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Interim Financial Report
for the half year ended
31 December 2024

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by Zeotech Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001

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CORPORATE DIRECTORY

Directors

Sylvia Tulloch (Non-Executive Chair)
Peter Zardo (Managing Director)
Robert Downey (Non-Executive Director)

Company Secretary

Neville Bassett

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Stock Exchange Listing

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

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DIRECTORS' REPORT

Your directors are pleased to present their report on Zeotech Limited and its controlled entities ("Zeotech" or "the Group" or "the Company"), for the half-year ended 31 December 2024.

DIRECTORS

The names of the directors who held office during or since the end of the half year are:

Sylvia Tulloch	Non-Executive Chair
Peter Zardo	Managing Director
Robert Downey	Non-Executive Director

RESULT

The Group recorded a loss for the half-year ended 31 December 2024 of \$1,109,404 compared to a loss of \$3,835,735 for the corresponding period in the prior year.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the period were:

- working with academic and industry partners to develop and commercialise supplementary cementitious materials that utilise kaolin to produce AusPozz™ high-reactivity metakaolin ("HRM") for low carbon cement and concrete;
- working with academic and industry partners to develop and commercialise proprietary zeolite mineral processing technology that utilises kaolin or suitable process by-products, for the manufacture and utilisation of zeolite materials;
- continued evaluation of the Group's industrial mineral tenements with the objective of identifying economic mineral deposits, aimed at developing commercial dealings; and
- the identification and evaluation of new ventures and corporate opportunities.

REVIEW OF OPERATIONS

Metakaolin for Low-Carbon Cement & Concrete

Activities have focussed on processing the high-purity Toondoon kaolin to produce the Company's AusPozz™ HRM. Approximately 10-tonne of Toondoon kaolin from the test pit in June 2025¹ was crushed, milled and packaged into 20-kilogram bags.

After several calcination test batch runs using a pilot-scale kiln were completed on the milled kaolin, larger production trial runs yielded approximately 2 tonnes of AusPozz™ during the half-year. This has supported marketing initiatives and product approval testing in low-carbon concrete pilot trials.

¹ ASX Announcement 11/06/2024 - Toondoon Test Pit Completed with Promising Results



(left) four pallets of milled Toondoon kaolin ready for calcination and production of AusPozz™ HRM
(right) AusPozz™ HRM produced from one of the calcination test batches

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Memorandum of Understanding with Holcim Australia

During the half-year, Zeotech executed a non-binding Memorandum of Understanding (“MOU”) with Holcim (Australia) Pty Limited (“Holcim Australia”), one of the largest integrated suppliers and a leader in innovative and sustainable building materials in Australia and New Zealand

The MOU establishes the framework for collaborating and advancing HRM manufacturing and use in concrete in Australia, together with negotiating the terms of a potential offtake agreement.

Zeotech will provide Holcim Australia with AusPozz™ HRM for concrete pilot trials for further commercial validation and exchange technical information and test results to support the completion of a preliminary feasibility study.

The parties have agreed to collaborate on potential State or Federal funding to develop low-emission technologies associated with metakaolin or Holcim Australia products.

The agreement also considers the potential for joint venture or alternative profit-sharing structures pursuant to metakaolin manufacturing using Zeotech’s high-grade raw ore kaolin and the associated financing and construction of such facilities.

Low-Carbon Concrete Trials Commence

Following the announcement of the MOU, 400 kilograms of AusPozz™ was delivered to Holcim Australia to commence low-carbon concrete pilot trials.



(above) low-carbon concrete trials using AusPozz™ commence with Holcim Australia

The pilot trials aim to evaluate the performance of AusPozz™ as a supplementary cementitious material (“SCM”) that partially replaces cement as a low-carbon binder in concrete.

Preliminary Feasibility Study (“PFS”)

Work commenced in September on a PFS study associated with mine development at the Company’s Toondoon kaolin project and commercial scale AusPozz™ production in Queensland.

