HITIQ Limited
ABN 53 609 543 213

ANNUAL REPORT

30 JUNE 2024

Letter from the Board

Dear Fellow Shareholders,

On behalf of the Board of HITIQ, I am pleased to present HITIQ Limited's 2024 Annual Report.

Our share price continues to struggle which we as a board find difficult to comprehend considering there is no company better placed globally to satisfy the ever-growing concussion issues faced by all sporting codes. This is highlighted by our current diverse client base coving sports such as Australian Rules Football, Rugby and Soccer amongst others. Our recent compliance with the World Rugby standards opens the opportunity for global expansion into the Rugby Union market and our ConneQt product has had significant success in providing concussion management for sport in remote communities. Beyond our custom mouthguard product we are working diligently with our partners to ensure we have a retail boil and bite product available for consumers as soon as possible. We also note the strong Intellectual Property portfolio the company now maintains both in Australia and now the United States which will continue to make us the world leading in this space.

As a community we are all fully aware that the current standard of care for concussion has been disjointed and misunderstood. This presents a significant opportunity for HITIQ to standardise the protocols by better identifying concussion events, providing a best practice assessment and diagnostic protocol and achieving better return to play and health outcomes for sports participants. With the significant concerns about CTE and its long-term effects we see the future including mandated use of technology to identify and record concussive events for all sports participants.

The company remains cashflow negative but the board has implemented strategies that will bring down administration and other costs but without compromising the long-term strategy which includes the ability to scale quickly for projected manufacturing growth. Cost cutting has included reducing the number of board members and head count along with relocating to a premises at more than 50% cost reduction but with more space for manufacturing. This has resulted in some additional upfront costs which the company absorbed in FY24.

The company was pleased to welcome a new major shareholder during the year in Harmil Angel Investments along with new board members Matthew Clayworth and James Barrie. We also take this opportunity to thank previous board members Otto Buttula, Glenn Smith and Aidan Clarke for their contribution to the business over the journey. We would also like to thank the management team and all our employees, for their ongoing personal commitment and contributions to HITIQ.

We look forward to delivering more commercial outcomes in FY25 that will drive additional value for all stakeholders. HITIQ is best placed to serve the needs of the sporting bodies and the community across all levels of sport and we strive to make HITIQ the global leader in concussion. I would also like to thank our many loyal shareholders who continue to support and believe in the Company.

Philip John Carulli

Non-Executive Director on behalf of the Board

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of HITIQ Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of HITIQ Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Otto Buttula (resigned 27 November 2023)
Philip Carulli
Matthew Clayworth (appointed 29 November 2023)
Aidan Clarke (resigned 27 November 2023)
Glenn Smith (resigned 23 February 2024)
James Barrie (appointed 23 February 2024)
Michael Vegar (resigned 4 September 2023)

Principal activities

During the financial year the principal continuing activities of the consolidated entity were the development and commercialisation of concussion management technology.

No significant change in the nature of these activities occurred during the year.

Key risks and uncertainties

HITIQ Limited is subject to both specific as well as general risks.

Sufficiency of funding
The consolidated entity doesn't have a lot of resources and will need more funds to keep working on its technology and products, and to reach its long-term goals. Furthermore, factors such as how the economy and stock markets are doing are beyond the control of the directors and may be a hindrance to raise capital.

Technology, manufacturing and product quality risk
The consolidated entity uses different hosting providers to keep its technology platforms and services running smoothly. However, there's a risk that these systems could go down due to various reasons. If one of the hosting providers stops working with the company, it could cause problems like lost revenue, damage to the company's reputation, and financial issues.

Although the Company manufactures its products at its own premises, HITIQ currently relies on a number of external Suppliers for key components of its technologies. There is no guarantee that these suppliers will be able to meet the cost, reliability, volume, or lead times required for HITIQ to remain competitive in the future. These suppliers are also exposed to the regulatory and compliance requirements faced by HITIQ. There is no guarantee that the suppliers will adequately conform to these standards in the future. A failure to meet regulatory standards could result in enforcement actions that could be extended to HITIQ.

Protection of intellectual property
HITIQ's success depends, in part, on its ability to obtain, maintain and protect its intellectual property, including its patents. Actions taken by HITIQ to protect its intellectual property may not be adequate, complete or enforceable and may not prevent the misappropriation of its intellectual property and proprietary information or deter independent development of similar technologies by others.

HITIQ may also suffer damage if former employees infringe its intellectual property rights or assert their moral rights. The granting of a patent does not guarantee that HITIQ's intellectual property is protected and that others will not develop similar technologies that circumvents such patents.

There can be no assurance that any patents HITIQ owns, controls or licenses, whether now or in the future, will give HITIQ commercially significant protection of its intellectual property.

Additionally, monitoring unauthorised use of HITIQ's intellectual property rights is difficult and can be costly. HITIQ may not be able to detect all unauthorised use of its intellectual property rights.

Changes in laws in Australia and other jurisdictions in which HITIQ operates may adversely affect HITIQ's intellectual property rights.

Competition and development of intellectual property
HITIQ is in competition with other companies creating similar technologies. The Company is at risk because its rivals might gain more customers by being aggressive in sales, marketing, or pricing. There's also a chance HITIQ might not react as fast as competitors to changes in the market or customer needs. Additionally, new companies entering the industry could make products that compete with HITIQ's offerings.

Information on directors
The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Name:	Michael Vegar
Title:	Managing Director and Chief Executive Officer
Experience and expertise:	Mr Vegar is a co-founder and Managing Director of HITIQ. He has been responsible for creating and executing HITIQ's strategic plan, fundraising & developing the product's vision, as well as growing the HITIQ team from conception to now a team of 25 people. Mr Vegar has extensive experience in the sporting industry across a variety of roles with more than 13 years of domain knowledge. He holds a Bachelor's Degree of Commerce and a Master's Degree of Exercise Science. Before co-founding HITIQ, Mike operated a sport science consultancy firm advising various professional and semi-professional sporting programs from 2008 – 2017, including working in the High-Performance Unit at the Australian Institute of Sport with the Australian Men's Hockey program. In that role, Mr Vegar was responsible for managing the injury rehabilitation and physical preparation programming. In 2012, Mr Vegar also co-founded Game Guardian, a leading Australian manufacturer of mouth guards and sports protection goods, which he exited in 2020.
Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	12,437,499
Interests in options:	11,333,333

