zneag CRC

Zero Net Emissions Agriculture CRC Annual Report

2025 - 2026



Acknowledgement of Country

Zero Net Emissions Agriculture CRC acknowledges the Traditional Custodians of the lands on which we live, work and learn. We pay our respects to Elders past, present and emerging, and honour the enduring connection of First Nations peoples to Country, culture and community. We recognise and respect the care First Nations peoples have provided to Country for tens of thousands of years.

We are committed to building genuine and respectful relationships with First Nations peoples through listening, learning and trust. By bringing together Indigenous knowledge and scientific expertise, we can learn from one another, strengthen understanding, and help create a more sustainable, lower-emissions future for Australian agriculture.

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Our Partners

ZNE-Ag CRC brings together partners spanning universities, industry, and government.

Our network includes major agrifood enterprises, agtech innovators, grower and producer groups representing thousands of farmers, farm service and supply companies, a leading supermarket and bank, all levels of government (state, territory, and federal), and 11 Australian universities.

TIER 1 PARTNERS

TIER 1 AG TECH CONSORTIUM

TIER 2 PARTNERS

TIER 3 PARTNERS

TIER 4 PARTNERS

Current as of June 2026.

About us

Zero Net Emissions Agriculture CRC is accelerating the transition to a lower-emissions, productive and profitable agricultural sector.

Established under the Australian Government's Cooperative Research Centres Program, Zero Net Emissions Agriculture Cooperative Research Centre (ZNE-Ag CRC) brings together industry, government and research partners to address one of the most significant challenges and opportunities facing Australian agriculture: reducing emissions while maintaining productivity, profitability and global competitiveness.

The CRC works across the agricultural value chain to develop, evaluate and accelerate the adoption of practical solutions that support emissions reduction. Through research, demonstration, industry engagement, education and capacity building, the CRC is helping producers, land managers and agribusinesses navigate the transition to a lower-emissions future.

Funded by the Australian Government Department of Industry, Science and Resources together with cash and in-kind contributions from partners, the CRC delivers a national program of research, innovation and capacity building designed to create lasting value for agriculture, regional communities and the Australian economy.

Vision

Zero net emissions from a thriving Australian agriculture sector.

Mission

Drive innovation for a low-emissions future by advancing practical, scalable solutions that enable producers and land managers to reduce emissions, enhance productivity, and protect natural resources.

Values



Innovation

We drive research and technology to deliver practical, scalable solutions that reduce emissions in agriculture.



Inclusivity

We value diverse perspectives and engage collaboratively with industries, governments, researchers, and land managers to ensure solutions are equitable, effective, and relevant.



Accountability

We act with transparency, integrity, and credibility, guided by evidence to inform our decisions and actions.



Effectiveness

We are outcomes-focused and committed to delivering measurable results that support the transition to a low-emissions future.



Collaboration

We achieve more by working together, building strong partnerships to deliver shared successes.

Year in Review

Anchored by our strategic themes, Develop Technologies, Demonstrate Value and Deliver Impact, FY26 saw the CRC expand its project portfolio, strengthen industry partnerships and progress practical pathways to adoption across Australian agriculture.





CEO Richard Heath addressing 300 people at the 2025 ZNE-Ag CRC Annual Conference in Brisbane, November 2025



Douglas Daly Research Station Field Day showcasing research on farm



ZNE-Ag CRC Producer Demonstration Site, Champion Station Field Day where low-emissions farming practices were in the spotlight



CEO Richard Heath at AgriFutures evokeAG connecting global initiatives and knowledge with opportunities for Australian farmers



ZNE-Ag CRC Board Members at the inaugural Annual Conference.



ZNE-Ag CRC Research Director, Prof. Ben Hayes sharing ZNE-Ag CRC research at the Wilmot Field Day



Acting COO Claire Mahony speaking at the State of the Science Summit at UC Davis, California highlighting Australia's approach to accelerating lower emissions agriculture



Industry, research and government representatives collaborate at the ZNE-Ag CRC Circular Economy Workshop in Sydney.



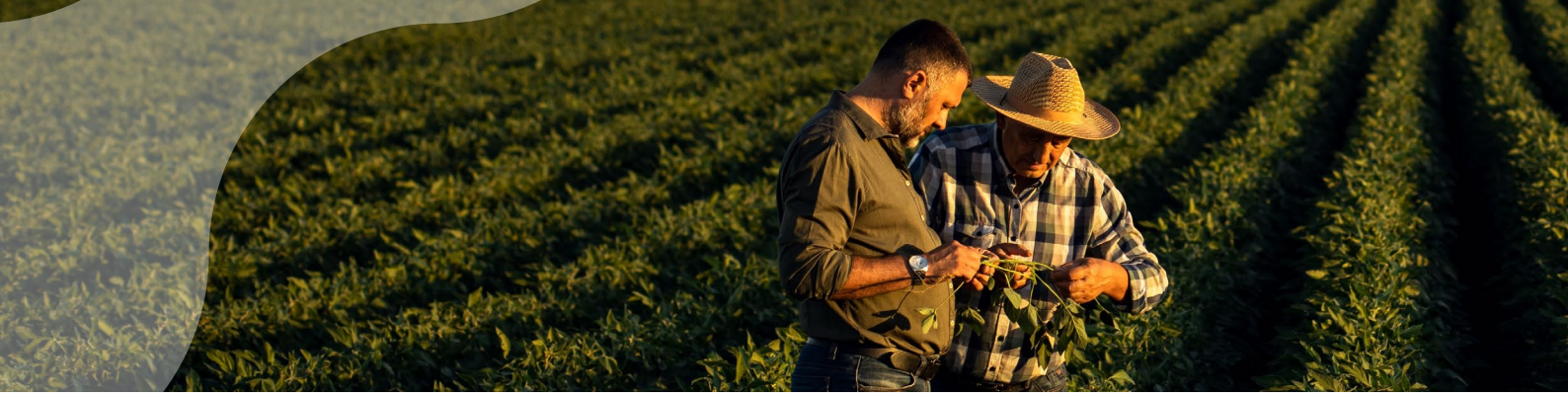
ZNE-Ag CRC Partners at the 2025 Partner Meeting in Brisbane talking about industry priorities and research opportunities



Research Program 3 Leader, Prof. Richard Eckard with his Lifetime Achievement Award presented at Australia's Excellence in Innovation Awards in Perth



CEO Richard Heath joined a panel and ABARES Outlook 2026 exploring how data and technology are reshaping Australian agriculture



Chair's Report

Building momentum through collaboration.

FY26 marked an important shift for ZNE-Ag CRC, in moving from establishment to delivery. One of the clearest measures of this progress is the diverse, curated research underway across all four of the CRC's research programs. $13.7 million was invested in research, with six new projects contracted, bringing the total number of active research projects to 14. We completed four Commonwealth milestones and delivered three scoping studies.

An additional five Producer Demonstration Sites were operational by year end, providing an essential bridge between research and commercial farming conditions, and our first five PhD students were onboarded. We released our first strategic plan and held our first annual conference.

The Board's focus throughout the year was to ensure this growing portfolio remained aligned with industry needs, funding commitments and had a clear pathway to impact.

We are mindful that global geopolitical events have created a challenging economic landscape - increasing input costs and supply risks across the sector - impacting our partners, and CRC business.

Our dedicated strategy sessions challenged our assumptions about technology development, technology stacking, measurement, adoption and commercialisation, and helped clarify where the CRC can add the greatest value over the next eight years. The Board approved the FY27 Annual Operating Plan and continued to strengthen portfolio, financial and risk reporting so that investment decisions are better informed. We also endorsed our Diversity, Equity and Inclusion Plan, which will be reported against annually.

Cyber security and data governance were active areas of oversight. Directors participated in scenario-based cyber incident response testing and reviewed the organisation's preparedness, escalation pathways and decision-making responsibilities. This work is essential to protect the integrity of the CRC's research, partner information and operations, and to ensure the organisation can respond quickly and effectively in the event of an incident.

The Board endorsed the First Nations Engagement Strategy and First Nations Academy Framework. These are important commitments, although implementation and measurable outcomes are still ahead of us. Our responsibility now is to move from frameworks to respectful, practical delivery and progress.

Partner movement is a normal part of a long-term collaborative program, and so it was no surprise that we had new partners joining and others leaving this year. The Board remains focused on attracting partners whose expertise, investment and pathways to adoption strengthen the collective value of the CRC.

At our AGM, Members elected Heidi Mippy to the Board, following the resignation of founding Director Tony Lee, and endorsed a second term for Directors Dr Nicholas Austin, Melinee Leather and Tresslyn Walmsley. I thank all Board Directors for their commitment and wise counsel, and for the detailed work that ensures we have well-functioning committees.

Our Industry Advisory Committee has provided advice that has strengthened the focus on producer and market needs and helped the Board and management assess how research can be translated into practical value. I thank the Committee members for their active participation, insights and the time they have contributed.

