

## ASX Announcement

### Quarterly Activities Report and Appendix 4C

for the three months ended 31 March 2025

Coolum, Australia / 30 April 2025 – Australian research, development and commercialisation company Terragen Holdings Limited (“Terragen”) provides an update on key activities across the business for the three month period ended 31 March 2025.

#### Highlights

- **NEW PRODUCTS LAUNCHED – Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™ NOW SELLING.** Available online and through leading agri-retailers across Australia, supported by extensive advertising and marketing campaigns, industry event participation and Terragen Veterinarians and product managers.
- **Ellinbank 3 trial commenced** at Agriculture Victoria’s Ellinbank SmartFarm, providing critical insights into Terragen Probiotic for Ruminants’s effectiveness as a methane mitigation solution. Interim results are anticipated by June 2025.
- **Canadian beef feedlot trial using Terragen Probiotic for Ruminants™** - Application submitted to Canadian regulatory affairs body to commence the trial (decision anticipated in May 2025 after which phase one of the trial will commence, for 60 days). This trial represents a significant step toward unlocking future partnership and commercial opportunities in Canadian and North American markets.
- **Canine product trial commenced** with Invetis, the largest veterinary research organisation in Australia, to conduct a safety and palatability trial in dogs. Subject to animal ethics approval, the trial is anticipated to conclude in September 2025. This marks an important milestone in the development of the first new product in a range targeting the high value companion animal market.
- **Great Land Plus® trial results on Canola and Maize crops** - Encouraging results observed across the trials including improved yield in Canola trials (+15%) and Griffith Maize trials (+19%), and maintained yield in the Gatton Maize trials using a combination of Great Land Plus® and 25% less synthetic fertiliser.
- **Next Gen Nitrogen Project scheduled to commence in May 2025** – In partnership with Queensland University of Technology, Terragen is undertaking a significant project to evaluate a number of nitrogen-fixing strains and methylotrophic bacteria from our microbial library to expand our plant product offering.
- **US & Canada market access** – In partnership with leading regulatory affairs consultant Knoell, we have now completed phase two (three phases in total) regarding global market access which focused on commercial access into the US and Canada for Terragen Probiotic for Ruminants™.
- **US patent protection** – confirmation from the United States Patent and Trademark Office (USPTO) that our patent application for Terragen Probiotic for Ruminants™ has met all legal requirements and is allowed for issuance (anticipated in June 2025).

## Terragen activities update

During the quarter, we continued to execute on our strategy, the key pillars of which are:

1. Targeted investment into scientific research in commercial settings to further validate the benefits of our existing products and to facilitate the development of new products for commercialisation; and
2. Accelerating commercialisation opportunities into global markets through contracted manufacturing and global distribution agreements.

## Research & Development

1. **Ellinbank 3 trial commenced** – Terragen was invited to participate in a new trial evaluating the effects of varying dose rates of Terragen Probiotic for Ruminants™ compared to a negative control. The trial is being conducted at Agriculture Victoria's Ellinbank SmartFarm and involves 70 lactating dairy cows over a 60-day period. Key parameters being measured include methane emissions (using SF<sub>6</sub> tracer methodology), milk yield and composition, body condition, liveweight, and feed intake. In addition, the study will feature comprehensive rumen fluid analysis. Interim results are anticipated in June 2025 with analysis and final results finalised shortly thereafter.

The trial will provide critical insights into Terragen Probiotic for Ruminant's effectiveness as a methane mitigation solution across different dose rates. These findings will also contribute valuable safety data to support upcoming regulatory submissions for global market access.

2. **Canadian beef feedlot trial using Terragen Probiotic for Ruminants™** – This trial (as announced to the ASX on 5 December 2024) is scheduled to commence following Canadian Food Inspection Agency (CFIA) approval. During the quarter, Terragen, in collaboration with Agriculture and Agri-Food Canada (AAFC), finalised the submission for a research exemption permit to the CFIA. This permit will enable the use of Terragen Probiotic for Ruminants™ in commercial feedlot environments for research purposes. A decision is anticipated by CFIA in May 2025, shortly after which Terragen will finalise a submission for full commercial approval.

The first phase of the animal trial will commence immediately on acceptance (phase one animal trial duration expected to be 60 days, with Phase two scheduled to begin in October 2025 with trial duration expected to be 300 days). This two-phase study—conducted in partnership with AAFC, the University of Calgary, the Canada/Alberta Livestock Research Trust, and the Beef Cattle Research Council—marks Terragen's first opportunity to evaluate Terragen Probiotic for Ruminants™ in an international market using diets typical of Canadian and North American feedlots.

This collaboration is expected to generate valuable insights into productivity, digestibility, and animal health under North American feeding conditions. With approximately 1.7 million cattle on feed in Canada and approximately 15 million across North America at any given time, this trial represents a significant step toward unlocking future partnership and commercial opportunities in the region.