Name:	Otto Buttula
Title:	Non-Executive Chair
Experience and expertise:	Mr Buttula has had extensive experience and success in investment research, funds management and information/biotechnology, holding directorships in a number of public companies. Mr Buttula's executive experience includes as a co-founder, CEO and Managing Director of IWL Ltd, an online financial services company that listed on the ASX in 1999. Growing from a market capitalisation of $48 million at listing, it was taken over in 2007 by Commonwealth Bank of Australia (ASX: CBA) for $373 million. Mr Buttula also founded and was Managing Director of Investors Mutual, prior to which he was a co-founder and director of Lonsdale Securities Ltd. Following his completion of executive duties, Mr Buttula was Non-Executive Chairman of platform and stockbroking provider Investorfirst Ltd and led the acquisition of HUB24 Ltd (ASX: HUB). More recently, he served on the Board as a non-executive director and Head of Audit & Risk at Imugene Ltd (ASX: IMU) between 2014 and 2016. Currently, Mr Buttula is also Non-Executive Chairman of Rhythm Biosciences Ltd (ASX: RHY), a company positioning itself to be a global leader in the mass market, early detection of colorectal cancer, via a simple blood test and a Non-Executive Director of Oncosil Medical Ltd (ASX: OSL), a commercial brachytherapy provider specialising in pancreatic cancer. Mr Buttula holds a Bachelor of Economics from Monash University, a Graduate Diploma of Applied Finance & Investment and is a Fellow of the Australian Institute of Company Directors.
Other current directorships:	Rhythm Biosciences Limited - appointed 28 October 2019
Former directorships (last 3 years):	Oncosil Medical Ltd - appointed 20 July 2021 (retired 31 August 2023)
Interests in shares:	19,778,259
Interests in options:	11,703,866

Name:	Philip Carulli
Title:	Non-Executive Director
Qualifications:	Philip Carulli is a Chartered Accountant and managing director of Optima Financial Group Pty Ltd where he provides financial, taxation and corporate advisory services to a diverse range of businesses. Over the past 25 years Mr Carulli has owned, managed and consulted to companies in professional services, construction, technology, medical, and industrial sectors to name a few. He holds a Bachelor of Business and holds a Certificate of Public Practice. Philip has been working with the company since incorporation in the capacity of financial controller and former company secretary.
Experience and expertise:	-
Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	5,749,566
Interests in options:	3,148,410

Name:	Glenn Smith
Title:	Non-Executive Director
Experience and expertise:	Glenn Smith is a seasoned “C-level” executive, strategy consultant, and venture capitalist. Throughout his career, Glenn has excelled in fostering customer-centric enterprises across various growth phases, spanning both publicly listed and private companies. Glenn is also a founding partner and head of the investment committee at Aruma Capital, an Australian venture capital firm dedicated to funding transformative technologies that enhance societal well-being. Glenn's educational background includes an MBA from the University of Western Australia, an Undergraduate Degree in Arts/Economics, and a Graduate Degree in Viticulture and Oenology.
Other current directorships:	-
Former directorships (last 3 years):	Tali Digital Limited - 10 May 2018 to 31 March 2022
Interests in shares:	660,000
Interests in options:	410,000

Name:	Aidan Clarke
Title:	Non-Executive Director
Experience and expertise:	Mr Clarke is an experienced entrepreneur with close to 15 years’ experience building and growing global brands within the sporting industry. Having co-founded sporting brand 2XU, Mr Clarke was an Executive Director responsible for the Sales & Marketing functions of the company. Equipping multiple World and Olympic champions in almost every code, whilst building a global distribution network. 2XU supplied the US Navy Seals, majority of NFL teams, and 29 of the 30 NBA teams. Mr Clarke led 2XU commercialisation efforts into numerous elite sport relationships, such as a long serving AIS R&D agreement and signing multiple exclusive partnerships across high performance teams and institutions throughout the world. 2XU was partially acquired by the LVMH capital arm L-Capital for a $200m valuation in 2014, with Mr Clarke fully exiting his shareholding in 2018. Mr Clarke has a BA/Bcomm from Auckland University, and through experience and track record brings a strong demand generation lens and skillset to HITIQ.
Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	1,012,500
Interests in options:	881,250

Name:	James Barrie
Title:	Non-Executive Director & Company Secretary
Experience and expertise:	Mr James Barrie is a professional director and company secretary. He was appointed HITIQ company secretary on 1 July 2023 and a Non-Executive Director on 23 February 2024. His strength and expertise are driven by his extensive career and background across various industry sectors, from start-ups to the ASX 20. Mr Barrie provides the HITIQ Board independent advice and expertise across various governance and corporate responsibility requirements required of an ASX-listed company. Mr Barrie’s skills include corporate governance, share registry, employment plans, treasury, capital management, accounting, commercial analysis, mergers and acquisitions, strategy, stakeholder relations and business development. He is also the company secretary and/or a director of several other ASX, NSX or unlisted companies.
Other current directorships:	Boadicea Resources Limited (ASX:BOA) InhaleRX Limited (ASX:IRX) and Phoenician International Limited (NSX: PHI).
Former directorships (last 3 years):	-
Interests in shares:	140,000
Interests in options:	70,000

Name:	Matthew Clayworth
Title:	Non-Executive Director
Experience and expertise:	Mr Clayworth is a Senior Investment Advisor with Wilson's Advisory with over 20 years' experience in Financial Markets. Previous roles include working for Deutsche Bank, Citi Smith Barney and Morgan Stanley as Vice President in Private Wealth. Matthew holds a Bachelor of Commerce from the University of Queensland and a Graduate Diploma in Applied Finance and Investment. He is currently a director of DHD Surf and a co-founder and director of Smart AI Connect.
Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	63,653,642
Interests in options:	31,826,822

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company Secretaries

James Barrie

James Barrie is a professional Director and Company Secretary and provides HIQ with a range of commercially focused professional services and knowledge, including governance, share registry and employee equity plans, stakeholder relations support and virtual shareholder meetings.

Mr Barrie (B.Bus, DiplInvRel, CPA, GAICD) is currently company secretary of ASX-listedAccent Resources NL, Global Health Limited, Jupiter Energy Limited, InhaleRx Limited, and Boadicea Resources Limited, where he is also a Non-Executive Director. Mr Barrie is also a Non-Executive Director and company secretary of NSX-listed A2A GN Limited and Phoenician International Limited as well as several unlisted private and pre-IPO companies.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $3,204,731 (30 June 2023: $5,037,305).

The Chairman’s Letter and Chief Executive Officer’s Report contain a review of operations.

The major items of expenditure include Research and Testing $635,890 (2023: $854,693), administration costs $1,161,728 (2023: $808,212) and Employee Benefits Expense $4,414,244 (2023: $4,794,485).

