

ASX ANNOUNCEMENT

30 January 2025

QUARTERLY ACTIVITIES REPORT

For the quarter ended 31 December 2024

PITTONG OPERATIONS AND QUARTERLY CASHFLOW

- Hydrous kaolin revenue of A\$3.3 million, +10.4% compared to the prior corresponding period (pcp), demonstrating growing sales momentum.
- Pittong Operations EBITDA¹ of A\$0.51 million, +201% compared to pcp.
- Pittong Operations Net Profit² of A\$0.39 million, +164% compared to pcp.
- Agreement reached with Norske Skog extending a major supply contract for a further three years, with an estimated delivery of between 21kt and 24kt of hydrous kaolin, **an increase in order volumes of up to 47%** on the previous contract (ASX Announcement 22 January 2025).
- Product verification testing by end-users on Pittong kaolin is on-going with **larger batch trials currently underway**.
- As per Appendix 5B Cashflow Report, cash receipts were down by ~A\$0.4 million in the reported quarter as some customers paid in early January 2025. Additionally, cash payments for kaolin production include inventory build-up due to increased sales (i.e. tonnes produced exceeded tonnes sold in order to increase floor stock). The Company expects higher cash receipts and lower operational cash costs in the coming quarter as a result.

LOW CARBON CEMENT AND CONCRETE DEVELOPMENT

- The Company executed a Shareholders Agreement with PERMAcast R&D Pty Ltd for 50/50 ownership of two newly incorporated joint venture entities, established to bring low carbon cement and concrete products to market. Substantial on-site test work and scale-up activities have been undertaken throughout the quarter.

Aaron Banks
EXECUTIVE CHAIRMAN

Peter Trinder
NON-EXECUTIVE DIRECTOR

Mark Pensabene
NON-EXECUTIVE DIRECTOR

Suvo Strategic Minerals Ltd. ABN 97 140 316 463
Head Office: Level 11, 40 The Esplanade, Perth, Western Australia 6000
Operations: 3610 Glenelg Highway, Pittong, Victoria 3360

suvo.com.au

ASX: SUV

- A term sheet was executed with PT Huadi Bantaeng Industry Park to establish an incorporated joint venture entity, to commercialise and manufacture low carbon cement products in Indonesia. A site visit has been booked for February this year, to meet representatives of PT Huadi and negotiate key terms of the proposed joint venture.

¹ Earnings before interest, taxes, depreciation, and amortisation (EBITDA) for the Pittong Operations. Excludes head office/corporate overheads.

² Income minus cost of goods sold, expenses, depreciation and amortisation, interest and taxes (Net Profit) for the Pittong Operations. Excludes head office/corporate overheads.

Suvo Strategic Minerals Limited (ASX: SUV) (“Suvo” or “the Company”) is pleased to release its December 2024 Quarterly Report.

Pittong Hydrous Kaolin Operations

The Company generated revenue of ~A\$3.3 million for the December quarter, representing a 10.4% increase compared to the prior corresponding period and demonstrating growing sales momentum.

Subsequent to the end of the reported quarter, Suvo extended a major supply contract, with Norske Skog, for a further three years. Norske Skog anticipates it will purchase between 21kt and 24kt of hydrous kaolin during the term, representing an increase in order volumes of up to 47% on the previous contract.

The increase in demand from Norske Skog, one of Suvo’s major customers, is a great start to the 2025 calendar year, providing strong growth to sales.

Additionally, product verification testing by end-users on Pittong kaolin is on-going with larger batch trials currently underway. Feedback from testing is expected in the near term, and specifically, test work for the use of kaolin to control and capture inhalable particulate lead emission from municipal solid waste incineration.

Annual kaolin demand from the aforementioned customer completing test work for the capture of inhalable emissions, from their single operational incinerator is estimated to be 1,500 tonnes. A growth opportunity exists as a second incinerator of double the size, is currently under construction and additionally, there may be scope to target another 5–6 customers for the same application.

For the reported quarter, and as a direct result from the growth in sales and optimisation of operational costs, Suvo generated EBITDA¹ and Net Profit² of A\$0.51 million and A\$0.39 million respectively, a +201% and +164% improvement compared to the prior corresponding period.

Low Carbon Cement and Concrete

Australia:

The Company executed a Shareholders Agreement with PERMAcast R&D Pty Ltd for 50/50 ownership of two newly incorporated joint venture entities (the “JV”), established to bring low carbon cement and concrete products to market.

