

15 December 2025

Mr Jonathan Reynolds  
Company Secretary  
Ryon Materials Limited  
Suite 1, Level 11  
1 Castlereagh Street  
Sydney NSW 2000

By email only.

Dear Mr Reynolds

**Ryon Materials Limited ('RYZ'): ASX Query Letter**

ASX refers to the following:

- A. RYZ's bank transaction history evidencing payments aggregating \$1,861,250 from 25 November 2025 to 26 November 2025.
- B. RYZ's announcement titled 'Prospectus lodged with ASIC' (the 'Prospectus') released on the ASX Market Announcements Platform ('MAP') at 9.02AM AEDT on 28 November 2025 disclosing the following:
  - 1.1 *"This Prospectus is dated 27 November 2025 and was lodged with ASIC on that date."*
  - 1.2 At section 2.1 of the Prospectus, details of the Offers, being:

Placement Offer

*Pursuant to this Prospectus, the Company invites the participants in the Placement... to apply for up to 200,000,000 Shares at an issue price of \$0.05 per Share, together with one free-attaching Option, exercisable at \$0.05 per Option on or before the date that is 3 years from the date of issue... for every one Share subscribed for and issued, to raise up to an \$1,000,000 (before expenses) ('Placement Offer').*

Secondary Offers

*This Prospectus includes the following Secondary Offers:*

- a) 339,880,000 Shares and 169,940,000 Options (on the same terms as the Placement Options), to F.X Funds Management Pty Ltd (or its nominees) in satisfaction of the secured debt (F.X Offer);
- b) 70,000,000 Shares and 35,000,000 Options (on the same terms as the Placement Options), to Yantai for the provision of engineering services (Yantai Offer);
- c) 10,000,000 Shares and 5,000,000 Options (on the same terms as the Placement Options) to Yantai for a placement of \$500,000 (Yantai Placement Offer);
- d) 3,000,000 Shares and 20,000,000 Options exercisable at \$0.06 and expiring on the date that is 4 years from the date of issue (Global Options), to Global Corporate Finance in satisfaction of a commitment fee and a fee for entering into the agreement, respectively, under the Facility Agreement (Global Offer); and
- e) an aggregate of 22,000,000 Options, exercisable at \$0.10 and expiring three years from the date of issue (Director Options) to the Directors of the Company (Director Offer).

*(together, the Secondary Offers).*

1.3 At section 3.1 of the Prospectus, the proceeds of the Placement Offer:

ITEM	PROCEEDS OF THE PLACEMENT OFFER	FULL SUBSCRIPTION (\$)	%
1.	Nachu Project water infrastructure	210,000	2.10
2.	Nachu Project civil works	398,000	3.98
3.	Nachu Project permitting	105,000	1.05
4.	Nachu Project licencing	229,000	2.29
5.	Tanzanian staff and in-country expenditure	1,470,000	14.70
6.	Corporate overhead	1,958,000	19.58
7.	Legal and insurance expenditure	718,000	7.18
8.	Nachu Project AP and accrual reduction	1,684,000	16.84
9.	Corporate AP and accrual reduction	1,518,000	15.18
10.	Working capital	1,671,233	16.71
11.	Expenses of the Placement Offer	38,767	0.39
<b>Total</b>		<b>10,000,000</b>	<b>100%</b>

In the event the Company issues less than 200,000,000 Shares under the Placement Offer, then the Company intends to responsibly adjust its proportion of working capital for optimising allocation as a priority for Nachu Project development expenditure.

1.4 At section 3.5 of the Prospectus, an unaudited pro forma balance sheet reflecting the changes to RYZ's financial position resulting from the Secondary Offers as if those adjustments had occurred as at 30 June 2025 and including expenses of the Offers:

	AUDITED 30 June 2025	PROFORMA 30 June 2025
<b>Current assets</b>		
Cash <sup>1</sup>	77,621	10,577,621
Other current assets	269,627	269,627
<b>Total current assets</b>	<b>347,248</b>	<b>10,847,248</b>
<b>Non-current assets</b>		
Development <sup>2</sup>	-	3,500,000
Right of use assets	1,500,150	1,500,150
Plant and equipment	15,997	15,997
<b>Total non-current assets</b>	<b>1,516,147</b>	<b>5,016,147</b>
<b>Total assets</b>	<b>1,863,395</b>	<b>15,863,395</b>
<b>Current liabilities</b>		
Trade and other payables <sup>3</sup>	13,698,171	9,357,551
Lease liability	315,347	315,347
Provisions	322,342	322,342
Borrowings <sup>3</sup>	8,237,593	-
<b>Total current liabilities</b>	<b>22,573,453</b>	<b>9,995,240</b>
<b>Non-current lease liability</b>	<b>1,258,693</b>	<b>1,258,693</b>
<b>Total liabilities</b>	<b>23,832,146</b>	<b>11,253,933</b>
<b>Net assets (liabilities)</b>	<b>21,968,751</b>	<b>4,609,462</b>

<b>Equity</b>		
Share capital	241,876,346	273,070,346
Reserves	6,561,204	6,561,204
Accumulated losses <sup>3,4</sup>	(270,412,315)	(285,700,602)
<b>Total equity</b>	<b>(21,968,751)</b>	<b>4,609,462</b>

**Notes:**

1. Yantai Placement Offer of \$500,000 and Placement Offer of \$10 million.
2. Yantai Offer in satisfaction of completing engineering services under the Yantai Contract.
3. F.X Offer in satisfaction of the secured debt.
4. Global Offer in connection with the Equity Commitment Agreement.

C. RYZ's email dated 3 December 2025 attaching the Independent Auditor's Review Report from A D Danieli Audit Pty Ltd (dated 26 November 2025) on RYZ's historical and pro forma financial information for the period ended 30 September 2025, which disclosed (relevantly):

***"Historical information***

*Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that the Historical Financial Information as outlined in the attached pro forma does not present fairly the:*

- *reviewed consolidated historical statement of financial position; or*
- *pro forma consolidated historical statement of financial position;*

*of Ryzon Materials Limited as at 30 September 2025;*

***Pro Forma historical financial information***

*Based on our review, which is not an audit, nothing has come to our attention that cause us to believe that the pro forma historical information being the statement of financial position as at 30 September 2025 is not presented fairly in all material aspects, in accordance with the stated basis of preparation."*

D. RYZ's email dated 4 December, attaching RYZ's bank transaction history evidencing a closing balance of \$9,059,898.56 as at 4 December 2025, the body of which stated:

*"Further to the below I attach an updated bank transaction list for today. I confirm the full proceeds of the Placing have now been received by the company."*

E. ASX's email dated 4 December 2025, relevant sections reproduced below:

...

*Should ASX decide to reinstate the quotation of RYZ's securities, this decision will be based on the accuracy and completeness of the information and representations provided to us. If in the opinion of ASX any of these statements are deemed to be false or misleading, either through omission or otherwise, ASX reserves the right to promptly remove the company from the official list under Listing Rule 17.12 without having further recourse to you.*

...

*Following our discussion on the phone, I understand that:*

- *Xinhai paid RYZ a total of \$1,000,000 in October 2025;*
- *the \$1,000,000 paid by Xinhai in October, and the \$9,059,909.56 RYZ currently has in cash at bank, represents the total amount raised under the Placement; and*
- *RYZ has already spent the \$1,000,000 paid by Xinhai.*

We would appreciate if RYZ could please provide some further detail on the following:

1. provide a breakdown of what the \$1,000,000 raised from Xinhai has been spent on;
2. noting that RYZ's Supplementary Prospectus dated 3 December 2025, contemplates that the proceeds of the Placement Offer would be attributed expenditure to be incurred in the 12 months from re-instatement, please can you provide a reference to where RYZ has stated in either the Prospectus dated 27 November 2025, or the Supplementary Prospectus dated 3 December 2025, that it would spend \$1,000,000 of the Placement proceeds prior to re-instatement; and
3. please can you explain how the \$1,000,000 raised from Xinhai in October 2025 can be considered to be raised under the Placement Offer, given the Prospectus is dated 27 November 2025.

F. RYZ's response to the above in the email dated 9 December 2025 (relevantly):

- 1.1 "... as the Company required additional working capital, in October 2025, Xinhai agreed to advance a further \$1 million (on an interest free unsecured with no fixed date for repayment basis)."
- 1.2 A breakdown of what the \$1,000,000 raised from Xinhai was spent on:

Using the same classifications as the use of funds used in the Prospectus, the breakdown is:

	\$
Nachu Project licensing (annual fee)	229,000
Tanzanian staff and in-country expenditure	85,000
Corporate overhead	84,000
Legal and insurance expenditure	242,000
Nachu Project accounts payable and accrual reduction	102,000
Corporate accounts payable and accrual reduction	258,000
<b>Total</b>	<b>1,000,000</b>

This was for the period of October to November 2025.