The PFS will evaluate low-impact mining at Toondoon, and the study will also consider different methods of calcining kaolin to produce AusPozz™, such as flash and rotary calcination, alongside assessing different energy sources and alternate fuels.

During the half-year, the Company recruited an experienced executive, Tim Anderson, for the Chief Commercial Officer (CCO) role. Tim has held executive, commercial, management, strategy, and business development roles in diverse sectors, including a CCO for an Australian industrial minerals company, and CEO for a global water utility systems optimisation technology company.

Tim has extensive experience delivering feasibility studies and has been appointed the study lead for the Company’s PFS.

Activities during the half-year included recruiting an in-house principal process engineer and engaging external consultants and advisors to complete the comprehensive study. Project consultants met at the Company’s office in November to hold an initial project workshop and planning meeting.

Completion of the study will provide clarity on the calcining technology pathway and logistics options, support further engagement with industry, as well as provide a platform to target State and Federal Government commercialisation funding that advances low-emissions technology in Australia and export market opportunities.

Marketing & Development

In addition to the 400 kilograms of AusPozz™ provided to Holcim Australia for low-carbon concrete pilot trials, a further 300 kilograms have been provided to four major Australian cement and concrete producers for independent testing and validation.

Inbound enquiries have also resulted in samples of AusPozz™ being sent to counterparties in Europe and the USA for further testing in geopolymers concrete applications, extending additional opportunities within the building materials and construction industry.

Continued engagement with industry and industry associations such as the Australian Pozzolan Association (“APozA”), Materials and Embodied Carbon Leaders Alliance (“MECLA”) and Cement Concrete & Aggregates Australia (“CCAA”) has resulted in several promising opportunities.

One opportunity relates to a large-scale high-profile concrete trial of the Company’s AusPozz™ product by a global engineering design company. Alongside this, Zeotech is considering expressions of interest for large-scale AusPozz™ concrete trials with an Australian State Department and a significant construction consortium.

Manufactured Zeolites

Activities in the in-house lab have focused on producing manufactured zeolite products using the Company’s trade secret and patent-pending processes. This follows a 500-kilogram bulk sample that was delivered to Protekta Incorporated’s (“Protekta”) warehouse in North America for testing and product trials.

Protekta is an innovative North American company with a portfolio of innovative and evidence-based products designed to prevent illness through optimal nutrition. The group’s solutions include a leading product containing manufactured zeolite. The novel zeolite-based product prevents subclinical hypocalcemia, also known as milk fever, in cows.

The bulk sample will undergo testing before Protekta arranges extruder trials, which have now been moved to Q1 2025. Once the product is successfully produced, Protekta will arrange potential animal trials in collaboration with a North American University.

Recently, the Company began procuring equipment for a scaled-up pilot plant that will target zeolite production of 100 kilograms per week. Deposits were paid on key equipment items, and delivery is anticipated in Q1 2025. When commissioned, scaled-up pilot production would support zeolite manufacturing so the Company can target potential on-site methane control trials at a prospective landfill site.

Japanese Patent Granted for Zeolite Production Technology

A significant milestone was achieved by securing the grant of Japanese Patent No. 7571058 entitled 'synthesis of adsorption materials' ("Patent"), issued by the Japan Patent Office.

The Patent relates to novel and proprietary mineral processing technology held by the Company for producing impurity-free synthetic zeolite from aluminosilicate feedstock, such as kaolin and process by-products. The University of Queensland developed and optimised the technology during a Pilot Program funded by the Company from February 2021 to November 2022.

Methane Emissions Control Program

Zeotech's Methane Control Program achieved promising results during the half-year. Simulated field trials at Griffith University demonstrated an average efficiency of 70-85% in reducing methane using Zeotech products². These trials, conducted in collaboration with Cleanaway, validate the potential of Zeotech's zeolite-based technology to address greenhouse gas emissions from landfill sites.

Activities at Griffith have focussed on optimising the three simulated configurations commissioned in May, to promote consistent bio-methane production. This followed a strategic decision to extend the infield validation stage by 6-months to accommodate additional data collection and analysis across a range of seasonal conditions.

