

International Graphite Ltd

ACN 624 579 326

Financial Statements for the year ended 30 June 2025

CORPORATE OFFICE

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ASX:IG6 | FSE:H99 | ABN 56 624 579 326

www.internationalgraphite.com.au



INTERNATIONAL
GRAPHITE
(ASX:IG6)

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Philip Hearse	Non-Executive Chairman
Andrew Worland	Managing Director and CEO
David Pass	Technical Director
Matthew O’Kane	n-Executive Director <i>(resigned 28 July 2025)</i>

COMPANY SECRETARY

Robert Hodby

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Level 1, 333 Charles Street North Perth, WA 6006

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SHARE REGISTRY

Automic Group Pty Ltd

Level 5, 191 St Georges Terrace Perth, WA 6000

AUDITORS

Armada Audit & Assurance Pty Ltd

18 Sanggio Court, Osborne Park, WA 6017

SECURITIES EXCHANGE

Australian Securities Exchange

Website: www.asx.com.au

ASX Code: IG6

Frankfurt Stock Exchange

Website: www.boerse-frankfurt.de/en

FRA: H99 / WKN: A3DJY5

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DIRECTORS' REPORT

The Directors present their report on International Graphite Limited (the Company) for the financial year ended 30 June 2025 and the auditor's report thereon.

Directors

The names of the Directors who held office during the reporting year or since the end of the reporting year and up to the date of this report are:

Philip Hearse, appointed 21 February 2018

Andrew Worland, appointed 7 May 2019

David Pass, appointed 9 July 2021

Matthew O'Kane, appointed 5 April 2022, resigned 28 July 2025

Company Secretary

Robert Hodby was appointed as Company Secretary on 20 July 2021.

Principal Activities

The principal activities of the Company are the development of a vertically integrated 'mine to market' graphite business focussing on the exploration and development of the Springdale Graphite Project in Hopetoun, Western Australia and the development of commercial downstream processing facilities in Collie, Western Australia, Germany and potentially the United States of America providing high quality graphite products supply for industrial and battery markets.

Review of Operations

International Graphite significantly advanced its vertically integrated mine-to-market strategy during the year establishing the footprint for a global graphite business.

Strong momentum from Collie downstream operations, and progress planning for the Springdale mine, were complemented by new international opportunities in Germany and the assessment of opportunities in the United States.

The Company is working to establish an integrated network of downstream operations that will establish markets for its processed graphite products and underpin development of the Springdale mine, in Western Australia. This network of assets will close the loop on a sustainable mine-to-market supply chain anchored in Australia.

The strategy capitalises on the intellectual property the Company has accumulated through years of process flowsheet development and operating experience, and customer validation of product produced at the Collie Graphite Processing and R&D Facility. Priority markets are Europe, the United States and Asia.

Collie continued to advance as the cornerstone of the Company's downstream processing strategy. To date, 1,216 kg of graphite concentrates have been processed into a range of micronised and spheroidised products (15–45 µm, D90 specifications) and first product sales have been successfully executed with domestic and international customers.

DIRECTORS' REPORT (CONTINUED)

The Collie facility achieved independent quality assurance certification from SGS Global in September 2024. Certification affirms the facility's technical credibility and covers the processing, assaying, and supply of graphite to agreed specifications.

The Front End Engineering & Design study (FEED) for Australia's first commercial-scale graphite micronising plant was completed in March 2025. Construction activities are now underway for the new plant, which is to be located adjacent to the existing R&D Facility in the Collie Light Industrial Area, in Western Australia.

Following FEED completion, the Company commissioned local contractor Prosser Built, to undertake detailed design and initiated the procurement of long-lead micronising equipment.

Momentum continued upstream at the Springdale Graphite Project, on Western Australia's south coast, with two mining leases granted in November 2024, securing almost the entire Mineral Resource and marking a critical permitting achievement.

A ten-hole PQ diamond drilling program was completed between May and July 2024 with assay results released for both the Mason Bay and Springdale Central deposits. The exploration program focussed on geotechnical drilling, to inform mine planning and permitting, and to provide metallurgical data for concentrator plant process design.

The operating loss of the Company for the financial year after providing for income tax amounted to \$2,416,566 (2024: \$4,017,468).

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Corporate and Significant Changes in Affairs

Other than disclosed in this Financial Report, there have been no significant changes in the affairs of the Company.

Likely Developments and Expected Results of Operations

The Company will continue with its principal activities.

Safety and Environment Regulation

The Company is aware of its safety and environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

Proceedings on behalf of the Company

No persons have applied for leave pursuant to s.237 of the Corporation Act 2001 to bring, or intervene in, proceedings on behalf of the Company.