I also thank the many partners who work to bring the ambitions of the CRC to life. Your experience and strategic thinking, along with your technical, financial, and in-kind contributions make this important national collaboration possible.

Finally, I extend my sincere thanks to Chief Executive Officer Richard Heath and the ZNE-Ag CRC team for their focus on delivery. The CRC enters its next year with a broader research portfolio, a stronger operational platform and a clearer understanding of the work required to convert investment into practical, credible emissions reduction outcomes for Australian agriculture.



Dr Debra Cousins
ZNE-Ag CRC Chair



CEO's Report

Ambition into Action.

Our task is clear: to bring the right people, science, systems and industry pathways together so Australian agriculture can reduce emissions while remaining productive, profitable and globally competitive.

We are still early in a 10-year program, but FY26 showed that the CRC is building the capacity, systems and partnerships needed to deliver real and lasting impact.

During the year, our delivery model became more tangible. Research projects moved through planning, contracting, and activation, our demonstration network expanded, internal operating systems matured and the team grew to support a national program of research, adoption and engagement.

Research is at the centre of our work, but research alone will not get us to where we need to go. Our value lies in connecting discovery with practical application. That means developing technologies and tools, testing them in real farming systems, understanding the economics and adoption barriers, and working with industry so promising solutions can be taken up with confidence.

Our four research programs continued to connect work on enteric methane, low-emissions fertilisers, whole-farm systems analysis, adoption pathways and value-chain opportunities.

A major step forward was the expansion of the Producer Demonstration Site network, which gives the CRC a practical platform for testing technologies, measurement approaches and adoption pathways under commercial farming conditions.

Building capability was one of the most important areas of progress during FY26.

We welcomed 10 new staff, strengthening our capacity across project delivery, communications, education and training, data management and operations.

We also recruited five PhD positions, supporting the next generation of researchers and industry leaders in agricultural emissions reduction.

The inaugural ZNE-Ag CRC Annual Conference in Brisbane was a clear demonstration of the strength and breadth of this collaboration. Bringing together 300 delegates from 150 organisations showed appetite across industry, government, research and agribusiness for practical, evidence-based emissions solutions. It also reinforced our role as a national convenor, connecting people who need to solve this challenge together.

Behind the scenes, considerable work was undertaken to strengthen organisational systems and processes. The implementation of TurnKey and enhanced portfolio reporting systems has improved our capacity to manage investments, monitor performance and support delivery across a growing portfolio of activities.

Like many organisations operating in a dynamic environment, we encountered challenges. Building new national programs required flexibility and perseverance, particularly as we developed and refined our contracting processes.

As we enter FY27, the CRC is focused on translating this growing portfolio into evidence, adoption pathways and outcomes that create value for producers and industry.

I thank our partners, researchers, producers, Board Directors, advisory committees and staff for their continued commitment and support.



Richard Heath
ZNE-Ag CRC CEO

Executive Summary

In FY26, Zero Net Emissions Agriculture CRC began to show what coordinated national investment in agricultural emissions reduction can deliver.

With its strategic themes of Develop Technologies, Demonstrate Value and Deliver Impact now embedded across the organisation, the CRC translated early investment into a growing portfolio of research, demonstration and capability development.

During FY26, the CRC contracted six research projects, taking the total number of active projects to 14, while also delivering three scoping studies throughout the year. These activities span the major sources of agricultural emissions and the systems needed to reduce them, from low-emissions feedbases and fertilisers, to livestock methane reduction, whole-farm accounting, adoption pathways, renewable energy integration and value creation across supply chains.

Important progress was made in developing technologies that can support lower-emissions farming systems. Research teams identified promising low-methane plant compounds, expanded feedbase research into southern production systems, advanced work on methane-mitigating multispecies pastures, progressed gene-edited tropical grasses and continued laboratory and field evaluation of waste-derived fertilisers. Together, these projects are strengthening the evidence base for plant-based solutions that can support emissions reduction while maintaining productivity and profitability.

The CRC also advanced complementary approaches to reducing livestock methane emissions. Work progressed on lower-cost methane measurement, including milk mid-infrared approaches and methane-specific sensing, while recording large numbers of cattle and sheep for methane production expanded the reference data needed to support future breeding values for lower-methane animals. In parallel, biodegradable delivery technologies continued to be developed for methane-reducing compounds, with a focus on practical solutions suited to Australian livestock systems.



A key achievement during FY26 was the strengthening of the systems needed to measure, evaluate and recognise emissions reductions. Program 3 progressed greenhouse gas accounting guidance, baseline and benchmark databases, redevelopment of the Greenhouse Accounting Framework tools and farm systems analysis to assess how emissions technologies perform within commercial production systems. This work is critical to ensuring future emissions reductions can be assessed consistently and credibly.

The CRC focused on the conditions needed for adoption and value creation. The Producer Demonstration Site network became an increasingly important bridge between research and practice. Greenhouse gas baselining and tailored decarbonisation planning commenced across several sites, supported by investment in measurement infrastructure, monitoring and evaluation systems, and producer engagement activities. This network is positioning the CRC to test technologies and technology stacks in real farming systems and generate trusted evidence for future adoption.

Investment in people and capability also progressed. Five PhD students were onboarded and embedded within CRC research projects, while the Carbon Farming Outreach Program supported adviser capability building. Work to identify industry training needs also helped inform future education and professional development priorities, ensuring the CRC's research activity is supported by the skills and knowledge needed for long-term change.

The CRC also strengthened its role as a trusted source of information and a national connector for agricultural emissions reduction, through the release of the *Pathways to Zero Net Emissions Stocktake Paper* and engagement with industry, research and government audiences in Australia and internationally.

These achievements show a CRC moving from foundations to focused delivery. As the organisation enters FY27, the priority is to connect research across programs, validate solutions under commercial farming conditions and translate investment into practical outcomes for producers, industry and the broader agricultural sector.

Our Research

Reducing emissions from agriculture is one of the most complex challenges facing the sector, because it must be achieved while maintaining productivity, profitability and resilience.

That means the CRC's research program cannot focus on single solutions in isolation. It needs to develop technologies, test them in real farming systems, understand how they interact with productivity and profitability, and generate evidence that producers and industry can trust.

By mid-2026, 14 research projects were underway and three scoping studies were delivered, drawing on substantial investment and the expertise of partners from industry, government and the research sector. Together, this work spans low-emissions plant systems, methane reduction in cattle and sheep, whole-farm systems analysis, adoption and impact pathways and value creation from net zero.

What matters most now is how these pieces fit together. Emissions outcomes are influenced by genetics, feedbases, soils, pasture systems, management practices, economics and human decision-making. Taking a systems approach through our producer demonstration site network helps us understand how different technologies and practices can combine to deliver practical, scalable, profitable and credible outcomes for producers.

A National Research Platform

The Producer Demonstration Site network is central to this approach. It provides a nationally significant platform for generating consistent emissions, sequestration and productivity datasets, validating technologies and understanding how emissions reduction options perform under commercial farming conditions.

This platform is supported by investment in research infrastructure and measurement capability, including tools such as GreenFeeds and flux towers that improve measurement and understanding of emissions sources and sinks, strengthen verification and support robust whole-farm modelling.

These capabilities are critical if emissions reduction is to be achieved in ways that maintain productivity, profitability and resilience.

Evidence for Change

The release of the *Pathways to Zero Net Emissions Stocktake Paper* was an important milestone. It brings together current knowledge on emissions reduction technologies and practices relevant to Australian agriculture, providing an accessible overview of opportunities available now and areas requiring further research and development.

Read the Stocktake Paper here

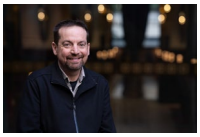
For me, one of the most important shifts is the move from asking whether individual technologies can reduce emissions to asking how they operate together in farming systems. That means improving measurement and verification, understanding how technologies can be stacked for cumulative benefit, and considering adoption from the earliest stages of research design.

Capability for the Future

Research impact ultimately depends on people. During FY26, the CRC strengthened Australia's research capability through the recruitment of PhD candidates working on industry-relevant challenges within the research portfolio. These students represent the next generation of scientists, innovators and leaders who will help shape the future of Australian agriculture. Just as importantly, our exciting partnerships with industry, government and research organisations are creating opportunities for collaboration, shared learning and knowledge exchange that extend well beyond individual projects.

Looking Ahead

The coming years will require us to keep drawing these threads together. Our challenge is no longer simply to identify promising technologies, but to understand how they interact within whole farming systems and how they can be implemented in ways that create value for producers and industry. As work in low-emissions agriculture evolves rapidly around the world, we will also need to remain agile and responsive, drawing on emerging science, market signals and international experience to ensure our research priorities remain relevant to Australian agriculture.