Two configurations contain the Company's zeoteCH₄® products, which showed constant high oxidation rates in earlier lab-scale activities during the Program. The zeolite-based products are manufactured from the Company's Toondoon kaolin mineral and a coal combustion by-product from a southeast Queensland generator, utilising proprietary processing technology developed in-house by the Company.

The third configuration contains methanotroph inoculum only, providing a benchmark for the Company's zeolite materials.

Cooler seasonal conditions inhibited bio-methane generation in the early stages of the Program, which delayed the acclimatisation of the methanogens (the source of methane gas).

As a result of optimisation work and as climatic seasonal factors improved, persistent biomethane production from the three configurations has been observed since September. This has allowed the Program to collect and analyse data from the three configurations and measure the effectiveness of the Company's technology.

	zeoteCH ₄ ® Product A	zeoteCH ₄ ® Product B
Methane Reduction Efficiency – Mean (%)	83.7%	73.5%
Methane Reduction Efficiency – Median (%)	87.8%	52.3%

(Table 1) - summary of methane reduction efficiency of the two zeoteCH₄® treatments for the period September to November 2024

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² ASX Announcement 10/12/2024 - Methane Control Field Trials Deliver Promising Results

To evaluate the performance of the Company's zeoteCH₄® products, regular measurement of methane emissions from the capping soil treated with the zeolite technology was compared with measurements from untreated capping soil (control) from the same configuration.

The overall performance of the zeoteCH₄® products is expressed as a percentage (%) reduction of methane, relative to the control, and summarised in Table 1.

Based on the results presented in Table 1, early evidence indicates that the Company's two zeoteCH₄® products can reduce methane emissions from the simulated landfill configurations with an average (mean) efficiency of 70-85%.

This strong outcome accords with earlier batch experiments that demonstrated that the two zeoteCH₄® products achieved continuously high oxidation rates of greater than 70%, following the initial inoculation period⁴.



(above) simulated landfill configurations located at Griffith University

The experiments indicate that product A is potentially more effective than product B. However, both the Company's zeoteCH₄® products performed substantially better than the third configuration containing methanotroph inoculum-only, which did not show any capacity to reduce methane emissions.

Early indications are that the Company's zeolite-based technology, and in particular product A, are potentially enhancing methane elimination by:

- having a high surface area that plays an important role by providing greater space for methanotrophs to colonise, grow, and prevent them from being washed away;
- high porosity that improves the soil's ability to retain moisture and maintain favourable environmental conditions for microbial growth;
- the capacity to adsorb methane gas and make it available to the methanotrophs during periods of variable emissions; and
- maintaining soil pH conditions that are more favourable for methanotrophs

The results are extremely encouraging. However, the Company recognises the importance of carrying out additional monitoring to collect more data to account for seasonal variations, variable environmental conditions and to determine the longevity of the technology.

Consequently, the Company executed a 3-month extension in December to continue monitoring and data collection from the simulated configurations, before targeting the opportunity to move to on-site trials at a prospective landfill site.

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CORPORATE

Executive Leadership Changes

In August, the Company announced that it had appointed experienced industrial minerals executive Mr James Marsh as Chief Executive Officer ('CEO').

Mr Marsh commenced in the role on 9 September, and his appointment considerably strengthens the Company's executive management team as it focuses on executing its strategy to become Australia's first large-scale producer of high reactivity metakaolin ('HRM') for the low-carbon concrete and cement markets. As part of the appointment, the current CEO, Mr Scott Burkhart, was appointed as Chief Operating Officer ('COO').

Mr Marsh is a high-performing business leader with extensive experience across a wide range of industrial minerals and the materials sector spanning a 30-year period. This includes senior technical, marketing, and executive management roles with ASX-listed companies, including 15 years with Imerys Minerals Limited, a French multinational specialising in the production and processing of industrial minerals.

