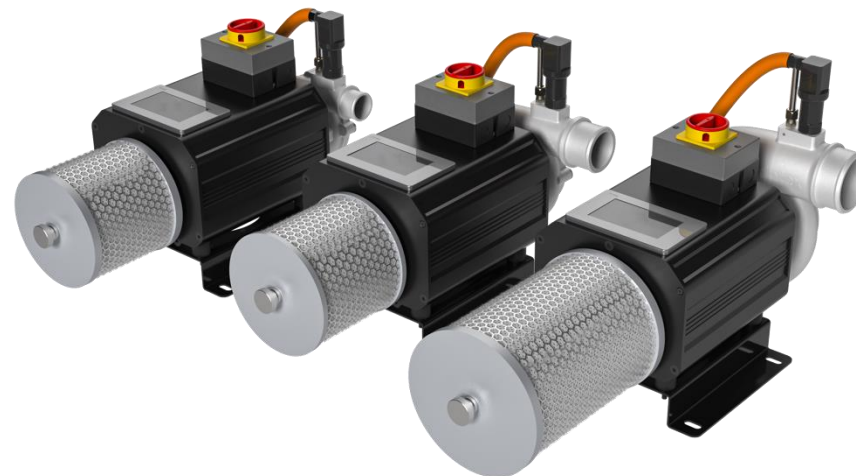
Malaysian Factory Upgrade Underway: Preparations are in progress to enhance the Malaysian plant to meet increasing global demand, positioning Sprintex for mass production.

Strategic Shift to 'Made in Malaysia': This expansion aligns with market needs, targeting countries that apply high tariffs on Chinese-manufactured products, offering a competitive advantage for Malaysia-origin goods.

New Market Opportunities: Ongoing efforts to expand into key markets, including Pakistan, India, and Taiwan, with a focus on wastewater treatment, textiles, agriculture, and food production sectors.

Capacity Increase: The upgraded facility will enable higher production volumes, ensuring faster delivery times and greater responsiveness to regional market demands.

### G15 JET BLOWER SERIES



## Turkey Distribution Update



**ILKNAK Fish Farm Trial:** A customised demo project at ILKNAK, a leading aquaculture player in İzmir, replacing four 350mbar blowers with one G15 Jet Blower. This trial projects 70% energy savings, offering ILKNAK a path to more sustainable operations while reducing OPEX. With ILKNAK managing multiple fish farms and hatcheries, success here opens doors for Sprintex across additional aquaculture facilities in Türkiye.

**Abaloğlu Yem Grain Facility Trial:** Expanding beyond aquaculture, we are also conducting a trial at Abaloğlu Yem, a prominent player in the agriculture and feed industry. This demo showcases the flexibility of our technology in grain processing and storage, marking our entry into a broader industrial market.

**Market Growth Opportunities:** Success at ILKNAK could unlock access to three more large-scale aquaculture facilities, further solidifying our position in the region's aquaculture sector. The Abaloğlu trial offers us exposure to a new vertical, opening discussions around future partnerships in agriculture and food production.

**Ongoing Engagements and Expansion:** Net 0 Enerji continues to engage with new clients across aquaculture, agriculture, and wastewater treatment industries, using the ILKNAK and Abaloğlu projects as pilot demonstrations. Our strategy includes expanding partnerships through additional trials, presentations, and industry events, strengthening our presence in these sectors.

**Strategic Impact and Outlook:** These trials are already yielding positive results, signalling significant energy savings and operational efficiencies for clients. The early success reinforces the potential for long-term partnerships and positions Sprintex as a leader in sustainable blower technology, driving momentum not only in Türkiye's industrial landscape but beyond.

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# Euroteck India Testing



**EUROTECK**  
ENVIRONMENTAL (P) LTD

11

LET'S RECYCLE

## Customised Solutions:

5 G15 units with three distinct power configurations tailored to meet the needs of Euroteck's aeration and mixing systems, including the Aire-O2 Triton®.

## Trial Application:

The G15 blowers are being tested with advanced mixing equipment to improve operational efficiency and replace traditional side channel blowers with energy-saving alternatives.