- 1.3 "The Use of Funds set out in the Prospectus took into account the full \$10 million proposed to be raised under the Placement Offer and it inadvertently included the expenditure for the full period from 1 October 2025 to the end of 12 months from the date of the Prospectus, not just for the 12 months from the date of the Prospectus. The Company has now incorporated the Use of Funds for the funds received to date under the Prospectus, and it does not intend to raise further funds."

G. RYZ's announcement titled "Second Supplementary Prospectus lodged with ASIC" (the 'Second Supplementary Prospectus') released on MAP at 4.54PM AEDT on 10 December 2025 disclosing at section 2.4 of the Second Supplementary Prospectus:

#### ***1.6 Yantai Placement Offer***

*In the same announcement disclosed at Section 1.5, the Company detailed a placement of \$500,000 worth of Shares and free-attaching Options to Yantai for working capital. These funds were advanced to the Company in August 2025 and since the advance the Company obtained Shareholder approval at the Annual General Meeting to issue 10,000,000 Shares at a deemed issue price of \$0.05 per Share with 5,000,000 free-attaching Options. The Notice of Meeting detailed that funds were advanced by Yantai. The Yantai Placement Offer is therefore being undertaken as a set off against the funds previously advanced by Yantai, and not as an additional raising of funds.*

*Yantai advanced a further \$1,000,000 to the Company in October 2025 for working capital. The Company will issue a further 20,000,000 Shares and 20,000,000 free-attaching Options, on the same terms as the Placement Offer, to Yantai to offset the advanced amount. The Company will utilise its ASX Listing Rule 7.1 placement capacity to issue these securities (Yantai Additional Placement).*

*The funds advanced by Yantai and being satisfied under the Yantai Placement Offer and the Yantai Additional Placement, were applied towards general working capital including operating expenditures, trade and other payables, development-related costs and other routine corporate and administrative expenses. The Shares and Options being issued to Yantai under the Yantai Placement Offer and the Yantai Additional Placement are therefore in full satisfaction of the respective amounts advanced, which have now been fully expended by the Company.”*

H. RYZ's email received at 10.18AM AEDT on 10 December 2025 attaching an amended pro forma financial information for the period ended 30 September 2025, adjusted in light of the disclosures made in the Second Supplementary Prospectus, and RYZ's further email received at 10.37AM AEDT on 10 December 2025, stating:

*“I have spoken with the auditors and they are content for their report as previously issued to be used in the announcement. They have already reviewed the updated pro forma and do not propose issuing a redated report.”*

I. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

J. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

*“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”*

K. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled “When does an entity become aware of information?”

L. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following 5 situations applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

M. The concept of “confidentiality” detailed in section 5.8 of *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential*

*and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule."*

### **Request for information**

Having regard to the above, ASX asks RYZ to respond separately to each of the following questions:

1. Please provide the date on which discussions with Xinhai Mining Research & Design Co. ('Xinhai') regarding the Yantai Additional Placement commenced.
2. Please provide the date on which RYZ formally entered into the Yantai Additional Placement with Xinhai.
3. Please provide copies of any documentation, including file notes, relevant to the entry by RYZ into the Yantai Additional Placement (not for release to market).
4. With reference to subclauses 1.1 and 1.2 of paragraph F above, does RYZ consider the matter of the Yantai Additional Placement to be information that a reasonable person would expect to have a material effect on the value of RYZ's securities?
5. If the answer to question 4 is "no", please advise the basis for that view.
6. Please explain why the Additional Yantai Placement was not disclosed to the market at an earlier time than the release of the Second Supplementary Prospectus, commenting specifically on when you believe RYZ was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps RYZ took to ensure that the information was released promptly and without delay.
7. Please confirm if the Additional Yantai Placement was disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed.
8. If the Additional Yantai Placement was not disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed, please advise the reason why this was not disclosed.
9. Please provide A D Danieli Audit Pty Ltd's reasons for not providing a redated Independent Auditor's Review Report following changes to the pro forma financial information (paragraph H). In answering this question, please:
  - 9.1 clarify what information was provided to A D Danieli Audit Pty Ltd to assist in its consideration of the amended pro forma and whether an updated conclusion was required; and
  - 9.2 provide copies of RYZ's correspondence with A D Danieli Audit Pty Ltd in relation to this matter, or any records made of relevant discussions (not for release to market).
10. In respect of RYZ's expenditure of the proceeds from the Additional Yantai Placement (set out at paragraph F above), please provide copies of all relevant invoices attributable to the amounts identified as paid above at paragraph F, together with copies of RYZ's bank statements evidencing the payment of those amounts. For ASX's ease of reference, ASX asks for RYZ to provide this information in a table cross-referencing the relevant i) payments ii) invoices and iii) bank transactions.
11. Please confirm the basis on which the identified funds set out at paragraph A were received by RYZ for the purpose of the Placement Offer, given that the funds were received prior to the lodgement of the Prospectus. In answering this question, please confirm that:
  - 11.1 the funds identified at paragraph A were validly accepted by RYZ under the Corporations Act and what section(s) of the Corporations Act RYZ relies on to provide this confirmation; and
  - 11.2 specifically what representations were made to the investors who provided these identified funds prior to the lodgement of the Prospectus.

12. Please provide a copy of RYZ's bank transaction history for the period beginning 4 December 2025 to 15 December 2025 (not for release to market).
13. Please confirm that RYZ is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
14. Please confirm that RYZ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RYZ with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7 and 18.8. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Wednesday, 17 December 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, RYZ's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require RYZ to request a trading halt immediately if trading in RYZ's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

## Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in RYZ's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to RYZ's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that RYZ's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

If in the opinion of ASX any of these statements are deemed to be false or misleading, either through omission or otherwise, ASX reserves the right to promptly remove RYZ from the official list under Listing Rule 17.12 without having further recourse to the Company.

## Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance

16 December 2025

ASX Compliance  
Australian Securities Exchange Limited  
39 Martin Place  
Sydney NSW 2000

By Email: ListingsComplianceSydney@asx.com.au

Dear Sirs

### **RESPONSE TO ASX AWARE LETTER**

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We refer to your letter dated 15 December 2025 and respond using the same numbering system and capitalised terms.

#### **Background**

The Company refers to the following specific ASX announcements made in connection with its financing arrangements in place since 1 January 2025:

28 January 2025	Shareholder update secured debt
31 January 2025	Quarterly Activities /Appendix 5B Cash Flow Report
30 April 2025	Quarterly Activities /Appendix 5B Cash Flow Report
23 May 2025	Shareholder update secured debt
23 May 2025	June 2024 Annual Report to shareholders
30 May 2025	Nachu graphite project update
3 July 2025	Half-yearly report and accounts
30 July 2025	Quarterly Activities /Appendix 5B Cash Flow Report
30 September 2025	Xinhai expanded engineering agreement and capital raising
9 October 2025	Shareholder update
9 October 2025	Annual Report to shareholders
10 October 2025	Secured debt to be capitalised
28 October 2025	Quarterly Activities /Appendix 5B Cash Flow Report
29 October 2025	Notice of annual general meeting
21 November 2025	Update on reinstatement to official quotation
26 November 2025	Results of meeting

As set out in the 8 October 2025 announcement, the secured debt fund agreed to extend the maturity date of the secured debt to 30 September 2026 and to continue to provide financial support to the Company by way advancing up to a further \$7 million over the next 12 months to assist the Company with its ongoing operating costs and working capital requirements.

As set out in the 10 October 2025 announcement, the secured debt fund agreed to capitalise the full present balance of the secured debt, including principal, interest and other charges at A\$0.05 per share with a free option for every two shares issued. A total of 339,880,000 fully paid ordinary shares



and 169,940,000 options was agreed to be issued, subject to (i) shareholder approval which was to be sought at the Company's next Annual General Meeting expected in November 2025 and (ii) the re-quotation of the Company's shares on the ASX.