Prof. Ben Hayes
ZNE-Ag CRC Research Director

PROGRAM 1

Low Emissions Plant Solutions

Read more about Program 1 and projects

Program 1 is developing highly productive, low emissions pasture and legume varieties, evaluating enhanced efficiency fertilisers and participating in demonstration sites to assess the emissions reduction potential of cover crops, productive trees and legumes. Through targeted breeding, field trials and data analysis, Program 1 supports practical science-based solutions for methane and nitrous oxide reduction across Australian farms.

PROGRAM 1 PORTFOLIO



2025

1010: Northern Australia Low Methane Feedbase Program

Identifying pasture and browse plant species that can reduce methane emissions in extensively grazed cattle systems across Queensland, the Northern Territory and Western Australia



2025

1060: Waste-to-Fertiliser Innovation for Low Emission Farming

Developing novel, waste-derived fertilisers that efficiently deliver nutrients to crops while reducing agricultural emissions.



2025

1030: Low Emission Tropical Grass Solutions for Cattle Feed

Developing low-methane emission tropical grasses for cattle feed. This project targets both methane and nitrous oxide emissions, benefiting crop growers and livestock producers.



2026

1020: Feed Base Solutions to Reduce Enteric Methane in Southern Australia

Developing pasture-based solutions to reduce enteric methane emissions in southern Australia while improving livestock productivity and sustainability.



2025

1050: Co-development of an Enhanced Efficiency Fertiliser (EEF) Evaluation Framework

Determining how the CRC tests and invests in fertilisers that reduce emissions.



2026

1021: MultiMix – Strategically Designing High Performance, Methane-Mitigating Multispecies Pastures for the Ovine Industry

Developing high-performance, methane-mitigating multispecies pastures that improve sheep productivity, pasture resilience, and environmental sustainability in southern Victoria.

Growing low-emissions solutions from the ground up



By Vicki Lane
Program 1 Lead

Program 1 advanced a portfolio of research focused on productive, profitable and scalable plant-based solutions for Australian agricultural systems. The work spans low-methane feedbases, improved pasture systems, low-emissions fertilisers and emerging breeding technologies.
Building on the strong foundations established in FY25, Program 1 expanded and progressed a diverse portfolio of projects across northern and southern Australia. During the year, research teams advanced methane-reducing feedbase solutions for livestock systems, investigated novel fertiliser technologies, progressed pasture breeding initiatives and developed tools to support future adoption on farm. The program now comprises six active research projects, with planning underway for future investment opportunities in pasture breeding and feedbase innovation.

Several important milestones were achieved during FY26. Researchers identified key plant species with potential to lower methane emissions from extensive grazing systems across northern Australia, developed hyperspectral imaging libraries and artificial intelligence tools to support pasture assessment, assessed the potential of gene-edited tropical grasses for future emissions reduction applications, and progressed laboratory and field evaluations of circular fertiliser technologies. These outcomes are helping to build the evidence base required to support future commercialisation and adoption pathways.

The Program's momentum is underpinned by strong collaboration between research, industry and government partners. Key contributors include the Queensland Department of Primary Industries, New South Wales Department of Primary Industries and Regional Development, Agriculture Victoria, The University of Queensland, Queensland University of Technology, the Cotton Research and Development Corporation, Western Australia Department of Primary Industries and Regional Development, and a range of producers and industry stakeholders participating through project activities and Producer Demonstration Sites. Together, these partnerships ensure research remains practical, relevant and aligned with industry needs.

A key focus throughout the year has been understanding how multiple technologies and management practices can work together within farming systems. Program 1 increasingly views emissions reduction through a systems lens, recognising that feedbases, pasture species, fertilisers and genetics must ultimately operate together within productive farming enterprises. This approach is helping to identify opportunities for greater cumulative impact than could be achieved through individual technologies alone.

As we move into FY27, Program 1 will focus on generating practical evidence, validating technologies under commercial conditions and developing integrated solutions that support both emissions reduction and productivity outcomes.

Program 1 Highlights

Expanding the methane-reducing feedbase pipeline

- Identified promising low-methane feedbase plant species from northern Australia for further investigation. Expanded feedbase research into southern production systems through the commencement of Project 1020.
- Progressed multispecies pasture research aimed at reducing methane emissions while maintaining livestock productivity.

Building new tools for future decision-making

- Developed hyperspectral image libraries and artificial intelligence models to support pasture monitoring and assessment.
- Completed additional studies investigating AI-based pasture monitoring and advanced feed analysis techniques.

Advancing next-generation pasture technologies

- Evaluated the potential of gene-edited tropical grasses for future low-emissions livestock systems.
- Progressed research into methane-mitigating pasture species and improved feedbase options for Australian production systems.

Progressing low-emissions fertiliser solutions

- Developed an enhanced efficiency fertiliser evaluation framework, comprising field and laboratory protocols, to inform future CRC investments and ensure consistency.
- Commenced laboratory and field evaluations of waste-derived circular fertilisers.

Investing in the next generation of innovations

- Advanced planning for low-emissions temperate pasture breeding, including work on lucerne, high-lipid grasses and methane-mitigating brassicas.
- Commenced PhD research supporting future pasture and feedbase innovations.

PROGRAM 2

Towards Methane Free Cattle and Sheep

Read more about Program 2 and projects

Program 2 is developing affordable ways to help cattle and sheep produce less methane. Focussing on genetics, nutrition and how microbes in the animal's stomach work, Program 2 includes tools to measure how well these solution work.

PROGRAM 2 PORTFOLIO



2026

2010: WMS and Milk MIR as Proxies for Ruminant Methane Emissions

Developing scalable and cost-effective methods to measure methane emissions from individual livestock, including methane-specific sensing and milk mid-infrared approaches.



2026

2020: Selecting for More Methane-Efficient Cattle and Sheep

Expanding methane recording and genomic reference populations across beef, dairy and sheep to improve breeding values and support selection for animals that naturally emit less methane while maintaining productivity.



2026

2030: Functional Biopolymer Products for Very Low Methane Emissions from Ruminants

Developing biodegradable delivery technologies that provide sustained release of methane-reducing compounds for beef and dairy cattle, with potential application in sheep.



Accelerating practical pathways to lower livestock methane



By Prof. Sam Clark
Program 2 Lead

Program 2 progressed three projects across methane measurement, genetic selection and long-duration delivery technologies. Together, these projects are developing complementary approaches to lower methane emissions from cattle and sheep while maintaining productivity across Australian livestock systems.

A major focus during the year was improving our capacity to measure methane from individual animals accurately and at scale. Early work has established an association between milk mid-infrared data and methane emissions in dairy cattle, while development of a methane-specific sensor has produced promising early results in controlled animal trials. These advances are important because affordable, accurate measurement will underpin genetic improvement, provide evidence of emissions reductions and support producers and industry to make informed decisions.

The program also progressed national work to breed cattle and sheep that naturally emit less methane while maintaining productivity. Project 2020 brings together animal recording, genomics and industry adoption across beef, dairy and sheep systems. By expanding methane reference populations and developing more accurate genomic breeding values, the project aims to make lower-methane traits available for balanced selection within commercial breeding programs.

Alongside measurement and genetics, Program 2 continued work on biodegradable delivery technologies designed to provide extended release of methane-reducing compounds in the rumen. The project combines materials engineering, animal science, manufacturing research and commercial assessment, with the longer-term goal of creating practical solutions suited to extensive livestock systems where daily supplementation can be difficult.

This progress has been made possible by a large national collaboration. Program 2 project partners include Agriculture Victoria, University of New England, The University of Queensland, The University of Western Australia, The University of Melbourne, Macquarie University, Western Australia Department of Primary Industries and Regional Development, New South Wales Department of Primary Industries and Regional Development, the Northern Territory Department of Agriculture and Fisheries, Queensland Department of Primary Industries, Meat & Livestock Australia, Australian Agricultural Company (AACo) and Ternes Agricultural Consulting.

Looking ahead, the priority will be to connect these approaches more closely. The next phase will focus on validating solutions in commercial settings, strengthening pathways to industry use and understanding how combinations of technologies can deliver cumulative and lasting methane reductions.

Program 2 Highlights

Advancing lower-cost methane measurement

- Established an association between milk mid-infrared data and methane emissions in dairy cattle, supporting further development of a potential measurement proxy.
- Progressed development of a methane-specific sensor, with early controlled animal trials reporting promising sensitivity and performance.
- Advanced the broader goal of producing reliable, lower-cost methods for measuring methane from individual livestock.

Building the evidence for genetic selection

- Progressed national animal recording and genomic analysis across beef cattle, dairy cattle and sheep.
- Expanded the reference data needed to improve the accuracy of genomic breeding values for methane emissions.
- Continued development of balanced selection approaches that consider methane alongside productivity and other economically important traits.

Developing extended-release methane solutions

- Progressed biodegradable materials designed to deliver methane-reducing active agents over extended periods.
- Advanced manufacturing research and early techno-economic assessment to consider future commercial viability.
- Continued development of delivery approaches suited to livestock systems where frequent supplementation is impractical.