## Euroteck's Industry Leadership:

A leading provider of aeration and mixing solutions in India's municipal and industrial wastewater treatment sectors, Euroteck is recognised for its innovative solutions.

## Upcoming Visit to India:

Sprintex, in partnership with Euroteck, will conduct a joint visit in the coming months. This visit will focus on meeting Euroteck's key clients and engaging with various wastewater and textile industry associations to explore new opportunities and expand market reach.

## Strategic Impact:

The trial results, combined with these meetings, aim to strengthen the partnership between Sprintex and Euroteck, paving the way for an exclusive agreement to further expand Sprintex's presence in India's water treatment and textile sectors.



## Innolux (Taiwan) Pilot Project

### Project Overview:

Sprintex, in partnership with Innolux Corporation, Core-Tech, and SCH Group Taiwan, will initiate a pilot project to optimise wastewater treatment at one of Innolux's manufacturing facilities. This collaboration aims to enhance environmental sustainability and meet strict regulatory standards for industrial wastewater management.

### Strategic Partners:

- Innolux Corporation: A global leader in display manufacturing committed to sustainable operations and green innovation.
- Core-Tech: A provider of automation and industrial control solutions with expertise in environmental systems.
- SCH Group Taiwan: Experts in engineering and system integration, focusing on industrial process improvements.

### Pilot Application:

- Goal: To integrate Sprintex's blower technology into Innolux's wastewater treatment process, improving aeration efficiency while minimizing operational costs.
- Scope: Testing will focus on energy-efficient aeration systems and their ability to maintain optimal treatment performance under high-volume industrial conditions.

### Expected Outcomes:

- Reduced energy consumption in wastewater aeration.
- Enhanced compliance with environmental standards.
- Improved scalability for broader deployment across other Innolux facilities.

### Strategic Impact:

This project provides Sprintex with a key entry point into Taiwan's high-tech manufacturing sector. A second pilot project with Micron - a global semiconductor manufacturer is also being arranged

## Corporate Updates

### Appointment of New CFO:

John Bell appointed CFO and Company Secretary, ensuring Sprintex will meet all future reporting deadlines and strengthen financial oversight.

### Change of Address:

#### New Registered Office and Principal Place of Business:

283 Rokeby Road,  
Subiaco WA 6008

#### New Postal Address:

PO Box 1288,  
Subiaco WA 6904



# New Website Launched

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We are pleased to announce our new website has been published this quarter

[www.sprintex.com.au](http://www.sprintex.com.au)

[www.sprintex.com.cn](http://www.sprintex.com.cn)

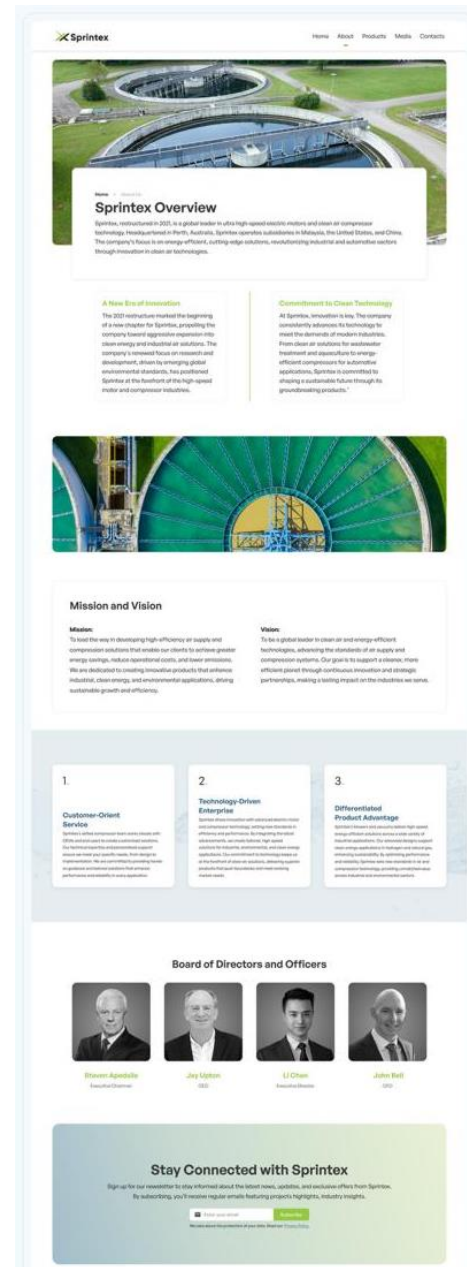
[www.sprintex.us](http://www.sprintex.us)

We have also launched a YouTube channel to compliment our LinkedIn and X (Twitter) social media channels.

