1414 Degrees Limited (ASX:14D) 30 April 2025

1414 Degrees advances its strategic shift toward decarbonised energy solutions, as development milestones are advanced

Quarterly 4C Activities & Cashflow Report - Quarter Ended 31 March 2025

Investment Highlights

- Delivered 20-year SiBox unit sales forecast to Woodside, targeting up to 20% of the accessible industrial heat market
- Deloitte engaged to develop Heat-as-a-Service financial model to assist 1414 Degrees in delivering integrated renewable electricity–gas heat contracts
- Generator due diligence for Aurora BESS progressed, clearing the path for the utility to commence network impact assessments
- Pre-commissioning tests underway on SiPHyR Stage 1 prototype reactor, on track for Q4 FY25

1414 Degrees Ltd (ASX: 14D) ("1414 Degrees", "14D', or the "Company") is pleased to announce its Appendix 4C Activities and Cashflow report for the period ended 31 March 2025 (Q3 FY25).

Commenting on 1414 Degrees' March 2025 quarter performance, the Company's Executive Chair Dr Kevin Moriarty said:

"The March 2025 quarter saw 1414 Degrees further progress its plans to transform from a pure technology developer to a full-service provider of decarbonised energy solutions. One key deliverable over the quarter included further work on a wide-ranging Heat-as-a-Service framework, under-pinned by the financial model being developed by Deloitte. Another notable achievement was the continued progress in delivering on our 2021 SiBox Development Agreement with Woodside, with a detailed commercialisation model created. While this model currently targets just 20% of the accessible industrial heat market, the potential revenue that could be generated from it is significant.

"Our exciting SiPHyR programme also made significant headway over the March 2025 quarter. Its Stage 1 prototype reactor is now in pre-commissioning and on track for a start-up in our Q4 FY25. At the same time, this programme's catalyst and sparging system was also advanced. And last but not least, out team also delivered advances in other core 1414 Degrees technologies, including work on both the next-gen variant of our already proven SiBrick modules, and the connection agreement for the Battery Energy Storage System (BESS) on our SA-based Aurora project.

"Looking ahead, a number of key development milestones are expected to be delivered over the final part of our FY25, including the start-up of our SiPHyR prototype reactor and a final connection agreement for the BESS at the Aurora Energy Precinct. We look forward to updating the market on delivery of these milestones over coming months."

Quantitative Achievements

1414 Degrees successfully progressed some commercial modelling and market planning initiatives over Q3 FY25.

Specs for Deloitte financial model finalised: Q3 FY25 saw the Company finalise specifications for a robust financial model with Deloitte to underpin Heat-as-a-Service (HaaS) contracts, supporting capital-light deployment.

SiBox commercialisation model delivered to Woodside: The quarter also saw 1414 Degrees deliver a SiBox unit sales commercialisation model to Woodside Energy Technologies Ltd (Woodside), under the SiBox Development Agreement, projecting a 20-year growth trajectory based on up to 20% market penetration.

Operational Achievements

1414 Degrees delivered a host of milestones across its suite of technology offerings over the course of the March 2025 quarter.

Heat-as-a-Service (HaaS)

1414 Degrees evolves into solutions provider: The quarter saw the Company continue to advance its transition to a solutions provider, selling “heat product” under contracts analogous to electricity supply agreements.

SiBox control system enhancements: The Company's proprietary SiBox control systems have now evolved to the point where they can dynamically manage electricity and gas inputs to undercut gas-only pricing while lowering carbon emissions.

SiBox® Commercialisation

Industrial steam generator site assessment: 1414 Degrees assessed an opportunity on a site with a 10MW heat load and demonstrated the ability of SiBox to deliver heat at a lower cost for 90% of the year compared to a gas-fired boiler.

Pre-feasibility assessments progressed: The Company continued to advance its program of pre-feasibility assessments across multiple project opportunities over Q3 FY25, identifying fit-for-purpose applications across various industries.