Connecting research with commercial production

- Embedded industry participation across the program's measurement, genetics and biopolymer projects.
- Designed animal recording activities to include breeder herds and Producer Demonstration Sites, supporting future adoption and validation in commercial settings.
- Progressed planning for future technology-stacking research that will combine Program 2 innovations with low-methane feedbase technologies from Program 1.

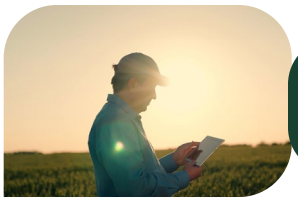
PROGRAM 3

Whole Farm and Mixed-Enterprise Systems Analysis

Read more about Program 3 and projects

Program 3 is taking on the industry-identified challenge of developing a single platform where trusted guidelines, resources and benchmarking tools are integrated. Program 3 is integrating all the science emerging from the CRC to provide farmers with the resources required for a profitable transition to lower emissions.

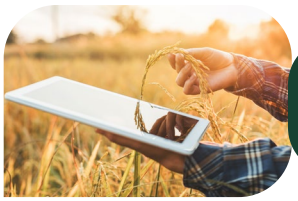
PROGRAM 3 PORTFOLIO



2025

3010: Guidance for On-Farm Greenhouse Gas (GHG) Accounting

Developing guidance, protocols, methods and metrics that inform a national approach to measuring greenhouse gas emissions and removals in Australian agricultural systems.



2025

3020: Farm Systems Greenhouse Gas Evaluation

Evaluating the emissions reduction potential of CRC technologies and technology combinations within representative farming systems, considering productivity, profitability and risk alongside emissions outcomes.



Integrating Science into Practical Decision-Making



By Prof. Richard Eckard
Program 3 Lead

Program 3 progressed the systems, frameworks and analytical tools needed to translate research into practical outcomes for producers. Its focus is understanding how technologies perform together within real farming businesses and how emissions reductions can be measured, reported and recognised.

Program 3 is building the capability needed to answer some of agriculture's most important questions: How do we accurately account for emissions and removals on farm? Which technologies provide the greatest benefit when combined? How do emissions outcomes interact with productivity, profitability and risk? These questions are critical to ensuring producers can make informed decisions and that emissions reduction efforts are supported by trusted evidence.

FY26 was a significant year for agricultural emissions accounting in Australia. The release of the Voluntary Greenhouse Gas Emissions Estimation and Reporting Guidelines (VEERG) provides an important foundation for consistent emissions estimation and reporting across the sector. Through Program 3, the CRC is helping ensure that emerging technologies, management practices and research outcomes can be measured, evaluated and ultimately recognised within these evolving accounting systems.

The program also continued redevelopment of the Greenhouse Accounting Framework (GAF) tools and worked closely with industry initiatives such as Agriculture Innovation Australia's Environmental Accounting Platform (EAP). Together, these activities are helping create a pathway from scientific discovery through to practical accounting, benchmarking and reporting tools that can be used by producers, industry and supply chains.

A defining feature of Program 3 is its highly collaborative approach. The program brings together expertise from The University of Melbourne, The University of Western Australia, Australian National University, University of New England, Queensland University of Technology, University of Southern Queensland, New South Wales Department of Primary Industries and Regional Development, Western Australia Department of Primary Industries and Regional Development, Queensland Department of Primary Industries, Meat & Livestock Australia, Nutrien Ag Solutions, Rabobank Australia and CSIRO. Together, these partners are helping to develop the tools, evidence and frameworks required to support industry-wide transition.

As the CRC's research portfolio continues to expand, Program 3 plays an increasingly important role in integrating knowledge across all research programs. By combining biophysical modelling, farm systems analysis, emissions accounting and economic evaluation, the program is helping ensure that future emissions reduction strategies are practical, measurable and aligned with the realities of Australian agriculture.

Looking ahead, Program 3 will continue to strengthen national emissions accounting capability, integrate insights emerging from Producer Demonstration Sites and evaluate technology combinations across Australian farming systems. This work will support informed investment, policy development and on-farm decision-making as the sector progresses towards lower emissions.

Program 3 Highlights

Establishing national greenhouse gas accounting foundations

- Completed greenhouse gas accounting guidance activities under Project 3010.
- Established baseline and benchmark databases to support consistent emissions accounting.
- Supported implementation of the Voluntary Greenhouse Gas Emissions Estimation and Reporting Guidelines (VEERG).

Redeveloping the Greenhouse Accounting Framework

- Progressed redevelopment of the Greenhouse Accounting Framework (GAF) tools.
- Positioned the CRC's accounting framework to support future VEERG-aligned emissions reporting and technology evaluation.

Evaluating whole-farm technology impacts

- Progressed farm systems analysis to assess emissions reduction technologies within commercial farming systems.
- Advanced modelling approaches to evaluate technology stacking, productivity outcomes and farm profitability.

Creating pathways for recognition and reporting

- Developed the foundations that will allow future CRC innovations to be incorporated into accounting frameworks, emissions modelling and reporting systems.

PROGRAM 4

Delivering Value from Net Zero

Read more about Program 4 and projects

Program 4 is building the enabling environment to roll out profitable opportunities for agribusinesses and rural communities. Research in Program 4 integrates social science, economics, data science and engineering to develop renewable energy, circular economy and supply chain solutions, and address behavioural and institutional barriers to adoption.

PROGRAM 4 PORTFOLIO



2025

4020: Agrivoltaics: Integrating Profitable Agricultural Production and Renewable Energy Generation

Exploring how solar energy generation can be integrated into agricultural enterprises to create multiple value streams while supporting emissions reduction.



2026

4010: Strengthening the Enabling Environment for Adoption and Scaling of Low Emissions On-Farm Solutions

Examining the policy, governance, behavioural and institutional factors that support or hinder adoption of emissions reduction technologies. The project is developing scaling readiness frameworks and living laboratory approaches to accelerate uptake and impact.



2025

4030: Demonstrating an Insetting Business Model in the Beef Value Chain

Investigating how emissions reductions can be generated and recognised within agricultural supply chains through insetting approaches, working with industry partners to explore practical models for implementation and adoption.



Creating the Conditions for Change



By Prof. Marit Kragt
Program 4 Lead

Achieving net zero in agriculture requires more than technology. It depends on the decisions made by producers, the incentives operating across supply chains, the policies that shape investment, and the systems that support adoption at scale. Program 4 focuses on understanding and addressing these factors, ensuring that promising innovations can deliver meaningful value for producers, industry and rural communities.

During FY26, the program advanced work on adoption pathways, renewable energy integration, and emissions reduction across agricultural value chains. This work helps to identify how innovations can be designed, adopted, scaled and embedded within agricultural systems over the long term.

One of the program's key achievements was progressing Project 4010, which is investigating the policy, governance and behavioural factors that influence adoption of low-emissions practices. During the year, a Barriers to Adoption Scoping Study was completed, drawing on workshops and literature reviews to identify the opportunities and challenges facing producers and industry. These insights are helping shape future approaches to adoption, extension and industry engagement.

The program also advanced work on agrivoltaics through Project 4020, exploring how renewable energy generation and agricultural production can operate together within the same landscape. Demonstration activities commenced during FY26, supported by feasibility analysis, economic assessment and evaluation of different production systems. This work is helping to build the evidence needed to evaluate where agrivoltaics can provide profitable opportunities for farm businesses while contributing to emissions reduction.

Another significant area of focus was Project 4030, which is exploring insetting as a pathway to reward producers for reducing emissions. Through collaboration with industry partners and national stakeholder engagement activities, the project is helping develop a clearer understanding of how insetting projects can be set up to support decarbonisation efforts while creating value across agricultural value chains. As organisations increasingly seek ways to demonstrate and reward emissions reductions, this work is providing important foundations for future action.

Program 4 brings together expertise from across economics, social science, engineering, policy and industry engagement. Partners include The University of Western Australia, The University of Melbourne, The University of Queensland, Australian National University, Agriculture Victoria, AACo, Impact Innovation, and a range of industry stakeholders who are contributing practical insights into adoption, value-chain development and commercial opportunities.

As the CRC's research portfolio grows, Program 4 plays an increasingly important role in connecting innovation with implementation. Looking ahead, we will focus on value creation, adoption pathways and the partnerships, markets and institutional settings required to support long-term change across Australian agriculture.

Program 4 Highlights

Creating pathways for adoption and scale

- Established Project 4010 to better understand the factors that influence adoption and scaling of low-emissions technologies.
- Completed a Barriers to Adoption Scoping Study, including workshops and literature reviews that identified challenges and opportunities for accelerating uptake of ‘stacking’ solutions across Australian agriculture.
- Incorporated insights into future adoption pathway development and scaling readiness frameworks.

Advancing agrivoltaics research

- Commenced Project 4020, exploring how solar energy generation can be integrated with productive agricultural systems.
- Established demonstration activities and commenced trials to evaluate agrivoltaic systems under Australian conditions.
- Progressed economic and technical assessment of opportunities to co-optimise agricultural production, renewable energy generation and emissions reduction.