<https://www.youtube.com/@SprintexLimited>

<https://x.com/SprintexLimited>

<https://www.linkedin.com/company/sprintex-ltd/>



## Equity and Funding Movements

During the September 2024 quarter Sprintex had the following equity and funding movements:

- \$297,500 was raised from the exercise of 8,500,000 options at 3.5 cents.
- 5,500,000 shares were issued upon conversion of convertible notes with a value of \$137,500 at \$0.025 per share. Convertible notes with a value of \$3,746,483 remain to be converted.
- Subsequent to quarter end the Group repaid the loan owing to the bank of China for a total of RMB 1,500,000
- Subsequent to quarter end the Group entered into a loan for \$350,000 repayable on or before 31 March 2025. The loan bears a 5% arrangement fee and an interest rate of 6% per annum.

## Expenditure

Expenditure for the Quarter ended 30 September 2024 included:

- Research and development costs of \$58K relate to the development of product and samples;
- Product manufacturing and operating expenditure of \$585K incurred in producing products for sale;
- Advertising and marketing expenditure of \$40K related to marketing the Company and its products and services;
- Remunerations costs of \$730K comprising the costs of all staff employed by the Company, including payments to related parties of \$253K for Directors fees and consulting. Additionally, \$256K of the remuneration costs relates to employees working on Research and Development activities.
- Administration and corporate costs of \$325K associated with running the Company, including ASX fees, audit fees, legal fees, share registry fees, CFO, accounting fees, rent and insurance. Administration and corporate costs includes \$4k of payments to related parties for reimbursements of expenses and rent.
- The payments to related parties in item 6.1 of the ASX Appendix 4C relate to director's remunerations, consulting fees, reimbursements and rent which total 257K as detailed above.

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## Expected Receipts & Funding December Quarter

Outstanding customer receipts that we expect to receive in the December Quarter.

- Mest Water 20 units will be delivered this upcoming quarter generating \$500,000 in revenue
- Multiple trials, evaluations and pilot projects underway across several geographical locations and applications expected to generate new revenue (refer to Company Update)
- In addition to sales, we anticipate that the 12,871,111 options on issue, with an exercise price of 7.5 cents expiring on 31 December 2024, will be exercised (\$965K).

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# G15 Jet Blower Series

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**G15 4kW 40kPa High Pressure**

**G15 4kW 30kPa High Flow**

**G15 7.5kW 30kPa**

**G15 4kW High Pressure**

H 315 mm  
x W 493 mm

**G15 4kW High Flow**

H 319 mm  
x W 488 mm

**G15 7.5kW**

H 352 mm  
x W 601 mm

### INTELLIGENT CONTROL

Integrated touchscreen for autonomous, smart operation, enhancing system management and efficiency