During the quarter, the JV undertook various on-site mix-design trials utilising various industrial by-products. Market acceptance, testing regimes and product demand drove the investigative process and the JV selected several pre-cast products which could potentially be manufactured at scale. Consequently, the JV trialled various mix-designs targeting several parameters, including but not limited to concrete strength, to meet the end product requirements. The mix-design trials also included optimisation of key inputs for cost benefits.

Additionally, the JV commenced the upgrade of the proprietary and licensed pilot scale concrete batching plant. During the past 6 months, various modifications and improvements were identified to help with accuracy and more consistent formulations being produced. The modified concrete batching plant, once commissioned, is expected to have a throughput capability of 2 cubic metres per hour and will be scalable as the JV progresses its goal, to commercialise low carbon concrete products. It is anticipated the modified concrete batching plant will be commissioned and operational by the end of the Q2 CY 2025.

During the quarter, the JV also commenced on-site test work on partially replacing the Portland cement component within concrete, using supplementary cementitious materials (SCM's). Trials and investigations included some well known SCM's such as kaolin, which has been calcined, as well as other more novel industrial by-products including Delithiated Beta Spodumene (DBS), the leach residue produced after lithium refining.

Throughout December, various government bodies and large civil contractors visited the PERMAcast facility to inspect the sample low carbon pre-cast products manufactured to date providing positive feedback and highlighting their interest in low carbon options, whether through partial or full substitution of Portland cement.

The JV continues to engage in negotiations for potential supply contracts for its low carbon products whilst optimising mix-designs and scale of the existing concrete batching plant.

Indonesia:

During the quarter, the Company executed a non-binding term sheet with PT Huadi Bantaeng Industry Park (PT Huadi) to establish an incorporated joint venture entity, intended to commercialise and manufacture low carbon cement products in Indonesia.

The term sheet was executed shortly after the release of the results from the laboratory trials completed by Professor Subaer at Makassar State University, in Indonesia. The trials, which intended to produce a high strength, low carbon cement using zero-carbon nickel slag, comprised of three samples which returned an average strength test of 29.9Megapascals (MPa) after only 7 days. The average MPa reached 35.6 after 21 days and 39.14 after 28 days.

In December, PT Huadi's Chief Executive Officer visited the PERMAcast facility to inspect the JV's manufacturing capabilities and the existing propriety and licensed concrete batching plant. Suvo's Executive Chairman, Aaron Banks, and PERMAcast's Managing Director, Alberto Ferraro will be visiting PT Haudi in the coming weeks, to advance discussions with respect to the proposed joint venture and with respect to securing the various nickel smelters waste stockpiles.

Corporate

During the quarter, the Company received A\$2.0 million (before costs) from an oversubscribed Placement, with cornerstone investment by the shareholders of PERMAcast, taking 15% of the total Placement. The funds from the Placement support the development and commercialisation of the Company's low carbon cement and concrete intellectual property.

Additionally, during the quarter, the Company received a cash refund of ~A\$0.4 from its R&D tax incentive claim, for the financial year ended 30 June 2024.

Disclosure Requirements (Guidance Note 23 Disclosures)

Details of mining exploration activities:

The A\$79,000 of exploration and evaluation expenditure was largely attributable to tenement management and land access fees.

Details of mining production and development activities:

The Company spent A\$3.01 million on hydrous kaolin mining and processing costs and A\$0.15 million on development activities (excludes exploration & evaluation) during the quarter ended 31 December 2024.

Details of tenement activities:

The Company holds the following tenements at the end of the quarter:

TENEMENT	PROJECT	OWNERSHIP	CHANGE
E70/5039	Gabbin Kaolin	100%	Nil
E70/5001	Eneabba Silica Sand	100%	Nil
M5408	Pittong Kaolin	100%	Nil
M5409	Trawalla Kaolin	100%	Nil
M5365	Lal Lal Kaolin	100%	Nil

E = Exploration License (granted)

M = Mining Lease (granted)

Details of related party payments:

During the quarter the Company paid A\$0.15 million to Directors for Salaries and Wages.

