

25 January 2022

QUARTERLY ACTIVITIES REPORT Quarter Ended 31 December 2021

Emerging mineral processing technology company, Zeotech Limited (ASX: ZEO, “Zeotech” or “the Company”) provides the following quarterly update and commentary for the December 2021 quarter.

HIGHLIGHTS

- A third lithium hydroxide refinery player approaches Zeotech and provides a new lithium process by-product sample for assessment in the Company’s pilot program
- Zeolite core technology patent application enters national phase following positive findings in the International Preliminary Report on Patentability (“IPRP”)
- Lithium refinery cleantech progresses to next stage of intellectual property protection by filing under the Patent Co-operation Treaty (“PCT”)
- Zeotech to develop products for carbon markets and nutrient management in collaboration with Griffith University following promising pilot trials which identified potential for Zeotech products for agricultural markets
- Zeotech dual-feed pilot plant program achieves successful closed-loop circuit utilising kaolin feedstock to produce pure Linde Type A synthetic zeolite product
- Zeotech makes a strategic seed investment in environmental farm management technology company, Regen Digital (“Regen”). The relationship is expected to foster further collaboration in the development of Zeotech agricultural products

Managing Director, Peter Zardo, commented:

“The December quarter delivered many highlights. The positive views expressed by the Preliminary Examiner in the IPRP were promising, giving the Company added confidence in the patentability of our mineral processing technology, as we progressed the dual-feed pilot program, achieving our first closed-loop circuit utilising kaolin feedstock to produce synthetic zeolites.

Pilot program focus is now on the leached spodumene circuit, and we are buoyed by the continued commercial interest in our lithium refinery cleantech solution, underscored by the provision of lithium process by-product sample from a third lithium refinery.

The quarter also marked the commencement of a comprehensive research program with Griffith University to develop Zeotech agri-products targeting carbon markets and nutrient management and capped off with a strategic investment in environmental farm management start-up, Regen Digital, which affirms our commitment to the agricultural sector and farmers seeking to transact in carbon and biodiversity markets.”

Zeotech Limited | ASX: ZEO

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SYNTHETIC ZEOLITE MINERAL PROCESSING TECHNOLOGY

Zeolite technology patent application enters national phase

On 11 October 2021 the Company announced that, after receiving an International Preliminary Report on Patentability (under Chapter II of the PCT) that contained positive findings as to the novelty and inventiveness of the Company's 100% owned patent application associated with mineral processing technology for the manufacturing (synthesising) of zeolites ("IP"), it progressed to the National Phase¹ of the patent granting procedure, which followed filing under Patent Cooperation Treaty on 8 May 2020².

Zeotech has proceeded with filing in the following jurisdictions:

- Australia
- Canada
- Chile
- China
- India
- Japan
- Republic of Korea
- Eurasia - covers Russia and Kazakhstan
- Thailand
- United States of America
- Europe - various jurisdictions including France, Germany, Italy, Spain, and the United Kingdom

As patents are only granted in each country by the relevant national patent office, the National Phase filing(s) is a key requirement in the process for seeking to have a patent granted internationally. The ensuing process allows the Company to pursue patent granting in the above jurisdictions, which have been selected from criteria pertaining to global synthetic zeolite production and consumption, in conjunction with potential mine and process tailing feedstock opportunities.

Zeotech considers the opportunity to potentially secure patents will further enhance its commercialisation pathway, especially with licensing and/or joint venture opportunities. The Company has also ensured it maintains and continues to build a high level of in-house process know-how to further enhance its future commercial proposition.

¹ <https://www.wipo.int/pct/en/faqs/faqs.html>

² ASX release dated 21/05/2020 "Zeolite Mineral Processing Technology progresses to next stage of Intellectual Property Protection"

Lithium refinery cleantech progresses to the next stage of IP protection

On 20 October 2021, the company announced it had filed under the Patent Cooperation Treaty (“PCT”) to protect and commercialise the intellectual property (“IP”) associated with mineral processing technology for the manufacturing (synthesising) of zeolites from lithium process by-product. By filing PCT, Zeotech can subsequently seek patent protection in over 150 countries³.

