

Quarterly Activities & Cashflow Report

Quarter ending 30 September 2024

BRISBANE, AUSTRALIA, 30 October 2024: AnteoTech Ltd (ASX: ADO) (**AnteoTech** or the **Company**) a revenue stage company, providing solutions for the clean energy and life sciences markets using proprietary technologies, is pleased to release its Appendix 4C – Quarterly Cashflow report and Activities Update for the quarter ended 30 September 2024 (the **Quarter**). All financial results are in Australian dollars and are unaudited.

Highlights

- **First commercial order of Ultranode™ from Mercedes Benz**
- **Internal testing of Ultranode™ (70% silicon) achieves 900 cycles at > 70% capacity retention**
- **Ultranode™ patents entering into national phase examination**
- **European speciality chemical company MOU to evaluate Anteo X™ with inactive anode materials**
- **US Carbon Nano Tube (CNT) manufacturer commences Anteo X™ evaluation project – trialling performance**
- **Leading separator chemistry company undertaking advanced safety testing using Anteo X™**
- **First AnteoBind delivery to Serum Institute of India under US\$1.8m take or pay agreement**
- **First AnteoBind NXT commercial evaluation with Vidcare – targeted commercial agreement in 2025**
- **Anteo X™ production facility validated at commercial scale**
- **Fabian Beck appointed VP of International Sales – driving sales in Europe and the US**
- **\$3.99m Grant awarded to AnteoTech under the ARENA Advancing Renewables Program**
- **Closing cash of \$3.0m with \$2.4m of R&D Rebate expected in December quarter**

David Radford, Managing Director & Chief Executive Officer of AnteoTech commented:

"I am pleased with what has been achieved early in FY2025 across a number of our customers in clean energy and life sciences. We have expanded our work to a third major European electric vehicle manufacturer and our first customer, Mercedes Benz, has now purchased their first Ultranode with 70% silicon for evaluation in their future generation batteries. The external evaluation currently underway with our Ultranode™ product is both timely and exciting, as we continue our internal development work with the aim of achieving the 1,000-cycle benchmark during this financial year.

As part of our targeted portfolio approach to the clean energy market, the Company also made good progress with several customers within the advanced chemistry and consumer products segment. This diversity ensures that we can provide solutions to batteries in any application, from large EV batteries to small high-tech medical products and mass-produced consumer electronics used in everyday life. We will soon welcome Fabian Beck to the team, leading our International Sales and engagement across a number of key customers in the crucial European and US markets.

It is also worth highlighting that we are gaining strong traction with our focused life sciences offering. On the back of our US\$1.8 million contract with Serum Institute of India, we have made our first delivery, and the team is engaging to build other uses within their organisation. In the same way, our first commercial evaluation of AnteoBind NXT with Vidcare, for their in-home test for underactive Thyroid in India, is on track. If successful, this could lead a commercial agreement for AnteoBind NXT in 2025."

Clean Energy Technologies – next generation battery technology

Electric Vehicles – Progressing with three major EV manufacturers

While the EV market continues to be dynamic, the focus remains on technology solutions that offer improved battery performance and a lower cost per kilowatt-hour of energy. AnteoTech's target customers all agree that increasing silicon content in anodes offers them the best solution to enable these outcomes, but their key challenge is that increasing silicon creates instability which leads to the degradation of the anode. AnteoTech's novel and proprietary technologies - Anteo X™ and the Ultranode™ - are now supported by compelling data, demonstrating they each reduce these degradation issues and can become a key enabler of the customer transition to higher silicon anodes, and ultimately higher performance batteries.

This Quarter, AnteoTech progressed with three leading European car manufacturers. Each of these customers have ongoing programmes to move to more cost effective and higher performing batteries, which provides AnteoTech with substantial commercial opportunities.

Mercedes Benz has continued to advance their work analysing a prototype anode including Anteo X™ and, after the end of the Quarter, AnteoTech received its first purchase order for the Ultranode™ battery anode technology for testing and evaluation in pouch cells over the coming months.

