

Perth, Australia
July 30th, 2025



Strategic Elements June Quarter Update

Strategic Elements Ltd (ASX: SOR) provides the following update to accompany the Appendix 4C lodged for the quarter ending 30 June 2025. Strategic Elements (SOR) operates as a Venture Builder, sourcing and combining teams of leading scientists and innovators to develop high-potential Australian innovation. SOR majority-funds the initial stages of development and works closely with each venture, while seeking a strategic partner or major investor to support scale-up at the appropriate stage.

Q2 2025 Highlights

- **Energy Ink™ key milestone trial:** AAM began commercial facility screen printing trials targeting 1,000 prototype cells — a key milestone towards enabling international collaborations.
- **New cell architecture development:** AAM commenced testing of a redesigned disposable Energy Ink™ cell aimed at significantly extending energy harvesting duration.
- **Second underground trial scheduled:** Stealth secured a further field deployment with an additional mining company, expected to be completed in Q3 2025.
- **Strong financial position maintained:** Group cash of \$4.21M and no debt.
- **Opportunity pipeline expanded:** Early-stage engagement commenced with Australian institutions across multiple innovation sectors under SOR's Pooled Development Fund mandate.

Australian Advanced Materials Pty Ltd

AAM, a wholly owned venture of SOR, is leading the development of Energy Ink™ — a moisture-powered energy technology that generates electricity from humidity in the air. The technology is being developed in collaboration with a world-class materials science team at the University of New South Wales and other partners. Essentially, Energy Ink™ is an electronic ink composed of functionalised nanoparticles that generate electric current when exposed to ambient humidity or water vapour. SOR is supporting the early-stage development by providing patient equity capital and other resources while seeking a commercialisation partner or investor at the appropriate stage.

The technology has attracted multiple collaborations and over \$5 million in competitive, peer-reviewed scientific project funding to date. Energy Ink™ remains in the prototype stage, with two parallel development streams: a disposable, low-power version using low-cost materials, and a higher-power version designed for increased energy output. Key technical challenges continue to include power density, durability, shelf life, scalability, and integration into commercial systems.

Key Milestone Toward Global Technology Transfer

In Q2 2025, AAM commenced a specialised fabrication trial of screen-printable Energy Ink™ prototypes within an Australian commercial facility. The goal of this trial is to produce at least 1,000 prototype Energy Ink™ cells across multiple sheets using automated, industrial equipment — a scale not previously achieved outside the laboratory.

Achieving this milestone represents a critical step in demonstrating that the prototype Energy Ink™ formulation can be reliably fabricated outside the lab environment using commercial processes. While this milestone does not complete commercial device integration, it is a foundational requirement for transferring the ink technology to international collaborators who will lead development of circuits, packaging, and full system integration.

This step advances the Company's pathway toward commercial pilot programs by enabling global technical collaboration and positioning the ink component for integration into functional devices. Results from the current trial are expected to be available in the next quarter (Q3 2025).

Next-Generation Energy Ink™ Cell Development

AAM also progressed several innovations in cell architecture during the quarter as part of its active R&D program to significantly extend the duration of energy harvesting. Based on a review of earlier cell designs, the development team implemented several key improvements. Initial testing has shown promising results.

Trials of the new cell architecture are underway, with the goal of extending operational duration from weeks to multiple months — a major step toward broadening the potential application range for the disposable Energy Ink™. Further results are expected in the next quarter.

Stealth Technologies Pty Ltd

Stealth Technologies Pty Ltd (Stealth), a wholly owned venture of SOR, is developing the AxV Platform — an integrated hardware and software system combining autonomous vehicles, computer vision, robotics, and artificial intelligence. Stealth's current underground mining development work leverages the AxV Platform's capabilities to create solutions tailored for the demanding operational environments found in underground mining.

The AxV Platform is the result of years of accumulated development across multiple technology domains. Stealth has previously worked with Defence Science and Technology Group (DSTG), University of Western Australia, CSIRO, and UNSW, and has secured grants from Defence West, the Commonwealth Automotive Engineering Grant, and CSIRO's On Prime program.

Commercialisation Activities

During the quarter, Stealth advanced its underground mining platform through field demonstrations and direct engagement with industry partners. A series of targeted presentations and on-site demonstrations were conducted, resulting in multiple discussions regarding deployments and use cases.

As a direct outcome, Stealth scheduled a second mine trial, to be completed in Q3 2025, with an additional partner — independent of the existing MOU — to validate the system in real-world underground conditions.

In parallel, Stealth progressed the development of a methodology to assess the value of its technology in addressing key development drive challenges, including overbreak, underbreak, and heading conformance. Engagements with additional mining and infrastructure partners are underway.

With field activities and integration milestones now complete, Stealth is preparing for Q3 trials with Western Australian-based partners to demonstrate real-world performance and refine the platform for commercial deployment.