At this time, the Company was actively engaged with ASX regarding the reinstatement of its shares to quotation. Although the Company had yet to receive the details of the conditions precedent required to be satisfied in order to secure reinstatement, from the discussions held with ASX officers, the Company understood that it would need at the very least (i) to be fully compliant with its Corporations Act activities requirements, which at that time meant it would need to hold its 2025 annual general meeting by end November 2025; (ii) arrange for the secured debt to be capitalised and to bring its balance sheet into a net asset position; and (iii) it would require sufficient working capital to meet its cashflow requirements for the 12 months following reinstatement without reference to further equity capital.

The Company was reluctant to utilise the secured debt fund financial support to obtain funding to meet its liquidity requirements as that would have meant reopening discussions with the secured debt fund on the terms of capitalising the debt.

Fortunately, the Company had been introduced to Xinhai Mining Research & Design Co. ('Xinhai') earlier in calendar 2025. Xinhai, following internal analysis, formed the view that the Nachu project was potentially very valuable and they wished to become involved in the project both as service provider and as an equity participant. Xinhai's involvement has been flagged to the market including in the 30 May 2025 announcement, the June quarterly activities report, the 30 September 2025 announcement and the September quarterly activities report. Xinhai is and continues to be very supportive of the Company and the Nachu project as they are comfortable with both management and the project.

The 30 September announcement advised the commercial agreement with Xinhai for them to invest \$500,000 by way of equity, at a price of \$0.05 with an attaching (1 for 2) 3 year option. As the Company was in need of funding, the funds for the ultimate subscription were initially advanced in August 2025 and expended in the period August – October 2025 with Xinhai's full knowledge. At the November AGM shareholders then approved the issue of shares, in which the notice of meeting made clear that the issue was in satisfaction of funds advanced. The issue of these shares remains pending the ASX decision on whether to reinstate the shares to trading.

In October 2025, Xinhai agreed to advance a further \$1 million. At the time these funds were advanced, the Company and Xinhai had initial discussions that it was possible for the funds to be capitalised into equity at the appropriate time. This was informal and no agreement was reduced to writing and Xinhai and the Company did not seek to formally agree any debt for equity conversion until ASX had confirmed that it approved the reinstatement of the shares to trading. Xinhai was also not willing to agree any conversion until there was certainty that the reinstatement would take place.

These funds were advanced on an interest free unsecured basis with no fixed date for repayment. In the event no agreement was reached on a debt for equity conversion, the funds would have had to be repaid to Xinhai or an alternative commercial agreement would have had to be reached.



By 29 October 2025, the Company had commenced discussions with sophisticated investors to raise up to \$10 million through the issue of 200 million shares at \$0.05 per share with a free attaching option as set out in the Notice of AGM (Placement) as the timing to the automatic delisting date was less than 6 weeks away. At the November AGM shareholders approved the issue of shares.

It was the view of the Company's management that the Xinhai advance could form part of the Placement and could be a subscription under the 27 November 2025 Prospectus. Following the receipt of advice, the Company came to understand that this would need to be undertaken as a separate placement under the Company's LR 7.1 capacity. Accordingly, following discussions between the Company and Xinhai it was agreed that they would capitalise the advance into shares on equivalent terms through utilisation of the Company's LR 7.1 placing capacity. This revised basis of this subscription was then set out in the Second Supplementary Prospectus (subject to reinstatement to trading).

In summary, and as can be seen, the initial advance of the \$1 million was therefore a funding amount, which subsequently but incorrectly was thought could form part of the Placement, but based on advice was then directed to a placement using the LR 7.1 capacity.

**1. Please provide the date on which discussions with Xinhai Mining Research & Design Co. ('Xinhai') regarding the Yantai Additional Placement commenced.**

The initial discussions relating to the advance occurred in the week commencing 13 October 2025 at a face-to-face meeting in Sydney between representatives of the Company and Xinhai and the funds were advanced in 3 tranches. The discussions for the advance to initially form part of the Placement only commenced after ASX had issued the letter confirming that it would re-instate the Company's securities but none of these discussions were reduced to writing as it was intended that Xinhai would apply under the Prospectus.

As noted above, it was the view of the Company's management that the Xinhai advance could form part of the Placement and could be a subscription under the 27 November 2025 Prospectus and it was therefore intended that the advance would be converted into a direct subscription under the Placement.

Following the receipt of advice, the Company came to understand that this would need to be undertaken as a separate placement under the Company's LR 7.1 capacity. Accordingly, following discussions between the Company and Xinhai it was agreed that they would capitalise the advance into shares on equivalent terms through utilisation of the Company's LR 7.1 placing capacity. The revised basis of this subscription was then set out in the Second Supplementary Prospectus (subject to reinstatement to trading).

Accordingly, the discussion to change the basis of the advance to that set out in the Second Supplementary Prospectus occurred in the period commencing 5 December 2025.

**2. Please provide the date on which RYZ formally entered into the Yantai Additional Placement with Xinhai.**

10 December 2025 on the basis that this was the date that the application under the Prospectus was completed.



**3. Please provide copies of any documentation, including file notes, relevant to the entry by RYZ into the Yantai Additional Placement (not for release to market).**

The Yantai Additional Placement application form constitutes the only written document. Apart from that document, all discussions were held either in person or over the telephone with the representatives of Xinhai.

**4. With reference to subclauses 1.1 and 1.2 of paragraph F above, does RYZ consider the matter of the Yantai Additional Placement to be information that a reasonable person would expect to have a material effect on the value of RYZ's securities?**

We assume this relates to the advance of \$1 million in October 2025. The Company does not consider the advance of \$1 million to be information that a reasonable person would expect to have a material effect on the value of RYZ's securities. It is acknowledged that if agreement was reached for a placement of securities then this would be announceable, but this did not occur until after the initial prospectus was lodged and the application for securities was being made under the Prospectus (as amended).

**5. If the answer to question 4 is "no", please advise the basis for that view.**

The Company formed this judgement on the basis that the advance was considered to be a usual part of treasury management which would be disclosed in the ordinary course in the December quarterly report and cash flow and in the half-year and annual accounts.

**6. Please explain why the Additional Yantai Placement was not disclosed to the market at an earlier time than the release of the Second Supplementary Prospectus, commenting specifically on when you believe RYZ was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps RYZ took to ensure that the information was released promptly and without delay.**

The Company is of the view that it was obliged to release the information under Listing Rules 3.1 and 3.1A at the time the directors approved the Second Supplementary Prospectus for lodgement with ASIC and that in fact it did ensure that the information was released promptly and without delay.

**7. Please confirm if the Additional Yantai Placement was disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed.**

As this only occurred after the date the Independent Auditor's Review Report was signed, the Company can confirm it was not. The matter was disclosed to A D Danieli Audit Pty Ltd at the time of the preparation of the Second Supplementary Prospectus, given they had been requested to consent to the inclusion of their name thereon.

**8. If the Additional Yantai Placement was not disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed, please advise the reason why this was not disclosed.**

As set out in the reply to query 7 above.

**9. Please provide A D Danieli Audit Pty Ltd's reasons for not providing a redated Independent Auditor's Review Report following changes to the pro forma financial information (paragraph H). In answering this question, please:**

A D Danieli Audit formed the view that the changes to the pro forma balance sheet were not of sufficient magnitude to warrant re-dating their report. Given the transactions were prospective from 30 September, whether the advance formed part of the Placement or a separate issue of shares under LR7.1 would not affect the accounting treatment in the pro forma balance sheet.



If ASX consider that the report should be redacted then we can seek that from the auditor. It is noted that the current pro forma provided to you in the draft PQD details the \$1 million.

**9.1 clarify what information was provided to A D Danieli Audit Pty Ltd to assist in its consideration of the amended pro forma and whether an updated conclusion was required; and**

A D Danieli Audit were provided with an updated pro forma balance sheet, an updated excel worksheet setting out the calculations of the individual adjustments, an updated draft pre-reinstatement disclosure announcement and the email from ASX compliance dated 9 December 2025. Separately as noted in the reply to query 7, A D Danieli were provided with a draft copy of the Second Supplementary Prospectus.

**9.2 provide copies of RYZ's correspondence with A D Danieli Audit Pty Ltd in relation to this matter, or any records made of relevant discussions (not for release to market).**

Attached.

**10. In respect of RYZ's expenditure of the proceeds from the Additional Yantai Placement (set out at paragraph F above), please provide copies of all relevant invoices attributable to the amounts identified as paid above at paragraph F, together with copies of RYZ's bank statements evidencing the payment of those amounts. For ASX's ease of reference, ASX asks for RYZ to provide this information in a table cross-referencing the relevant i) payments ii) invoices and iii) bank transactions.**

Attached.

