

5 January 2021

SUCCESSFUL PLACEMENT SECURES \$1.7 MILLION TO ADVANCE COMPANY'S ZEOLITE PROJECT

Zeotech Limited (ASX: ZEO, "Zeotech" or "the Company") an emerging industrial kaolin and mineral processing technology company is pleased to announce it has received firm commitments to raise \$1.7 million through a placement to sophisticated and professional investors, pursuant to section 708 of the Corporations Act 2001 (Cth). ZEO will issue a total of 34.0 million fully paid ordinary shares at \$0.05 per share ("Placement").

The Placement received strong support from existing major shareholders and investors.

The issue price was equal to the 10 day VWAP and total proceeds will be received by the Company.

Proceeds from the Placement will be used to advance Zeotech's strategy to produce high value Type A molecular sieve synthetic zeolites, which achieve prices in excess of A\$2,850 per tonne¹, using the Company's novel and proprietary mineral processing technology, developed by the University of Queensland ("UQ").

Placement details

34,000,000 shares will be issued under the Company's current ASX Listing Rule 7.1 placement capacity to raise gross proceeds of \$1,700,000. Settlement is expected to occur on Thursday, 7 January 2021 with quotation of the shares expected on Monday, 11 January 2021.

Proceeds of the Placement will primarily be applied to:

- Further advancing the Company's zeolite pilot plant program;
- Fund \$500,000 Intellectual Property ("IP") assignment fee² required to be paid to UniQuest, which has agreed to assign all its rights, title, and interest in, and to, the licensed IP³ regarding patent-pending mineral processing technology for the manufacturing (synthesising) of zeolites; and
- Further expand research opportunities to enhance and develop diverse commercial applications of the novel and proprietary mineral processing technology i.e., Zeotech and UQ are in the later stages of planning a synthetic zeolite carbon capture research program.

The Placement was facilitated through the Company's existing placement capacity under ASX Listing Rule 7.1 and does not require shareholder approval.

¹ Aranca: Global Analysis 4A detergent grade and 3A, 4A and 5A molecular sieves grade Nov 2020

² Refer to ASX announcement dated 08/12/2020 "Notice of Assignment of Intellectual Property relating to Zeolite Mineral Processing Technology"

³ Refer to ASX announcement dated 07/04/2020 "Exclusive Licence Agreement to Produce Synthetic Zeolite"

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Peter Zardo, Managing Director, Zeotech commented:

“The Company is delighted by the overwhelming long-term investor support for the placement, which strengthens our balance sheet and enables focus on accelerating outcomes of our pilot plant program, scheduled to commence within the next 30 days.”

This Announcement has been approved by the Board.

- End -

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About Zeolites

Zeolites play an important role in a cleaner and safer environment.

- zeolites are an effective substitute for harmful phosphates in powder detergent, now banned in many parts of the world because of blue green algae toxicity in waterways;
- as catalysts, zeolites increase process efficiencies = decrease in energy consumption;
- zeolites can act as solid acids and reduce the need for more corrosive liquid acids;
- zeolites adsorbent capabilities see them widely used in water treatment i.e., heavy metal removal including those produced by nuclear fission; and
- as redox catalyst sorbents, zeolites can help remove exhaust gases and CFC's.

About Zeotech

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

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

Zeotech’s novel and proprietary mineral processing technology provides access to the A\$2.6 billion global Type A zeolite market⁴.

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

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

Forward-looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of Zeotech and certainty of the plans and objectives of Zeotech with respect to these items.

These forward-looking statements are not historical facts but rather are based on Zeotech current expectations, estimates and projections about the industry in which Zeotech operates, and its beliefs and assumptions.

Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement.

Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the endeavour of building a business around such products and services.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of Zeotech, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward looking statements. Zeotech cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Zeotech only as of the date of this release. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. Zeotech will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.