3. **Canine product trial commenced** - Terragen signed a Research Services Agreement with the largest veterinary research organisation in Australia, Invetus, to conduct a safety and palatability trial in dogs. This marks an important milestone in the development of the first new product in a range targeting the companion animal market. Formulations have been finalised, and the animal trial is anticipated to commence in June 2025 (subject to animal ethics approval) and then conclude in September 2025.

Terragen recognises the growth potential in higher-value markets such as companion animals and views this initiative as a demonstration of its expanding product development capabilities.

4. **Great Land Plus<sup>®</sup> trial results on Canola and Maize crops** - Terragen has received the results from the Select Ag Canola trial and the interim results from the Kalyx maize trials conducted at both Gatton (QLD) and Griffith (NSW). These independent replicated plot trials were designed to test the effect of Great Land Plus<sup>®</sup> on each crop in commercial settings with various levels of synthetic fertiliser, compared to both negative controls and industry standard controls. Encouraging results have been observed across various trials: improved yield (+15%) and grain quality with higher test weight and grain size in Canola trials treated with Great Land Plus<sup>®</sup> in South Australia, increased yields (+19%) in the Griffith Maize trials compared to standard fertiliser treatments, and maintained yield in the Gatton Maize trials using a combination of Great Land Plus<sup>®</sup> and 25% less synthetic fertiliser.

The above results further validate the benefits of Great Land Plus<sup>®</sup> in targeted crops in commercial settings, including the potential return on investment that may be achieved by users from partial substitution of synthetic fertiliser with Great Land Plus<sup>®</sup>, and establishes a new platform from which we can increase market uptake.

5. **Next Gen Nitrogen Project scheduled to commence in May 2025**

During the quarter Terragen published another a peer-reviewed research paper titled *"The Isolation of Free-Living Nitrogen-Fixing Bacteria and the Assessment of Their Potential to Enhance Plant Growth in Combination with a Commercial Biostimulant"* in the *Journal of Microbiology Research*. The study highlights two key nitrogen-fixing bacterial strains that demonstrated performance equal to or exceeding that of synthetic fertilisers in laboratory media and conditions.

Building on this work, Terragen is in the final stages of executing agreements for a collaborative research project with Queensland University of Technology and Food Agility CRC. The project will evaluate the highlighted strains along with other nitrogen-fixing and methylophilic bacteria from Terragen's microbial library.

Subject to finalisation of agreements, the project is anticipated to commence in May 2025 and will run for 18–20 months (anticipated completion January 2027) with at least quarterly interim reporting. This initiative represents a critical step in expanding Terragen's plant product pipeline through co-funded, science-driven research.

## Commercialisation

- 1. NEW PRODUCTS LAUNCHED – Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™ NOW SELLING** – Terragen was pleased to announce the successful launch of its new dry format product range, Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™, on the 25<sup>th</sup> of March 2025 in line with previously stated timeframes. Sales of the new products are being supported by extensive advertising and marketing campaigns including billboard, radio, print and social media advertising, as well as industry event participation and sponsorship. In addition, Terragen has two in-house Veterinarians and three product managers nationally supporting market uptake of the new products.

The product development process for the new products commenced over 18 months ago and was multi-faceted including prototype development, dose rate optimisation, formulation revision, stability and compatibility testing and in field trials in preparation for product launch.

The dry formulation represents a significant milestone in Terragen's product development strategy, offering improved ease of handling, enhanced shelf life, and simplified integration into feed rations. This innovation builds on Terragen's existing biological product range, further expanding our reach into the livestock sector domestically, and enabling progression of Terragen's global market access strategy.

- 2. Terragen Probiotic for Ruminants™ being used in commercial settings** – as previously stated there are already several prominent agri-businesses and feedlots currently using our new products in their systems on a trial basis (commercial demonstrations), including those mentioned below. The entry into the beef and lamb feedlot markets aligns with Terragen's strategy to diversify product applications and accelerate commercial growth across ruminant livestock segments.
  - *Quality Wool (lamb feedlot)* - A leading marketer for sheep, lamb, wool and cattle with a 30,000 head lamb feedlot at Wanbi in South Australia – feedback anticipated in July 2025
  - *Harmony Agriculture & Food Co (wagyu beef)* – One of the top 10 largest wagyu producers globally with a beef feedlot at Dimboola in Victoria – interim feedback anticipated in July 2025 (130 days on feed) and final feedback anticipated in December 2025 (260 days on feed)
  - *High Claire Feedlot (beef cattle)* – A commercial toll feedlot near Finley in NSW with a license for 9999 head - feedback anticipated in May 2025
- 3. US patent protection for Terragen Probiotic for Ruminants™** – consistent with our strategy of accelerating on commercialisation opportunities in global markets, we are pleased to report that during the quarter a Notice of Allowance was issued from the United States Patent and Trademark Office (USPTO) confirming that our patent application in relation to Terragen Probiotic for Ruminants™ (Microbial feed supplement composition and method) has met all legal requirements and is allowed for issuance. It is anticipated that the USPTO will process the application and issue the patent in June 2025.