**11. Please confirm the basis on which the identified funds set out at paragraph A were received by RYZ for the purpose of the Placement Offer, given that the funds were received prior to the lodgement of the Prospectus. In answering this question, please confirm that:**

**11.1 the funds identified at paragraph A were validly accepted by RYZ under the Corporations Act and what section(s) of the Corporations Act RYZ relies on to provide this confirmation; and**

The funds were initially received under applications made under section 708 of the Corporations Act as each investor was a sophisticated investor. Subsequently, following advice, rather than the Company issuing a cleansing prospectus, it was determined that each investor should apply for their securities under the Prospectus and each investor was therefore provided with a copy of the Prospectus, and each Supplementary Prospectus and replacement applications were received from the applicants as an application under the Prospectus. The funds that were deposited were agreed to be paid as application monies under the Prospectus (as amended) to the extent the funds were already provided prior to lodging.

**11.2 specifically what representations were made to the investors who provided these identified funds prior to the lodgement of the Prospectus.**

There were no specific representations made by the Company to the investors under the section 708 applications, rather the relevant investors were provided with a copy of the Prospectus, and each Supplementary Prospectus and replacement applications were received from the applicants as an application under the Prospectus. The funds that were deposited were agreed to be paid as application monies under the Prospectus (as amended) to the extent the funds were already provided prior to lodging.



For personal use only

**12. Please provide a copy of RYZ's bank transaction history for the period beginning 4 December 2025 to 15 December 2025 (not for release to market).**

Attached.

**13. Please confirm that RYZ is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

We confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

**14. Please confirm that RYZ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RYZ with delegated authority from the board to respond to ASX on disclosure matters.**

We confirm that the Company's responses to the questions above have been authorised and approved by the board of directors.

Yours faithfully  
**Ryzon Materials Ltd**

Jonathan Reynolds  
Company Secretary

19 December 2025

Mr Jonathan Reynolds  
Company Secretary  
Ryzon Materials Limited  
Suite 1, Level 11  
1 Castlereagh Street  
Sydney NSW 2000

By email only.

Dear Mr Reynolds

**Ryzon Materials Limited ('RYZ'): ASX Query Letter**

ASX refers to the following:

- A. RYZ's response dated 16 December 2025 to ASX's query letter (the 'ASX Letter') dated 15 December 2024 (the 'RYZ Response'). Capitalised terms in this letter have the same meaning as those defined in the ASX Letter, unless stated otherwise.
- B. RYZ's announcement titled '*Expanded Engineering Agreement and Capital Raising with Xinhai*' ('Xinhai Announcement') released on MAP on 30 September 2025, which stated (relevantly):

*"In addition, Xinhai has agreed to a \$500,000 placement in Ryzon for working capital.*

*The terms of the placement along with the cost to cover 80% of the detailed engineering will be done via the issue of shares at \$0.05 per share with a free attaching option for every two shares with an exercise price of \$0.05 per option which will expire three years from the date of issue. Overall, 66 million shares will be issued and 33 million options, subject to shareholder approval which will be sought at the Company's next Annual General Meeting expected in November 2025."*

- C. RYZ's notice of meeting annual general meeting released on MAP on 29 October 2025 (the 'Notice of Meeting'), which stated (relevantly):

*"Resolution 6: the Company was advanced \$500,000 that is being satisfied through the issuance of these Shares."*

- D. The RYZ Response, which stated (relevantly):

*"Xinhai's involvement has been flagged to the market including in the 30 May 2025 announcement, the June quarterly activities report, the 30 September 2025 announcement and the September quarterly activities report. Xinhai is and continues to be very supportive of the Company and the Nachu project as they are comfortable with both management and the project.*

*The 30 September announcement advised the commercial agreement with Xinhai for them to invest \$500,000 by way of equity, at a price of \$0.05 with an attaching (1 for 2) 3 year option. As the Company was in need of funding, the funds for the ultimate subscription were initially advanced in August 2025 and expended in the period August – October 2025 with Xinhai's full knowledge. At the November AGM shareholders then approved the issue of shares, in which the notice of meeting made clear that the issue was in [satisfaction] of funds advanced...*

*In October 2025, Xinhai agreed to advance a further \$1 million. At the time these funds were advanced, the Company and Xinhai had initial discussions that it was possible for the funds to be capitalised into equity at the appropriate time. This was informal and no agreement was reduced to writing and Xinhai*

*and the Company did not seek to formally agree any debt for equity conversion until ASX had confirmed that it approved the reinstatement of the shares to trading. Xinhai was also not willing to agree any conversion until there was certainty that the reinstatement would take place.*

*These funds were advanced on an interest free unsecured basis with no fixed date for repayment. In the event no agreement was reached on a debt for equity conversion, the funds would have had to be repaid to Xinhai or an alternative commercial agreement would have had to be reached.”*

E. Section 722 of the Corporations Act 2001, which states:

**Application money to be held on trust**

- (1) *If a person offers securities for issue or sale under a disclosure document, the person must hold:*
  - (a) *all application money received from people applying for securities under the disclosure document; and*
  - (b) *all other money paid by them on account of the securities before they are issued or transferred;*

*in trust under this section for the applicants until:*

- (c) *the securities are issued or transferred; or*
  - (d) *the money is returned to the applicants.*
- (2) *If the application money needs to be returned to an applicant, the person must return the money as soon as practicable.*
- (3) *An offence based on subsection (1) or (2) is an offence of strict liability.*

F. Section 201A of the Corporations Act 2001, which states:

**Minimum number of directors**

...

**Public companies**

- (2) *A public company must have at least 3 directors (not counting alternate directors). At least 2 directors must ordinarily reside in Australia.*

G. Section 708 of the Corporations Act 2001, which states:

**Offers that do not need disclosure**

**Small scale offerings (20 issues or sales in 12 months)**

- (1) *Personal offers of a body's securities by a person do not need disclosure to investors under this Part if:*
  - (a) *none of the offers results in a breach of the 20 investors ceiling (see subsections (3) and (4)); and*
  - (b) *none of the offers results in a breach of the \$2 million ceiling (see subsections (3) and (4)).*

...

- (3) *An offer by a body to issue securities:*

(a) results in a breach of the 20 investors ceiling if it results in the number of people to whom securities of the body have been issued exceeding 20 in any 12 month period; and

(b) results in a breach of the \$2 million ceiling if it results in the amount raised by the body by issuing securities exceeding \$2 million in any 12 month period.

(4) An offer by a person to transfer a body's securities:

(a) results in a breach of the 20 investors ceiling if it results in the number of people to whom the person sells securities of the body exceeding 20 in any 12 month period; and

(b) results in a breach of the \$2 million ceiling if it results in the amount raised by the person from selling the body's securities exceeding \$2 million in any 12 month period.

H. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

I. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."*

J. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"

K. Section 4.15 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "Guidelines on the contents of announcements under Listing Rule 3.1."

L. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following 5 situations applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed."*

M. The concept of "confidentiality" detailed in section 5.8 of *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential*

*and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule."*

### **Request for information**

Having regard to the above, ASX asks RYZ to respond separately to each of the following questions:

1. ASX refers to RYZ's response at paragraph E above, which states that the advanced funds of \$500,000 from Xinhai in exchange for a maximum of 10,000,000 shares and 5,000,000 options (being the subject of the Yantai Placement Offer) had been spent in the period between August 2025 to October 2025.

Both the Xinhai Announcement (paragraph B) and the Notice of Meeting (paragraph C) were released during the period in which RYZ spent the advanced funds, however, ASX does not consider that RYZ adequately disclosed that the \$500,000 advanced by Xinhai would be spent prior to shareholder approval being sought and the issue of the securities under the Yantai Placement Offer.

Please can RYZ:

- i. explain the basis on which RYZ considers it has satisfied its obligations under section 4.15 of ASX Guidance Note 8 and Listing Rule 3.1; and
- ii. confirm whether RYZ considers it has breached section 722 of the Corporations Act, given the securities pursuant to the Yantai Placement Offer have not yet been issued.

2. ASX refers to RYZ's bank transaction history produced to ASX on 4 December 2025. ASX understands that the credited amounts identified in RYZ's bank transaction history relate to amounts received from investors under the Placement Offer.

On 25 November 2025, excluding the amounts transferred by investors on that same day, RYZ's statement reflects a balance of \$37,756.91.

From the period of 25 November 2025 to 16 December 2025, a total of \$46,427.12 appears to have been debited from the relevant RYZ's account. Noting this discrepancy between the funds originally held in the account and the funds subsequently withdrawn ASX is concerned that RYZ has withdrawn some funds received under the Placement Offer. Noting that the shares pursuant to the Placement Offer have yet been issued, such a withdrawal may contravene section 722 of the Corporations Act if those funds were spent.

