



10 November, 2023

ASX:14D

Chairman's address 2023 AGM

I am pleased to welcome you to the 2023 Annual General Meeting of shareholders. I am Kevin Moriarty, your Chairman.

This past year has been marked by significant achievements in technology validation, ongoing product development, strategic market positioning, and reporting of real results to shareholders, all while laying groundwork to attract global investors.

We are proud to have reached several important milestones with our projects, including SiBrick manufacturing, SiBox Module testing, and Aurora Energy Precinct access which we will discuss in more detail.

We revealed our innovative silicon SiBrick™ storage product following several years of testing and reported it was successfully undergoing verification in the SiBox® Demonstration Module (SDM). The SDM module enables scaling of our silicon storage to the industrially significant dimensions required for hard-to-decarbonise processes.

SiBrick allows us to harness the high latent heat of silicon in a flexible product format. The brick concept can be customised in size, operating temperature, and shape, offering adaptability not only for our use, but also third-party heat storage solutions for decarbonising high temperature industry.

Our journey from the first Prototype in 2016; the substantial TESS-IND in 2018; our biogas burning GAS-TESS in 2019; to the SiBox in 2023, has been one of growth and development demonstrating our safety and operational track record throughout our technology scale-up.

We have turned our attention to assessing the market opportunities for our technology as it matures. Although we have stored and regenerated electricity, and may do so in future on our Aurora site, that market is not optimal for high temperature storage. Instead, there are major industrial heat markets which currently rely on 21 million gigawatt hours (GWh) of fossil fuel-derived process heat. Our SiBox technology has a competitive advantage in decarbonising 2 million GWh in industries using 500-1000°C and can address a further 6 million GWh in the 100-500°C range. Collectively, this represents a total addressable market of 8 trillion SiBrick! A modest share of this heat market can drive major revenue growth for your Company in coming decades.

Industrial reactors operating at high temperature are used in the production of materials as varied as lime and alumina, processes which typically rely on burning fossil fuels. In the near future our SiBrick could be a key component of new generation reactors, specifically designed for each industry and licensed from 1414 Degrees, allowing direct integration of our heat storage technology. This integration would enable continuous production from intermittent renewable energy. While these advanced reactors are being perfected our SiBox technology could be used on-site to supply heat to existing sections of these industrial processes.

While high temperature thermal storage needs to demonstrate operating history to achieve significant commercial uptake, 1414 Degrees sees a value opportunity in the hydrogen production and low carbon fuel sectors. The mature technologies for production of hydrogen use natural gas (methane CH₄), but these cause carbon emissions. Electrolysis, or production of hydrogen from water, has low emissions but is inefficient, costly and requires energy storage to operate continuously.

To address this, 1414 Degrees and its partners are planning alternative methane pyrolysis reactors, incorporating SiBrick to power continuous operation from renewable energy sources. These reactors would produce emission-free hydrogen for steelmaking, fertiliser production, or as a fuel.

Overall, the high temperature energy market is so large that it can absorb many new storage products and drive long-term growth as industry transitions to low carbon. Whether in our innovative reactors or existing industrial plants, cost and reliability will drive commercial success. In response, 1414 Degrees is developing several types of silicon storage to drive economies of scale and meet the anticipated market demands, including selling our SiBrick to other technology suppliers. We have been cooperating with and utilising the products of several refractory manufacturers for many years. During the



year we announced strengthening of the partnership with Refratechnik Steel GmbH to develop and trial mass production of SiBrick, which is one part of this targeted growth strategy.

Your board of directors is focused on achieving results for shareholders, which includes incentivising staff and directors with performance rights linked directly to significant increase in shareholder value so that our interests are aligned with yours. We are aware that our Company, like many in the industrial technology space, is not achieving market recognition for its potential value. To mitigate this, we are introducing the Company to international investor markets, and at the same time increasing exposure to potential European and North American industrial users to increase brand awareness with the aim of increasing our potential for partnerships, customers and strategic investors.

There is, of course, a more immediate source of revenue from our Aurora Energy Precinct, near Port Augusta in South Australia. After several years of delays, we are confident of securing access to the high voltage transmission line and are now assessing infrastructure and operating partners for the large battery proposed for the site. Our intent at this time is for 1414 Degrees to retain an interest in the project and its cash flow while reducing our contribution to capital costs via strategic deals.

In summary, your Company is in a strong position to provide value for shareholders as a result of our activities during FY23. Your board maintains a tight focus on results and governance for the benefit of all shareholders. Our supportive partnerships with the Australian Government, Woodside Energy, Refratechnik Steel, Vast Solar and Adelaide University provide a very strong foundation for the future.

We thank you for your support and patience in these difficult but transitional circumstances as we move closer to our revenue goals at Aurora and commercialisation of our energy storage solutions.

Kevin Moriarty
Executive Chairman

AUTHORISED BY:

Dr Kevin Moriarty, Executive Chairman on behalf of the Board of Directors

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ABOUT 1414 DEGREES LIMITED

1414 Degrees is an innovative clean energy company focused on the development and commercialisation of thermal energy storage solutions. Its proprietary silicon thermal storage, SiBrick™, is the key component in its SiBox® latent heat battery. SiBox delivers high temperature carbon free industrial heat by harnessing silicon's extremely high latent heat capacity. This enables intermittent renewables to provide flexible, ultra-high temperature heat 24/7 for large industrial applications.

The Company commissioned a module of the SiBox technology in 2023 to accelerate the commercialisation of its silicon storage media as a competitive clean energy solution.



In 2019 the Company made the strategic purchase of the Aurora Energy Project (AEP) located near Port Augusta, South Australia. The project is a long-term renewable energy initiative to deliver reliable electricity to the region and National Electricity Market. The AEP has approval for 14D to pilot and demonstrate a large commercial scale version of the SiBox technology.

For more information, please visit www.1414degrees.com.au

FORWARD-LOOKING STATEMENTS

This announcement includes forward-looking statements which may be identified by words such as 'anticipates', 'believes', 'expects', 'intends', 'may', 'will', 'could', or 'should' and other similar words that involve risks and uncertainties. These forward-looking statements are based on the 1414 Degrees' expectations and beliefs concerning future events as at the date of this announcement. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of 1414 Degrees, which could cause actual results to differ materially from such statements. 1414 Degrees makes no undertaking to update or revise the forward-looking statements made in this announcement to reflect any change in circumstances or events after the date of this announcement.