Significant changes in the state of affairs
During the year the consolidated entity signed its first commercial deal with National Rugby League (NRL) and the UK Sports Institute along with re-signing deals with several existing high-quality customers. Additionally, the company has secured new patents in Australia and Internationally along with meeting the World Rugby Instrumented Mouthguard technology standards allowing it to make the HITIQ product commercially available in Rugby Union.

A renounceable rights offer was completed in January 2024 raising $2.3 million along with accessing a loan against its R&D tax incentive of $997k in March 2024 and entering into a Convertible Note with its major shareholder totalling $1.6m in May 2024.

In March 2024 the company entered into a lease for a period of 4 years at White Street in South Melbourne, the terms of the lease reduce the Group’s rent commitment from its previous premises and also provides additional space for manufacturing.

Matters subsequent to the end of the financial year

In September 2024 the company has entered into an agreement with existing financier, Keystone Capital Partners, to draw a further $400,000 loan secured against the expected FY2024 R&D Tax Incentive, the terms of the loan are the same as the existing facility which is detailed in the financial report.

No further matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Michael Vegar	3	3
Otto Buttula	5	5
Philip Carulli	6	6
Glenn Smith	5	5
Aidan Clarke	5	5
Matthew Clayworth	1	1
James Barrie	1	1

Held: represents the number of meetings held during the time the director held office.

Shares under option

Unissued ordinary shares of HITIQ Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
19/03/2021	25/03/2025	$0.30	1,500,000
10/11/2021	10/11/2024	$0.30	1,500,000
22/01/2024	31/10/2025	$0.05	42,532,854
			45,532,854

Shares under option expired during the year

Grant date	Expiry date	Exercise price	Number under option
23/01/2019	10/12/2023	$0.20	3,000,000
16/03/2020	17/12/2023	$0.20	1,333,334
18/12/2020	18/12/2023	$0.30	2,000,000
19/03/2021	17/12/2023	$0.20	599,999
19/03/2021	19/03/2024	$0.20	599,999
19/03/2021	25/03/2024	$0.30	4,500,000
22/12/2022	09/12/2023	$0.04	134,360,271
14/07/2021	31/07/2024	$0.30	4,642,250
			151,035,853

4,642,250 options expired subsequent to year end.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of HITIQ Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

Key Management Personnel
The following changes are noted to Key Management Personnel for the year ended 30 June 2024:

Except as noted above, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Executive Directors / CEO
- Michael Vegar – Managing Director (resigned 4 September 2023)

Non-Executive Directors:
- Otto Buttula – Non-Executive Chairman (resigned 27 November 2023)
- Philip Carulli – Non-Executive Director
- Glenn Smith – Non-Executive Director (resigned 23 February 2024)
- Aidan Clarke – Non-Executive Director (resigned 27 November 2023)
- Matthew Clayworth – Non-Executive Director (appointed 29 November 2023)
- James Barrie – Non-Executive Director (appointed 23 February 2024)

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The board has not sought the assistance of a remuneration consultant during the year.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The remuneration of non-executive directors was set in the Company's Prospectus upon IPO, dated 22 April 2021, which set a cap of $400,000.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the consolidated entity's direct competitors. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2024.

Consolidated entity performance and link to remuneration
Remuneration for certain individuals are directly linked to the performance of the consolidated entity. Cash bonus and incentive payments are at the discretion of the Board

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 29 November 2023 *Annual General Meeting ('AGM')*
At the 29 November 2023 AGM, 82.90% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2024	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled (i) $	Total $
Executive Director/CEO::							
Michael Vegar	210,000	-	12,170	23,100	4,036	-	249,306
Non-Executive Directors:							
Otto Buttula	35,538	-	-	3,910	-	-	39,448
Philip Carulli	42,000	-	-	-	-	-	42,000
Glenn Smith	89,645	-	-	-	-	-	89,645
Aidan Clarke	14,000	-	-	-	-	-	14,000
Matthew Clayworth	24,500	-	-	-	-	-	24,500
James Barrie (ii)	51,770	-	-	-	-	-	51,770
	467,453	-	12,170	27,010	4,036	-	510,669

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2023	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled (i) $	Total $
Executive Director:							
Michael Vegar	210,000	-	20,244	22,050	24,982	(329,794)	(52,518)
Non-Executive Directors:							
Otto Buttula	84,000	-	19,257	8,820	1,939	(16,763)	97,253
Philip Carulli	42,000	-	-	-	-	(8,381)	33,619
Glenn Smith	42,000	-	-	-	-	(8,381)	33,619
Aidan Clarke	42,000	-	-	-	-	(8,381)	33,619
	420,000	-	39,501	30,870	26,921	(371,700)	145,592

(i) Equity settled remuneration for FY23 relates to the vesting of share-based payment arrangements issued in prior years. Several tranches of share-based payment arrangements had non-market hurdles attached, which were reassessed by the Board of Directors and determined that these would not be met resulting in the reversal of previous amounts expensed in relation to these, and the negative charge in the remuneration report.
(ii) Includes Non-Executive fees and those for Company Secretary services

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2024	2023	2024	2023	2024	2023
Executive Directors:						
Michael Vegar	100%	100%	-	-	-	-
Non-Executive Directors:						
Otto Buttula	100%	100%	-	-	-	-
Philip Carulli	100%	100%	-	-	-	-
Glenn Smith	100%	100%	-	-	-	-
Aidan Clarke	100%	100%	-	-	-	-
Matthew Clayworth	100%	100%	-	-	-	-
James Barrie	100%	100%	-	-	-	-

Equity settled remuneration for the board relates to a reassessment of non-market condition hurdles. It was deemed by the board that these would not be met and as such the associated expense vested in prior periods was reversed. It is therefore appropriate to exclude this amount from the calculation of fixed and variable remuneration received for the year.

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Michael Vegar
Title:	Chief Executive Officer
Agreement commenced:	23 February 2024
Term of agreement:	N/A
Details:	Base salary from 16 June 2021 is $210,000, plus superannuation. On 4 September 2023 Michael resigned as Managing Director and Chief Executive Officer and continued with the company to assist in a transition. On 23 February 2024 he reassumed the role as Chief Executive Officer. Michael is entitled to all leave entitlements and has a 3-month minimum notice period.

Name:	Otto Buttula
Title:	Non-Executive Chair
Agreement commenced:	1 February 2021
Term of agreement:	N/A
Details:	$84,000 plus superannuation per annum. No leave entitlements or notice period required.

Name:	Philip Carulli
Title:	Non-Executive Director
Agreement commenced:	6 January 2020
Term of agreement:	N/A
Details:	$42,000 per annum plus GST. No leave entitlements or notice period required.