Building new approaches to insetting

- Progressed Project 4030 to explore insetting as a pathway for decarbonisation within agricultural value chains.
- Convened industry and expert engagement activities to examine opportunities, challenges and future frameworks for agricultural insetting.
- Continued work with industry partners to demonstrate approaches that connect emissions reduction activities with value-chain outcomes.

Supporting the systems needed for future value creation

- Advanced work on policy, governance and behavioural insights that influence adoption and scaling of low-emissions innovations.
- Explored future approaches for emissions traceability, data sharing and supply-chain transparency.



Adoption and Commercialisation

Building a National Network for Research, Demonstration and Adoption



By Mick Taylor
Producer Demonstration Site Lead

FY26 was a defining year for the CRC's Producer Demonstration Site (PDS) network, strengthening the practical connection between research and adoption. Across diverse farming systems, the sites provide a commercial setting in which technologies, practices and measurement approaches can be evaluated and refined with producers and industry.

A key priority was establishing robust baselines and tailored decarbonisation plans. This work is building a comprehensive profile of each farm business, its agroecological system and commodity mix, providing the foundation to assess future emissions reductions and develop a strategy suited to each enterprise. The insights will also guide CRC research and help communicate the opportunities and risks associated with different practices across farming networks and supporting industries. By year end, several sites had completed emissions baselines, with the remaining sites progressing through data collection and analysis.

The network also expanded substantially, moving beyond the initial pilot phase to a broader group of contracted sites supported by regional coordinators, research partners and producers. Over the next three to five years, these sites will generate commercial-scale evidence on individual CRC technologies and integrated technology stacks. Comparing their costs and returns with business as usual, while incorporating industry input, will help identify practical pathways for adoption as core business practices.

Early findings indicate that producers are confident in their capacity to integrate decarbonisation initiatives into their businesses. To maximise impact and return on investment, they need clear guidance, robust evaluation, fit-for-purpose measurement, monitoring, reporting and verification, and access to technical support.

To support this, the CRC strengthened the systems needed for long-term delivery and impact. Knowledge, Attitudes, Skills and Aspirations (KASA) surveys were introduced to establish baseline measures, alongside monitoring and evaluation frameworks for future impact assessment. Communities of Practice, entry field days and site engagement activities are also connecting producers with CRC research and creating opportunities for peer learning and knowledge exchange.

Investment in measurement infrastructure and data capability progressed in parallel. GreenFeed units, flux towers, digital monitoring systems and carbon-cycle measurements began to be deployed across the network, improving understanding of emissions sources and sinks in diverse farming systems. The resulting datasets will underpin modelling, verification and technology trials and validation across the CRC's research portfolio.

Together, these elements are transforming the PDS network from a collection of demonstration sites into a nationally connected living laboratory. It will provide trusted evidence, producer insight and commercial context needed to evaluate integrated solutions and accelerate their uptake.

Looking ahead, the priority is to complete baselines and decarbonisation plans, expand direct measurement capability and demonstrate the cumulative impact of technology adoption across farming systems. With the core 25 sites well advanced and demand to participate remaining strong, the PDS team is also exploring expansion into additional commodities and regions through a PDS Twin strategy planned for launch in 2027.



Adoption and Commercialisation Highlights



Establishing a National Producer Demonstration Site Network

- Progressed from the pilot phase towards a broader national network of Producer Demonstration Sites, with five sites contracted in FY26 and linked to regional coordinators.
- Continued onboarding of additional sites to expand the network and increase regional representation.

Commercial Emissions Baselining

- Began commercial greenhouse gas baselining and development of tailored decarbonisation plans across pilot sites.
- Several sites completed emissions baselines, with the remaining sites progressing through data collection and analysis.

Building Producer Capability and Engagement

- Introduced Knowledge, Attitudes, Skills and Aspirations (KASA) surveys to establish producer and host baselines and support long-term impact evaluation.
- Commenced Community of Practice development, entry field days and engagement activities connecting producers with CRC research and regional networks.

Investing in National Measurement Infrastructure

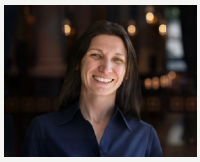
- Progressed deployment of GreenFeed units, flux towers and associated measurement infrastructure to improve understanding of emissions sources and sinks under commercial farming conditions.
- Commenced direct measurement and carbon-cycle characterisation activities across participating sites.

Creating the Foundation for Technology Stacking

- Positioned the PDS network as the CRC's primary platform for testing, validating and demonstrating technologies under commercial farming conditions.
- Established the foundation for future technology stacking research and evaluation across Research Programs.

Education and Training

Building Capability for a Low-Emissions Future



By Prof. Janelle Wilkes
Education and Training Lead

The transition to low-emissions agriculture will depend not only on new technologies and practices, but also on people. During FY26, the Education and Training program focused on the learning pathways, workforce capability and inclusion initiatives needed to support long-term change.

A significant achievement during the year was the completion of the CRC's commitment to co-design the First Nations Academy Framework and identify First Nations-focused work-integrated learning opportunities. Working closely with Yaran Business Services, an Aboriginal-owned consultancy, the CRC progressed a co-designed approach that places two-way learning, knowledge exchange and meaningful participation at the centre of future activities. The resulting framework establishes the foundations, principles and pathways for the Academy while recognising the importance of Indigenous Cultural and Intellectual Property (ICIP), data sovereignty and First Nations leadership. During FY26, the Board endorsed both the First Nations Academy Framework and the First Nations Engagement Strategy, providing an important foundation for implementation.

While the framework itself has been co-designed and completed, the Academy will continue to evolve through ongoing co-design with First Nations peoples, communities and partners as participation opportunities, learning pathways and workforce development initiatives are implemented and refined over time. To support this next phase of implementation, the CRC also commenced recruitment for a dedicated First Nations Academy Lead position, partnering with Shine People Solutions to support a culturally informed recruitment process that will underpin future implementation and ongoing engagement activities.

The CRC also made strong progress in developing the next generation of research leaders. During FY26, five PhD students completed recruitment and onboarding and became actively involved in CRC projects and professional development activities. Students are embedded within research projects and work alongside researchers, industry partners and producers to ensure their research remains connected to industry needs and real-world outcomes. Recruitment of additional PhD candidates also progressed during FY26, with these students expected to join the CRC's PhD program in FY27.

During FY26, the CRC was engaged by the Australian Government Department of Agriculture, Fisheries and Forestry to support delivery of the Carbon Farming Outreach Program Train-the-Trainer (CFOP TtT) initiative, helping build the capability of agricultural advisors to support informed conversations about carbon farming, emissions management and low-emissions agriculture. The program helps agricultural advisers build a stronger understanding of greenhouse gas accounting, emissions measurement and practical pathways towards lower-emissions agriculture. Insights gained through CFOP TtT have also informed the CRC's planning around industry training needs, professional development priorities and future learning opportunities that will support adoption of new technologies and practices.

Another major area of activity involved identifying industry training priorities and future workforce needs. FY26 included work to better understand the knowledge and skills required to support adoption of low-emissions technologies and practices across agricultural industries. These activities are informing the future development of industry training resources, professional development opportunities, university teaching materials and workforce initiatives that will support the sector as it transitions towards lower emissions production systems.

As we move into FY27, the focus will shift from framework development to implementation. This includes progressing the First Nations Academy, continuing to grow the CRC PhD program, developing industry training initiatives and strengthening learning pathways that connect research, education and industry outcomes.

Education and Training Highlights

- Board endorsement of the First Nations Academy Framework and First Nations Engagement Strategy, providing a foundation for ongoing co-design, engagement and implementation.
- Completion of the Commonwealth milestone relating to co-design and delivery of the First Nations Academy Framework, identification of work-integrated learning opportunities and industry training needs
- Five PhD students completed recruitment and onboarding in FY26 and became embedded within CRC research projects, supported through professional development.
- Progression of PhD recruitment across CRC partner universities, strengthening the FY27 student pipeline.
- Identification of industry training needs to inform future short courses, professional development programs and educational resources.
- Delivery of the Carbon Farming Outreach Program Train-the-Trainer (CFOP TtT) initiative.

Looking Ahead

From Foundations to Evidence and Impact

FY27 will focus on integration, validation and impact.

The foundations established during the CRC's first two years now support a broad portfolio of active research, a national demonstration network and stronger pathways for collaboration. In FY27, the focus will be on generating evidence, connecting projects and translating research into practical outcomes for Australian agriculture.

Investment will focus on:

Technology development and evaluation

Research projects across all four programs will continue to generate new knowledge, datasets and technologies, with increasing attention on performance under commercial conditions and in combination.

Producer Demonstration Sites and technology stacking

The Producer Demonstration Site network will continue to expand as baselines, decarbonisation plans and measurement systems are completed. As projects mature, the network will support evaluation of technology stacks in commercial farming systems.