At Imerys, Mr Marsh was the technical representative on a global kaolin calcination team, overseeing metakaolin production. During this period, the use of metakaolin in building product applications and global intellectual property was developed. Further, he was heavily involved in the technical development and marketing of metakaolin from operations in the UK, France, and the USA.

Queensland Government Funding for Feasibility Study

Zeotech was awarded funding under the Queensland Government's METS Collaborative Project Fund for the Company's PFS associated with the Toondoon kaolin project and HRM production.

The Company will collaborate with Holcim Australia as an industry partner by supporting the PFS with industry expertise, alongside evaluating the performance of the Company's AusPozz™ HRM product in concrete trials.

Following a comprehensive assessment of Zeotech's application, matched funding of \$145,000 has been approved for a total project value of \$290,000 to support the completion of the PFS.

Funding will be allocated toward eligible expenditure associated with the PFS that advances the development of the Company's approved Toondoon Mining Lease (ML 80126) and the commercial readiness of a AusPozz™ HRM production facility for low-carbon cement and concrete.

Successful Company-led Placement Secures \$1.82m

The Company successfully raised \$1,820,500 during the half-year through a placement that existing shareholders heavily supported.

R&D Incentive Payment Received

Zeotech received a cash refund of \$905,884.46 from its R&D tax incentive claim for the financial year ended 30 June 2024.

Funds were applied to repaying the secured research and development loan with R&DIUM Capital Ltd of \$589,248 (incl. principal, interest & fees), and the Company retained net surplus funds of \$316,636.

MINING TENEMENTS

Toondoon Kaolin Project (“Toondoon”)

The Toondoon project remains a cornerstone of Zeotech’s AusPozz™ production strategy.

During the half-year, activities focussed on advancing the PFS, which aligns with the Company’s broader objectives of commercialising AusPozz™ to advance low-carbon cement and concrete by leveraging Toondoon’s high-purity kaolin.

No groundwork was undertaken during the half-year.

Abercorn Kaolin Project (“Abercorn”)

The Abercorn project is located in central Queensland and hosts a significant kaolin resource characterised by scale and consistent grade.

Abercorn comprises 4 contiguous Exploration Permits for Mineral (“EPM”) for a total of 50 sub-blocks, comprising EPM 26837 (33 sub-blocks), EPM 26903 (4 sub-blocks), EPM 19081 (1 sub-block) and EPM 27427 (12 sub-blocks).

While no active groundwork was undertaken during the quarter, the project is a vital part of Zeotech’s long-term strategy for resource evaluation and development.

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

EVENTS SUBSEQUENT TO PERIOD END

Subsequent to the end of the period:

- On 25 February 2025, the Company announced that it had executed a non-binding Letter of Intent with Gladstone Ports Corporation (“GPC”) to develop AusPozz™ manufacturing and bulk storage facilities on designated GPC land at the Port of Bundaberg, within the Bundaberg State Development Area.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, In.Corp Audit & Assurance Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 12 and forms part of this directors' report for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306 (3) of the Corporations Act 2001.



Sylvia Tulloch
Non-Executive Chair
Brisbane, 11 March 2025

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

To the directors of Zeotech Limited:

As lead auditor of the review of Zeotech Limited for half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