This initial order represents another milestone for AnteoTech and validates the ongoing development and key features of the proprietary 70% silicon Ultranode™ battery anode technology.

EV2 has confirmed its interest in engaging with AnteoTech as it develops its next generation of electric batteries. It is anticipated that the engagement will focus upon the next generation of EV2's battery development with the incorporation of high silicon in the anodes. AnteoTech is targeting an engagement to commence later in FY2025.

EV3 and AnteoTech are currently negotiating a proposal for development services, to support their high-performance anode development program for their next generation of electric vehicles. Management is working with EV3 to define the scope of this project and finalise a commercial proposal. Should the development proposal be accepted, AnteoTech is targeting to commence this paid development work in FY2025.

Advanced Chemistries – Multiple large partners

During the Quarter, AnteoTech engaged with several advanced chemistry companies to expand the market opportunities for our lead product Anteo X™. This broadened "go to market" approach is increasing the market awareness of Anteo X™ in supporting decreased cost/kWh and potential safety benefits. Several parties have entered into Materials Transfer Agreements (**MTA**) as they evaluate Anteo X™ in conjunction with their existing products and technologies.

As part of each evaluation process, AnteoTech will provide technical oversight to optimise the way in which Anteo X™ can be incorporated. Evaluations are being conducted at the expense of the partnering company with agreement in advance, that successful evaluations will result in entry into commercial agreements on terms yet to be finalised.

Separator Materials Company - Evaluation of Anteo X™ when used with their current separator coating material commenced early October. Over the coming months the project will explore Anteo X's ability to improve the stability of the coating on the separator, which will result in improved battery safety.

If successful, this is expected to lead to a commercial agreement to purchase Anteo X™ for incorporation into future products.

Leading European specialist chemical company – AnteoTech has entered into an MTA and a Memorandum of Understanding (MOU) to define the path to evaluate Anteo X™ performance improvements when incorporated with the company's inactive materials used in battery anodes. Evaluations are commencing in late-October and are expected to be completed in early 2025.

Carbon Nano Tube Manufacturer - A major North American supplier of carbon nanotubes (CNTs) has entered into an MTA with AnteoTech to assess the combination of Anteo X™ with their CNTs. The objective of this project is to demonstrate performance enhancement of their existing product when combined with Anteo X™. If successful, this could provide an initial entry into the US battery market as a potential combination product.

Ultranode™ - Development towards 1,000 cycles with 80% retention

During the Quarter, AnteoTech continued to market and promote awareness of the proprietary Ultranode™ product where the technology is becoming an increasingly large differentiator. Investment in the Ultranode™ development continued, with the target to deliver 1,000 cycles and 80% capacity retention. The team are making good progress towards this target with recent results achieving 900 charge/discharge cycles at over 70% capacity retention.

In another milestone during this quarter, AnteoTech's fully owned patents that protect embodiments of the Ultranode™ technology, have progressed to enter national phases examination around the world. The company is pursuing patent protection in key markets including the US, Europe, China, Japan, South Korea, India and Canada that are expected to be future targets for technology licensing. The Company continues to add further patents to their portfolio as it seeks to protect its IP for the future.

Anteo X™ Production Facility - commercial scale validated

We are pleased to confirm that the validation of the Anteo X™ scale-up processes at the Brisbane based Production Facility have all successfully passed the quality criteria required to commercialise the product. It is expected that successful outcomes of the aforementioned Anteo X™ evaluations will result in increased demand for the product across a varying number of jurisdictions and use-cases.

Leadership Appointment – VP of International Sales

During September, Fabian Beck was appointed as the Vice President of International Sales. Mr Beck is well recognised and highly respected in the battery and materials industry, with a range of experience in sales, commercial and management roles. Mr Beck will be based in Germany, where he will lead AnteoTech's European and North American operations, including ongoing engagement with existing European based electric vehicle, consumer electronics and battery customers.