SiBox design enhancements: Ongoing collaboration with suppliers targeted further refinement of the SiBox design, with a focus on manufacturability and cost optimisation to support future deployments.

Customer-centric studies advanced: The Company advanced studies with potential customers and finalised a valuation model for the SiBox technology under the Woodside Development Agreement. These studies continue to inform a tailored approach to market entry.

SiBrick® Innovation

High-temperature SiBrick testing: 1414 Degrees' high-temperature SiBrick modules underwent further testing, continuing to demonstrate thermal durability and repeatable performance under commercial-like conditions.

Development of next-gen SiBrick variants: The Company progressed the development of innovative next-generation SiBrick variants, with the aim of targeting specific industrial use cases.

SiPHyR™ Development

Pre-commissioning tests occur: The SiPHyR Stage 1 prototype reactor underwent pre-commissioning tests in Q3 FY25. It is scheduled to come online in the June 2025 quarter (Q4 FY25), marking a significant development of 1414 Degrees' methane pyrolysis pathway.

Catalyst selection process underway: Extensive catalyst selection tests were conducted in an atmospheric reactor over the quarter, helping narrow the optimal operational conditions and reactor chemistry.

Gas-sparging system design and test work: A prototype gas-sparging system was designed and tested during the quarter and will be integrated into the SiPHyR Stage 1 prototype.

Figure 1: 14D Engineers Sam Ovens-York and Liam Sweet with the SiPHyR Stage 1 prototype reactor

Aurora BESS

Generator Performance due diligence progressed: 1414 Degrees continues to advance the connection agreement for the Battery Energy Storage System (BESS) at the Aurora Energy

Precinct. Completion of this due diligence phase will allow the transmission utility to begin network impact studies, bringing the project another step closer to grid connection.

Stakeholder Engagement & Events

The Company presented or exhibited at a number of conferences and events during Q3 FY25, including:

- Smart Energy 2025, where 1414 Degrees' Commercial Manager presented
- The Long Duration Energy Storage Council (LDES) Roundtable, which was attended by the Company's Commercial Manager
- A 1414 Degrees exhibition at the Flinders University Careers Festival, where Company staff engaged with students and post-graduates
- The SAHy Conference, where Dr Farzad Poursadegh, Development Manager – Hydrogen gave a presentation.

Figure 2: 1414 Degrees exhibition at the Flinders University Careers Festival in Adelaide

Corporate

As at 31 March 2025 (end Q3 FY25), the Company held $2.4 million in cash, an increase of $8,000 from the previous quarter. As required by ASX Listing Rule 4.7C3, the Company notes that $81,000 was paid to related parties during the quarter. These payments were Directors Fees.

1414 Degrees Executive Chair Letter to Shareholders

Dear Shareholders,

This quarter marks an important evolution for 14D as we transition from a pure technology developer to a full-service provider of decarbonised energy solutions. After several years developing technology with the support of WET and the Australian Government your Company has surveyed the needs of industry and companies needing to maintain production while transitioning to lowest cost reliable decarbonised energy.

We have been working on a comprehensive Heat-as-a-Service framework, enabling us to offer customers reliable, low-emissions heat under contracts analogous to electricity supply agreements, under-pinned by the financial model being developed by Deloitte. Leveraging our SiBox control systems, we can dynamically blend electricity and gas inputs to procure energy at its lowest cost—outperforming gas-only alternatives while also meeting client decarbonisation targets.

Under our 2021 SiBox Development Agreement with Woodside, we delivered a detailed 20-year commercialisation model to inform the go or no-go decision, which targets up to 20% of the accessible industrial heat market. Although this target market is a relatively small part of the global heat market, the potential revenue is considerable, the model shows a significant uplift of our current intangible valuation.

Our SiPHyR programme continues to progress, with the SiPHyR Stage 1 prototype in pre-commissioning and on track for Q2 2025 start-up, while catalyst and sparging system developments advance in parallel. Meanwhile, our proven SiBrick modules remain a cornerstone of high-temperature storage, and we're innovating next-gen variants to meet evolving industry needs.