- i. Please confirm if any of the funds received under the Prospectus have been spent;
- ii. If RYZ has spent application funds which were required to be held on trust under section 722 of the Corporations Act, please confirm the date(s) and amount(s) of that expenditure;
- iii. If RYZ has not spent any application funds, please explain the noted discrepancy in the identified account; and
- iv. If RYZ has not spent any application funds but has moved any of those funds to a separate account please explain the reason RYZ failed to maintain those funds, which are required to be held on trust, together in a segregated account.

3. The advance of \$1 million from Xinhai (the 'Xinhai Advance') was transferred in three tranches to RYZ between 17 October 2025 and 21 October 2025. Given that prior to these transfers being received RYZ appears to have had a balance of \$4,608.37 on 17 October 2025, it appears that RYZ could not have continued operations without the Xinhai Advance. In light of RYZ's apparent dependency on the Xinhai Advance please explain on what basis RYZ maintains that the Xinhai Advance was not material to the company.
4. ASX refers to RYZ's Response to question 1 of the ASX Letter, which stated (relevantly):

*"Following the receipt of advice, the Company came to understand that this would need to be undertaken as a separate placement under the Company's LR 7.1 capacity."*

ASX is concerned by RYZ's failure to disclose the Yantai Advance at the time it was received, or subsequently during RYZ's engagement with ASX regarding RYZ's application for reinstatement and notes it appears that RYZ only sought advice after ASX raised the queries the subject of paragraph E of the ASX Letter. Does RYZ have any further submissions it wishes to make to address this apparent disclosure breach?

5. Given that funds under the Xinhai Advance were received by RYZ in October, please confirm if the Xinhai Advance was disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed on 26 November 2025.
6. If the Xinhai Advance was not disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor's Review Report being signed, please advise the reason why this was not disclosed.
7. We refer to RYZ's response to question 11.1 in the ASX Letter, which stated (relevantly):

*"The funds were initially received under applications made under section 708 of the Corporations Act as each investor was a sophisticated investor."*

It appears that some of the investors have not paid at least \$500,000 for the qualifying shares. Please clarify how RYZ formed the view on 25 and 26 November 2026 that each of the investors satisfied the requirements for being classified a 'sophisticated investor' pursuant to the Corporations Act.

In answering this question please provide to ASX pursuant to Listing Rule 18.7, copies of any documentation that RYZ reviewed in the course of satisfying itself that each of the investors satisfied the requirements for being classified a 'sophisticated investor' pursuant to the Corporations Act (Not for Release to Market).

8. Having regard to section 708 of the Corporations Act 2001 and in particular subsections (1)(b), (3) and (4), the amounts of funds received from investors on 25 and 26 November 2025, and the \$500,000 placement to Xinhai, please confirm if RYZ has breached section 708 of the Corporation Act 2001 by accepting applications in excess of the \$2 million ceiling under section 708(3)(b)? If RYZ does not believe it was in breach of section 708 of the Corporations Act 2001 please explain why.
9. We refer to RYZ's response to question 11.2 in the ASX Letter, which stated (relevantly):  
*"there were no specific representations made by the Company to the investors under the section 708 applications, rather the relevant investors were provided with a copy of the Prospectus..."*.  
Given the Prospectus was lodged after the funds set out at paragraph A of the ASX Letter were received by RYZ, please provide further clarification regarding what representations were made prior to the lodgement of the Prospectus to the investors who provided the identified funds prior to the lodgement of the Prospectus.
10. Please confirm that RYZ has 2 directors that currently reside in Australia for the purposes of section 201A(2). If not, please explain how RYZ is compliant with section 201A(2).
11. Please confirm that RYZ is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
12. Please confirm that RYZ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RYZ with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7 and 18.8. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Tuesday, 6 January 2026**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, RYZ's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require RYZ to request a trading halt immediately if trading in RYZ's securities is not already halted or suspended.

Your response should be sent by e-mail to [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in RYZ's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to RYZ's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that RYZ's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

If in the opinion of ASX any of RYZ's statements are deemed to be false or misleading, either through omission or otherwise, ASX reserves the right to promptly remove RYZ from the official list under Listing Rule 17.12 without having further recourse to the Company.

### **Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

---

ASX Compliance

6 January 2026

ASX Compliance  
Australian Securities Exchange Limited  
39 Martin Place  
Sydney NSW 2000

By Email: ListingsComplianceSydney@asx.com.au

Dear Sirs

#### **RESPONSE TO ASX AWARE LETTER**

---

We refer to your letter dated 19 December 2025 and respond using the same numbering system and capitalised terms.

- 1. ASX refers to RYZ's response at paragraph E above, which states that the advanced funds of \$500,000 from Xinhai in exchange for a maximum of 10,000,000 shares and 5,000,000 options (being the subject of the Yantai Placement Offer) had been spent in the period between August 2025 to October 2025.**

**Both the Xinhai Announcement (paragraph B) and the Notice of Meeting (paragraph C) were released during the period in which RYZ spent the advanced funds, however, ASX does not consider that RYZ adequately disclosed that the \$500,000 advanced by Xinhai would be spent prior to shareholder approval being sought and the issue of the securities under the Yantai Placement Offer.**

**Please can RYZ:**

- explain the basis on which RYZ considers it has satisfied its obligations under section 4.15 of ASX Guidance Note 8 and Listing Rule 3.1; and**

The Company's letter of 16 December 2025 sets out in detail the background to the Company's financing arrangements over 2025. This provides relevant context for the detail provided in the 30 September 2025 Announcement. In assessing its continuous disclosure obligations, the Company's focus was on ensuring that the market was informed of the matters it considered material to investors' assessment of the Company's position and prospects. The Company considers the following to be the key relevant matters in the 30 September 2025 Announcement which the Company judged to be material as defined under LR 3.1:

- that Xinhai would be undertaking detailed engineering at a reduced cash cost to the Company.
- that Xinhai was not just providing a service for remuneration, but that they were prepared to provide funding with the intention that this funding would form an equity investment in the Company. This was the reason that the funding was termed as a Placement.

In the Annual Report issued on 9 October 2025, the Company confirmed that the \$500,000 had



been received from Xinhai via a share placement subject to shareholder approval.

Although the disclosure was not specific, it was made clear that the funds had been advanced. It is acknowledged that the disclosure did not refer to the fact that the sum was at that time advanced as an interest-free unsecured loan but the Company considered the advance to fall within its treasury management operational activity, rather than being material as defined under LR 3.1.

In the Notice of Annual General Meeting for 2025, the Company further noted the consideration of \$500,000 raised to support the Company's general working capital position and that if Resolution 6 was not approved (placement resolution) the Company will need to refund Xinhai \$500,000.

On review of the wording of the 30 September 2025 Announcement, and subsequent disclosures around the funding provided by Xinhai, the Company is satisfied that in its judgement its obligations under section 4.15 of ASX Guidance Note 8 and Listing Rule 3.1 have been complied with on the basis that the funds were advanced and would form part of a share placement. However, the Company acknowledges the ASX's preference for a more explicit disclosure that the advanced funds would be utilised before by the Company prior to shareholder approval under the Yantai Placement. For this reason, the Company will incorporate clearer language on disclosure of timing and intended use of advanced funds in future announcements.

**ii. confirm whether RYZ considers it has breached section 722 of the Corporations Act, given the securities pursuant to the Yantai Placement Offer have not yet been issued.**

The Company strongly rejects any suggestion that there is any breach of section 722 of the Corporations Act (**Act**) in respect of the Yantai Placement. Section 722 of the Act requires that all application money **received** from potential investors applying for an issue or transfer of securities under a prospectus must be held on trust until either the securities are issued or transferred, or the money is returned. This provision is designed to protect applicants' funds that are **received during the period between application and allotment or return of funds**.

As noted, the sum of \$500,000 was advanced prior to the Prospectus and in the Second Supplementary Prospectus it has been made clear that no funds are being provided for the subscription, the Shares and Options are being issued to offset the advance.

ASX would be aware that it is common for securities to be issued as an offset for creditor and loan repayments under a Prospectus where application monies are not received under the Prospectus, and where section 722 is not enlivened. We attach with this letter a more recent comprehensive example by Gascoyne Resources Limited (**GRL**). Under that Prospectus, GRL undertook a substantial rights issue and placement to raise \$85 million and separately undertook to issue NRW \$12 million of shares in reduction of its debt. There was also a separate creditors' offer in exchange for amounts owing. GRL subsequently changed its name to Spartan Resources and was the subject of a successful \$2.3 billion takeover.

