

31 January 2025

December 2024 Quarterly Report

NoviqTech Limited (ASX:NVQ), is pleased to provide its quarterly report for the period ended December 31, 2024. Highlights during and subsequent to the end of the quarter included

Key Highlights

- **HBAR Strategic Angle:** During the quarter, NVQ invested \$300,000 purchasing HBAR tokens, taking its total to 1.91 million HBAR (valued at over ~\$975,000 AUD). Cash and HBAR now exceed over \$1.73M, with a further \$250,000 cash being received by the company from its strategic investor, Tony Guoga. Furthermore, the company is expected to receive over \$100,000 from its European TROEF project this quarter. The company is in a strong cash and fiscal position as it cements new global partnerships and moves towards increasing revenues.
- Hedera's distributed ledger technology was recently deployed in the digital identity platform WISEKey's next-generation satellites, which were launched aboard a SpaceX rocket, which added to the bullish investor sentiment. Furthermore, recent partnerships with gemstone certification giant World Gemological Institute and luxury Web3 fintech Vaultik to tokenize around \$3 billion worth of diamonds and other luxury items on the Hedera blockchain network.
- HBAR also benefitted from speculation around the approval of a spot HBAR exchange-traded fund by the U.S. Securities and Exchange Commission under the incoming Trump administration. Notably, Canary, a US fund manager, has already filed for an HBAR-focused ETF, and some analysts believe it has a stronger chance of being approved in 2025, ahead of others such as Ripple, Solana, and Litecoin.
- NVQ remains focused on strengthening the Hedera relationship to further drive innovation via its Carbon Central tracking and tracing platform globally, across several new key verticals.

Strategic Placement to Drive Blockchain Solutions

NoviqTech announced a strategic placement to raise \$1,050,000, aimed at accelerating the development of its blockchain solutions. This funding will bolster NoviqTech's efforts to drive innovation in blockchain technology, with a particular focus on sustainability and transparency. Notably, the placement has been supported by global innovation leader Tony Guoga (Tony G), chairman of Solana Strategies Inc., whose investment aligns with NoviqTech's mission to redefine transparency and accountability in sustainability. Tony G's background in disruptive technologies and advocacy for digital advancement further strengthens the company's position as a leader in blockchain-powered sustainability solutions.

In addition to Tony G's support, NoviqTech has attracted backing from a range of blockchain and cryptocurrency professionals, reinforcing the company's presence in the industry. The funding will fast-track NoviqTech's technology roadmap, focusing on delivering scalable blockchain solutions that set new standards for trust and compliance in sustainability. This strategic funding represents a significant milestone in NoviqTech's mission to lead the way in blockchain-powered sustainability solutions.

OTC Market Listing to Drive Blockchain Integration

NoviqTech is in the process of listing its shares on the OTC market in the United States, aiming to increase visibility and accessibility for North American investors. The listing, which is on track for early February, will allow trading in US dollars during US trading hours, without the need to issue new shares or dilute existing holdings. This move supports the company's goal of expanding its market reach and enhancing liquidity. It also positions NoviqTech to tap into the growing blockchain and cryptocurrency market momentum in the US, which is expected to continue its expansion through 2030, particularly within the public cloud segment.

In the event that the company's market capitalisation increases, NoviqTech may explore larger US exchanges such as the NYSE or NASDAQ, further strengthening its presence in the US market. The strategic listing aligns with NoviqTech's long-term vision of becoming a prominent player in the global blockchain ecosystem.

Strong Results in Share Purchase Plan (SPP)

NoviqTech reported strong results from its Share Purchase Plan (SPP), which closed on 21 November 2024. The company received over 1,140 applications, totalling more than \$1.6 million. Given the high demand, NoviqTech implemented a large-scale scale-back,

raising \$300,000 to minimise dilution for shareholders. As a result, applicants will receive fewer shares than originally requested, with excess funds being refunded without interest.