The Patent Cooperation Treaty enables Zeotech to seek international patent protection and extends the Company’s IP portfolio to include additional steps applied to its novel mineral processing technology for the manufacturing (synthesising) of zeolites, specifically utilising lithium process by-product as a feedstock.

In August 2020, the Company undertook a dedicated research program at The University of Queensland’s School of Chemical Engineering (“UQ”), utilising mine tailings and process residues as a feedstock under the conditions of Zeotech’s patent-pending technology to produce high value zeolites. During the research program, UQ developed a novel process (flowsheet) for the manufacture of synthetic zeolites from lithium process by-product⁴ and a provisional patent application for the manufacturing (synthesising) of zeolites from lithium process by-product was lodged on 21 October 2020⁵.

On 26 May 2021, Zeotech advised after early commercial interest in the potential to apply the Company’s proprietary mineral processing technology as a cleantech solution for the lithium refinery industry, the decision was made to expand the current pilot plant program to include lithium process by-product (leached spodumene). UQ is currently undertaking bench-scale optimisation of two separate leached spodumene samples from large lithium refinery participants as part of the dual-feed pilot program. The decision to progress with PCT on lithium by-product process expands the Company’s IP portfolio and further enhances Zeotech’s cleantech proposition.

The filing of PCT for lithium by-product IP follows on from recent 11 October 2021 announcement⁶ that the Company was progressing to the National Phase of the patent granting procedure associated with mineral processing technology for the manufacturing (synthesising) of zeolites, after receiving an International Preliminary Report on Patentability, under Chapter II of the PCT (“IPRP”) that contained positive findings as to the novelty and inventiveness of the Company’s 100% owned patent application.

The IPRP(II) was especially promising as the International Preliminary Examination Authority examiner, expressed a view that all of the 26 claims in the PCT application forming the Company’s core proprietary technology were both novel and inventive.

³ https://www.wipo.int/pct/en/pct_contracting_states.html

⁴ ASX release dated 28/10/2020 “Commercial Grade Zeolite Produced from Li Process Residue”

⁵ ASX release dated 21/10/2020 “Patent Application Lodged Lithium Process Residue to Zeolite”

⁶ ASX release dated 11/10/2021 “Zeolite Technology Patent Application Enters National Phase”

Zeotech to develop products for carbon markets in collaboration with Griffith University

On 8 November 2021 the Company advised that, following promising pilot trials⁷ led by Griffith University (“Griffith”) which identified potential to develop products for agricultural markets, it executed an additional comprehensive research program with Griffith. The research program involves pilot trials and establishing scientific validation intended for developing Zeotech product applications in two high potential areas of carbon markets and agricultural nutrient management.

The goal of the program being undertaken by Griffith is to conduct research that will underpin agronomic opportunities for Zeotech products that aim to provide competitive advantages to existing soil amendments such as fertilisers and soil conditioners, with the early and substantial focus on the ‘carbon markets’ program.

Griffith’s trials will run concurrently, and comprise of two streams of agricultural product development:

- **‘Zeotech Products for Carbon Markets’** - Enhanced soil carbon storage and climate change mitigation in agricultural landscapes, targeting a substantial share of the carbon mitigation market – an estimated 15-20% of total human greenhouse gas emissions; and
- **‘Zeotech Products to Improve Agricultural Nutrient Management’** - Agricultural pollutant interception, removal, and recycling.

Zeolites offer soil carbon sequestration potential

Research undertaken by Griffith indicates potential for the surfaces of reactive zeolites to be effective for carbon sequestration, for both organic and inorganic phases. Further, the mechanisms underpinning these sequestration processes suggest positive prospects for long-term soil carbon storage.

