

NOVIQTECH

June 2024 Quarterly Report

30 July 2024

NoviqTech Limited (“NoviqTech”), is pleased to provide its quarterly report for the period ended June 30, 2024. Highlights during and subsequent to the end of the quarter included:

Target Clients

Noviqtech Limited (ASX:NVQ) (**Company**) is an innovative company strategically positioned to target various high-growth sectors, including both domestic and global aviation, the gas and broader energy industry, and the burgeoning hydrogen market, with a specific focus on turquoise hydrogen. This clean hydrogen production method not only generates valuable solid carbon composites such as graphite and graphene, but also boasts zero carbon emissions, aligning with global sustainability goals. Additionally, Noviqtech aims to support a diverse range of small and medium enterprises (SMEs) through its carbon central platform, fostering collaboration and innovation across sectors. With Goldman Sachs latest report *Carbonomics: The Clean Hydrogen Revolution* predicting a total addressable market (TAM) for hydrogen to reach \$250 billion by 2030 and potentially \$1 trillion by 2050, Noviqtech is well-positioned to capitalize on the growing demand for clean energy solutions, contributing to a more sustainable future while driving significant economic growth.

New Renewable Hydrogen Announcements in 2024 Federal Budget

- Hydrogen Production Tax Incentive (HPTI): A \$2/kg tax incentive for hydrogen production.
- Hydrogen Headstart Funding: An additional funding round committing \$1.3 billion over ten years to support the hydrogen industry.

NoviqTech's Carbon Central solution is designed to assist hydrogen producers in claiming new tax credits through its advanced guarantee of origin features. This platform provides tools for project registration, monitoring, reporting, and verification, ensuring adherence to international standards.

Consolidation

NoviqTech announced the completion of a share consolidation on a ten (10) for one (1) basis, as approved at the Company's Annual General Meeting on 31 May 2024. This consolidation is now complete.

NoviqTech Integrates Google Gemini AI into Carbon Central Platform

NoviqTech integrated advanced AI capabilities from Google Gemini into its Carbon Central platform. This enhancement introduces an AI-powered chatbot designed to improve user interaction, assistance, and process efficiency.

Features of the AI-Powered Chatbot:

- Streamlined Project Setup and Digital Twin Management:

- The chatbot aids in setting up projects and creating digital twins, significantly reducing the time and effort required.
- Provides step-by-step guidance for mapping real-world processes into digital twins and integrates with real meters and external data sources.
- **Token Creation and Trust Chain Insights:**
 - Assists in optimizing carbon asset management through insights from digital twin data.
 - Offers suggestions for token creation and detailed analysis from the trust chain database, ensuring auditability and transparency.
- **Expert Guidance on Policies and Standards:**
 - Provides comprehensive information on policies and standards related to carbon management, credits, and renewable fuels.
 - Offers live tutorials, walkthroughs, tips, and FAQs, aiding both new and existing users.

[New website](#)

Please see the Company's updated website www.noviqtech.com.

The updated website now includes new videos and a link to NoviqTech's new YouTube channel, showcasing its vision of becoming a leading innovator in carbon reporting and management solutions. By utilizing advanced artificial intelligence and distributed ledger technology, NoviqTech provides transparent and reliable reporting across supply chains, carbon emissions, and guarantees of origin. In partnership with Google Cloud, NoviqTech offers its industry-leading sustainability solutions through the Carbon Central platform.

Carbon Central Key Features:

- **Advanced Project Management Tools:** Efficiently manage and track carbon projects.
- **Digital Twin Technology:** Simulate operations to optimize performance and predict outcomes.
- **Trust Chain:** Ensure the authenticity and immutability of carbon and green resource data through a secure, transparent ledger

Integrated into the Carbon Central platform, NoviqAI offers comprehensive tools that facilitate real-time carbon emissions tracking, guarantee of origin, and overall carbon management.

[Interview of CEO on Peak TV](#)

The Company wishes to advise that the CEO, Freddy El Turk, gave an interview on Peak TV in relation to Carbon Central and its key features.

Shareholders and interested parties can view the interview via the following link:

<https://medium.com/noviqtech/interview-noviqtechs-carbon-central-and-google-collaboration-0c90265ca887>

[TROEF Project](#)

Progress has been made in defining the organizational framework for commercialization, with initial proposals unanimously accepted by the business board.