Engagements at the Flinders Careers Festival, Smart Energy 2025, LDES roundtable, and SAHy conference have strengthened our stakeholder network and talent pipeline.

Finally, we are seeing progress on a connection agreement for the BESS on our Aurora project north of Port Augusta, with it likely to enter network impact assessment by the transmission utility shortly. There have been several sales of similar or larger batteries in South Australia and the national electricity market in recent months. We are therefore confident of realising significant value from this BESS project.

On behalf of the Board, thank you for your continued support as we chart this new course as an energy-as-a-service solutions provider.

Yours sincerely,

Dr Kevin Moriarty
Executive Chairman

AUTHORISED BY:

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

For investor enquiries or further information, please contact:

Shareholder and general enquiries
1414 Degrees
E: info@1414degrees.com.au
P: +61 8 8357 8273

Media & investor enquiries
The Capital Network
Julia Maguire
E: julia@thecapitalnetwork.com.au
P: +61 2 7257 7338

ABOUT 1414 DEGREES LIMITED

1414 Degrees is a leader in industrial decarbonisation with its cutting-edge silicon-based solutions, enabling the alignment of energy supply with demand, fostering the widespread adoption of renewable energy. Our key technologies include:

- **SiBrick®:** thermal energy storage technology safely and efficiently stores renewable electricity as latent heat, available for use on demand.
- **SiBox®:** facilitates the transition to sustainable industrial processes, SiBox delivers consistent, high-temperature heat. It can be seamlessly retrofitted into heavy industry processes, offering a viable alternative to conventional energy sources.
- **SiPHyR™:** methane pyrolysis reactor with integrated storage. SiPHyR will produce low-emission hydrogen and solid carbon using renewable energy sources.

1414 Degrees has showcased its capabilities through successful pilot projects that highlight the reliability and effectiveness of its solutions. SiBox has proven its ability to deliver high-temperature air or steam on demand from stored heat. The development of SiPHyR underscores our commitment to innovation and sustainability.

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.

Appendix 4C

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

Name of entity	
1414 Degrees Limited	
ABN	**Quarter ended ("current quarter")**
57 138 803 620	31 March 2025

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	-	-
1.2	Payments for		
	(a) research and development	(338)	(606)
	(b) product manufacturing and operating costs	-	(20)
	(c) advertising and marketing	(16)	(64)
	(d) leased assets	(0)	(1)
	(e) staff costs	(139)	(830)
	(f) administration and corporate costs	(332)	(1800)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	30
1.5	Interest and other costs of finance paid	(27)	(66)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	1,056	1,664
1.8	Other (provide details if material)		
	- Partner project contributions	-	565
	- Other	-	-
1.9	**Net cash from / (used in) operating activities**	**214**	**(1,128)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(49)	(73)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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	(170)	(550)
2.4	Dividends received (see note 3)	-	-
2.5	Other (return of rental bond)	-	63
2.6	**Net cash from / (used in) investing activities**	**(219)**	**(560)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	100	2603
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	(4)	(124)
3.5	Proceeds from borrowings	-	264
3.6	Repayment of borrowings	(75)	(182)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(11)	(51)
3.10	**Net cash from / (used in) financing activities**	**10**	**2,510**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,636	1,819
4.2	Net cash from / (used in) operating activities (item 1.9 above)	214	(1,128)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(219)	(560)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10	2,510
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,641**	**2,641**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,641	2,636
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,641**	**2,636**

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	81
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.

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Insurance Premium Funding)	79	79
7.4	**Total financing facilities**	79	79

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.

14D has funded its insurance premiums through Hunter Premium Funding. The loan is unsecured, with a 10-month maturity. Interest charged on the loan balance comprises of a flat rate of 3.32% and an annual percentage rate of 8.8%.

No other financing facilities have been entered into.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	214
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,641
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,641

8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

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.

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:

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:

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:

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.

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.

30 April 2025

Date: .....

The Chairman of the Board

Authorised by: .....
(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.