As noted in our letter of 16 December 2025, the issue of these shares remains pending the ASX decision on whether to reinstate the shares to trading. In the event the ASX does not approve the reinstatement of the Company's securities then the funds would have to be repaid to Xinhai or an alternative commercial agreement would have had to be reached. The amount is standing as a liability in the Company's balance sheet pending this, as is evident from the Company's pro forma balance sheet set out in the draft pre-reinstatement disclosure announcement which has been provided to ASX.



2. ASX refers to RYZ's bank transaction history produced to ASX on 4 December 2025. ASX understands that the credited amounts identified in RYZ's bank transaction history relate to amounts received from investors under the Placement Offer.

On 25 November 2025, excluding the amounts transferred by investors on that same day, RYZ's statement reflects a balance of \$37,756.91.

From the period of 25 November 2025 to 16 December 2025, a total of \$46,427.12 appears to have been debited from the relevant RYZ's account. Noting this discrepancy between the funds originally held in the account and the funds subsequently withdrawn ASX is concerned that RYZ has withdrawn some funds received under the Placement Offer. Noting that the shares pursuant to the Placement Offer have yet been issued, such a withdrawal may contravene section 722 of the Corporations Act if those funds were spent.

i. **Please confirm if any of the funds received under the Prospectus have been spent;**

The Company's notes that the discrepancy identified by ASX arose specifically from an automatic bank-initiated direct debit processed on 4 December 2025 for \$9,569.77, debited from account xxx3609 and credited to NAB credit card account xxx5845. The transaction was not initiated as a discretionary payment decision to utilise Prospectus application monies; rather, it was processed as an automated bank debit. There was no intention that the funds deposited pursuant to the Prospectus Offer into account xxx3609 be utilised prior to share allotment. The Company notes that it had expected the shares to be issued on or about 5 December 2025 as it believed it had met the ASX's preconditions for reinstatement as set out in ASX's letter dated 14 November 2025.

The Company does not accept that there has been a contravention of section 722 of the Act by virtue of this bank-initiated transaction as the Company rectified the account position by depositing \$10,000 on 16 December 2025 by way of an interest-free unsecured loan. Furthermore, the Company has transferred all application monies received under the Prospectus into a separate special purpose account to ensure no re-occurrence of a bank-initiated transaction could affect funds received pursuant to the Prospectus Offer.

ii. **If RYZ has spent application funds which were required to be held on trust under section 722 of the Corporations Act, please confirm the date(s) and amount(s) of that expenditure;**

The details are set out in the answer to query 2.i.

iii. **If RYZ has not spent any application funds, please explain the noted discrepancy in the identified account; and**

As described above, the discrepancy is attributable to the automated direct debit processed by the bank on 4 December 2025, and the subsequent rectification deposit on 16 December 2025 and transfer of funds to a separate quarantined account.

iv. **If RYZ has not spent any application funds but has moved any of those funds to a separate account please explain the reason RYZ failed to maintain those funds, which are required to be held on trust, together in a segregated account.**

The Company recognises the importance of ensuring application monies are appropriately



handled and clearly segregated where required. The Company has implemented strengthened internal controls for the administration of application funds by using the special purpose account.

3. **The advance of \$1 million from Xinhai (the ‘Xinhai Advance’) was transferred in three tranches to RYZ between 17 October 2025 and 21 October 2025. Given that prior to these transfers being received RYZ appears to have had a balance of \$4,608.37 on 17 October 2025, it appears that RYZ could not have continued operations without the Xinhai Advance. In light of RYZ’s apparent dependency on the Xinhai Advance please explain on what basis RYZ maintains that the Xinhai Advance was not material to the company.**

Kindly refer to the accompanied Submission in relation to the \$1.0 million advance(s) and disclosure in the reinstatement process, and Question 3 contained in Annexure A therein.

4. **ASX refers to RYZ’s Response to question 1 of the ASX Letter, which stated (relevantly):**

*“Following the receipt of advice, the Company came to understand that this would need to be undertaken as a separate placement under the Company’s LR 7.1 capacity.”*

**ASX is concerned by RYZ’s failure to disclose the Yantai Advance at the time it was received, or subsequently during RYZ’s engagement with ASX regarding RYZ’s application for reinstatement and notes it appears that RYZ only sought advice after ASX raised the queries the subject of paragraph E of the ASX Letter. Does RYZ have any further submissions it wishes to make to address this apparent disclosure breach?**

Kindly refer to the accompanied Submission in relation to the \$1.0 million advance(s) and disclosure in the reinstatement process, and Question 4 contained in Annexure A therein.

5. **Given that funds under the Xinhai Advance were received by RYZ in October, please confirm if the Xinhai Advance was disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor’s Review Report being signed on 26 November 2025.**

Having reviewed the available information, the Company understands that Xinhai Advance was not specifically identified to A D Danieli Audit Pty Ltd prior to the signing of the Independent Auditor’s Review Report dated 26 November 2025.

It is important to note that this was a post balance date matter from the review that the Auditor was being engaged to undertake.

6. **If the Xinhai Advance was not disclosed to A D Danieli Audit Pty Ltd prior to the Independent Auditor’s Review Report being signed, please advise the reason why this was not disclosed.**

It is the view of the Company that disclosure to the market was not required on the basis that the event was not material. On the same basis, it was not considered material in the context of the work commissioned from A D Danieli Pty Ltd.

The Company’s understanding is that this was a post balance date matter, and to the extent it was considered required to have been disclosed, there was an oversight arising from the practical management of information flows during the review period, rather than a deliberate decision to withhold information and the Company acted in good faith and in a reasonable and responsible manner throughout the process.



The principal purpose of the engagement was to enable the Company to provide the market with more current financial information, noting that the most recent audited financial statements related to the period ended June 2025. The scope of the engagement was discussed with ASX, and the review was commissioned to meet that agreed purpose, being the limited assurance review of a balance sheet dated 30 September 2025.

The work undertaken by A D Danieli Audit Pty Ltd was an independent review conducted in accordance with the agreed scope and was not an audit. The Company understands that the review was performed consistently with that scope and with the objective of updating the market, rather than providing the level of assurance associated with an audit.

In terms of pro forma financial reporting the specific timing of receipt does not impact on the accounting for this prospective transaction when viewed through a 30 September 2025 balance sheet prism, and the review undertaken by the auditor has not changed as a result of this information subsequently being provided to them.

**7. We refer to RYZ's response to question 11.1 in the ASX Letter, which stated (relevantly):**

*"The funds were initially received under applications made under section 708 of the Corporations Act as each investor was a sophisticated investor."*

**It appears that some of the investors have not paid at least \$500,000 for the qualifying shares. Please clarify how RYZ formed the view on 25 and 26 November 2026 that each of the investors satisfied the requirements for being classified a 'sophisticated investor' pursuant to the Corporations Act.**

**In answering this question, please provide to ASX pursuant to Listing Rule 18.7, copies of any documentation that RYZ reviewed in the course of satisfying itself that each of the investors satisfied the requirements for being classified a 'sophisticated investor' pursuant to the Corporations Act (Not for Release to Market).**

The Company clarifies that its reliance on "sophisticated investor" status is based on the wealth-based sophisticated investor exemption in section 708(8) (not any \$500,000 subscription presumption and not any experience-based assessment).

Under section 708(8), an investor may be treated as a sophisticated investor where the Company holds a current (within the required period) accountant's certificate confirming that the investor has either:

- net assets of at least \$2.5 million; or
- gross income of at least \$250,000 per annum for each of the last two financial years.

For the majority of the funds received, the Company's investor pool comprised persons within the Company's established network who provided wealth-based sophistication evidence consistent with section 708(8), including (where applicable) accountant's certificates within the prescribed timeframe. Where an investor provided funds earlier than lodgement of the Prospectus, the investor was a sophisticated investor and then directed the funds to be applied under the Prospectus.

The Company will provide ASX under Listing Rule 18.7 (not for release to market) if necessary copies of the relevant documentation relied upon for section 708(8) purposes (including accountant's certificates and related investor confirmations), in a form that preserves investor confidentiality to the extent permitted.