Name:	Glenn Smith
Title:	Non-Executive Director
Agreement commenced:	6 January 2020
Term of agreement:	N/A
Details:	$42,000 per annum plus GST. No leave entitlements or notice period required.

Name:	Aidan Clarke
Title:	Non-Executive Director
Agreement commenced:	17 April 2021
Term of agreement:	N/A
Details:	$42,000 per annum plus GST. No leave entitlements or notice period required.

Name:	Matthew Clayworth
Title:	Non-Executive Director
Agreement commenced:	29 November 2023
Term of agreement:	N/A
Details:	$42,000 per annum plus GST. No leave entitlements or notice period required.

Name:	James Barrie
Title:	Non-Executive Director
Agreement commenced:	23 February 2024
Term of agreement:	N/A
Details:	$42,000 per annum plus GST. No leave entitlements or notice period required.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Additional information
The earnings of the consolidated entity for the three years to 30 June 2024 are summarised below:

	2024 $	2023 $	2022 $
Sales revenue	1,123,000	774,260	619,016
EBITDA	(2,542,622)	(4,319,556)	(6,539,087)
EBIT	(2,943,395)	(4,851,088)	(6,908,054)
Loss after income tax	(3,204,731)	(5,037,305)	(6,947,448)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022
Share price at financial year end ($)	0.02	0.03	0.04
Basic earnings per share (cents per share)	(0.92)	(2.52)	(5.24)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Acquired on market	Balance at resignation	Balance at the end of the year
Ordinary shares					
Michael Vegar	12,437,499	-	70,000	-	12,507,499
Otto Buttula	13,185,505	-	6,592,754	(19,778,259)	-
Philip Carulli	4,219,419	-	1,530,147	-	5,749,566
Glenn Smith	552,500	-	107,500	(660,000)	-
Aidan Clarke	775,000	-	237,500	(1,012,500)	-
Matthew Clayworth	-	-	-	-	-
James Barrie	-	-	140,000	-	140,000
	31,169,923	-	8,677,901	(21,450,759)	18,397,065

Matthew Clayworth represents Harmil Angel Investments Pty Ltd who hold 63,653,642 shares as at the date of this report.
Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted - Free attaching	Exercised	Balance at Resignation/ expired	Balance at the end of the year
Options over ordinary shares					
Michael Vegar	11,333,333	70,000	-	(9,833,333)	1,570,000
Otto Buttula	8,407,488	3,296,378	-	(11,703,866)	-
Philip Carulli	2,507,335	491,075	-	(2,387,335)	611,075
Glenn Smith	640,000	138,125	-	(778,125)	-
Aiden Clark	700,000	181,250	-	(881,250)	-
Matthew Clayworth	-	-	-	-	-
James Barrie	-	70,000	-	-	70,000
	23,588,156	4,246,828	-	(25,283,909)	2,251,075

Matthew Clayworth represents Harmil Angel Investments Pty Ltd who hold 31,826,822 options as at the date of this report.

These options were acquired as 1:1 free attaching to shares as part of the Company's rights issue, which concluded on 22 January 2024.

Other transactions with key management personnel and their related parties
The following transactions occurred with related parties:

Payments to Optima Financial Group Pty Ltd (director related entity of Philip Carulli)	**2024**	**2023**
Bookkeeping services	33,331	25,810
Accounting and taxation services	38,810	35,130
	72,141	60,940

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and insurance of officers
The Company's Constitution provides that, subject to and so far as permitted by the Corporations Act 2001, the Company must, to the extent the person is not otherwise indemnified, indemnify every director and officer of the Company out of the assets of the Company to the relevant extent against any liability incurred by the director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of the duties of the director or officer, except where there is a lack of good faith.

During the financial year, the Company has paid insurance premiums in respect of Directors' and Officers' liability. The policy indemnifies all Directors and Officers of the Company and its controlled entities against certain liabilities. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium. The Directors have not included details of the nature of the premium paid in respect of Directors' and Officers' liability as such disclosure is prohibited under the terms of the contract.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

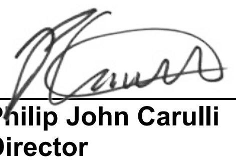
Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
William Buck Audit (VIC) Pty Ltd was appointed as auditor continues in office during the year in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Philip John Carulli
Director

30 September 2024

WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of HITIQ Limited

As lead auditor for the audit of HITIQ Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director
Melbourne, 30 September 2024

Level 20, 181 William Street, Melbourne VIC 3000
+61 3 9824 8555
vic.info@williambuck.com
williambuck.com.au

General information

The financial statements cover HITIQ Limited as a consolidated entity consisting of HITIQ Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is HITIQ Limited's functional and presentation currency.

HITIQ Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

C/o Optima Partners
Suite 3, 128 Main Street
Osbourne Park, WA, 6017
Phone: 08 6267 2200

Principal place of business

Unit 4
38-42 White Street
South Melbourne, VIC, 3205
Phone: 0478 038 567

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2024. The directors have the power to amend and reissue the financial statements.

HITIQ Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	Consolidated 2024 $	2023 $
Revenue	3	4,748,879	2,999,909
Interest income		17,328	19,260
Release of deferred consideration		-	250,000
Expenses			
Employee benefits expense		(4,414,244)	(4,794,485)
Research and testing		(635,890)	(854,694)
Administration		(1,161,729)	(808,212)
Marketing		(180,280)	(203,994)
Consultancy fees		(563,877)	(658,157)
Accountancy and secretarial fees		(72,222)	(136,245)
Auditor's remuneration		(61,241)	(38,101)
Occupancy		(219,346)	(298,330)
Finance costs		(261,336)	(192,428)
Share based payment expense		-	209,704
Depreciation and amortisation expense		(400,773)	(531,532)
Loss before income tax expense		(3,204,731)	(5,037,305)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of HITIQ Limited		(3,204,731)	(5,037,305)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain / (loss) on translation of foreign operations		6,073	38,144
Other comprehensive income for the year, net of tax		6,073	38,144
Total comprehensive income for the year attributable to the owners of HITIQ Limited		(3,198,658)	(4,999,161)
		Cents	**Cents**
Basic earnings per share	21	(0.92)	(2.52)
Diluted earnings per share	21	(0.92)	(2.52)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