Life sciences – Ongoing Partnership Discussions

Serum Institute of India – Five-year USD\$1.8m take or pay Purchase Agreement

During July, AnteoTech entered into a purchase agreement with the Serum Institute of India (SII), the world's largest vaccine manufacturer, for a minimum of USD\$1.8m of AnteoBind over the next five years. The first purchase order (half-yearly) for US\$185,000 was received and delivered in August. The team is now engaged with SII to explore opportunities to expand the AnteoBind offering across broader applications within their business.

Vidcare Innovations – First Commercial Evaluation of AnteoBind NXT

AnteoTech have been engaged with Vidcare from India since early 2024 to evaluate use of AnteoBind NXT in their TSH test known as the "Mu-sure", for diagnosing hypothyroidism. AnteoTech have been

able to demonstrate that AnteoBind NXT is highly effective at increasing activations of the particles required in the Mu-sure test.

This Quarter, Vidcare commenced a commercial evaluation of AnteoBind NXT in their Mu-sure product following execution of a Memorandum of Understanding in August. The commercial evaluation will look at optimising sensitivity using AnteoBind NXT technology and in parallel reduction in antibody usage.

Under the terms of this MOU, if the commercial evaluation achieves the designated technical hurdles, then the parties will negotiate a commercial agreement in good faith. If successful, Vidcare expect to launch their Mu-sure product in early 2025, where underactive thyroid is a major health challenge.

Corporate & Financials

Non-dilutive funding Grant from ARENA

As announced on 29 October 2024, AnteoTech has entered a grant agreement with The Australian Renewable Energy Agency or ARENA for an amount of up to \$3.99 million, which contains provisions which are commonly found in government grant agreements of comparable size, nature and type. AnteoTech, with the assistance of the ARENA funding, will undertake a three-year project, with defined milestones. The grant funding is non-dilutive and does not grant ARENA any rights to the current or future intellectual property being developed.

An initial technical objective of the Project is to enhance the Generation 1 anode prototype, currently under development through the QLD Critical Minerals Battery Technology Fund, by creating a Generation 2 version. This new prototype is intended to exceed the current target of 1,000 cycles at 80% capacity retention, meeting the rigorous demands of ultra-high-performance applications, hybrid and electric vehicles, large-scale battery storage systems deployed across Australia and globally.

Cash and Expenditure

AnteoTech had \$3.0 million cash on hand as at 30 September 2024 with no debt. The Company is anticipating the receipt of the FY24 R&D Tax Incentive of approximately \$2.4m in November 2024.

This Quarter, cash receipts from customers totalled \$349,000 and net cash outflows from operating activities were \$2,007,000 as summarised below - refer Appendix 4 C Quarterly Cash Flow Report

	\$ '000
Business Expenses:	
Research and Development	168
Staff, Admin and Corporate	1,981
Other	207
Capital Expenses	
Plant & equipment	29
Intellectual Property	56

During this early commercialisation phase, the Company continues to carefully manage its cashflows whilst also managing its overall expenditures.

ASX Listing Rule 4.7C disclosure

This Quarter, \$211,000 was paid to Related Parties, as reported in Item 6.1 of the ASX Appendix 4C (Quarterly Cash Flow Report), for directors' remuneration.

Annual Report and Annual General Meeting

The Company released its 2024 Annual Report to the ASX Limited on 28 August 2024. The Annual General Meeting has been scheduled for **Tuesday 26 November 2024**, at **The Rydges South Bank**, 9 Glenelg Street South Brisbane. All shareholders are invited to attend.

Details the AGM will be made available on the company website.

This announcement has been authorised for release by the Board of AnteoTech Ltd.

- ENDS -

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For further information, please check our website www.anteotech.com

About AnteoTech - (ASX:ADO)

AnteoTech is a revenue-stage company that provides solutions for the clean energy and life sciences markets using our proprietary applied materials technology. In the rapidly growing clean energy market, our lead product Anteo X™, has been proven to provide significant improvement in anode performance and the Company has partnered with global suppliers to the lithium-ion battery manufacturing industry. The portfolio includes a proprietary high silicon anode, made with unrefined silicon which offers advantages of size, weight and cost. The Life Sciences division services the Point-of-Care and In vitro diagnostics markets; from global diagnostics companies to technology developers. The unique characteristics of AnteoBind™ provides strong advantages in bioconjugation to rapidly speed up testing procedures and improve accuracy.