DIRECTORS' REPORT (CONTINUED)

Performance Rights

A total of 19,000,000 performance rights are on issue at the date of this report:

Type	Number	Expiry date
IG6PRA	4,500,000	29/12/2026
IG6PRB	-	-
IG6PRC	3,500,000	29/12/2026
IG6PRD	4,500,000	29/12/2026
IG6PRE	2,000,000	29/12/2026
IG6PRF	2,400,000	29/12/2026
IG6PRG	2,100,000	29/12/2026

The holders of such performance rights do not have the right, by virtue of the performance right, to participate in any share or other interest issue of any other body corporate or registered scheme.

There have not been any movements in performance rights during the year.

Share Options

A total of 18,000,000 share options are outstanding at the date of this report:

Type	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
OPT01	2,720,000	01/04/2022	01/04/2027	\$0.30	\$0.06609/option
OPT02	480,000	01/04/2022	01/04/2027	\$0.30	\$0.06609/option
OPT03	4,080,000	01/04/2022	01/04/2027	\$0.40	\$0.05108/option
OPT04	720,000	01/04/2022	01/04/2027	\$0.40	\$0.05108/option
OPT06	4,000,000	04/12/2023	30/04/2027	\$0.40	\$0.08900/option
OPT07	6,000,000	06/06/2025	01/05/2028	\$0.12	\$0.01685/option

The holders of such options do not have the right, by virtue of the option, to participate in any share or other interest issue of any other body corporate or registered scheme.

Shares issued on the exercise of Options

No shares were issued on the exercise of options during or since the end of the financial year.

Shares Options that expired/lapsed

No share options expired or lapsed during or since the end of the financial year.

Directors and Company Secretary (including the Director's qualifications and interests at the date of this report)

DIRECTORS' REPORT (CONTINUED)

Philip Hearse

MBA, BASc

Non-Executive Chairman

Phil founded International Graphite in 2018. He is a metallurgist with more than 40 years' experience in diverse and challenging projects around the world. His extensive career has taken him from operational and technical roles at Broken Hill, Bougainville Copper, Queensland Nickel (QNI) and Gove Alumina to senior executive and managerial positions in engineering and operating companies.

Phil is owner and Director of Battery Limits Pty Ltd, one of Australia's leading graphite metallurgy and process engineering firms that has assisted many listed public companies develop bankable feasibility studies for graphite mines and concentrators and generated significant downstream processing intellectual property and end use market knowledge.

Phil holds a Master of Business Administration from UK's Hull University and a Bachelor of Applied Science in Primary Metallurgy from the University of South Australia and is a Fellow of the Australasian Institute of Mining and Metallurgy.

The Board considers that Phil is not an independent Director.

Interest in securities

Ordinary Shares	21,215,701
Options	2,400,000

Directorships held in other listed entities

During the past three years, Phil has not been a director of any other ASX listed companies.

Andrew Worland

(BCom, FGIA)

Managing Director / CEO

Andrew is a mining executive and experienced ASX/TSX Director with over two decades of experience working in senior finance, corporate and project management and marketing roles in the Western Australian mining sector. Andrew has held the positions of Chairman, CEO and Company Secretary of several listed and unlisted companies. His commodity experience includes exploration, development and operations in lead, zinc, nickel, cobalt, gold, iron ore, molybdenum, copper and uranium.

Andrew has a Bachelor of Commerce with a major in Finance and Marketing from the University of Western Australia and is a qualified chartered company secretary.

The Board considers that Andrew is not an independent Director.

Interest in securities

Ordinary Shares	3,060,000
Options	2,000,000
Performance Rights	5,000,000

DIRECTORS' REPORT (CONTINUED)

Directorships held in other listed entities

During the past three years, Andrew has been a director of the following ASX listed companies:

- Besra Gold Inc – resigned 13 December 2022

David Pass

(BSc)

Technical Director

David is a metallurgist with 30 years' experience in the mining industry with mix of operational processing, process design, project, due diligence skills and management.

David is Chief Executive Officer of Battery Limits and an acknowledged expert in graphite primary and downstream processing and has led several studies in graphite project development to definitive feasibility level. Previously, he worked with Moly Mines in a senior role where he managed the Spinifex Ridge molybdenum/copper project development and iron ore operations.

David holds a Bachelor of Science in Metallurgy from Murdoch University and is a member of the Australian Institute of Mining and Metallurgy.

The Board considers that David is not an independent Director.

Ordinary Shares	3,245,000
Options	1,200,000
Performance Rights	4,800,000

Directorships held in other listed entities

During the past three years, David has not been a director of any other ASX listed companies.

Matthew O'Kane

(BEcon & Fin, MBA, CPA, GradDip Mineral Exploration Geoscience)

Non-Executive Director

Matthew is an experienced mineral industry executive and company director with 25 years' experience in the mining, commodities, and automotive sectors.

Matthew has held senior leadership roles in Australia, the USA and Asia, in both developed and emerging markets, from start-up companies through to MNC's. He has served on the board of mining companies in Canada, Hong Kong and Australia.