8. Having regard to section 708 of the Corporations Act 2001 and in particular subsections (1)(b), (3) and (4), the amounts of funds received from investors on 25 and 26 November 2025, and the \$500,000 placement to Xinhai, please confirm if RYZ has breached section 708 of the Corporation Act 2001 by accepting applications in excess of the \$2 million ceiling under section 708(3)(b)? If RYZ does not believe it was in breach of section 708 of the Corporations Act 2001 please explain why.

The Company confirms that it did not rely on section 708(3) for retail investors, as these applications were made under the Prospectus with funds deposited after lodgement of the Prospectus and a duly completed application form received. The small scale or retail investors comprised a small portion of the overall raise, being only \$16,000. The balance was sourced from wealth-based sophisticated investors under section 708(8), but ultimately in all cases under applications made pursuant to the Prospectus.

The Company also notes that the Xinhai funds and the arrangement for the proposed issue of securities to Xinhai were separate to the section 708(3) small-scale personal offers pool.

The Company confirms it has not breached section 708 of the Act.

9. We refer to RYZ's response to question 11.2 in the ASX Letter, which stated (relevantly):

*"there were no specific representations made by the Company to the investors under the section 708 applications, rather the relevant investors were provided with a copy of the Prospectus..."*

Given the Prospectus was lodged after the funds set out at paragraph A of the ASX Letter were received by RYZ, please provide further clarification regarding what representations were made prior to the lodgement of the Prospectus to the investors who provided the identified funds prior to the lodgement of the Prospectus.

The Company's fundraising discussions prior to lodgement were confined to factual information regarding the Company and the proposed fundraising, consistent with the investor categories being approached.

Initial funds were received in the context of offers intended to rely primarily on section 708(8) (wealth-based sophisticated investors).. Subsequently, following advice as to the appropriate mechanism for issuance in the circumstances, investors were in possession of the Prospectus (and given access to all supplementary/replacement documents) and replacement applications were obtained so that the relevant subscriptions progressed through the Prospectus process.

10. Please confirm that RYZ has 2 directors that currently reside in Australia for the purposes of section 201A(2). If not, please explain how RYZ is compliant with section 201A(2).

The Company confirms that currently at least two directors reside in Australia. The relevant directors being Mr Frank Poullas and Mr David Wang, as well as alternate director Ms Meng Sun.

11. Please confirm that RYZ is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

We confirm that the Company is in compliance with the Listing Rules and, in particular, Listing



Rule 3.1.

12. **Please confirm that RYZ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RYZ with delegated authority from the board to respond to ASX on disclosure matters.**

We confirm that the Company's responses to the questions above have been authorised and approved by the board of directors.

Yours faithfully  
**Ryzon Materials Ltd**

Jonathan Reynolds  
Company Secretary

6 January 2026

ASX Compliance  
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### **Ryzon Materials Ltd (ASX: RYZ) — Submission in relation to the \$1.0 million advance(s) and disclosure in the reinstatement process**

Ryzon Materials Ltd (ASX: RYZ) (**Company**) refers to ASX's letter raising queries concerning, among other matters, (i) the Company's receipt of advances (including the Xinhai Advance and the Yantai Advance), (ii) whether and when those advances should have been disclosed under Listing Rule 3.1, and (iii) whether the Company's Reinstatement Prospectus dated 27 November 2025 (**Prospectus**), the Supplementary Prospectus dated 3 December 2025 (**Supplementary Prospectus**), and the Second Supplementary Prospectus dated 10 December 2025 (**Second Supplementary Prospectus**) appropriately described those matters.

The Company appreciates ASX's ongoing engagement and the opportunity to make further submissions. The Company recognises that continuous disclosure is fundamental to market integrity and acknowledges that disclosure expectations are elevated in a reinstatement context.

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#### **A. Summary of the Company's submissions**

- 1. The Company acknowledges ASX's focus on liquidity and operational continuity**, including the Company's cash position immediately before receipt of the Xinhai Advance. The Company accepts that funding receipts can be operationally significant even where they are not ultimately "market sensitive" for Listing Rule 3.1 purposes.
- 2. The Company maintains that the Xinhai Advance was not required to be disclosed under Listing Rule 3.1 at the time of receipt**, when assessed in context, because the market had already been informed that the Company required ongoing funding and was pursuing multiple funding strategies, including disclosed funding support for operating costs and working capital. In particular, on 8 October 2025 the Company announced that secured debt funding support would continue, including advances of up to a further \$7.0 million over 12 months for operating costs and working capital requirements.
- 3. To the extent there was any deficiency in disclosure**, the Company submits that this arose from a miscommunication regarding the boundary between:
  - **continuous disclosure** under Listing Rule 3.1 (i.e., information a reasonable person would expect to have a material effect on price/value); and
  - the **enhanced disclosure and classification requirements** applicable to capital raising disclosure documents (including prospectus "sources and uses", working capital statements, and correct classification of transactions such as debt-for-equity offsets).
- 4. The Company did not intend to withhold information from ASX, the market, or its advisers**, and has acted in good faith and transparently throughout the reinstatement engagement.
- 5. The Company has taken corrective action**, including through supplementary disclosure documents (including the Second Supplementary Prospectus), which expressly records amendments required to



more correctly classify certain debt-for-equity offset allocations and to more correctly classify the Yantai Placement Offer as a debt-for-equity offset.

6. **The Company is committed to improving disclosure controls** and will adopt a more conservative approach to disclosure of interim funding receipts going forward, particularly where such receipts may be operationally significant due to timing or a low cash position.

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#### **B. Context: funding strategy already disclosed to the market**

The Company submits the market had not been operating under an expectation that operations could continue without interim funding. Accordingly, the receipt of interim advances was consistent with disclosed funding strategy and did not materially change the market's understanding.

The Company's financial position during 2025 and the reinstatement period was publicly presented as requiring continuing funding support while the Company progressed reinstatement conditions and related capital management initiatives.

In that context, it was not the Company's position that operations were expected to be funded solely by the reinstatement capital raise or by a single funding source. The Company had disclosed that it had access to ongoing funding support, including for operating costs and working capital. For example, on 8 October 2025 the Company announced that the secured debt fund had agreed to continue to provide financial support by advancing up to a further \$7.0 million over the next 12 months to assist with ongoing operating costs and working capital requirements.

The Company also disclosed its relationship with Xinhai (including expanded engineering arrangements and an agreed capital raising framework) on 30 September 2025.

Against that backdrop, the Company submits that the market was already informed that:

- the Company required continuing funding; and
- interim funding arrangements were part of the Company's disclosed and expected funding posture.

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#### **C. Listing Rule 3.1 analysis and the “practical dependency” point**

The Company acknowledges that, based on bank balance data, the Xinhai Advance may appear to have been necessary to maintain continuity of operations in the relevant window.

However, the Company submits that Listing Rule 3.1 materiality requires an assessment of whether the information would be expected to have a material effect on the price or value of the Company's securities, having regard to:

- the information already available to the market; and
- whether the event changes the market's understanding of the Company's financial position, funding access, or prospects.

In the Company's submission:

- the need for funding and the pursuit of funding solutions was already public;
- the Company had already disclosed a **funding backstop** for operating costs / working capital (up to a further \$7.0 million); and



- the receipt of interim funding did not represent a change in strategic direction, a change in control, or a material change in capital structure at the time it was received.

That said, the Company accepts that ASX is entitled to evaluate materiality with a strong emphasis on liquidity where cash levels are low, and the Company's governance improvements (described below) are intended to ensure that future disclosure judgements adopt a more conservative approach in that circumstance.

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#### **D. Prospectus disclosure: enhanced “sources and uses” and classification requirements**

The Company notes that the Prospectus suite (Prospectus + supplementary documents) is a disclosure document prepared for a capital raising and, as such, requires enhanced disclosure and accurate classification of offer components, debt-for-equity offsets, and placement mechanisms.

As disclosed in the Second Supplementary Prospectus, amendments were required to more correctly classify:

- certain debt-for-equity offset allocations as separate offers, rather than subscriptions under the Placement Offer; and
- the Yantai Placement Offer as a debt-for-equity offset.

The Company submits that:

- these amendments show that disclosure completeness and technical classification issues were addressed as part of the reinstatement and capital raising process; and
- once identified, these matters were rectified through supplementary disclosure, in line with the approach expected for a disclosure document.

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#### **E. Governance and disclosure process improvements**

Without admitting any breach of Listing Rule 3.1, the Company will implement and/or reinforce the following controls:

##### **1. Funding receipt escalation and assessment protocol**

All interim advances above a specified threshold (and any advance received when cash is below a specified threshold) will be escalated to the Company Secretary and Board (or Disclosure Committee) for formal Listing Rule 3.1 assessment.