HITIQ Limited
Statement of financial position
As at 30 June 2024

	Note	Consolidated 2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents		584,018	1,979,136
Trade and other receivables	4	2,193,672	151,572
Prepayments		81,301	122,924
Rental deposit		27,225	52,241
Total current assets		2,886,216	2,305,873
Non-current assets			
Property, plant and equipment		85,426	111,858
Right of use asset	5	364,752	-
Intangibles	6	391,152	711,582
Total non-current assets		841,330	823,440
Total assets		3,727,546	3,129,313
Liabilities			
Current liabilities			
Trade and other payables	7	1,045,700	699,191
Contract liabilities		430,263	297,400
Borrowings	8	1,123,411	1,694,993
Convertible note	8a	1,698,147	-
Provision for employee entitlements	9	446,495	389,024
Lease liability		89,687	-
Total current liabilities		4,833,703	3,080,608
Non-current liabilities			
Provision for employee entitlements	10	81,553	95,566
Lease liability		286,111	-
Total non-current liabilities		367,664	95,566
Total liabilities		5,201,367	3,176,174
Net assets/(liabilities)		(1,473,821)	(46,861)
Equity			
Issued capital	11	24,026,939	22,255,241
Reserves		324,778	1,616,455
Accumulated losses		(25,825,538)	(23,918,557)
Total equity/(deficiency)		(1,473,821)	(46,861)

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

HITIQ Limited
Statement of changes in equity
For the year ended 30 June 2024

Consolidated	Issued capital $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 July 2022	18,266,701	(19,008,752)	1,915,516	1,173,465
Loss after income tax expense for the year	-	(5,037,305)	-	(5,037,305)
Other comprehensive income for the year, net of tax	-	-	38,144	38,144
Total comprehensive income for the year	-	(5,037,305)	38,144	(4,999,161)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 8)	3,988,540	-	-	3,988,540
Expiry of options	-	127,500	(127,500)	-
Vesting of share-based payments	-	-	174,805	174,805
Reassessment of the achievement of share-based payment arrangements vesting conditions	-	-	(384,510)	(384,510)
Balance at 30 June 2023	22,255,241	(23,918,557)	1,616,455	(46,861)

Consolidated	Issued capital $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 July 2023	22,255,241	(23,918,557)	1,616,455	(46,861)
Loss after income tax expense for the year	-	(3,204,731)	-	(3,204,731)
Other comprehensive income for the year (forex translation adjustment)	-	-	6,073	6,073
Total comprehensive income for the year	-	(3,204,731)	6,073	(3,198,658)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 8)	1,771,698	-	-	1,771,698
Expiry of options	-	1,297,750	(1,297,750)	-
Balance at 30 June 2024	24,026,939	(25,825,538)	324,778	(1,473,821)

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

HITIQ Limited
Statement of cash flows
For the year ended 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,070,025	1,098,736
Payments to suppliers and employees (inclusive of GST)		(6,944,148)	(7,667,947)
Receipts from government grants		1,909,886	2,225,649
Finance costs		(154,905)	(186,217)
		(4,119,142)	(4,529,779)
Interest received		17,328	19,260
Net cash used in operating activities	20	(4,101,814)	(4,510,519)
Cash flows from investing activities			
Payments for property, plant and equipment		(20,776)	(54,729)
Net cash used in investing activities		(20,776)	(54,729)
Cash flows from financing activities			
Proceeds from issue of shares	11	1,829,176	4,030,808
Share issue transaction costs		(99,749)	(42,268)
Proceeds from borrowings		2,715,127	1,694,993
Repayment of borrowings		(1,694,993)	(2,078,296)
Repayment of lease liabilities		(22,089)	-
Net cash from financing activities		2,727,472	3,605,237
Net decrease in cash and cash equivalents		(1,395,118)	(960,011)
Cash and cash equivalents at the beginning of the financial year		1,979,136	2,939,147
Cash and cash equivalents at the end of the financial year		584,018	1,979,136

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

Note 1. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New accounting standards adopted or not yet mandatory but adopted

During the year the Group adopted all new accounting standards and interpretations. There was no material impact upon these financial statements from their adoption.

Going concern

The financial report has been prepared on a going concern basis, which contemplates the realisation of assets and liabilities and assets in the normal course of business.

For the year ended 30 June 2024, the consolidated entity incurred a net loss of $3,204,731 and incurred net cash outflows from operations of $4,101,814 and had a net deficiency of current assets relative to current liabilities of $1,947,487. Due to these matters, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. In determining that the Group continues as a going concern, the directors have reviewed and approved the following cashflow forecast which includes the following key assumptions:

- The forecast includes proceeds from expected capital raising activities. The directors of the entity believe that such capital raising activities will eventuate based upon the entity's track record of successfully issuing capital.
- Continuing to grow its revenues from existing and new customers from contracts and opportunities that have been identified and, were material, announced to the market;
- The consolidated entity can continue to access its research and development tax incentive from the ATO, this can also be bought forward by way of finance facilities. The FY2024 claim of $1,715,993 will be used to retire the existing facilities in place and surplus be put towards working capital.
- Key creditors and employees have agreed to settle amounts owing to them in exchange for the issue of ordinary fully paid shares in any upcoming capital raise.
- As at 30 June 2024 the consolidated entity owed $160,108 to its key management personnel, including accruals for director's fees and for annual leave owing. Those key management personnel have written to the Company advising that they are willing to defer amounts owing to them as at reporting date and as they accrue under contract for the next 12 months from the date of signing these financial statements, if necessary, to ensure that the Company has adequate reserves of available working capital;
- The company has commenced expense reduction activities with the reduction in size of the board and key executives along with reducing the lease commitments significantly. These will reduce expenditure in the coming financial year. A majority of the consolidated entity's expenses relate to marketing, business development and research and development activities, which, if necessary, can also be curtailed, if necessary, to meet the overall needs of the enterprise; and
- The directors have received a letter from its convertible note investor confirming that it has the ability and intention, if required, to not call upon, or alternatively to convert to equity the convertible note at its maturity in May 2025 in the event that such an action jeopardises the availability of working capital of the Group

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared on a historical cost basis, adjusted for the fair value of the embedded derivative arising from its convertible note arrangements, by applying the going concern basis of accounting.

The financial statements are presented in Australian dollars.

Note 1. Material accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of HITIQ Limited ('company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. HITIQ Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Revenue recognition

The consolidated entity recognises revenue as follows:

Rendering of services

The consolidated entity primarily generates revenue from the sale of licences to access its software which enables its customers use of an application or main web browsers that illustrates the sensor trace data from the mouthguard sensors.

The customers consideration provided as part of the revenue agreement is to receive the benefits of the data and access to the software platforms which will be recognised over the life of the licence term. Given that this service cannot be provided without the physical mouthguard and sensor, the delivery and setup services of the mouthguards, and any other software infrastructure provided to the customer, is bundled with the licence performance obligation. Where billings are in-advance of the performance condition, these are deferred on the Statement of Financial Position as a contract liability; when in-arrears, recognised as a contract asset.

Any direct costs to contract are deferred and charged to the profit or loss as the underlying performance condition is satisfied.

Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the entity will comply with conditions attaching to them and that the grant will be received.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Customer lists

Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Note 1. Material accounting policies (continued)

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Database
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Convertible notes
Where borrowings feature share conversion clauses that entitle the investor to a variable number of shares, be this through an entitlement to settle interest through the conversion clause or through the terms specified in the conversion clause itself, an embedded derivative is separated from the underlying borrowing host at the inception of the contract. Thereafter the embedded derivative is revalued at each subsequent reporting date with changes taken to the profit or loss. The underlying host contract following initial recognition is recognized at amortized cost applying the effective interest rate method.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences and carry forward tax losses only if the entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Research and development expenditure and claims
The directors expense all research and development expenditure. Claims from the government for research and development credits, which are calculated on the basis of qualifying research and development activity performed are accrued for as income when the directors assess that there is a high probability of those claims credits being honoured by the Federal government.

Research and development rebate
The company is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claim lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may only occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the directors of the company consider that such a negative review has a remote likelihood of occurring.

Note 3. Revenue

	Consolidated 2024 $	Consolidated 2023 $
Revenue from contracts with customers	1,123,000	774,260
Other revenue		
Research and development tax rebate	3,625,879	2,225,649
Total revenue	4,748,879	2,999,909

Note 4. Current assets - trade and other receivables

	Consolidated 2024	Consolidated 2023
Trade receivables	440,354	116,605
GST receivable	19,347	34,458
R&D receivable	1,715,923	-
Other receivables	18,048	509
	2,193,672	151,572

The ageing of the receivables are as follows:

Consolidated	**2024**	**2023**
Not overdue	437,145	111,241
0 to 3 months overdue	-	-
3 to 6 months overdue	-	270
Over 6 months overdue	3,209	5,094
	440,354	116,605

Note 5. Non-current assets – right of use lease asset

	Consolidated 2024 $	Consolidated 2023 $
Right of use lease asset	397,620	-
Less accumulated amortisation	(33,135)	-
Total Right of use lease asset	364,485	-

On 1 March 2024 the company signed a lease agreement for 4/38-42 White Street South Melbourne VIC. The lease term is for 4 years commencing 8 April 2024 with an option for a further 2 year term. Fixed annual rent increases are 3% per annum until the end of the initial term.

Note 6. Non-current assets - intangibles

	Consolidated 2024 $	Consolidated 2023 $
Trademark	1,470	1,470
Less accumulated amortisation	(1,470)	-
Software	870,283	870,283
Less accumulated amortisation	(645,183)	(375,066)
Database	252,943	252,943
Less accumulated amortisation	(112,711)	(71,463)
Customer list	46,573	46,573
Less accumulated amortisation	(20,753)	(13,158)
Total intangibles	**391,152**	**711,582**

In the previous financial year the acquisition of CSX Limited was re-assessed into the 3 categories of intangible assets based on a valuation obtained. This has been amortised accordingly.

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Intellectual property $	Software $	Database $	Customer list $	Trademark $	Total $
Balance at 1 July 2023	149,219	765,334	222,728	41,010	1,470	33,493
Additions	-	-	-	-	-	-
Amortisation expense	(149,219)	(270,117)	(41,248)	(7,595)	-	(468,180)
Balance at 30 June 2023	-	495,217	181,480	33,415	1,470	711,582
Amortisation expense	-	(270,117)	(41,248)	(7,595)	(1,470)	(320,430)
Balance at 30 June 2024	-	225,100	140,232	25,820	-	391,152

Note 7. Current liabilities - trade and other payables

	Consolidated 2024 $	Consolidated 2023 $
Trade payables	865,267	368,961
R & D Repayment Tax *	-	180,049
BAS payable	127,197	149,016
Other payables	53,236	1,165
	1,045,700	699,191

* This liability arose from the CSX acquisition in the 2022 financial year, whereby R&D credits previously claimed in New Zealand crystallized as an obligation as a result of a change in more than 90% of the shareholding. This liability was paid in full in the 2024 financial year.

Note 7. Current liabilities - trade and other payables (continued)

Refer to note 10 for further information on financial instruments.

Note 8. Current liabilities – borrowings

	Consolidated	
	2024	2023
	$	$
Insurance premium funding loan	70,961	79,198
Less: unexpired finance charges	(3,092)	(3,109)
Loan - Keystone Group	1,042,459	1,523,386
Credit cards	13,083	95,518
	1,123,411	1,694,993

On 18 March 2024, the company signed a 150-day facility agreement for $997,212 with Keystone Capital Partners Pty Ltd (an unrelated company specialising in R&D Grant refund loans). The total outstanding as of 30 June 2024 is $997,212 excluding accrued interest. The facility was advanced against the expected R&D refund from the ATO on or before 30 September 2024 and carries interest rate at 15% per annum.

The 30 June 2023 principal loan balance of $1,523,386 was repaid in full to Keystone Capital Partners Pty Ltd on 21 November 2023 with interest of $85,574.

Refer to note 10 for further information on financial instruments.

Assets pledged as security
The Keystone Capital Partners Pty Ltd loan is secured against the FY2024 R&D return.

Note 8a. Current liabilities – convertible note

	Consolidated 2024 $	2023 $
Convertible note	1,520,369	-
Embedded derivative	177,778	-
	1,698,147	-

The company entered into a $1,600,000 unsecured convertible note with No Bull Health Pty Ltd on 17 May 2024 for a period of 12 months. Interest on the loan is calculated at 12.5% per annum and the conversion price at election of the noteholder will be equal to a 10% discount to the prevailing 7-day VWAP of the Company's shares at the date of conversion. If redeemed prior to completion of the term a 10% early redemption fee will apply. Interest on the loan is payable monthly unless agreed by the lender 5 days prior to the interest period to capitalise. Any capitalised or unpaid interest shall be paid on the repayment date. The company may repay the whole or any part of the outstanding loan at any time subject to payment of an early discharge fee totalling 10% of the loan repaid.

The directors consider that the embedded derivative is a Level 2 hierarchy valuation as the Black-Scholes valuation model used to value the derivative uses a combination of observable and non-observable inputs.

The value of the embedded derivative on the date of recognition was recorded on the basis of the following inputs: a spot price of 1.70 cents, risk free rate of 4.50%, anticipated exercise price of 1.53 cents, nil dividend yield and volatility of 70%.