Measurement, accounting and verification

Work will continue to strengthen emissions accounting, benchmarking and measurement systems, helping ensure future emissions reductions can be measured consistently, evaluated credibly and recognised across supply chains, markets and reporting frameworks.

Adoption and capability building

The CRC will continue to invest in the people, partnerships and capabilities needed to support long-term change. This includes growth of the PhD program, progression of the First Nations Academy, delivery of industry training initiatives and continued support for producer and advisor capability development through activities such as the Carbon Farming Outreach Program.

Partnerships and pathways to impact

The CRC will continue to co-design and deliver solutions that are scientifically credible, commercially relevant and practical to implement, with a focus on adoption pathways as the portfolio matures.

Forecast expenditure in FY27 is $18.8 million, including:

- $9.3 million invested in Research Programs
- $2.5 million in Research Management
- $0.1 million in Capex, to purchase GreenFeeds and flux towers which will support research projects
- $1.6 million in Education and Training, including PhDs embedded in research projects
- $0.4 million in First Nations Academy
- $1.8 million in Adoption and Commercialisation activities including the establishment of pilot Producer Demonstration Sites to support research projects
- $3.1 million in Operational Expenditure





Risks and Challenges

The path forward is not without challenge.

Australian agriculture continues to operate in an increasingly complex environment. Producers and Partners are navigating climate variability, rising input costs and evolving market demands, while also responding to growing expectations around sustainability and emissions reduction. At a global level, geopolitical uncertainty, shifts in emissions targets and changing investment priorities are creating additional pressure and complexity across agricultural supply chains.

Against this backdrop, the transition to lower-emissions agriculture presents both opportunity and challenge. The technologies, practices and management approaches needed to reduce emissions are advancing rapidly, but adoption remains one of the most significant risks to achieving meaningful impact. Producers are already managing a wide range of competing priorities, and emissions reduction initiatives must demonstrate value beyond emissions outcomes alone. Solutions need to support productivity, profitability, resilience and risk management if they are to be adopted at scale.

The pace of policy and market change also presents challenges. Sustainability commitments, climate-related reporting requirements and supply-chain expectations continue to evolve, often creating uncertainty about future obligations, opportunities and reward mechanisms. While these developments have the potential to create new value for low-emissions agriculture, they can also create confusion and hesitation where pathways are unclear or incentives are misaligned.

There is also increasing scrutiny on emissions-related claims. Industry, governments, investors and consumers are seeking greater confidence that emissions reductions are measurable, verifiable and supported by evidence. Building trusted measurement systems, developing accurate emissions factors, improving emissions accounting frameworks and developing consistent approaches to reporting remain significant challenges for the sector. Without confidence in measurement and verification, it becomes more difficult to assess progress, attract investment and reward producers for the actions they take.

The CRC also recognises that no single technology, policy setting or organisation will deliver the transition alone. Achieving meaningful change requires collaboration across researchers, producers, industry, government and regional communities. Aligning different priorities, timeframes and expectations is inherently challenging, but it is also essential if research is to translate into practical outcomes and enduring impact.

These challenges are substantial, but they also reinforce the importance of the CRC's mission. By investing in research, demonstration, education and adoption simultaneously, the CRC is helping to reduce uncertainty, strengthen the evidence base and create practical pathways towards a productive, profitable and lower-emissions future for Australian agriculture.



Governance

The CRC is governed by an independent Board of Directors that is responsible for strategic direction, organisational culture, funding allocations, risk management, compliance and accountability of the organisation. The CRC's progress is closely monitored with regular reviews, financial oversight and risk assessment to maintain accountability and transparency. Currently established Board Committees are:

Finance, Audit, Security and Risk Committee (FASRC) – This committee oversees financial integrity, audit processes, risk management, and information security to ensure effective governance and accountability.

Nominations, Remuneration and Performance Committee (NRPC) - Responsible for overseeing board nominations, executive remuneration, and performance evaluation to support effective leadership and governance.

Research Investment and Commercialisation Committee (RICC) – This group considers investment cases put to it from the Research Advisory and Management Committee, takes guidance from the Industry Advisory Committee, and recommends project investment cases to the Board for approval.

Industry Advisory Committee (IAC) – This committee ensures open, collaborative and constructive partnerships between research and industry and is responsible for evaluating project investment cases with respect to industry needs, commercialisation prospects and pathways, and assessing adoption potential in Australian agricultural industries.

Led by the CEO, the **Executive Management Team** manages the organisation's day-to-day operations, ensuring that business administration and objectives remain on track. The Research Director, four Research Program Leaders, the Education and Training Program Leader and the Producer Demonstration Site Leader provide technical expertise, oversee research projects and ensure industry relevance.

The **Research Advisory and Management Committee (RAMC)** fosters open, collaborative, and constructive partnerships between researchers and industry, playing a central role in aligning priorities and coordinating the development of robust, high-impact investment cases with our partners.

Our Team

Name	Position
Richard Heath	Chief Executive Officer
Annie Cox	Executive Assistant to the CEO
Georgia Sheil	Chief Operating Officer (parental leave)
Claire Mahony	A/Chief Operating Officer
Rob Hamper	General Counsel and Company Secretary
Riaan Retief	Chief Financial Officer
Prof. Ben Hayes	Research Director
Vicki Lane	Research Program 1 Lead
Prof. Sam Clark	Research Program 2 Lead
Prof. Richard Eckard	Research Program 3 Lead
Prof. Marit Kragt	Research Program 4 Lead
Rachel Buchanan	Head of Communications
Katrina Hinschen	Communications Coordinator
Prof. Janelle Wilkes	Education and Training Lead
Huw Coleman	Education and Training Project Officer
Michael Taylor	Producer Demonstration Site Lead
Gemma Somerville	Producer Demonstration Site Coordinator
Chloe Wilson	Producer Demonstration Site Coordinator
Eliza Gray	Producer Demonstration Site Coordinator
Jennifer Lim	Portfolio and Contracts Manager
Jane Goldsworthy	Project Officer
Cushla Heath	Data Engineering and Governance Lead
Charuni Jayasekara	Data Analyst
Paul Kotz	Carbon Calculators for Agriculture Lead

Table current as of end June 2026.

Financial Statements



ZNE-AG CRC LIMITED

ABN 33 674 855 577

Annual Report - 30 June 2026



ZNE-AG CRC LIMITED
Directors' report
30 June 2026

The Directors present their report, together with the financial statements, on ZNE-Ag CRC Limited (the 'Company') for the year from 1 July 2025 to 30 June 2026 (Year).

Directors
The following persons were Directors of the company during the whole of year and up to the date of this report, unless otherwise stated:

Director	Position
Debra Cousins	Chair
Nicholas Austin	Director
Kathleen Giles	Director
Melinee Leather	Director
Megan McKechnie	Director
Heidi Mippy	Director
Christopher Murphy	Director
Tresslyn Walmsley	Director

Company Secretary
The Company Secretary position was held by Mr. Riaan Retief until 13 October 2025 after which time and for the remainder of the Year, Mr Robin Hamper held the position. Mr. Rob Hamper is a technology-focused commercial lawyer with extensive experience in commercial, legal and technical roles. Rob holds undergraduate degrees in Business and Law (with First Class Honours), Masters degrees in Intellectual Property and Cybersecurity, and is a Graduate of the Australian Institute of Company Directors.

Short and Long-Term Objectives
ZNE-Ag CRC Limited was established in February 2024 to lead a national transformation in agricultural sustainability, with a vision of Zero Net Emissions from a thriving Australian agriculture sector. This vision is supported by a mission to drive innovation for a low-emissions future through practical, scalable solutions that reduce emissions, enhance productivity, and protect natural resources. The CRC is committed to inclusive engagement, particularly with Indigenous communities, and aims to embed cultural knowledge and two-way learning across its programs. These objectives are pursued in alignment with the Australian Government's Cooperative Research Centre's Program and the CRC's Commonwealth Grant Agreement.

Strategy for achieving the objectives
To achieve its objectives, ZNE-Ag CRC Limited has developed a strategic framework anchored in three core themes: Develop Technologies, Demonstrate Value, and Deliver Impact. These themes guide the CRC's research investments, operational planning, and stakeholder engagement. The strategy is further supported by enabling functions in adoption and commercialisation, education and training, communications, and governance.

Principal Activities During the Period
During the Period, ZNE-Ag CRC Limited continued to deliver against its core operating mandate through disciplined investment in emissions reduction research and targeted capability development. The CRC invested $13.7 million in research projects and progressed an additional six contracted projects across livestock, fertilisers, whole-farm systems, and value chains, taking the total number of active projects underway in the Period to 14. Key delivery outcomes included the completion of four Commonwealth milestones and three scoping studies, implementation of the TurnKey Investment Management System, release of the Pathways to Zero Net Emissions Stocktake Paper, establishment of five operational Producer Demonstration Sites, participation in more than 50 conferences and industry events across Australia, international engagement at the State of the Science Summit in the USA and the New Zealand Agriculture & Climate Change Conference, and delivery of the inaugural ZNE-Ag CRC Annual Conference attended by 300 delegates.