##### **2. Conservative approach where liquidity is low**

Where cash balance is low, the Company will assume a rebuttable presumption that an interim advance may require disclosure unless clearly immaterial in the market-sensitivity sense.

##### **3. Clear disclosure drafting**

The Company will ensure clearer articulation in market releases and capital raising documents regarding:

- the purpose of the funds;
- timing;
- conditions precedent;
- whether securities issuance is contemplated; and
- what approvals (if any) are required (including any reliance on Listing Rule 7.1 capacity).

##### **4. Documentation of disclosure decisions**

The Company will keep written records of each disclosure decision, including the factors considered and the final determination.



## **F. Responses to ASX's specific queries 3 & 4**

The Company's responses to ASX's Question 3 and Question 4 are set out in Annexure A.

## **G. Status of compliance with ASX reinstatement framework**

The Company submits that, notwithstanding ASX's current queries regarding interim funding advances, the Company has continued to act consistently with the reinstatement framework established by ASX and has progressed each of the conditions precedent set out in ASX's reinstatement conditions letter.

The Company notes that ASX indicated that, based solely on the information provided, it could see no reason why the securities of RYZ should not be reinstated to official quotation, subject to compliance with the identified conditions precedent. The Company has worked cooperatively and constructively with ASX to satisfy those conditions. While certain steps remain mechanically outstanding—including the close of the offer under the cleansing prospectus and the formal issue of the securities contemplated by the Secondary Offers—the Company has substantively progressed the reinstatement transactions, including the required approvals and the funding arrangements contemplated by the reinstatement pathway.

### **Funding raised and relevance to working capital / use of funds**

In that regard, the Company notes that it has raised \$10 million under the capital raising process. The Company submits that this fundraising progress supports the reinstatement conditions directed to funding certainty and working capital sufficiency. The remaining steps relate to completion mechanics (including the close of the offer and the formal issue of securities), rather than any deficiency in the underlying capital raising process, shareholder approvals or the integrity of funds raised.

The Company has also continued to work with ASX to demonstrate compliance with Listing Rule 12.1 and Listing Rule 12.2, including through detailed use of funds reporting and working capital disclosures. Importantly, the \$1.0 million advance that is the subject of ASX's queries has been applied within the scope of the September 2025 Use of Funds budget (as disclosed and subsequently updated through the prospectus suite), rather than representing a new or unanticipated expenditure item outside the Company's budgeted funding framework. Accordingly, the Company submits that the funding did not change the nature of the Company's disclosed funding strategy or intended application of funds; rather, it operated as interim funding applied against already disclosed cost categories.

The Company submits that this broader reinstatement context is relevant to ASX's consideration of whether the interim funding advance(s) should be regarded as materially market-sensitive information under Listing Rule 3.1, and the extent to which the Prospectus and supplementary disclosure documents required additional detail.

Specifically:

- the Company has continued to implement the reinstatement plan under close ASX engagement, with fundraising objectives substantially achieved (including raising \$10 million);
- the Company has demonstrated that the \$1.0 million advance was applied against the existing September 2025 Use of Funds budget categories, rather than being applied for purposes that would constitute a deviation from the Company's disclosed use of funds; and



- where additional disclosure and classification clarification has been required in the prospectus suite, the Company has addressed this through supplementary disclosure and has strengthened internal procedures to ensure conservative disclosure practices going forward.

Against that background, the Company submits that the matters raised by ASX should properly be viewed in the context of a reinstatement process involving multiple interrelated approvals, securities issuance steps and disclosure refinements, rather than as indicative of any failure to uphold the reinstatement framework or to act in good faith.

#### **G. Conclusion**

The Company reiterates its commitment to continuous disclosure and appreciates ASX's engagement and guidance. The Company submits that, in context, the Xinhai Advance was not information that required disclosure under Listing Rule 3.1 at the time of receipt, and that any disclosure and classification issues arising in the reinstatement documentation were addressed through supplementary disclosure including the Second Supplementary Prospectus.

The Company remains available to provide any further information ASX may require.

Yours faithfully  
**Ryzon Materials Ltd**

Jonathan Reynolds  
Company Secretary



## Annexure A — Answers to ASX Questions 3 & 4

### Question 3

**The Xinhai Advance was transferred in three tranches between 17 October 2025 and 21 October 2025. Given the Company's apparent cash position prior to receipt, it appears the Company could not have continued operations without it. Please explain on what basis the Company maintains the Xinhai Advance was not material.**

The Company acknowledges ASX's focus on the Company's cash position at the time of receipt of the Xinhai Advance and accepts that the Xinhai Advance had practical significance in supporting continuity of operational funding.

However, the Company maintains that the Xinhai Advance was not information that a reasonable person would expect to have a material effect on the price or value of the Company's securities for the purposes of Listing Rule 3.1, assessed in its proper context, including the information already publicly available to the market.

In particular:

**1. The Company's need for ongoing funding was already known to the market.**

During 2025, and throughout the reinstatement period, the Company disclosed that it required ongoing funding to meet operating costs and working capital requirements and that the Board was pursuing various funding strategies.

**2. The market had been informed of continuing funding support for operating costs and working capital shortly before receipt of the Xinhai Advance.**

On 8 October 2025, the Company disclosed that secured debt funding support would continue, including advances of up to a further \$7.0 million over the next 12 months to support ongoing operating costs and working capital requirements.

In the Company's submission, that disclosure materially informed the market that the Company had a continuing funding pathway available, meaning that interim funding receipts were not unexpected and did not represent a new or unanticipated funding solution.

**3. The receipt of interim funding was consistent with disclosed funding strategy and did not change control, strategy, or capital structure at the time of receipt.**

The Company had also disclosed its engagement with Xinhai and agreed capital raising framework on 30 September 2025.

**4. Materiality is not determined solely by reference to cash balance.**

While a low cash balance may heighten sensitivity, Listing Rule 3.1 requires consideration of whether the information would materially affect price/value, having regard to what the market already knows. The Company submits the market was already aware of the Company's funding requirements and reliance on continuing funding arrangements.

Notwithstanding the Company's position, the Company acknowledges that earlier disclosure of interim funding receipts where cash levels are low may better assist investors, and the Company will adopt a more conservative approach going forward, including clearer articulation of the purpose, timing, conditionality, and any securities issuance approvals relevant to similar advances.



## Question 4

**ASX is concerned by the failure to disclose the Yantai Advance at the time it was received or during reinstatement engagement and notes it appears the Company only sought advice after ASX raised queries. Does the Company have further submissions?**

The Company respectfully submits that it is not correct that the Company only sought advice after ASX raised the queries referred to in paragraph E of ASX's letter.

The Company's reinstatement process involved ongoing engagement with advisers in connection with the reinstatement conditions, Notice of Meeting documentation and the Prospectus suite, with the objective of ensuring compliance with applicable requirements, including the Listing Rules and the Corporations Act.

The Company makes the following submissions:

**1. Good faith engagement and no intention to withhold information**

It was never the intention of the Company to withhold information from ASX, the market or the Company's advisers. The Company has acted in good faith and has been transparent in its engagement with ASX throughout the reinstatement process.

**2. The issue was one of classification and disclosure treatment, not concealment**

The disclosure amendments ultimately reflected in the Second Supplementary Prospectus arose because the Company came to understand that certain transactions required different compliance treatment (including classification as separate offers and/or treatment as a debt-for-equity offset), and that the proposed securities issuance pathway would need to be implemented using the Company's Listing Rule 7.1 capacity (as applicable).

**3. Corrective disclosure has been made**

The Company ensured that the disclosure record was corrected through the Second Supplementary Prospectus, which expressly discloses the amendments required to more correctly classify certain debt-for-equity offset allocations and the Yantai Placement Offer.

**4. The Company has strengthened disclosure procedures**

The Company acknowledges ASX's concern and has implemented (and will continue to implement) improved internal disclosure protocols for interim funding receipts and for any receipt that is associated with a securities issuance pathway requiring shareholder approval or reliance on Listing Rule 7.1 capacity.

These disclosure questions should be considered in the context of the Company's substantive progression against the reinstatement framework established by ASX, including the capital-raising progress and application of interim funding against already disclosed Use of Funds categories.

The Company remains firmly of the view that it complies with its continuous disclosure obligations under the Corporations Act and the Listing Rules and that there has been no deliberate or reckless non-disclosure. However, the Company accepts that more conservative disclosure practice is appropriate in circumstances where cash levels are low and interim funding is operationally significant and has adopted measures to reduce the risk of recurrence.