### QUIET OPERATION

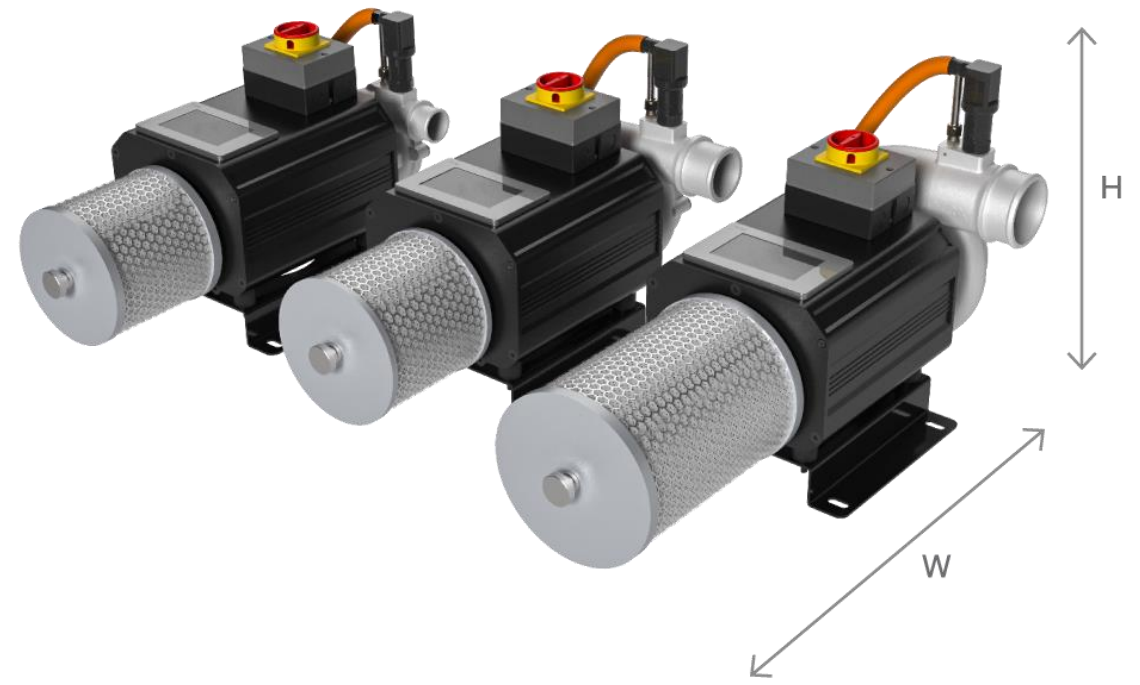
Remarkably quiet, max noise 72dB, no need for an acoustic hood

### ENERGY EFFICIENCY

Delivers over 50% energy savings vs existing industry blowers

### DIY MAINTENANCE APP

18,000 hours maintenance free, parts list and self-guided service via our app available



## Technology Comparison



# G15 Jet Blower Series

Manufacturer	Sprintex	Brand B	Brand C
Compressor Type	Centrifugal Single Stage Turbo Blower	Side Channel Blower	Roots Rotary Lobe
Input Power	4 kW	3.5 kW	3.45 kW
Weight	11 kg	34 kg	54 kg
Motor Speed (rpm)	80,000 rpm	3,450 rpm	3500 rpm
Max Pressure (kPa)	40 kPa	19 kPa	40 kPa
Max Flow (m <sup>3</sup> /min)	5m <sup>3</sup> /min	5m <sup>3</sup> /min	3.5m <sup>3</sup> /min
Overall Efficiency	70%	30%	50%
Test Comparison	3.5m <sup>3</sup> /min (210m <sup>3</sup> /hr) @ 19 kPa	3.5m <sup>3</sup> /min (210m <sup>3</sup> /hr) @ 19 kPa	3.5m <sup>3</sup> /min (210m <sup>3</sup> /hr) @ 19 kPa
Energy Consumption (Hourly)	1.6 kW	3.5 kW	2.2 kW
Energy Consumption (Annual)	14,016 kW	30,660 kW	19,272 kW
Total Annual Cost (USD\$0.15 per kWh)	USD \$2102.4	USD \$4599	USD \$2890.8

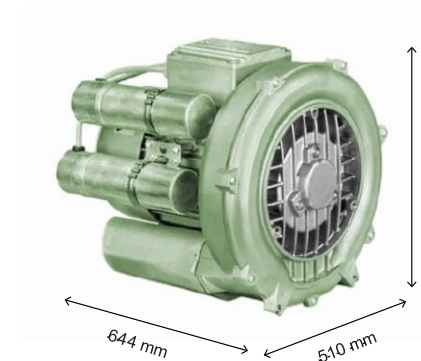
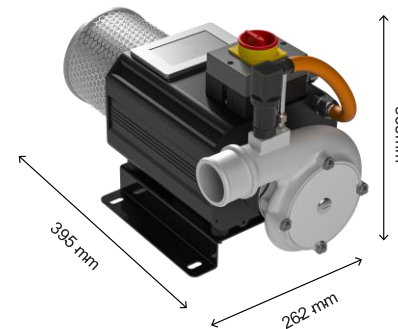
# G15 Jet Blower Series