The CRC strengthened organisational capability by appointing 10 new staff and onboarding and supporting five PhD students. It also advanced education, industry capability and impact by identifying training needs, developing resources, delivering eight CFOP Train-the-Trainer workshops and one undergraduate curriculum module, and progressing the First Nations Engagement Strategy and First Nations Academy Framework through co-design and endorsement.

Performance measures
Performance was assessed through the Board-approved framework of strategic, operational, and financial measures, with progress evaluated with reference to research investment, milestone delivery, adoption activity, governance oversight, and forecast expenditure. During the year, the CRC committed $13.7 million to emissions reduction research, supporting delivery against Commonwealth milestones and delivering the program through investment governance, milestone monitoring, and risk management processes. Stakeholder engagement remains positive, supported by strong attendance across webinars,

conferences and industry forums, and continued activity across the national demonstration site program. Governance oversight was maintained through regular Board and committee meetings, with compliance and risk management systems operating to support accountable delivery.

Information on Directors

Name:	Dr Debra Cousins GAICD
Qualifications:	BAppSci (Medical Science), PhD (Microbiology)
Additional responsibilities:	Board Chair, NRPC member
Name:	Dr Nicholas Austin FAICD
Qualifications:	B.E. (Agric) *Hons*, M.Sus.Mgt, Ph.D.
Additional responsibilities:	FASRC member, Board Deputy Chair, and NRPC Chair.
Name:	Dr Kathleen Giles GAICD
Qualifications:	BSc, BVMS, ANZCVS (Ruminant Nutrition)
Additional responsibilities:	RICC member
Name:	Melinee Leather MAICD
Qualifications:	Dip. Rural Business Mgmt., Dip. Ag.
Additional responsibilities:	RICC Chair
Name:	Megan McKechnie GAICD
Qualifications:	B.Bus (Acct), CA
Additional responsibilities:	FASRC Chair
Name:	Heidi Mippy
Qualifications:	GradCert ExecLead&Mgmt, BA (CMAE), Exec M.Lead.Strat.Innov, ProfCertIR.
Additional responsibilities:	NRPC member
Name:	Christopher Murphy GAICD
Qualifications:	B.AgSci, MBA
Additional responsibilities:	RICC member
Name:	Tresslyn Walmsley
Qualifications:	B.EnvSci
Additional responsibilities:	FASRC member

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		NRPC		FASRC		RICC	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Debra Cousins	8	8	4	4	-	-	-	-
Nicholas Austin	7	8	4	4	6	6	-	-
Kathleen Giles	8	8	-	-	-	-	5	5
Melinee Leather	8	8	-	-	-	-	5	5
Megan McKechnie	8	8	-	-	6	6	-	-
Heidi Mippy	7	8	4	4	-	-	-	-
Christopher Murphy	8	8	-	-	-	-	5	5
Tresslyn Walmsley	8	8	-	-	6	6	-	-

Contributions on winding up
In the event of the company being wound up, ordinary members are required to contribute a maximum of $10 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is $120, based on 12 current ordinary members.

Surplus assets must be transferred to a similar not-for-profit entity.

Likely Developments and Expected Results of Operations
The company will continue to pursue its objectives as outlined in the Commonwealth Agreement, focusing on research, development, and commercialisation activities to support zero net emissions in Australian agriculture. The Board expects ongoing growth in research investment, stakeholder engagement, and operational capacity, with measurable progress towards the 2030 goals. No significant changes in operations are anticipated that would affect the winding up provisions.

Environmental Regulations
The company's operations are subject to various Commonwealth and State environmental regulations, as referenced in the Commonwealth Agreement. The Board is committed to compliance with all relevant environmental laws and regulations, and no breaches have been reported during the period or since the reporting date.

Insurance of Officers / Indemnity of Auditors
During the financial period, the company has paid premiums to insure Directors and Officers against liabilities incurred in their capacity as such, as permitted by the Constitution and the *Corporations Act 2001*. The company has not indemnified or made any agreement to indemnify the auditors against any costs or liabilities arising from their audit role.

Proceedings on Behalf of Company
No proceedings have been brought or intervened in on behalf of the company with leave of the court under *section 237 of the Corporations Act 2001* during or since the end of the financial period.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under *section 307C of the Corporations Act 2001* is set out immediately after this Directors' report.

ZNE-AG CRC LIMITED
Directors' report
30 June 2026

This report is made in accordance with a resolution of Directors, pursuant to *section 298(2)(a) of the Corporations Act 2001*.

On behalf of the Directors



Dr Debra Cousins
Chair

14 October 2026

ZNE-AG CRC LIMITED
Auditor's independence declaration

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Australia

DECLARATION OF INDEPENDENCE BY J W KNIGHT TO THE DIRECTORS OF ZNE-AG CRC LIMITED

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of ZNE-AG CRC Limited for the year ended 30 June 2026.

J W Knight
Director

BDO Audit Pty Ltd

Brisbane, 14 October 2026

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ZNE-AG CRC LIMITED
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General information

The financial statements cover ZNE-AG CRC LIMITED as an individual entity. The financial statements are presented in Australian dollars, which is ZNE-AG CRC LIMITED's functional and presentation currency.

ZNE-AG CRC LIMITED is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4, Building 20
Staff House Road
University Of Queensland QLD 4072

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 14 October 2026. The Directors have the power to amend and reissue the financial statements.

ZNE-AG CRC LIMITED
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026	February 2024 - June 2025
		$	$
Revenue			
Revenue	3	14,672,164	15,429,250
Other Income	4	1,089,743	86,833
Total revenue		15,761,907	15,516,083
Expenses			
Research Expenditure	5	(10,933,008)	(3,121,129)
Employee Benefits	6	(2,557,376)	(1,549,112)
Start-up Reimbursements		-	(494,855)
Administration Expenses		(1,718,577)	(567,054)
Depreciation		(266,553)	-
Governance		(376,226)	(391,227)
IT Expenses		(141,634)	(159,424)
Travel and accommodation		(318,984)	(133,989)
Legal fees		(528)	(109,713)
Marketing & Conference		(59,427)	(54,957)
Insurance		(54,553)	(14,781)
Total expenses		(16,426,866)	(6,596,241)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(deficit) for the year attributable to the members of ZNE-AG CRC LIMITED		(664,959)	8,919,842

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

ZNE-AG CRC LIMITED
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	7	6,309,657	8,836,332
Trade and other receivables	8	3,032,975	1,439,763
Financial assets	9	1,019,725	-
Other current assets	10	566,125	1,654,430
Total current assets		10,928,482	11,930,525
Non-current assets			
Plant and equipment	11	2,229,812	-
Total non-current assets		2,229,812	-
Total assets		13,158,294	11,930,525
Liabilities			
Current liabilities			
Trade and other payables	12	1,215,378	1,020,756
Contract liabilities	13	1,542,285	1,109,681
Accrued expenses		2,088,799	837,211
Employee benefits		56,949	43,035
Total current liabilities		4,903,411	3,010,683
Total liabilities		4,903,411	3,010,683
Net assets		8,254,883	8,919,842
Equity			
Retained surplus		8,254,883	8,919,842
Total equity		8,254,883	8,919,842

The above statement of financial position should be read in conjunction with the accompanying notes

ZNE-AG CRC LIMITED
Statement of changes in equity
For the year ended 30 June 2026

	Retained surplus $	Total equity $
Balance at 9 February 2024	-	-
Surplus after income tax expense for the period	8,919,842	8,919,842
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period	8,919,842	8,919,842
Balance at 30 June 2025	8,919,842	8,919,842

	Retained surplus $	Total equity $
Balance at 1 July 2025	8,919,842	8,919,842
Deficit after income tax expense for the year	(664,959)	(664,959)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(664,959)	(664,959)
Balance at 30 June 2026	8,254,883	8,254,883

The above statement of changes in equity should be read in conjunction with the accompanying notes

ZNE-AG CRC LIMITED
Statement of cash flows
For the year ended 30 June 2026

	Note	2026	February 2024 - June 2025
		$	$
Cash flows from operating activities			
Receipts from grants (inclusive of GST)		8,800,000	10,092,500
Receipts from participants (inclusive of GST)		5,268,045	5,284,288
Receipts from other operating income (inclusive of GST)		959,875	1,138,199
Payments to suppliers and employees (inclusive of GST)		(15,420,598)	(6,134,861)
		(392,678)	10,380,126
Interest received		113,276	86,783
Net cash (used in)/from operating activities		(279,402)	10,466,909
Cash flows from investing activities			
Payments for plant and equipment	11	(1,227,548)	(1,630,577)
Net investments in financial assets		(1,019,725)	-
Net cash used in investing activities		(2,247,273)	(1,630,577)
Net (decrease)/increase in cash and cash equivalents		(2,526,675)	8,836,332
Cash and cash equivalents at the beginning of the financial year/period		8,836,332	-
Cash and cash equivalents at the end of the financial year/period	7	6,309,657	8,836,332

The above statement of cash flows should be read in conjunction with the accompanying notes

ZNE-AG CRC LIMITED
Notes to the financial statements
30 June 2026

Note 1. Material accounting policy information

The accounting policies that are material to the Company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Basis of preparation
The financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), and the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit entities. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the AASB and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-profit and Not-for-profit Tier 2 Entities.*

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
The Company recognises revenue as follows:

Income for Not-for-profit Entities
The Company considers the applicability of AASB 15 *Revenue from contracts with customers* to each significant income stream.