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

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

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Director

11 March 2025

In.Corp Audit & Assurance Pty Ltd
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$	2023 \$
REVENUE AND INCOME	2	931,155	729,736
EXPENDITURE			
Administration expenses		(349,122)	(397,848)
Depreciation expense		(89,915)	(100,728)
Exploration expenses		(39,671)	(39,756)
Salaries and employee benefits expense		(988,468)	(836,334)
Technology expenses		(404,484)	(601,047)
Share based payments expense		(121,926)	(784,250)
Share based payments expense – legal settlement		-	(1,783,350)
Financing costs		(46,973)	(22,158)
LOSS BEFORE INCOME TAX		(1,109,404)	(3,835,735)
Income tax benefit / (expense)		-	-
LOSS FOR THE YEAR		(1,109,404)	(3,835,735)
OTHER COMPREHENSIVE INCOME			
Foreign exchange (loss) / profit on translation of foreign operations		(48)	32
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF ZEOTECH LIMITED		(1,109,452)	(3,835,703)
Basic and diluted loss per share (cents)		(0.06)	(0.22)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	31 December 2024	30 June 2024
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	2,502,716	2,267,531
Trade and other receivables	87,470	56,787
TOTAL CURRENT ASSETS	2,590,186	2,324,318
NON-CURRENT ASSETS		
Property, plant and equipment	1,387,411	1,383,997
Exploration and evaluation costs	6,647,290	6,647,290
Intangible assets	2,304,451	2,231,815
Right-of-use asset	208,269	249,176
TOTAL NON-CURRENT ASSETS	10,547,421	10,512,278
TOTAL ASSETS	13,137,607	12,836,596
CURRENT LIABILITIES		
Trade and other payables	314,033	316,508
Provision for employee entitlements	196,296	165,036
Financial liabilities	3 -	500,658
Lease liability	74,567	67,929
TOTAL CURRENT LIABILITIES	584,896	1,050,131
NON-CURRENT LIABILITIES		
Lease liability	208,620	248,183
TOTAL NON-CURRENT LIABILITIES	208,620	248,183
TOTAL LIABILITIES	793,516	1,298,314
NET ASSETS	12,344,091	11,538,282
EQUITY		
Issued capital	4 47,474,308	43,897,623
Reserves	3,595,173	5,256,645
Accumulated losses	(38,725,390)	(37,615,986)
TOTAL EQUITY	12,344,091	11,538,282

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Contributed Equity	Share-based Payments and Options Reserve	Foreign Exchange Reserves	Financial Asset Reserves	Accumulated Losses	Total
	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2023	43,489,091	2,753,500	195,528	(140,000)	(32,087,307)	14,210,812
Loss for the period	-	-	-	-	(3,835,735)	(3,835,735)
TOTAL COMPREHENSIVE LOSS	-	-	-	-	(3,835,735)	(3,835,735)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Shares issued under loan funded share plan	-	784,250	-	-	-	784,250
Settlement performance rights issued	-	1,783,350	-	-	-	1,783,350
Share issue costs	(8,751)	-	-	-	-	(8,751)
Foreign exchange movement	-	-	32	-	-	32
BALANCE AT 31 DECEMBER 2023	43,480,340	5,321,100	195,560	(140,000)	(35,923,042)	12,933,958
BALANCE AT 1 JULY 2024	43,897,623	5,201,100	195,545	(140,000)	(37,615,986)	11,538,282
Loss for the period	-	-	-	-	(1,109,404)	(1,109,404)
TOTAL COMPREHENSIVE LOSS	-	-	-	-	(1,109,404)	(1,109,404)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Shares issued during the period	1,820,500	-	-	-	-	1,820,500
Shares issued on satisfaction of performance rights	1,783,350	(1,783,350)	-	-	-	-
Performance rights issued	-	121,926	-	-	-	121,926
Share issue costs	(27,165)	-	-	-	-	(27,165)
Foreign exchange movement	-	-	(48)	-	-	(48)
BALANCE AT 31 DECEMBER 2024	47,474,308	3,539,676	195,497	(140,000)	(38,725,390)	12,344,091

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Expenditure on mining interests	(31,287)	(47,003)
Payments to suppliers and employees	(1,760,258)	(1,786,991)
Finance costs	(47,271)	(22,158)
Interest received	25,271	40,755
Other income	905,884	6,962
Net cash outflow from operating activities	(907,661)	(1,808,435)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(38,088)	(9,084)
Payments for other intangible assets	(79,476)	(41,365)
Net cash outflow from investing activities	(117,564)	(50,449)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issues of ordinary shares net of share issue cost	1,793,335	(29,512)
Proceeds from borrowings	566,270	-
Repayment of borrowings	(1,066,270)	-
Payments for lease liabilities	(32,925)	(27,029)
Net cash inflow / (outflow) from financing activities	1,260,410	(56,541)
Net increase/(decrease) in cash and cash equivalents	235,185	(1,915,425)
Cash and cash equivalents at the beginning of the half-year	2,267,531	4,212,481
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	2,502,716	2,297,056