Note 9. Current liabilities – provision for employee entitlements

	Consolidated 2024 $	2023 $
Long service leave owing to key management personnel	30,018	-
Long service leave – other employees	48,941	-
Annual leave owing to key management personnel	78,964	75,734
Annual leave – other employees	288,572	313,290
	446,495	389,024

The current provision for annual leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 10. Non-current liabilities – provision for employee entitlements

	Consolidated 2024 $	2023 $
Long service leave – other employees	81,553	95,566

Note 11. Equity - issued capital

	Consolidated			
	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	351,844,967	266,779,289	24,026,939	22,255,241

The shares issued in the period were under a renounceable rights offer at an issue price of $0.022 with 1 new option for every 2 new shares subscribed for under the offer. Options have an exercise price of $0.05 and expire on 31 October 2025.

Movements in spare share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2022	132,419,018		18,266,701
Issue of shares *	16 December 2022	89,160,273	$0.03	2,674,808
Issue of shares *	22 December 2022	45,199,998	$0.03	1,356,000
Issue costs				(42,268)
Balance	30 June 2023	266,779,289		22,255,241
Issue of shares *	18 October 2023	27,284,246	$0.022	600,253
Issue of shares *	24 November 2023	32,394,159	$0.022	712,671
Issue of shares *	29 December 2023	22,727,273	$0.022	500,000
Issue of shares *	19 January 2024	2,660,000	$0.022	58,520
Issue costs				(99,746)
Balance	30 June 2024	351,844,967		24,026,939

* The issue of shares was performed under a rights issue with 1:2 attaching options, which had a strike price of $0.05 and an expiry date of 31 October 2025.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 11. Equity - issued capital (continued)

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

Note 12. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 13. Financial instruments

Financial risk management objectives

The Group's material financial assets and liabilities include cash, receivables, payables, borrowings, lease liabilities and convertible notes.

The directors consider that the Group's material financial instrument risk exposures include credit risk and liquidity risk.

Credit risk
Credit risk is the risk that a counterparty fails to discharge an obligation to the consolidated entity. The consolidated entity is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

The credit risk is managed on a group basis based on the consolidated entity's credit risk management policies and procedures. The credit risk in respect of cash balances held with banks and deposits with banks are managed by only dealing with major reputable financial institutions.

The consolidated entity monitors the credit quality of customers based on a credit rating scorecard. Where available, external credit ratings and/or reports on customers are obtained and used. The consolidated entity's policy is to only deal with credit worthy counterparties. The credit terms range between 30 and 60 days. The credit terms for customers as negotiated with customers are subject to an internal approval process which considers the credit rating scorecard. The ongoing credit risk is managed through regular review of ageing analysis, together with credit limits per customer.

Liquidity risk
The responsibility for liquidity risk management rests with the Board of Directors. The consolidated entity manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly short-term investments.

Note 13. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	Within 6 months $	6-12 months $	1-5 years $	Over 5 years $	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,010,700	-	-	-	1,010,700
Interest-bearing - variable						
Borrowings	15.00%	1,123,411	-	-	-	1,123,411
Lease liabilities	3.00%	-	89,687	286,111		375,798
Convertible notes	12.50%	-	1,698,147	-	-	1,698,147
Total non-derivatives		2,134,111	1,787,834	286,111	-	4,208,056

Consolidated - 2023	Weighted average interest rate %	Within 6 months $	6-12 months $	1 - 5 years $	Over 5 years $	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	699,191	-	-	-	699,191
Interest-bearing - variable						
Borrowings	14.00%	1,523,386	-	-	-	1,523,386
Total non-derivatives		2,222,577	-	-	-	2,222,577

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 14. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024 **$**	**2023** **$**
Short-term employee benefits	470,683	459,501
Post-employment benefits	27,009	30,870
Long-term benefits	26,102	26,921
Share-based payments	-	(371,700)
	523,794	145,592

Note 15. Contingent liabilities

The company has bank guarantees in place of $24,750 in respect of rental arrangements.

The directors consider that the group had no other material contingent liabilities as at 30 June 2024 (2023: Nil).

Note 16. Related party transactions

Parent entity
HITIQ Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 18.

Note 17. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2024 $	2023 $
Loss after income tax	(2,552,846)	(4,524,327)
Total comprehensive income	(2,552,846)	(4,524,327)

Statement of financial position

	Parent	
	2024 $	2023 $
Total current assets	2,319,086	2,224,468
Total assets	3,168,451	3,043,135
Total current liabilities	4,601,687	2,788,554
Total liabilities	4,977,485	2,884,120
Equity		
Issued capital	24,040,800	22,255,241
Share-based payments reserve	287,207	1,619,898
Accumulated losses	(26,268,970)	(23,716,124)
Total equity	(1,809,034)	159,015

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 18. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2024 %**	**2023 %**
HITIQ Limited	United States	100.00%	100.00%
CSX Limited	New Zealand	100.00%	100.00%

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 20. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2024 $	**2023 $**
Loss after income tax expense for the year	(3,204,731)	(5,037,305)
Adjustments for:		
Depreciation and amortisation	400,773	531,532
Derecognition of earn-out payable	-	(250,000)
Vesting charges for share-based payments	-	(209,704)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(2,017,084)	(50,350)
Increase in prepayments	41,623	(234)
Increase/(decrease) in trade and other payables	501,284	58,522
Increase in employee benefits	43,458	149,620
Increase in deferred revenue	132,863	297,400
Net cash used in operating activities	(4,101,814)	(4,510,519)

Note 21. Earnings per share

	Consolidated 2024 $	Consolidated 2023 $
Loss after income tax attributable to the owners of HITIQ Limited	(3,204,731)	(5,037,305)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	347,979,471	199,599,153
Weighted average number of ordinary shares used in calculating diluted earnings per share	347,979,471	199,599,153
	Cents	**Cents**
Basic earnings per share	(0.92)	(2.52)
Diluted earnings per share	(0.92)	(2.52)

This calculation excludes equity instruments that are potentially issuable - as the Group generates losses these instruments, if applied, would be anti-dilutive and therefore are excluded from the diluted earnings per share calculation.