BAM and Hello Energy have taken on leadership roles in driving the project toward commercialisation. The next crucial step involves formulating a clear collaboration proposal, which will pave the way for contractual agreements.

In Phase 1 of Project TROEF, NoviqTech established the infrastructure for energy certificates within TROEF. This involved creating a dependable system for generating, managing, and storing CO2 certificates on the blockchain to guarantee the integrity and transparency of renewable energy data.

In phase 2, NoviqTech is expanding its commercial offering within TROEF by integrating trading functionalities and enhancing system flexibility and compliance. The focus is on integrating with TROEF partner ENTRNCE's Trader Platform to facilitate peer-to-peer green energy trading between energy communities. TYMLEZ Carbon Central will connect to the platform, allowing real-time data extraction and certificate generation based on trade data. This will enable ownership transfer of certificates, leveraging real-time data from smart meters and the ENTRNCE Trader Platform, creating new revenue streams for renewable energy producers.

[Change of Registered Office and Principal Place of Business](#)

The Company advises in accordance with ASX Listing 3.14, that effective from 1 August 2024, the Company's Registered Office and Principal Place of Business will be changed to:

Level 16, 175 Pitt Street, Sydney, NSW, 2000

The new mailing address will be the same as above.

The new telephone number has changed to 02 8000 0054.

[Summary of Expenditure Incurred on Business Activities](#)

The operating expenditures of NoviqTech for the June 2024 quarter can be summarised as follows (A\$'000):

Item	Value (A\$'000)
Advertising and marketing costs	1
Leased assets	11
Staff costs	326
Administration and corporate costs	130
Total cash outflow	468

[Additional Information](#)

Payments to related parties and their associates included in operating activities during the quarter was A\$70,000, which relates to the remuneration of directors and key management personnel.

Authorised by the NoviqTech Board of Directors.

For any queries relating to this announcement, please contact:

investors@noviqtech.com

About NoviqTech

NoviqTech (ASX: NVQ) harnesses the power of artificial intelligence and distributed ledger technology to provide trusted and transparent reporting across supply chains, carbon emissions reporting, and guarantee of origin. The NoviqTech brands – NoviqAI and Carbon Central Platform deliver novel and innovative technologies to organisations across the globe in sectors from maritime to regenerative agriculture, empowering them to make more informed decisions, track their carbon emissions with precision, and validate the authenticity of their products' origins all in real-time.

Visit noviqtech.com

Appendix 4C

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

Name of entity

NoviqTech Limited

ABN

37 622 817 421

Quarter ended ("current quarter")

30 June 2024

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) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(1)	(2)
(d) leased assets	(11)	(26)
(e) staff costs	(326)	(639)
(f) administration and corporate costs	(130)	(348)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid		-
1.6 Income taxes/GST received/(paid)	15	10
1.7 Government grants and tax incentives	-	16
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(452)	(987)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	700
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	-	-
3.5	Proceeds from borrowings	115	115
3.6	Repayment of borrowings	(54)	(108)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	61	707

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	501	396
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(452)	(987)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	61	707
4.5	Effect of movement in exchange rates on cash held	35	29
4.6	Cash and cash equivalents at end of period	145	145

5.	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
		\$A'000	\$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts			
5.1	Bank balances	145	501
5.2	Call deposits	-	-
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)	145	501

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 *	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	NIL
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

*Amount included in 6.1 above relates to remuneration (inclusive of share-based payments) paid to directors and key management personnel.

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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	1,400	115
7.2 Credit standby arrangements	NIL	NIL
7.3 Other (please specify)	36	36
7.4 Total financing facilities	1,436	151
7.5 Unused financing facilities available at quarter end		1,285
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.		
<p>7.1 Loan facility agreement Lender: Copeak Pty Ltd Interest rate: 5% per annum compounding daily Maturity date: 30 June 2025 Secured/Unsecured: Unsecured</p> <p>7.3 Insurance premium funding Lender: Elantis Premium Funding Limited Interest rate: 6.29% per annum Maturity date: 22 August 2024 Secured/Unsecured: Unsecured</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(452)
8.2 Cash and cash equivalents at quarter end (item 4.6)	145
8.3 Unused finance facilities available at quarter end (item 7.5)	1,285
8.4 Total available funding (item 8.2 + item 8.3)	1,430
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

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

Answer: N/A

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

Compliance statement

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

Authorised by the Board of Directors on 30 July 2024

On behalf of the Board,

Jonathan Hart

Company Secretary

Notes

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