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G15 4kW 40kPa  
High Pressure

G15 4kW 30kPa  
High Flow

G15 7.5kW 40kPa



## G15 Jet Blower Series

Weight  
**13kg**

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Power Consumption (kW)  
**2.52 kW**

---

Max Motor Speed (rpm)  
**80,000 rpm**

---

**IoT Enabled**  
flow, pressure and power consumption sensors included

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**Patented Electric Motor**  
can change speed instantly (no VFD required)

## Brand X

### Side Channel Blower

Weight  
**84 kg**

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Power Consumption (kW)  
**5.5 kW**

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Max Motor Speed (rpm)  
**3,535 rpm**

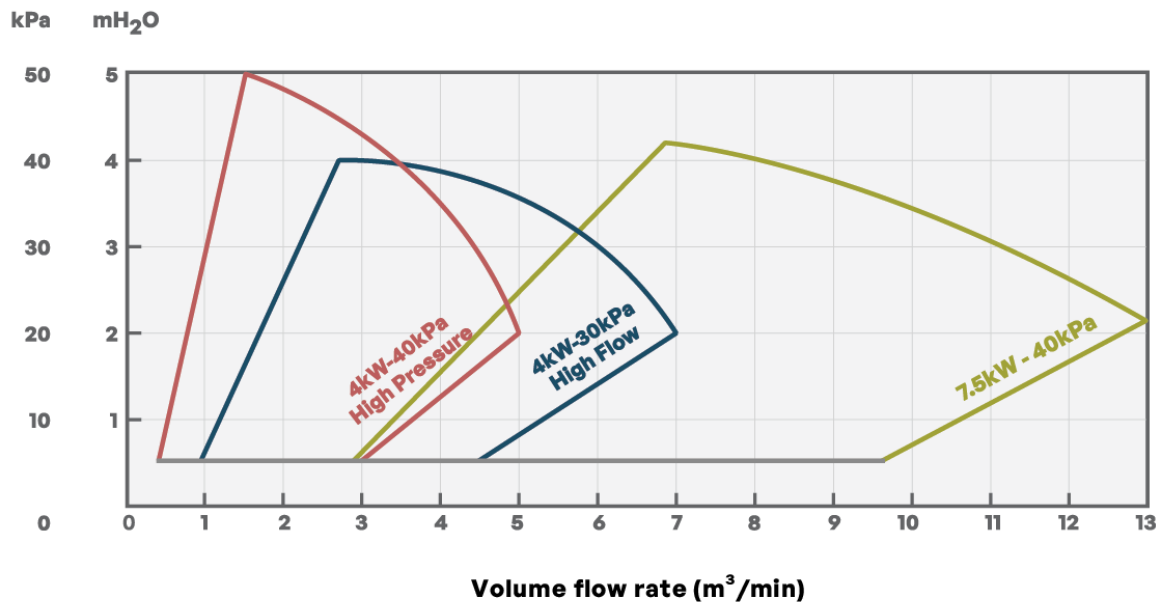
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**Additional sensors and monitoring required**

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**Additional VFD/ VSD required**

VS



# G25

## Jet Blower Series

G25 30kW 100kPa

G25 37kW 100kPa

### INTELLIGENT

Enables unmanned operation with programmable controls and active valves for surge and choke protection

### ENERGY EFFICIENCY

30-40% more efficient than Roots Style blowers, 20% more efficient than other Turbo Blowers