Strengthened Hedera Partnership and HBAR Investment

NoviqTech has further solidified its commitment to the Hedera ecosystem and now currently holds 1,910,123.921 HBAR tokens, valued at approximately A\$975,000. This strategic investment highlights the company's confidence in Hedera's potential to support scalable and transparent ESG (Environmental, Social, and Governance) compliance and traceability solutions.

The partnership with Hedera is central to NoviqTech's mission of delivering scalable, secure, and energy-efficient blockchain applications, particularly in the ESG space. Hedera's platform, known for its high speed, energy efficiency, and robust security, offers an ideal foundation for NoviqTech's solutions. The growing collaboration between the two companies enables NoviqTech to provide advanced, auditable solutions across industries, including resistance to emerging threats like quantum computing. This deepened relationship reinforces NoviqTech's focus on staying at the cutting edge of blockchain innovation, positioning the company for future success in various sectors.

Global Resource Recovery Expansion for Oil and Gas Sectors

NoviqTech has announced the expansion of its partnership with Global Resource Recovery (NT) (GRR), transitioning from a client relationship to a strategic alliance. As part of this expanded arrangement, GRR will act as a channel partner for NoviqTech's Carbon Central platform within Australia's oil and gas sector. This transition builds on the existing collaboration, where GRR utilises Carbon Central to enhance transparency and accountability in recycling processes. Under the new partnership, GRR will actively market Carbon Central's blockchain-enabled solutions, focusing on tracking and verifying recycling operations across Australia's oil and gas industries.

The strategic alliance marks several key milestones. GRR will expand its role to actively market the platform to its top-tier client base, while NoviqTech continues to develop and support the platform. GRR will also receive a fee for sales to clients it introduces. The flexible agreement allows for termination by mutual consent or breach.

The global oil and gas sector, valued at USD 74.13 billion by 2032, presents substantial growth opportunities for digital solutions. In Australia, regulatory demands for transparency in emissions reporting further fuel the need for Carbon Central's digital

tools. The partnership between NoviqTech and GRR is well-positioned to address these emerging needs and expand the platform's reach within the sector.

Power Synch update

Early this year, NoviqTech's commercial contract with Power Synch had a major update as the U.S. Department of the Treasury and IRS released final rules for the section 45V Clean Hydrogen Production Tax Credit under the Inflation Reduction Act. These rules provide clarity, flexibility, and investment certainty for clean hydrogen projects that intend to claim tax credits, including those in the Department of Energy's Regional Hydrogen Hubs program.

Power Synch will be utilising NoviqTech's Carbon Central to track green hydrogen production and to certify each kilogram of green hydrogen produced in the United States. The finalised rules also set out requirements for projects needing to meet emissions requirements, and prevailing wage and apprenticeship standards, aligning with the administration's focus on creating good-paying clean energy jobs and advancing the clean energy economy.

Evercity

Shortly after the quarter end, NoviqTech entered into a strategic partnership with Evercity to enhance innovation and sustainability in global carbon markets by integrating NoviqTech's Carbon Central platform with Evercity's specialized solutions. This collaboration expands both companies' market reach, particularly in emerging markets like East Africa, fostering the adoption of blockchain-enabled climate finance solutions. Key aspects include integrated capabilities for carbon project onboarding, market expansion, and a shared commitment to sustainability. The agreement outlines joint exploration of projects, technical resource sharing, and flexible termination terms, though financial impacts remain undetermined. NoviqTech's AI-driven solutions and Evercity's blockchain-enabled finance tools together promise greater transparency, accountability, and efficiency in carbon markets.

At COP29, Evercity announced a strategic collaboration with the Ugandan government.

Product Development

NoviqTech continues to enhance Carbon Central with key updates designed to improve certification processes, tokenisation flexibility, and digital twin customisation. These developments further strengthen the platform's ability to support sustainability initiatives across various industries.

The ISCC Plus system template, developed in collaboration with Global Resource Recovery (GRR), now fully supports chemical recycling certification. This update ensures seamless tracking of sustainable production and recycling processes, such as glycol reclamation, by integrating directly with site meters. The update enables automated data logging on the blockchain, voluntary GHG emissions calculations, and token minting to certify units of a product. By aligning with ISCC standards, this feature simplifies the certification process for companies committed to circular economy practices.