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

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Zeotech Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Going Concern

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

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

- the ability to issue additional capital under the Corporations Act 2001, if required, by share purchase plan, share placement or rights issue;
- debt financing, including convertible note issues;
- the option of farming out all or part of the consolidated entity's exploration projects; and
- the ability, if required to dispose of interest in exploration and development assets.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2024. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

NOTE 2: REVENUE

	Half Year Consolidated	
	December 2024	December 2023
From continuing operations	\$	\$
Interest revenue	25,271	40,755
Other revenue	-	6,962
R&D refund	905,884	682,019
Total revenue	931,155	729,736

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NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 3: FINANCIAL LIABILITIES

	Half-Year Consolidated	
	December 2024	June 2024
	\$	\$
Secured borrowings	-	500,658
Total	-	500,658

The \$500,658 loan was payable to Santilario Pty Ltd and was secured by the 2024 R&D Refund from the Australian Taxation Office. In July 2024, the Company repaid the loan in full and obtained a \$566,270 Secured Research and Development (R&D) Loan with R&DIUM Capital Ltd. The Company received a cash refund of \$905,884 from its R&D tax incentive claim for the financial year ended 30 June 2024. Funds were applied to repaying the secured research and development loan with R&DIUM Capital of \$589,248 (incl. principal, interest and fees), and the Company retained net surplus funds of \$316,636.

NOTE 4: ISSUED CAPITAL

	December 2024 Shares	December 2024 \$	June 2024 Shares	June 2024 \$
Issues of ordinary shares during the half-year				
Beginning of the financial year	1,753,423,065	43,897,623	1,705,923,065	43,489,091
Issued to employees for Incentive Share Plan*	-	-	22,500,000	-
Issued to directors for Incentive Share Plan*	-	-	5,000,000	-
Issued for cash	60,683,333	1,820,500	-	-
Exercise of options	-	-	20,000,000	420,000
Conversion of performance rights	39,630,000	1,783,350	-	-
Share issue cost	-	(27,165)	-	(11,468)
	1,853,736,398	47,474,308	1,753,423,065	43,897,623

*Shares are restricted and are treated as options with the value recorded in the option reserve.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 4: ISSUED CAPITAL (continued)

	Number of options	
	December 2024	June 2024
Movements of options during the half-year		
Beginning of the financial year	68,917,388	88,917,388
Issued during the year	30,341,667	-
Exercised during the year	-	(20,000,000)
Options lapsed during the year	(26,308,690)	-
	72,950,365	68,917,388

	Number of performance rights	
	December 2024	June 2024
Movements of performance rights during the half-year		
Beginning of the financial year	79,630,000	40,000,000
Issued during the year	35,000,000	39,630,000
Performance rights converted on satisfaction of performance milestone	(39,630,000)	-
	75,000,000	79,630,000

NOTE 5: SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2024, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years other than the below.

- On 25 February 2025, the Company announced that it had executed a non-binding Letter of Intent with Gladstone Ports Corporation (“GPC”) to develop AusPozz™ manufacturing and bulk storage facilities on designated GPC land at the Port of Bundaberg, within the Bundaberg State Development Area.

DIRECTORS' DECLARATION

In the directors' opinion:

1. the financial statements and notes set out on pages 13 to 20 are in accordance with the Corporations Act 2001, including:
 - a) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Zeotech Limited will be able to pay its debts as and when they become due and payable.

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



Sylvia Tulloch
Non-Executive Chair
Brisbane, 11 March 2025

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ZEOTECH LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Zeotech Limited

Conclusion

We have reviewed the half-year financial report of Zeotech Limited ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including a summary of material accounting policy information, other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and 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 requirements in accordance with the Code.

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

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ZEOTECH LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Responsibility of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Director

11 March 2025

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