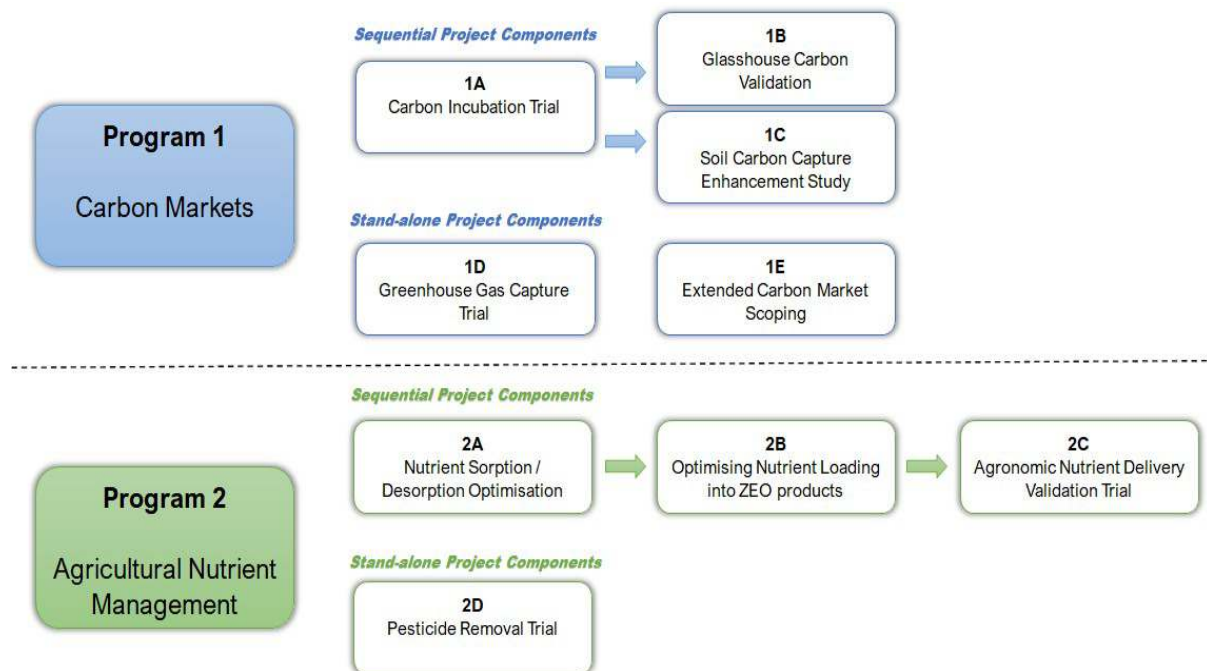
The program is supported by promising results achieved during previous agronomic studies⁸ undertaken by Griffith, which showed that synthetic zeolites were capable of high nutrient retention, pesticide removal, enhanced moisture retention and decreased soil acidification.

Zeotech’s aim is to leverage the economic benefits of its proprietary mineral processing technology for the low-cost synthesis of zeolites to develop products that help agronomic systems cope with widespread existing and emerging challenges, including fertiliser resource scarcity and increasingly difficult growing conditions wrought by changing climates.

⁷ ASX release dated 06/09/2021 “Griffith University Agronomic Studies deliver Promising Results”

⁸ ASX release dated 28/09/2020 “Exploring Agricultural Applications for Synthetic Zeolites”

Griffith's work will comprise of two programs, undertaken in parallel:



Program 1: Zeotech Products for Carbon Markets

The work program scheduled in 1A through 1D is targeting a substantial share of the carbon mitigation market - estimated at 15-20% of total human greenhouse gas emissions.

Key activities and anticipated outcomes include:

- Carbon incubation trial - establishment of Zeotech product quantities required for baseline carbon sequestration;
- Glasshouse carbon validation - quantitative establishment of Zeotech product effectiveness to sequester carbon in agriculturally active soils;
- Soil carbon capture enhancement study - proof of concept demonstration of Zeotech product effectiveness in both soil organic and inorganic carbon sequestration;
- Greenhouse gas capture trial - proof of concept demonstration of Zeotech product effectiveness in mitigating CO₂ and CH emissions from common agricultural emission source points;

In addition, Griffith estimates that there are further opportunities for materials-based carbon mitigation technologies, which will be explored in the following activity:

- Extended Carbon Market Scoping Exercise - this component is strategically tailored to commence at the front-end of the program, Griffith will synthesise the state of development and prospects for these technologies with a particular emphasis on current barriers to uptake. Specific areas that will be explored in the review include:

- 1) Methane Markets - evaluating technologies for methane mitigation from sectors including solid waste management, wastewater treatment, cropping and mineral extraction;
- 2) Nitrogen GHG Markets - appraising opportunities for alternatives to urea fertiliser use (which entails significant direct CO₂ and nitrous oxide emission at the manufacture and land application phase) as well as mitigation of ammonia emissions;
- 3) Broadened Carbon Capture Markets - focusing on opportunities for soil organic and inorganic carbon capture beyond the agricultural contexts explored in this program.

