

Perth, Australia
April 28, 2026



Strategic Elements March Quarter Update

Strategic Elements Ltd (ASX: SOR) provides the following update to accompany the Appendix 4C lodged for the quarter ending 31 March 2026.

Strategic Elements (ASX: SOR) operates as a Pooled Development Fund and continued during the quarter to advance two operating ventures in material science and automation — Australian Advanced Materials (developing Energy Ink™) and Stealth Technologies (commercialising the EdgeIQ system) — alongside ongoing scouting for new opportunities under its venture creation model.

Energy Ink™ — Continued Characterisation Programme

During the quarter, Australian Advanced Materials continued the systematic characterisation of Energy Ink™ cells across multiple chemistries, geometries and current regimes. Work also progressed on the investigation of engineered moisture-source inputs as controllable activation mechanisms, building on the characterisation foundation established in prior quarters.

These activities form part of an ongoing programme to define the operating envelope of the Energy Ink™ platform and to identify development pathways toward externally validated applications. Energy Ink™ remains at an early stage and is subject to ongoing technical and commercial hurdles.

Stealth Technologies — EdgeIQ Pilot and Defence Engagement

During the quarter, Stealth Technologies commenced deployment of its EdgeIQ system to support mine efficiency at an underground gold mine in Western Australia under an executed purchase order valued at A\$225,000. Installation of equipment and infrastructure commenced in Q1, with operational data collected as part of the pilot.

In parallel, Stealth continued engagement activities relating to defence and national security applications, progressing discussions aligned with Australian government priorities in autonomous systems, perception and edge intelligence.

Cognition Engines — Artificial Intelligence Venture

During the quarter, Cognition Engines continued early-stage scoping activities focused on identifying enabling technologies that support more practical, reliable and secure deployment of artificial intelligence. Work remains centred on evaluating potential research collaborations, application areas and development pathways consistent with SOR's venture builder model.

Pooled Development Fund Program

Strategic Elements is registered by the Australian Federal Government as a Pooled Development Fund (PDF) — a program supporting early-stage Australian innovation through patient capital and tax incentives. While no new PDFs can be registered, existing funds operate under Federal regulation with strict oversight to ensure compliance with the *Pooled Development Fund Act 1992*.

The PDF structure provides significant tax advantages and encourages patient investment in Australian SMEs, allowing a focus on earlier stage innovation. SOR collaborates closely with research institutions and universities to access advanced infrastructure, expertise, and non-dilutive government grants that accelerate development while reducing costs. Pilot programs remain central to this strategy, enabling real-world validation with customers, refining performance, and building confidence ahead of broader rollout.

As a registered Pooled Development Fund (PDF), SOR is also actively scouting new opportunities across Australia's innovation ecosystem, engaging early with universities, research bodies, and government programs to identify

high-potential technologies aligned with its collaborative, patient-capital approach to supporting breakthrough innovation.

Strategic Elements Financials

The Company ended the quarter with a strong cash position of \$2.87M and no debt. Subsequent to the end of the quarter, Stealth Technologies received approximately A\$400,000 from the R&D Tax Incentive program.

Net expenditure across the group of \$462k reflects normal operating costs and the absence of R&D Tax Incentive rebate receipts, which fell either side of the quarter. Across the group, net expenditure included all corporate costs, research and development expenditures, internal costs incurred in operating the ASX-listed entity and direct costs in providing management assistance to investee companies, principally Australian Advanced Materials (Energy Ink™ technology), Stealth Technologies (robotics and artificial intelligence) and Maria Resources (frontier exploration).

Corporate and internal costs incurred in operating the ASX-listed entity of \$371k were attributable to Strategic Elements. Payments of \$127k to related parties and their associates are reported at item 6.1 of the accompanying Appendix 4C, this includes remuneration for Executive Directors. AAM incurred expenditure of \$17k related to R&D development undertaken at UNSW, consultants and other costs incurred in research and managing AAM's IP portfolio. Stealth Technologies incurred \$165k of expenditure in staff, consultants, and R&D development expenses across projects and received \$100k in revenue. Cognition Engines incurred no costs for R&D development and consulting costs. Maria incurred \$8k in costs associated with its technology metals projects. Strategic Materials incurred \$1k in permit and consulting fees for holding the Golden Blocks permit in New Zealand.

The Company remains in a strong financial position to support current and emerging ventures, with flexibility to respond to new opportunities under the PDF framework. Strategic Elements thanks shareholders for their continued support as it advances high-potential early-stage innovation under its Pooled Development Fund mandate.

More Information: Mr Matthew Howard, Chief Financial Officer / Company Secretary

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This announcement was authorised for release by the Strategic Elements' Board of Directors.

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

Appendix 4C

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

Name of entity

Strategic Elements Limited

ABN

47 122 437 503

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	100	100
1.2 Payments for		
(a) research and development	(103)	(585)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(6)	(11)
(d) leased assets	-	-
(e) staff costs	(346)	(1,035)
(f) administration and corporate costs	(133)	(559)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	75
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	726
1.8 Other	-	-
1.9 Net cash used in operating activities	(462)	(1,293)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(49)	(50)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash used in investing activities	(49)	(50)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from financing activities	-	-

4. Net increase/(decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,384	4,216
4.2 Net cash used in operating activities (item 1.9 above)	(462)	(1,293)
4.3 Net cash used in investing activities (item 2.6 above)	(49)	(50)
4.4 Net cash from financing activities (item 3.10 above)	-	-

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Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,873	2,873

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	448	542
5.2	Term deposits	126	126
5.3	60 Day Notice	2,308	2,750
5.4	Other (credit card)	(9)	(34)
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,873	3,384

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	127
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash used in operating activities (item 1.9)	(462)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,873
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,873
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.22
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: n/a	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: n/a	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: n/a	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

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

Date: 28 April 2026.....

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.