



12 July 2024

### **ANO FY24 Loss Before Tax**

Advance ZincTek Limited (ANO) confirms that based on unaudited management accounts, it has recorded a loss before tax of \$814,000 (FY23 profit before tax of \$2.291 million).

Major contributors to the loss were a \$4.0 million reduction in sales in the USA (59% lower compared to FY23) and the approximate \$750,000 cost of closing the Perth facility.

Our biggest customer in USA has now indicated they are in a position to resume ordering. Their purchases are expected to be approximately 75% of their previous purchases.

The board is continuing to work on its initiatives as advised in the Investor Presentation provided to shareholders at the last Annual General Meeting. In particular:

- The release of 25 new zinc-based dispersions with the capability of tinting.
- The release of 17 new sunscreen recipes based on these new dispersions.
- Following the completion of our new Alusion facility in Brisbane, we are now focusing on high purity Alusion used in semiconductors and achieving higher prices than for our cosmetic grade product.

We anticipate an improvement in sales for FY25 as our number of distributors in North America has increased from 1 to 3. During FY25, a further 1 to 3 distributors is expected to join our network.

Any loss in sales from the closure of our Perth facility, is expected to be limited to two small accounts, subject to the approval of our latest samples by one customer. Our testing indicates the Alusion from our Brisbane facility has superior purity compared to our highest-grade product produced from our Perth facility. The closure of the Perth facility is anticipated to generate cost savings of over \$1.0 million per annum with further cost reductions likely as we streamline ordering from just one facility.

Further updates will be provided in the Annual Report which will be released in August 2024.

Authorised by:  
Geoff Acton (B.Com CA)  
Managing Director