The anticipated outcome of this activity is a synthesis report, highlighting opportunities and barriers for carbon capture through material-based technologies. It will present a range of potential directions for future market development opportunities and identify expertise targeted to these opportunities, including through Griffith University-based institutes such as the Climate Action Beacon⁹ and Griffith's Environmental Economics Group.

Program 2: Zeotech Products to Improve Agricultural Nutrient Management

The work program scheduled in 2A through 2D is targeting emerging agronomic challenges, including fertiliser resource scarcity, and increasing residual agricultural pollutants.

Key activities and anticipated outcomes include:

- Nutrient sorption/desorption optimisation - development of an operational field, highlighting maximum nutrient retention by Zeotech products treating waste streams;
- Optimising nutrient loading onto Zeotech products - delivery of a practical Zeotech product formulation that is suited to application in agricultural soils;
- Agronomic nutrient delivery validation trial - quantitative determination of Zeotech product agronomic performance, benchmarked against conventional soil inputs; and
- Wider pesticide removal trial - quantitative establishment of Zeotech product effectiveness in treating key pesticide groups in agronomic settings.

⁹ <https://www.griffith.edu.au/research/climate-action>

Zeotech dual-feed pilot plant program update - first successful closed-loop circuit

On 30 November 2021 the Company announced it had successfully completed its first continuous closed-loop circuit, utilising kaolin feedstock to produce pure Linde Type A synthetic zeolite product. This marked a significant step in progressing the Company's dual-feed pilot program.

The achievement of a continuous closed-looped circuit will allow Zeotech, and the team at The University of Queensland ("UQ"), to commence pilot plant set-up and construction during Q1 2022.

Highlights

- Successful bench-scale continuous closed-loop circuit achieved utilising kaolin feedstock to produce pure Linde Type A synthetic zeolite product.
- Over 110 optimisation batch tests undertaken using Toondoon kaolin and Li process by-product samples, undertaken since May 2021.
- Over 30 continuous tests completed on individual process steps, involving leaching, filtration/decanting, and precipitation.
- Plant and equipment procurement underway, with construction and commissioning of pilot plant on track to commence Q1 2022.

Progress to Date

On 16 February 2021¹⁰ Zeotech announced it had committed to the development and construction of a pilot plant and undertaking an extensive test-work program to further optimise the flowsheet of the Company's low-cost synthetic zeolite manufacturing technology ("IP"). The team at UQ commenced bench-scale optimisation test-work on kaolin in March 2021. Throughout Q3 2021 the kaolin test-work provided advance data to further validate the Company's proprietary flowsheet.

On the 26 May 2021¹¹ the decision was made to expand the single kaolin feed pilot to include Li process by-product as an additional feedstock, and bench-scale optimisation test work commenced in June 2021.

During the H2 2021, the team at UQ completed in excess of 155 batch and continuous test runs.

This work, together with the earlier start date on kaolin test-work, has led to successful development of the first continuous closed-loop circuit utilising Toondoon kaolin as feedstock to produce pure Linde Type A synthetic zeolite product.

¹⁰ ASX release dated 16/02/2021 "Synthetic Zeolite Pilot Plant Program Commences"

¹¹ ASX release dated 26/05/2021 "Lithium Refinery Cleantech Forms Part of Dual-Feed Pilot Program"

Lithium Process By-product

Since June 2021, UQ researchers have completed over 70 optimisation batch tests across a range leaching and precipitation configurations from two separate samples of Li process by-product. Continuous tank reactor precipitation work has been successfully completed and the team is currently undertaking continuous leaching runs.

The inclusion of two separate Li process by-product samples to the pilot program, has increased the variables in validating ZEO's proprietary flowsheet process steps. Despite this, Zeotech and UQ expect to achieve a continuous closed-loop circuit in the near term.

Late in the December quarter the Company was approached by a third lithium refinery participant and received an additional lithium process by-product sample. This new sample will undergo characterisation and bench-scale testwork, sufficient to complete a preliminary METSIM modelling assessment.