Maria Resources Pty Ltd & Strategic Materials Pty Ltd (100%)

Maria Resources is collaborating with Dr Franco Pirajno, one of the world's most highly cited geologists. The company applies advanced geological modelling to unexplored terrains and is currently active in the underexplored Madura Province (Nullarbor, WA).

Strategic Materials is progressing regulatory and commercial activities related to its Golden Blocks project in New Zealand.

Strategic Outlook and Opportunity Scanning

Strategic Elements operates as a registered Pooled Development Fund (PDF) under Australian Federal legislation designed to support early-stage innovation through patient capital. In addition to advancing its current ventures, the Company **has commenced a structured review of new opportunities aligned with this mandate.**

This includes early engagement with universities, research institutions, and government programs across a broad range of innovation areas. The focus is on identifying high-potential Australian innovations that align with SOR's early-stage capital, collaborative development expertise, and patient-capital aspects of the Pooled Development Fund program.

While discussions remain at a preliminary stage, the Company sees long-term potential in supporting breakthrough innovation emerging from institutional research and deep-tech ecosystems. Further updates will be provided in the September quarter report.

Strategic Elements Financials

The Company ended the quarter with a strong cash position of \$4.21M and no debt. Across the group, net expenditure was \$652k; this included all corporate costs, research and development expenditures, internal costs incurred in operating the ASX-listed entity and direct costs in providing management assistance to investee companies, principally Australian Advanced Materials (Energy Ink™ technology) Stealth Technologies (robotics and artificial intelligence) and Maria Resources (frontier exploration).

Corporate and internal costs incurred in operating the ASX-listed entity of \$273k were attributable to Strategic Elements. Payments of \$228k to related parties and their associates are reported at item 6.1 of the accompanying Appendix 4C, this includes remuneration for Executive Directors. AAM incurred net expenditure of \$170k related to R&D development undertaken at UNSW, consultants and other costs incurred in research and managing AAM's IP portfolio. Amounts recorded as receipts from customers in 1.1 reflect inter-company cost reimbursements for AAM R&D activities. Stealth incurred \$260k in staff, consultants, and R&D development expenses across projects. Cognition Engines incurred \$5k for R&D development and consulting costs. Maria incurred \$5k in costs associated with its technology metals projects. Strategic Materials incurred \$2k in permit and consulting fees for holding the Golden Blocks permit in New Zealand.

The Company remains in a strong financial position to support current and emerging ventures, with flexibility to respond to new opportunities under the PDF framework.

Strategic Elements thanks shareholders for their continued support as it advances high-potential early-stage innovation under its Pooled Development Fund mandate. This announcement was authorised for release by the Strategic Elements' Board of Directors.

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Risks and Forward-Looking Statement- The Company's future success depends on its venture companies' successful development. The Company has had initial success with the development of Energy Ink™ technology. However, given it is still an early-stage technology, it is susceptible to risks associated with early-stage R&D, such as the uncertainty of material science development, intellectual property risks, materials engineering challenges, competition, fabrication challenges, access to required laboratory equipment and problems scaling up lab-based methods. There can be no guarantee that the assumptions and contingencies on which any forward-looking statements, opinions and development timeline estimates contained in materials published by the Company are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of the Company. Actual performance of The Company may materially differ from forecast performance.

Appendix 4C

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

Name of entity

Strategic Elements Limited

ABN

47 122 437 503

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		73	73
1.2 Payments for			
(a) research and development		(215)	(1,069)
(b) product manufacturing and operating costs		-	-
(c) advertising and marketing		(1)	(13)
(d) leased assets		-	-
(e) staff costs		(382)	(1488)
(f) administration and corporate costs		(169)	(749)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		44	180
1.5 Interest and other costs of finance paid		(2)	(5)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	707
1.8 Other		-	-
1.9 Net cash used in operating activities		(652)	(2,364)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		-	(13)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$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 used in investing activities	-	(13)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	875
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	-	(37)
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 financing activities	-	838

4.	Net increase/(decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,869	5,756
4.2	Net cash used in operating activities (item 1.9 above)	(652)	(2,364)
4.3	Net cash used in investing activities (item 2.6 above)	-	(13)
4.4	Net cash from financing activities (item 3.10 above)	-	838

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	4,216	4,216

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	616	721
5.2	Term deposits	126	121
5.3	60 Day Notice	3,500	4,050
5.4	Other (credit card)	(26)	(23)
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,216	4,869

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	228
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

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 used in operating activities (item 1.9)	(652)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,216
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	4,216
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">6.46</div>
<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	
<i>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.</i>		

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.

Date: ...July 30 2025.....

Authorised by: ...Elliot Nicholls.....
(Name of body or officer authorising release – see note 4)

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.