The Board considers that Matthew is not an independent Director.

Interest in securities

Ordinary Shares	160,000
Options	1,200,000
Performance Rights	2,700,000

DIRECTORS' REPORT (CONTINUED)

Directorships held in other listed entities

During the past three years, Matthew has been a director of the following ASX listed companies:

- Comet Resources Limited – appointed 12 November 2019
- Reach Resources Limited – appointed 20 May 2021

Robert Hodby
(BCom, CPA, AGIA)

Company Secretary

Robert holds a Bachelor of Commerce from Murdoch University and is a member of CPA Australia and the Governance Institute of Australia with over 20 years industry experience in financing and administration of public and listed companies gathered at both operational and corporate levels.

During his time, he has held numerous executive and project management positions as well as CFO, Board and Company Secretarial roles with a number of companies involved in the resource and energy.

Meetings of Directors and Committees

During the financial year one meeting of Directors was held. Attendances by each Director during the year are stated in the following table.

	Number Eligible to Attend	Number Attended
Philip Hearse	4	4
Andrew Worland	4	4
David Pass	4	4
Matthew O'Kane	3	3

In addition to the formal board meetings, directors meet informally weekly to discuss strategy, industry conditions, Company and management performance.

Refer page 3 for dates of appointment and resignation.

DIRECTORS' REPORT (CONTINUED)

Indemnification of Directors and Auditors

The Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- except as may be prohibited by the *Corporations Act 2001* a Director or Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Director or officer of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year as disclosed in Note 4 is compatible with the general standard of independence for auditors. The Directors are satisfied that non-audit services did not compromise the external auditor's independence for the following reasons: all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and the nature of the services provided do not compromise the general principles relating to auditor independence under all relevant independence rules.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Armada Audit & Assurance Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence declaration is set out on page 19 and forms part of this Directors' Report for the year ended 30 June 2025.

Remuneration Report (Audited)

The information in this remuneration report has been audited as required by s308(3C) of the *Corporations Act 2001*.

Key Management Personnel ("KMP")

KMP have authority and responsibility for planning, directing and controlling the activities of the Company. KMP comprise the Directors of the Company and key executive personnel:

KMP	Position	Tenure During the Year
Andrew Worland	Managing Director/CEO	Full Financial Year
David Pass	Chief Technical Officer	Full Financial Year
Robert Hodby	CFO / Company Secretary	Full Financial Year
Non-executive Directors		
Philip Hearse	Non-executive Chairman	Full Financial Year
Matthew O'Kane	Non-executive Director	Full Financial Year

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

Remuneration Policy

The remuneration policy of International Graphite has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form of options and/or performance rights), executive, business and shareholder objectives are aligned. The Board of International Graphite believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company, as well as create goal congruence between directors and shareholders. The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

Managing Director and Other KMP

The remuneration policy and the relevant terms and conditions have been developed by the Board of Directors. In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Company is an exploration and development entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry.

Managing Director/ CEO Executive Services Agreement

The Company has entered into an executive services agreement with Andrew Worland. Mr Worland received a cash salary of \$390,000 per annum including superannuation.

The agreement may be terminated by the Company with six months notice or in the case of a material breach or misconduct immediately or by Mr Worland with three months' notice or immediately should there be a change of control in the Company.

David Pass

Mr Pass was appointed Chief Technical Officer on 31 January 2023. Mr. Pass is CEO of Battery Limits Pty Ltd (refer 'Other Transactions with KMP' in this Remuneration Report). His time attributable to Company business is billed at \$270/hour.

Robert Hodby

Mr Hodby received a cash salary of \$260,000 per annum including superannuation.

The agreement may be terminated by the Company with six months notice or in the case of a material breach or misconduct immediately or by Mr Hodby with three months' notice or immediately should there be a change of control in the Company.

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

Non-Executive Chairman & Consulting Agreement

The Company has entered into a non-executive consultancy agreement pursuant to which the Company engaged JUAD Pty Ltd (ACN 009 287 281) (Contractor) and Phillip Baden Hearse (Nominated Person) to perform the role of Non-Executive Chairman to the Company (Consulting Agreement).

Juad received \$10,000 (exclusive of GST) per month for Chairman's fees. In addition, in consideration for any Consulting Services provided by the Contractor, the Contractor is entitled to a fee of \$1,800 for each full day that the Contractor is required to perform the Consulting Service. The Company may terminate the agreement without cause with 90 days' notice (or payment in lieu). Mr Hearse can terminate with 90 days' notice. The agreement is otherwise on standard terms for agreements of this nature.

During the financial year, the Company did not engage any remuneration consultants. The Board's remuneration policies are outlined below:

Fixed Remuneration

All executives receive a base cash salary which is based on factors such as length of service and experience as well as other fringe benefits. If entitled, all executives also receive a superannuation guarantee contribution required by the government, and do not receive any other retirement benefits.