Pilot Program Next Steps

The completion of a successful continuous closed-loop bench-scale circuit under the conditions of Zeotech's proprietary flowsheet, represents a major step in developing the configuration and design data required for scale-up to pilot line construction and commissioning, which is scheduled to commence Q1 2022.

In addition, procurement of plant and equipment for the pilot line set-up has accelerated with key items scheduled for delivery early 2022.

Strategic investment in environmental farm management technology company

On 14 December 2021, the Company announced it had entered into a Subscription Agreement with environment farm management technology start-up, Regen Digital Pty Ltd ("Regen"). Zeotech invested \$140,000 for a 4% post money interest in Regen, through a fully subscribed \$500,000 seed capital round undertaken by the group. Regen provides members of Regen Farmers Mutual a platform to enter into and manage environmental and green provenance contracts and Regen Farmers Mutual Limited holds 77% of the Regen on a post-money basis.

The early-stage investment establishes a symbiotic partnership with Zeotech's agronomic objectives, aimed at developing agri-products that improve nutrient management and offer farmers access to carbon markets. The investment ethos is one that supports an emerging cooperative, Regen Farmer's Mutual, by promoting Australia's farming community to better engage in Environmental Goods & Services (EGS) markets.

Highlights

- Zeotech's investment represented a cornerstone 28% share of total seed funding to support the establishment of Regen's 'Software as a Service' (SaaS) platform which aims to establish the value of a farmer's environmental assets with an Environmental Farm Assessment (EFA).
- The EFA will be used to create a 'digital twin' of a farm, and in collaboration with Regen Farmers Mutual (regenfarmersmutual.com), assist farmers to understand, define, market, execute and deliver transactions in carbon, biodiversity, and other emerging markets.
- The partnership is symbiotic with ZEO's agronomic objectives and supports an emerging cooperative of innovative Australian farmers seeking to better engage in Environmental Goods & Services (EGS) markets.
- The relationship with Regen Farmers Mutual and early investment in Regen Digital will provide a potential future pathway for development and distribution of Zeotech agricultural products targeting nutrient management and soil carbon enhancement, which compliments the goals and objectives of the Regen Farmers Mutual, supported by the Regen Digital platform, targeting a potential market of over 85,000 Australian agribusinesses¹².

The investment highlighted Zeotech's ongoing commitment to agricultural markets and followed recent initiatives where the Company committed to a comprehensive agronomic research program in collaboration with Griffith University¹³

The aim of the dual-stream program is to develop Zeotech products for agricultural nutrient management, offering potential access to carbon markets through carbon sequestration.

The relationship with Regen Farmers Mutual and early investment in Regen Digital is expected to foster further collaboration in the development of Zeotech agricultural products. It offers the potential to access a cooperative of innovative Australian farmers with an appetite to transact in carbon and biodiversity markets and gives rise to significant opportunities for Zeotech and supports its research objectives. Working with the Regen Digital platform, it provides a potential conduit to demonstrate Zeotech agricultural products.

Zeotech's comprehensive agri-product development program targeting carbon markets and nutrient management has commenced at Griffith University, supported by promising outcomes from agronomic studies completed in Q3 2021¹⁴. Griffith University's pilot results highlighted significant potential for Zeotech products that offer solutions for large-scale agricultural challenges.

¹² National Farmers Federation: Food, Fibre & Forestry Facts 2017

¹³ Refer to ASX announcement 08/11/2021 "Zeotech Collaboration to Develop Products for Carbon Markets"

¹⁴ Refer to ASX announcement 06/09/2021 "Griffith University Agronomic Studies deliver Promising Results"

Research undertaken by Griffith indicates potential for the surfaces of reactive zeolites to be effective for carbon sequestration, for both organic and inorganic phases. Further, the mechanisms underpinning these sequestration processes suggest positive prospects for long-term soil carbon storage.

The results provide confidence in the use of synthetic zeolites, produced under the Company's proprietary process, to develop an economically compelling fertiliser delivery platform, which offers multiple adjunct benefits including the potential for soil carbon sequestration.