### UNSURPASSED DURABILITY

5 years maintenance free

### ULTIMATE POWER DENSITY

37kW power for only 140kg



928 mm

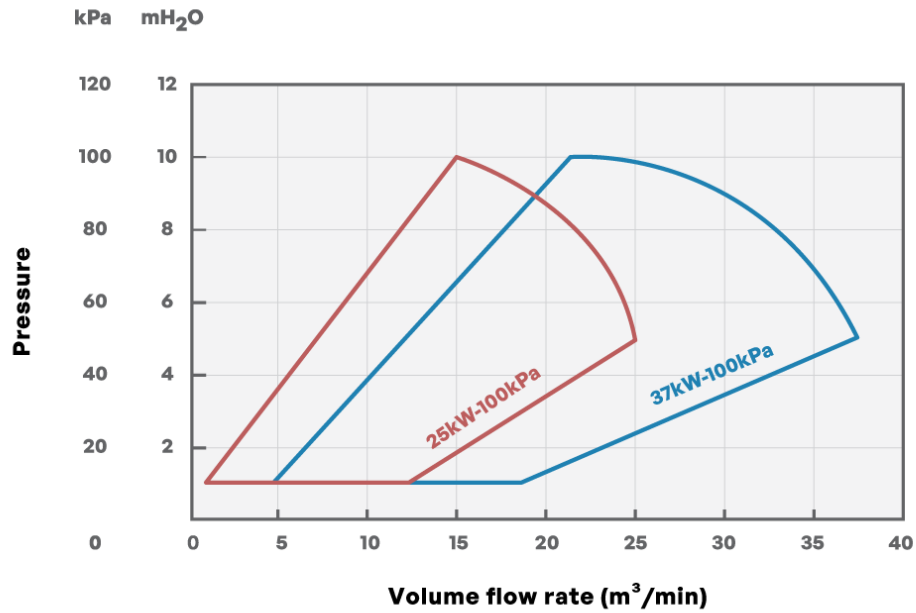
930 mm

558 mm

# G25 Jet Blower Series

G25 30kW 100kPa

G25 37kW 100kPa



## Technology Comparison

Approximate size (50kW)

Length: 1500mm

Width: 1200mm

Height: 130mm

Weight: 1200 kg



Rotary Lobe (Roots) Blowers

VS



140kg  
only

928 mm

930 mm

558 mm

23

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CONTACT

**GET IN TOUCH**

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Join us in making a brighter,  
cleaner future



OUR ADDRESS

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Subiaco WA 6008



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OUR WEBSITE

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[www.sprintex.com.cn](http://www.sprintex.com.cn)

[www.sprintex.us](http://www.sprintex.us)





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 **Sprintex**  
Go Smart, Go Green

**THANK YOU**



## Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward looking information.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Sprintex Limited

**ABN**

38 106 337 599

**Quarter ended ("current quarter")**

30 September 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	301	301
1.2 Payments for		
(a) research and development	(58)	(58)
(b) product manufacturing and operating costs	(585)	(585)
(c) advertising and marketing	(40)	(40)
(d) leased assets	-	-
(e) staff costs	(730)	(730)
(f) administration and corporate costs	(345)	(345)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(30)	(30)
1.6 Income taxes paid	(6)	(6)
1.7 Government grants and tax incentives	42	42
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,451)</b>	<b>(1,451)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(130)	(130)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(130)</b>	<b>(130)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	298	298
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(33)	(33)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(26)	(26)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease liabilities)	(68)	(68)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>171</b>	<b>171</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,908	1,908
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,451)	(1,451)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(130)	(130)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	171	171
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>494</b>	<b>494</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	494	494
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>494</b>	<b>494</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	257
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Amounts shown at 6.1 relate to director salary/fees, reimbursements and rent paid during the quarter.</p>		

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	4,055	4,055
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	45	45
7.4	<b>Total financing facilities</b>	4,100	4,100
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Other finance facility relates to insurance premium funding.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,451)
8.2	Cash and cash equivalents at quarter end (item 4.6)	494
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	494
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	0.34
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: No, Sprintex anticipates it will received cash from sale contracts in the coming quarter which shall improve the operating cashflow.	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Subsequent to quarter end the Group entered into a loan agreement for \$350,000 repayable on or before 31 March 2025. In addition to expected sales, the Company anticipates 12,871,111 options on issue with an exercise price of 7.5 cents expiring on 31 December 2024 will be exercised resulting in a cash inflow of approximately \$965,000 before costs. If the options are not exercised the Company will consider a capital raise.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, refer to section 8.6.1 & 8.6.2 above.

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.