HITIQ Limited
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Philip John Carulli
Director

30 September 2024

Name	Entity Type	Place formed or incorporated	% of share of capital held	Tax residency: Australia or foreign	Tax residency: Foreign jurisdiction
HITIQ Limited	Body corporate	Australia	N/A	Australia	N/A
HITIQ Limited	Body corporate	United States	100%	Foreign	USA
CSX Limited	Body corporate	New Zealand	100%	Foreign	New Zealand

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency
Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency
The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency
Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts
None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group

Independent auditor's report to the members of HITIQ Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of HITIQ Limited (the Company) and its controlled entities (together, the Group) is in accordance with the *Corporations Act 2001*, including:

— giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

— complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

— the consolidated statement of financial position as at 30 June 2024,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended,

— notes to the financial statements, including material accounting policy information,

— the consolidated entity disclosure statement, and

— the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss after tax of $3,204,731 and net cash outflows from operations of $4,101,814 for the year ended 30 June 2024 and, as of that date, the Group's current liabilities exceeded its current assets by $1,947,487. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition	**Area of focus (refer also to notes 1 & 3)**	**How our audit addressed the key audit matter**
	The Group has service contracts with its customers. These service contracts have invoicing and payment milestones included within their terms, which may or may not be directly aligned with the performance of services under the contract in accordance with *AASB 15 Revenue from Contracts with Customers.* To accrue revenue appropriately in the correct accounting period, management has developed a model to recognise revenue when the performance obligation is satisfied in each contract. This includes identifying the specific performance obligations within each customer agreement on commencement. There is a requirement for judgement in determining the period to which the revenue should be attributed. In designing the model management has considered: — Compliance with AASB 15 – Revenue from Contracts with Customers; — When the performance obligation is identified and satisfied in respect to each component of each contract; and	Our audit procedures included: — Documenting and assessing the internal controls relating to revenue processes and recognition; — Examining management's revenue recognition model to ensure compliance with AASB 15*;* — Testing a sample of revenue to ensure revenue is recognised in accordance with AASB 15; — Testing revenue cut-off to ensure revenue has been recorded in the correct reporting period; — Tracing through to new contracts to understand the performance obligations and the period in which revenue should be recognised. We have also assessed the adequacy of disclosures in the notes to the financial report.

	— The potential for any post-contract servicing work to be performed at the conclusion of the contract and whether an additional performance obligation exists. Based on the above revenue recognition was a key area of focus for our audit.	
2. Convertible note	**Area of focus (refer also to notes 1, 2 & 8a)** The Group has issued debt which features a variable conversion clause. The directors have assessed that this variable conversion clause triggers the requirement under the Group's accounting policies to separately fair value an embedded derivative on the statement of financial position. This embedded derivative has been held at fair value on the statement of financial position from the date of issue of the debt through to 30 June 2024. Due to the complexity of assessing the contractual terms of notes and assessing the reasonableness of initial recognition including conversion features and the fair value of the instrument, this was considered a Key Audit Matter.	**How our audit addressed the key audit matter** Our audit procedures included: — Examining the underlying debt agreement for its salient clauses material to its accounting in the financial statements, including its conversion feature, events of default and attaching debt costs; — Agreeing to relevant supporting evidence of the cash received from the issue of convertible notes — Assessing the reasonableness of the initial fair value recognised of the host liability and embedded derivative component as at issuance date; — Recomputing and cross-referencing the valuation and disclosures of the debt agreement to the results presented in the financial report

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

— the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

— the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

— the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

— the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of HITIQ Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director
Melbourne, 30 September 2024

HITIQ Limited
Shareholder Information
30 June 2024

The shareholder information set out below was applicable as at 30 September 2024:

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	22
1,001 to 5,000	280
5,001 to 10,000	224
10,001 to 100,000	842
100,001 and over	364
Total	1,732

There were 1057 shareholders holding less than a marketable parcel (less than 41,666 shares at $0.012) at 30 September 2024, a total of 15,029,832 shares.

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	**% of total shares issued**
Holder Name	**Holding**	**% IC**
HARMIL ANGEL INVESTMENTS PTY LTD <HARMIL ANGEL INVESTMENT A/C>	63,653,642	18.09%
NEWFOUND INVESTMENTS PTY LTD <NEWFOUND SUPER FUND A/C>	22,146,978	6.29%
MR MICHAEL DEAN VEGAR <M VEGAR INVESTMENT A/C>	11,999,999	3.41%
MR CRAIG GRAEME CHAPMAN <NAMPAC DISCRETIONARY A/C>	10,000,000	2.84%
DR SCOTT MAURICE DONNELLAN	8,610,000	2.45%
MR ROGER BLAKE & MRS ERICA LYNETTE BLAKE <THE MANDY SUPER FUND A/C>	7,410,000	2.11%
CITICORP NOMINEES PTY LIMITED	6,683,186	1.90%
MACH INDUSTRIES PTY LTD <LANG FAMILY A/C>	5,600,000	1.59%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	5,000,000	1.42%
BOTSIS HOLDINGS PTY LTD	4,839,583	1.38%
BNP PARIBAS NOMS PTY LTD	4,801,758	1.36%
LDU PTY LTD <VESTY SUPER FUND A/C>	4,752,800	1.35%
JASKAN INVESTMENTS PTY LTD <LYNIA SUPER FUND A/C>	4,211,939	1.20%
WESTBURY SUPER CO PTY LTD <CROMB VAGNER SUPER A/C>	3,999,432	1.14%
BENONI PTY LTD <THE MKJ SUPER FUND A/C>	3,500,000	0.99%
VT INVESTMENTS PTY LTD <A & M TADDEI FAMILY A/C>	3,106,106	0.88%
TIPELA INVESTMENTS PTY LTD <THE CARULLI INVESTMENT A/C>	2,711,150	0.77%
JASKAN INVESTMENTS PTY LTD <LYNIA SUPER FUND A/C>	2,650,000	0.75%
AMERICAN JUTE PTY LTD <ALEXANDER WORPLE SUPER A/C>	2,350,000	0.67%
CARULLI SUPER PTY LTD <P & D CARULLI S/F A/C>	2,178,416	0.62%
Total	**180,204,989**	**51.22%**
Total issued capital - selected security class(es)	**351,844,967**	**100.00%**

Unquoted equity securities

	Number on issue	**Number of holders**
OPT EXP 25/03/2025 @ $0.30	1,500,000	1
LISTED OPT EXP 31/10/25 @ $0.05	42,532,854	145
UNL OPT @ $0.30 EXP 10/11/2024	1,500,000	6
Total	**45,532,854**	**152**

Substantial holders
Substantial holders in the company are set out below:

	Ordinary Shares	
	Number held	**% of total shares issued**
HARMIL ANGEL INVESTMENTS PTY LTD <HARMIL ANGEL INVESTMENT A/C>	63,653,642	18.09%
NEWFOUND INVESTMENTS PTY LTD <NEWFOUND SUPERANNUATION A/C>	22,146,978	6.29%

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Option holders and Performance Right Holders have the right to attend meetings but have no voting rights until the options are exercised.

Use of Funds

In accordance with ASX Listing Rule 4.10.9, the Company confirms that it has used its cash and assets in a form readily convertible to cash that it had at the time of admission in a way that is consistent with its business objectives.

Corporate Governance Statement
In accordance with ASX Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on its website at www.hitiq.com .