AnteoTech - Social Media Policy

AnteoTech is committed to communicating with the investment community through all available channels. Whilst ASX remains the prime channel for market sensitive news, investors and other interested parties are encouraged to follow AnteoTech on LinkedIn. Subscribe to AnteoTech Latest News emails - visit our website at www.anteotech.com and subscribe to receive our email alert service.

Forward Looking Statements

This Announcement may contain forward-looking statements, including estimates, projections and other forward-looking information (**Estimates and Projections**). Forward-looking statements can generally be identified by the use of forward-looking words such as “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of AnteoTech. The Estimates and Projections are based on information available to AnteoTech as at the date of the Announcement, are based upon management’s current expectations, estimates, projections, assumptions and beliefs in regards to future events in respect to AnteoTech’ business and the industry in which it operates which may in time prove to be false, inaccurate or incorrect. The Estimates and Projections are provided as a general guide and should not be relied upon as an indication or guarantee of future performance. The bases for these statements are subject to risk and uncertainties that might be out of control of AnteoTech and may cause actual results to differ from the Announcement. No representation, warranty, or guarantee, whether express or implied, is made or given by AnteoTech in relation to any Estimates and Projections, the accuracy, reliability, or reasonableness of the assumptions on which the Estimates and Projections are based, or the process of formulating any Estimates and Projections, including that any Estimates and Projections contained in this Announcement will be achieved. AnteoTech takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.

Appendix 4C

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

Name of entity

AnteoTech Ltd

ABN

75 070 028 625

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	349	349
1.2 Payments for		
research and development	(168)	(168)
product manufacturing and operating costs	(10)	(10)
advertising and marketing	(8)	(8)
leased assets	(194)	(194)
staff costs	(1,133)	(1,133)
administration and corporate costs	(848)	(848)
1.3 Dividends received (see note 3)		
1.4 Interest received	12	12
1.5 Interest and other costs of finance paid	(7)	(7)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	0	0
1.8 Other	0	0
1.9 Net cash from / (used in) operating activities	(2,007)	(2,007)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
businesses		
property, plant and equipment	(29)	(29)
investments		
intellectual property	(56)	(56)
other non-current assets		

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	businesses		
	property, plant and equipment	45	45
	investments		
	intellectual property		
	other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(40)	(40)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(21)	(21)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(21)	(21)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,055	5,055
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,007)	(2,007)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(40)	(40)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(21)	(21)
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	2,987	2,987

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,987	5,055
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,987	5,055

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	211
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,007)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,987
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	2,987
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.49x
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: No</p> <p>The Company continues to optimise and closely manage its cost and resource base to best align with business opportunities and priorities.</p> <p>Whilst the Company is targeting increased revenues from both its life sciences and clean energy technology offerings in future quarters, through agreements for paid development work and the ongoing sale of its products, it is actively pursuing non-dilutionary grant funding as opportunities become available to assist in funding the capital growth costs for its clean energy projects.</p>		

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: **Yes**

The Company is anticipating the receipt of its 2024 R&D Tax Rebate by the end of November 2024. This is estimated at \$2.4m and will result in a proforma cash balance as at 30 September 2024 of approximately \$5.4m or 2.7 Quarters of cash as per 8.5.

The Board closely monitors the Company's ongoing capital requirements and will consider equity and/or debt instruments as and when required to fund the business, as it has successfully done so previously.

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

Answer: **Yes**

As noted in 8.6.1 and 8.6.2 the Company continuously considers a number of options to fund its operations and meet its business objectives.

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

Compliance statement

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

Andrew Cook
Company Secretary
30 October 2024

Notes

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