AASB 15 *Revenue from contracts with customers* is only applicable to agreements with customers that contain:
1. 'Enforceable' rights and obligations; and
2. 'Sufficiently specific' performance obligations.

An agreement is typically enforceable by another party through legal or equivalent means if the agreement is in writing and includes sufficiently specific requirements of the parties.

Judgement is exercised in assessing whether promises within an agreement are ‘sufficiently specific’, taking into account any conditions specified in the arrangement (whether explicit or implicit) regarding the promised goods or services, including conditions regarding:
- the nature or type of the goods or services;
- the cost or value of the goods or services;
- the quantity of the goods or services; and
- the period over which the goods or services must be transferred.

Where the Company determines agreements with customers do not contain “enforceable” rights and obligations, or “sufficiently specific” performance obligations, the Company applies AASB 1058 *Income of Not-for-Profit Entities* and recognises income in full, either upon receipt, or when the unconditional right to receive payment is established (whichever comes earlier), and it is probable that the economic benefits comprising the contribution will flow to the Company .

Note 1. Material accounting policy information (continued)

Where AASB 15 is determined to apply to an income stream, the Company recognises revenue at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised, which may involve the recognition of contract assets and / or liabilities.

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract liabilities represent an obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

Contributions from participants
Contributions from participants are recognised as revenue in the Statement of Profit or Loss and Other Comprehensive Income as they are received, or when the Company has an unconditional right to receive payment.

Project revenue
Project revenue is recognised as revenue in line with AASB 15 as disclosed above in *Income for Not-for-profit Entities.*

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Volunteer services and other in-kind contributions
The company has elected not to recognise volunteer services as either revenue or other form of contribution received in line with AASB 1058. As such any related consumption or capitalisation of such resources received is also not recognised.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
As the Company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Note 1. Material accounting policy information (continued)

Financial instruments
Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

Amortised cost
Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's assets measured at amortised cost comprise trade and other receivables, financial assets and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Note 1. Material accounting policy information (continued)

Plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-9 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 1. Material accounting policy information (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Rounding of Amounts
Amounts in the financial statements and Directors' report have been rounded to the nearest dollar, unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition
The Company was required to assess whether government grants and contributions from participants fell under the scope of AASB 15 or AASB 1058. Specifically, the Company had to determine whether the Agreements contained performance obligations that meet the 'sufficiently specific' criteria in sections F20-F26 of AASB 15. Judgement is necessary to assess whether a promise is 'sufficiently specific', which takes into account any conditions specified in the Agreements regarding the following aspects:

a) the nature or type of the goods or service;
b) the cost or value of the goods or services;
c) the quantity of the goods and services; and
d) the period over which goods or services must be transferred.

The Directors have determined that the Commonwealth and participant agreements in place do not contain performance obligations that meet the 'sufficiently specific' criteria as per sections F20-F26 of the AASB 15. Therefore, Grant Income has been recognised in accordance with AASB 1058: in full upon receipt or when the Company has the unconditional right to receive the contribution, and it is probable that the economic benefits comprising the contribution will flow to the Company.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Note 3. Revenue

	2026	February 2024 - June 2025
	$	$
CRC Grant	8,000,000	9,175,000
Partner contributions	6,672,164	6,254,250
	14,672,164	15,429,250

Note 4. Other Income

	2026 $	February 2024 - June 2025 $
Interest Income	217,129	86,783
Other Revenue	104,650	50
Annual Conference Revenue	70,727	-
Project Revenue	560,692	-
Sponsorship Income	136,545	-
	1,089,743	86,833

Note 5. Research Expenditure

	2026 $	February 2024 - June 2025 $
Program 1	5,081,122	1,144,488
Program 2	2,253,889	798,963
Program 3	1,727,464	536,687
Program 4	951,065	139,024
Education & Training	161,894	149,708
Research Director	259,449	352,259
Scoping Studies Milestone	203,670	-
Secondment	150,000	-
Demonstration Site Support Services	144,455	-
	10,933,008	3,121,129

Note 6. Employee Benefits

	2026 $	February 2024 - June 2025 $
Salaries and wages	2,202,903	1,342,329
Superannuation	263,408	153,624
Workcover	16,005	10,124
Annual Leave Expense	13,914	43,035
Payroll tax	61,146	-
	2,557,376	1,549,112

Note 7. Current assets - Cash and cash equivalents

	2026 $	2025 $
Cash Reserve	3,784,599	6,828,576
Operating Account	6,060	7,756
Term Deposits	1,017,717	2,000,000
Cash Management Account	1,501,281	-
	6,309,657	8,836,332

Note 8. Current assets - Trade and other receivables

	2026 $	2025 $
Trade receivables	3,445,473	1,617,888
Less: Provision for doubtful debts	(412,498)	(178,125)
	3,032,975	1,439,763

Note 9. Current assets - Financial assets

	2026 $	2025 $
Term deposits - measured at amortised cost	1,019,725	-

Note 10. Current assets - Other

	2026 $	2025 $
Prepayments	100,512	23,853
Prepayments for equipment	361,760	1,630,577
Accrued Income	103,853	-
	566,125	1,654,430

Note 11. Non-current assets - Plant and equipment

	2026 $	2025 $
Plant and equipment - at cost	2,496,365	-
Less: Accumulated depreciation	(266,553)	-
	2,229,812	-

Note 11. Non-current assets - Plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant & Equipment $	Total $
Balance at 1 July 2025	-	-
Additions	1,227,548	1,227,548
Additions through prior year payments	1,268,817	1,268,817
Depreciation expense	(266,553)	(266,553)
Balance at 30 June 2026	2,229,812	2,229,812

Note 12. Current liabilities - Trade and other payables

	2026 $	2025 $
Accounts Payable	975,326	738,558
Provision for Fringe Benefits Tax	5,542	1,189
PAYG Withholdings Payable	87,608	59,547
Credit Cards	10,697	349
Wages Payable	906	-
Superannuation Payable	3,359	-
GST Payable	131,940	221,113
	1,215,378	1,020,756

Note 13. Current liabilities - Contract liabilities

	2026 $	2025 $
Contract liabilities	1,542,285	1,034,681
Deferred revenue	-	75,000
	1,542,285	1,109,681

Note 14. Key management personnel disclosures

Compensation
The compensation paid or payable to Directors and other members of key management personnel of the Company is set out below:

	2026 $	February 2024 - June 2025 $
Short-term employee benefits	1,123,879	1,095,009
Post-employment benefits (superannuation)	135,476	122,484
Total compensation	1,259,355	1,217,493

The amount of remuneration contains payments made to 12 key management personnel of the Company.

Note 15. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Australia - Brisbane, the auditor of the Company:

	2026	February 2024 - June 2025
	$	$
Audit services - BDO Australia - Brisbane		
Audit of the financial statements	45,000	43,360

Note 16. Contingent liabilities and assets

In the opinion of the Directors, the Company did not have any contingent liabilities or assets as at 30 June 2026.

Note 17. Commitments

In the opinion of the Directors, the Company did not have any commitments as at 30 June 2026.

Note 18. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 14.

Significant influence
Richard Heath is CEO of ZNE-AG CRC LIMITED and a Director of Grains Research & Development Corporation (GRDC), a partner of the Company.

Transactions with related parties
The partner contributions received from Grains Research & Development Corporation in 2026 were $93,500 (inc. GST) (2025: $82,500). No balance is outstanding at 30 June 2026 (2025: Nil).

All transactions have been conducted on normal commercial terms and no loans were made to the Directors or Director-related entities during the reporting period.

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

ZNE-AG CRC LIMITED
Directors' declaration
30 June 2026

In the Directors' opinion:

- the financial statements and notes are in accordance with the Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022* and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors:

On behalf of the Directors



Dr Debra Cousins
Chair

14 October 2026

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INDEPENDENT AUDITOR'S REPORT

To the members of ZNE-AG CRC Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ZNE-AG CRC Limited (the registered entity), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the responsible entities' declaration.

In our opinion the accompanying financial report of ZNE-AG CRC Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the registered entity's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf
This description forms part of our auditor's report.

BDO Audit Pty Ltd



J W Knight
Director

Brisbane, 14 October 2026

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zneag CRC