The results showed that synthetic zeolites were capable of:

- High nutrient retention and exceptionally high phosphorus retention;
- Pesticide removal and compound breakdown;
- Enhanced moisture retention; and
- Decreased soil acidification.

Zeotech's strategic seed investment supports the establishment of Regen Digital's SaaS platform which aims to establish the value of a farmer's environmental assets with an Environmental Farm Assessment (EFA). The EFA will then be used to create a 'digital twin' of a farm, and in collaboration with Regen Farmers Mutual, assist farmers to understand, define, market, execute and deliver transactions in carbon, biodiversity and other emerging markets.

Regen Digital aims to launch the EFA in Q1 2022 and attract an initial pool of 1,000 farmers (current EFA waitlist stands at over 250 farmers) from a market of more than 85,000 agricultural businesses in Australia¹⁵, capitalising on the growing trend towards increasing accountability around farming practices and their impact on the environment.

TOONDOON PROJECT

On 23 August 2021, the Company announced that it had executed a term sheet with Zilotech Holdings Pty Ltd ("Zilotech") to acquire 100% of the issued capital in Kalotech Pty Ltd ("Kalotech"), which holds a legally binding exercised option to acquire the mining lease and exploration licences for the 28,000-hectare Toondoon Kaolin Project ("Toondoon") located in Queensland, one of the highest-grade raw ore kaolin deposits in Australia. When the transaction is completed, Zeotech will hold 100% of the Toondoon project and associated licences, including ML 80016, EPM 27395 and EPMA 27866 through its ownership of Kalotech.

Resource estimation test work at the Toondoon Mining Lease, ML 80126, has delivered an Indicated JORC 2012 Resource of:

White Kaolin Clay - 5.07Mt @ 37% Al₂O₃, 0.9% Fe₂O₃, 46.3% SiO₂, Alumina/Silica Ratio of 0.80¹⁶.

¹⁵ National Farmers Federation: Food, Fibre & Forestry Facts 2017

¹⁶ Refer to ASX Announcement 23/8/2021 "Zeotech to Acquire one of Australia's Highest Grade Kaolin Projects held within an Approved Mining Lease"

The potential exists to expand the high-grade kaolin resource, which remains open in all directions.

Toondoon's near surface, high grade and low impurity raw kaolin is very amenable to low cost, open cut mining operations. Zeotech is initially planning a simple dig and ship operation to drive near term cash flow and offset future development operating expenditure. Preliminary project planning was undertaken during the quarter in conjunction with mining tenement manager, Ardent Group, and external consultants. This included, but not limited to, early engagement with the Queensland Department of Transport and Main Roads ("TMR") to discuss the project and requirements for the Notifiable Road Use application.

In addition to samples previously provided to marketing representatives in mainland China, a further raw ore sample was shipped to a leading industrial minerals and specialty chemicals company located in Gujarat, India.

ABERCORN PROJECT

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

No on-groundwork was undertaken during the quarter.

CORPORATE

Acquisition of Kalotech Pty Ltd (Toondoon Project)

As noted above, on 23 August 2021, the Company announced that it had executed a term sheet with Zilotech Holdings Pty Ltd ("Zilotech") to acquire 100% of the issued capital in Kalotech Pty Ltd ("Kalotech"), which holds a legally binding exercised option to acquire the mining lease and exploration licences for the Toondoon Kaolin Project ("Toondoon").

The acquisition of Kalotech remains conditional on:

- (i) obtaining all shareholder approvals required under ASX Listing Rules 10.1 and 10.11, and Chapter 2E of the Corporations Act; and
- (ii) written approval from Queensland Department of Resources for the transfer of ML80016 from the current registered holder to Kalotech being granted and the change in title being registered.

The Company is in the process of preparing the necessary meeting material to obtain shareholder approval for the Acquisition and the issue of the share consideration pursuant to Listing Rules 10.1 and 10.11, in compliance with the disclosure requirements of Listing Rules 10.5 and 10.13. The meeting material will include an Independent Expert's Report ("IER") being prepared by Moore Australia Corporate Finance (WA) Pty Ltd to provide an opinion as to whether it is considered that the proposed transaction is in the best interest of the members of Zeotech.

Investment in Regen Digital Pty Ltd

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

Zeotech invested \$140,000 for a 4% post money interest in Regen, through a fully subscribed \$500,000 seed capital round undertaken by the group. Investment in Regen was funded from cash on-hand.

