

8 December 2020

NOTICE OF ASSIGNMENT OF INTELLECTUAL PROPERTY RELATING TO ZEOLITE MINERAL PROCESSING TECHNOLOGY

Zeotech Limited (ASX: ZEO, “Zeotech” or “the Company”) an emerging industrial kaolin and mineral processing technology company is pleased to announce it has issued the University of Queensland’s (UQ) technology transfer company UniQuest, a notice requesting the assignment to Zeotech for its intellectual property (IP), (“Licenced IP”) regarding patent-pending mineral processing technology for the manufacturing (synthesising) of zeolites.

Zeotech advises that binding terms within the exclusive global licence agreement¹ executed on 6 April 2020, with UniQuest (“Licensor”) include clauses which have been triggered based on the successful achievement of certain conditions by Zeotech, enabling the Company to give notice to the Licensor, requesting the assignment of the licensed IP, which will facilitate the transfer of ownership of the IP to Zeotech.

UniQuest has agreed to assign all its rights, title, and interest in, and to, the licensed IP free of any encumbrances to Zeotech subject to payment of a \$500,000 Assignment Fee at execution, in accordance with the terms of a Deed of Assignment that formed part of the licence agreement.

The opportunity to move from a licensee to an IP owner is a major step for the Company. It offers Zeotech shareholders and potential commercial partners certainty that the IP is held directly by the Company, without any encumbrances, beyond Zeotech’s ongoing obligation to pay royalties and performance milestone shares (or cash equivalent) to UniQuest.

Zeotech’s novel and proprietary mineral processing technology provides access to the A\$2.6 billion global Type A zeolite market², with a focus on high value molecular sieve zeolites, which achieve prices in excess of A\$2,850 per tonne.

Zeotech considers the ability to produce high value zeolites from low value mineral and/or zero-cost mine tailing/process residues is a compelling advantage and will enable higher margin monetisation of Abercorn kaolin, which is an optimal feedstock for zeolite production using the patent-pending mineral processing technology.

Peter Zardo, Managing Director, Zeotech commented:

“The Company understands the value of holding the IP that underpins our zeolite technology proposition to the market and the certainty this will extend to potential commercial dealings in the future.

¹ Refer to ASX announcement dated 07/04/2020 “Exclusive Licence Agreement to Produce Synthetic Zeolite”

² Aranca: Global Analysis 4A detergent grade and 3A, 4A and 5A molecular sieves grade Nov 2020

Our partnership with UQ and UniQuest is extremely strong and we remain committed to continuing to invest in expanding the Company's commercial zeolite IP portfolio and leveraging our low cost of production zeolite technology into tangible commercial opportunities."

UniQuest CEO Dr Dean Moss added:

"We are pleased to facilitate the transfer of the IP ownership to Zeotech following the successful achievement of pre-agreed conditions.

We look forward to continuing our mutually beneficial partnership with Zeotech and to seeing its further development of this exciting technology."

This Announcement has been approved by the Board.

- End -

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About Zeolites

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 catalysts sorbents zeolites can help remove exhaust gases and CFC's.

About Zeotech

Zeotech is an emerging industrial kaolin and mineral processing technology Company.

We are working with the University of Queensland to commercialise novel and proprietary zeolite mineral processing technology, whilst continuing to explore the development our Queensland based Abercorn Kaolin Project, acquired in August 2019.

Zeotech's novel and proprietary mineral processing technology provides access to the A\$2.6 billion global Type A zeolite market², with a focus on high value molecular sieve zeolites, which achieve prices in excess of A\$2,850 per tonne.

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Zeotech aspires to improve environmental outcomes by building on the potential of its zeolite mineral processing technology to be applied as a commercial remediation solution by using suitable mine waste and process residues streams as zero-cost feed for low cost production of high value zeolites.

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.