Approved for release by the Board

–ENDS–

For further information, please contact

Aaron Banks
Executive Chairman
E: aaron.banks@suvo.com.au



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Visit investorhub.suvo.com.au/welcome

Company Profile

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on expanding sales of hydrous kaolin produced at its 100% owned Pittong operation located 40km west of Ballarat in Victoria. Suvo is also progressing commercialisation of the 'Murdoch Technology', namely Intellectual Property for a geopolymer concrete batching plant a low carbon geopolymer concrete formulation known as 'Collicrete', which it licenses under a worldwide and exclusive Intellectual Property License Agreement.

Pittong Operations

The 100% owned Pittong Operations, located in Victoria 40km west of Ballarat, is the sole wet kaolin mine and processing plant in Australia and has been in operation since 1972. Pittong comprises the Pittong, Trawalla and Lal Lal deposits located on approved Mining Licences MIN5408, MIN5365 and MIN5409 respectively. The Pittong processing plant has a name-plate capacity of 60,000 tonnes per annum.

At Pittong mining contractors deliver crude kaolin ore to stockpiles from the two currently operating mines, Pittong and Lal Lal. The plant takes its feedstock from the ROM and it is processed into four separate product forms for end users. These product forms are 10% moisture lump, high solids slurry, 1% moisture powder and 1% moisture pulverised powder. The solids slurry is used in paper and board manufacturing. The other products are used in paper, coatings, paint and specialist industries including rubber and pharmaceutical applications.

Low Carbon Cement and Concrete IP and Commercialisation

Suvo licenses the 'Murdoch Technology' from Murdoch University under a worldwide and exclusive Intellectual Property License Agreement. The Murdoch Technology is namely Intellectual Property for a geopolymer concrete batching plant a low carbon geopolymer concrete formulation known as 'Collicrete'.

Geopolymer concrete is a low carbon concrete that is made by reacting aluminate and silicate bearing materials with a caustic activator, such as metakaolin, flyash, ground blast furnace slag and other waste derived materials. Geopolymer concrete is a suitable replacement for concrete made using the traditional binder known as Ordinary Portland Cement (OPC). The manufacture of OPC is a highly emitting process representing 8% of global CO₂ emissions which is equivalent to the entire global car fleet.

Suvo has entered into a binding Joint Development Agreement (JDA) with PERMAcast and has incorporated a joint venture entity (SPV Entity) to develop and commercialise low-carbon geopolymer concrete (GPC) products. Under the binding JDA, Suvo and PERMAcast will prepare and test various formulations, assess their suitability for different applications, and determine the best route for commercialisation through the jointly-owned special purpose vehicle.

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 SUV and certain of the plans and objectives of SUV with respect to these items.

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

Words such as "anticipates," "considers," "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 industry in which SUV operates.

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 SUV, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks

include, but are not limited to resource risk, product price volatility, currency fluctuations, increased production costs and variances in product grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

SUV cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of SUV 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.

SUV 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Suvo Strategic Minerals Limited

ABN

97 140 316 463

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	2,898	6,085
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(3,012)	(5,800)
	(d) staff costs	(477)	(886)
	(e) administration and corporate costs	(636)	(1,173)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	15	28
1.5	Interest and other costs of finance paid	(69)	(88)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	380	410
1.8	Other (income tax refunds)	-	-
1.9	Net cash from / (used in) operating activities	(901)	(1,424)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(147)	(257)
	(d) exploration & evaluation	(79)	(82)
	(e) investments	-	-
	(f) other non-current assets	(1)	(15)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(227)	(354)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,000	2,000
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	(120)	(120)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(161)	(339)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(67)	(149)
3.10	Net cash from / (used in) financing activities	1,652	1,392

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,216	3,126
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(901)	(1,424)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(227)	(354)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,652	1,392

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,740	2,740

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	2,740	2,216
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (cash held in term deposit)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,740	2,216

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	149
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>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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 (equipment finance facility)	1,000	451
7.4 Total financing facilities	1,000	451
7.5 Unused financing facilities available at quarter end		549
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.		
The facility is an equipment finance facility provided by National Australia Bank. The rates on the existing equipment loans drawn range from 4.15% to 7.43%. The rates are specific to the prevailing rate of the day, loan amount, equipment being financed and term of the loan. The loans vary from 3-5 years. The facility is secured.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(901)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(79)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(980)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,740
8.5 Unused finance facilities available at quarter end (item 7.5)	549
8.6 Total available funding (item 8.4 + item 8.5)	3,289
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.36
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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	
8.8.2 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	

8.8.3 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 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 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.

Date: 30 January 2025

Authorised by: The Board of Directors
(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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.