In addition, Carbon Central now supports batch-based token minting for any time interval, offering greater flexibility in aligning digital records with real-world production cycles. This self-service configuration allows users to trigger token minting after completing batch validations and additional manual reports, ensuring accuracy while maintaining auditability and verifiability of sustainability data.

The digital twin interface has also been upgraded to improve user experience and customisation. Users have more flexibility to customise the look and layout of digital twins making models more intuitive and easier to navigate. Additionally, key results displayed on digital twin blocks can now be fully customised, providing users with more control over how data is presented. These updates, along with refinements to token minting workflows and the Trust Chain experience, enhance the platform's performance and usability.

The token minting process has been streamlined, workflows have been improved, and deeper Hedera Guardian integration ensures secure and compliant tokenisation. These improvements contribute to greater stability, faster load times, and a more seamless user experience, positioning Carbon Central as a leading platform for carbon management, certification, and tokenisation.

Summary of Expenditure Incurred on Business Activities

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

Leased assets	21
Staff costs	259
Administration and corporate costs	407

Total cash outflow	687

Additional Information

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

Authorised by the NoviqTech Board of Directors. For any queries relating to this announcement, please contact: investors@noviqtech.com

About NoviqTech

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

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Appendix 4C

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

Name of entity

NoviqTech Limited

ABN

37 622 817 421

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers	-	-	-
1.2 Payments for			
(a) research and development	-	-	-
(b) product manufacturing and operating costs	-	-	-
(c) advertising and marketing	-	(8)	(8)
(d) leased assets	(21)	(70)	(70)
(e) staff costs	(259)	(1,305)	(1,305)
(f) administration and corporate costs	(407)	(759)	(759)
1.3 Dividends received (see note 3)	-	-	-
1.4 Interest received	1	3	3
1.5 Interest and other costs of finance paid	-	-	-
1.6 Income taxes/GST received/(paid)	5	13	13
1.7 Government grants and tax incentives	-	21	21
1.8 Other (provide details if material)	-	-	-
1.9 Net cash from / (used in) operating activities	(681)	(2,105)	
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities	-	-	-
(b) businesses	-	-	-
(c) property, plant and equipment	-	-	-
(d) investments	-	-	-
(e) intellectual property	-	-	-
(f) other non-current assets	(200)	(200)	(200)

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(200)	(200)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,414	2,597
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	258
3.6	Repayment of borrowings	-	(144)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	1,414	2,711

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	269	396
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(681)	(2,105)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(200)	(200)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,414	2,711
4.5	Effect of movement in exchange rates on cash held	(47)	(47)
4.6	Cash and cash equivalents at end of period	755	755

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	755	269
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)	755	269

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	NIL
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

7. Financing facilities <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	1,400	250
7.2 Credit standby arrangements	NIL	NIL
7.3 Other (please specify)	14	14
7.4 Total financing facilities	1,414	264
7.5 Unused financing facilities available at quarter end		1,150
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.		
7.1 Loan facility agreement Lender: Copeak Pty Ltd Interest rate: 5% per annum compounding daily Maturity date: 30 June 2025 Secured/Unsecured: Unsecured 7.3 Short-term loan Lender: Mr Fady El Turk (CEO) Interest rate: NIL Maturity date: At call (Short-term loan) Secured/Unsecured: Unsecured Please note 7.1 and 7.3 is intended to be settled in equity in the Company as set out in the notice of general meeting announced on 20 December 2024 (shareholder approval was given on 21 January 2025).		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(681)
8.2 Cash and cash equivalents at quarter end (item 4.6)	755
8.3 Unused finance facilities available at quarter end (item 7.5)	1,150
8.4 Total available funding (item 8.2 + item 8.3)	1,905
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.797
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	

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

Answer: N/A

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

Answer: N/A

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

Compliance statement

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

Authorised by the Board of Directors on 31 January 2025

On behalf of the Board,

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.