4. **US & Canada market access for Terragen Probiotic for Ruminants™** – as previously stated, we have engaged leading regulatory affairs consultant Knoell to assist with global market access. Phase one (three phases in total) of this work was completed in October 2024 and we are pleased to report that phase two has now also been completed. Phase two focused on the requirements for commercial access into the US and Canada and included a review of applications and gap analysis on information requirements. Phase three (final phase) involves the finalisation and submission of applications to the relevant US and Canadian authorities.

#### **Financial highlights**

As at 31 March 2025 Terragen had \$5.8m of cash reserves. Significant transactions during the quarter included: \$324k paid to Sacco Systems Italy for the purchase of freeze dried raw material to be used in the production of Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™ finished goods now available for sale following the successful launch during the quarter; \$459k paid to Charles Sturt University following the completion of the beef feedlot trial whereby our new product was proven to deliver a 4.6% increase in average daily weight gain; and \$1.54m (gross proceeds) received in relation to the settlement of the retail component of the entitlement offer, marking the completion of the equity raising launched in December 2024 which raised a total of \$4.76m of gross proceeds.

#### **About Terragen**

Terragen specialises in the development of biological products that improve animal and plant health for use in agriculture. Our proprietary research has led to the creation of innovative products that improve livestock and crop yields and deliver positive environmental outcomes, helping to decarbonise agriculture.

Currently, the Terragen product range includes animal probiotics (MYLO® and Terragen Probiotic for Ruminants™) and a plant bio-stimulant (Great Land Plus®). MYLO® (liquid format) and Terragen Probiotic for Ruminants™ (dry format) are animal feed supplement probiotics that increase average daily weight gain and reduce methane production. Great Land Plus® is a plant bio-stimulant targeted for use in cropping that reduces reliance on chemical-based fertilisers, decreasing scope emissions. Great Land Plus® also increases crop yields and soil organic carbon levels.

#### **For further information, please contact:**

<b>Terragen Holdings Limited</b>	<b>Authorisation and Additional Information</b>
Mike Barry Chair <a href="mailto:Mikeb@terrigen.com.au">Mikeb@terrigen.com.au</a>	This announcement was authorised by the Board of Directors of Terragen Holdings Limited
Richard Norton Managing Director and CEO <a href="mailto:Richardn@terrigen.com.au">Richardn@terrigen.com.au</a>	

## Attachment 1

## Appendix 4C

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

## Name of entity

TERRAGEN HOLDINGS LIMITED

## ABN

36 073 892 636

## Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	289	1,137
1.2 Payments for		
(a) research and development	(134)	(668)
(b) product manufacturing and operating costs	(501)	(768)
(c) advertising and marketing	(113)	(204)
(d) leased assets	-	-
(e) staff costs	(718)	(2,293)
(f) administration and corporate costs	(61)	(491)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	19	105
1.5 Interest and other costs of finance paid	(1)	(14)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives (FY24 R&D tax benefits)	-	971
1.8 Other (annual commissions paid to customers)	-	(61)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,220)</b>	<b>(2,286)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	(470)	(549)
	(f) other non-current assets	-	-
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>(470)</b>	<b>(549)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,539	4,757
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	(137)	(384)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(78)	(358)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,324</b>	<b>4,015</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
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<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	6,195	4,650
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,220)	(2,286)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(470)	(549)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,324	4,015
4.5	Effect of movement in exchange rates on cash held	-	(1)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,829</b>	<b>5,829</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,227	6,094
5.2	Call deposits	3,602	101
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>5,829</b>	<b>6,195</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
89
-

*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*

Represents payments made to Company Directors (executive and non-executive) in the form of Directors fees and Salaries.



**7. Financing facilities**

*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.*

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other – finance lease liabilities	570	570
7.4 <b>Total financing facilities</b>	<b>570</b>	<b>570</b>

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.

Financing facilities represent liabilities under leasing and hire purchase arrangements. These facilities are secured against assets with a written down book value of approximately \$0.528m as at 31 March 2025. During the quarter one new financing arrangement was entered into for the hire purchase of a company motor vehicle.

All financing arrangements have a maturity date of less than 4 years.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,220)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	5,829
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	5,829
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>4.78</b>

*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.*

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

**Not applicable**

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:

**Not applicable**

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:

**Not applicable**

## 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: **30 April 2025**

Authorised by: **The Board of Directors of Terragen Holdings Limited**  
(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 – e.g. 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.