APPENDIX 5B – QUARTERLY CASH FLOW REPORT

The cash position of the Company on 31 December 2021 was \$4.258 million.

Details of mining exploration activities

Details of exploration activities during the quarter are set out above.

Exploration and evaluation expenditure for the quarter comprised Toondoon and Abercorn resource evaluation work \$23,000 and rents, rates, tenement management and miscellaneous expenses \$2,000. Other associated R&D project costs were \$472,000.

Details of mining production and development activities

No production and development activities were undertaken during the quarter.

Details of related party payments

The aggregate amount of payments to related parties and their associates included in the current quarter Cash flows from operating activities were \$105,000, comprising director salaries (inclusive of superannuation), directors fees and consulting fees.

This Announcement has been approved by the Board.

- End -

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About Zeotech

Zeotech Limited (ASX: ZEO) is a team of dedicated people, working together to build a future focused company, leveraging proprietary technology for the low-cost production of advanced materials 'synthetic zeolites' to deliver solutions aimed at addressing sustainability challenges.

About Zeolites

Synthetic zeolites are manufactured aluminosilicate minerals with a sponge-like structure, made up of tiny pores (frameworks) that make them useful as catalysts or ultrafine filters. They are commonly known as molecular sieves and can be designed to selectively adsorb molecules or ions dependant on their unique construction.

Zeolites play an important role in a cleaner and safer environment.

- zeolites are an effective substitute for harmful phosphates in powder detergent, now banned in many parts of the world because of blue green algae toxicity in waterways;
- as catalysts, zeolites increase process efficiencies = decrease in energy consumption;
- zeolites can act as solid acids and reduce the need for more corrosive liquid acids;
- zeolites adsorbent capabilities see them widely used in water treatment i.e., heavy metal removal including those produced by nuclear fission; and
- as redox catalyst sorbents, zeolites can help remove exhaust gases and CFC's.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results and Mineral Resource estimates, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the results and/or estimates in the relevant market announcement continue to apply and have not materially changed.

Forward-looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of Zeotech and certainty of the plans and objectives of Zeotech with respect to these items.

These forward-looking statements are not historical facts but rather are based on Zeotech current expectations, estimates and projections about the industry in which Zeotech operates, and its beliefs and assumptions.

Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement.

Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the endeavour of building a business around such products and services.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of Zeotech, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.

Zeotech cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Zeotech only as of the date of this release. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. Zeotech will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

Tenement Information as required by Listing Rule 5.3.3

The following is a table setting out the information as required by ASX Listing Rule 5.3.3, namely:

1. Mining tenements held at the end of the Quarter and their location;
2. Mining tenements disposed during the Quarter and location;
3. Beneficial percentage interests held in farm-in or farm-out agreements at end of Quarter; and
4. Beneficial percentage interests held in farm-in or farm-out agreements acquired or disposed of during the Quarter.

Location	Tenement	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
Australia	EPM 19081	100%	Nil	Nil	100%
Australia	EPM 26837	100%	Nil	Nil	100%
Australia	EPM 26903	100%	Nil	Nil	100%
Australia	EPM 27427	100%	Nil	Nil	100%



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ZEOTECH LIMITED

ABN

29 137 984 297

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(25)	(37)
(b) development	-	-
(c) production	-	-
(d) staff costs	(162)	(304)
(e) administration and corporate costs	(154)	(339)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Technology expenses)	(472)	(632)
1.9 Net cash from / (used in) operating activities	(811)	(1,307)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(49)	(52)
(d) exploration & evaluation	-	-
(e) investments	(140)	(140)
(f) other non-current assets	(62)	(93)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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)	-	-
2.6	Net cash from / (used in) investing activities	(251)	(285)
3.	Cash flows from financing activities		
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	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(4)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	(4)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,320	5,854
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(811)	(1,307)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(251)	(285)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(4)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,258	4,258

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	1,758	2,320
5.2	Call deposits	2,500	3,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,258	5,320

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	105
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(811)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(811)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,258
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,258
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.25
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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: N/A	
8.8.2 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: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 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: 25 January 2022

Authorised by: 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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.