Short-term Incentives (STI)

Under the Company's current remuneration policy, executives can from time to time receive short-term incentives in the form of cash bonuses. No short-term incentives were paid in the current financial year. The Board is responsible for assessing whether Key Performance Indicators ("KPI's") are met. The Board considers market rates of salaries for levels across the Company, which have been based on industry data provided by a range of industry sources.

Long-term Incentives (LTI)

Executives are encouraged by the Board to own shares in the Company, and it is therefore the Company's objective to provide incentives for participants to partake in the future growth of the Company and, upon becoming shareholders in the Company, to participate in the Company's profits and dividends that may be realised in future years.

Non-Executive Directors

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. In determining competitive remuneration rates, the Board review local and international trends among comparative companies and the industry generally. Typically, the Company will compare non-executive remuneration to companies with similar market capitalisations in the exploration and resource development business group.

Total fees payable to all non-executive directors, excluding amounts for special exertion or the reimbursement of reasonable business expenditures, must not exceed \$300,000 per annum, in accordance with the approval provided by shareholders on 30 November 2022.

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

Incentive Option Plan

KMP are entitled to participate in the Company's Performance Rights and Options Plan which is designed to give each option holder an interest in preserving and maximising shareholder value. Such grants are determined by an informal assessment of an individual's performance, level of responsibilities and the importance of his/her position and contribution to the Company. The vesting of the securities is determined at the Board's discretion.

No performance rights or options were issued during the year.

Relationship between Remuneration of KMP and Earnings

During the Company's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining remuneration and earnings during the current and previous financial years.

Relationship between Remuneration of KMP and Shareholder Wealth

As discussed above, the Company is currently undertaking exploration activities and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from its projects. Accordingly, the Board does not consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

Statutory performance indicators

The Board aims to align executive remuneration to the Company's strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Company's financial performance over the last five years as required by the *Corporations Act 2001*. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMP. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the KMP of the Company:

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

2025 KMP	Short-Term Benefits			Post-Employment Benefits	Long-Term Benefits	Equity-Settled Share-Based Payments			
	Salary, Fees and Leave	Profit Share and Bonuses	Leave Expense Accrued	Super-annuation	Other	Performance Rights	Options	Total	Equity as a % of remuneration
	\$	\$	\$	\$	\$	\$	\$	\$	
Philip Hearse	174,900	-	-	-	-	-	-	174,900	-
Andrew Worland	360,000	-	32,187	30,000	-	165,505	-	587,692	28%
David Pass	72,000	-	-	-	-	106,431	-	178,431	60%
Robert Hodby	233,184	-	26,042	26,816	-	65,063	-	351,105	18%
Matthew O'Kane*	72,000	-	-	-	-	77,562	-	149,562	52%
	912,084	-	58,229	56,816	-	414,561	-	1,441,690	-

* Matthew O'Kane resigned 25 July 2025.

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

2024 KMP	Short-Term Benefits			Post-Employment Benefits	Long-Term Benefits	Equity-Settled Share-Based Payments			
	Salary, Fees and Leave	Profit Share and Bonuses	Leave Expense Accrued	Super-annuation	Other	Performance Rights	Options	Total	Equity as a % of remuneration
	\$	\$	\$	\$	\$	\$	\$	\$	
Philip Hearse	98,520	-	-	-	-	-	-	98,520	-
Andrew Worland	302,292	-	28,751	25,208	-	187,145	-	543,396	36%
David Pass*	48,000	-	-	-	-	120,339	-	168,339	71%
Robert Hodby	180,000	-	24,142	19,800	-	80,176	-	304,118	29%
Matthew O'Kane*	48,000	-	-	-	-	83,447	-	131,447	63%
	676,812	-	52,893	45,008	-	471,107	-	1,245,820	39%

* Relates to performance rights approved by shareholders at the AGM on 24 November 2023.

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

KMP Equity Holdings

Fully Paid Ordinary Shares of the Company Held by Each KMP

2025 KMP	Balance at start of year (or appointment) No.	Purchased/ (sold) during year No.	Received on the exercise of options No.	Share based payment ¹ No.	Balance at end of year (or resignation) No.
Philip Hearse	19,175,702	-	-	-	19,175,702
Andrew Worland	3,060,000	-	-	-	3,060,000
David Pass	3,245,000	-	-	-	3,245,000
Robert Hodby	260,000	-	-	-	260,000
Matthew O'Kane	160,000	-	-	-	160,000
	25,900,702	-	-	-	25,900,702

Performance Rights in the Company Held by Each KMP

2025 KMP	Balance at start of year (or appointment) No.	Granted during the year No.	Vested and exercised No.	Forfeited No.	Balance at end of year (or resignation) No.
Philip Hearse	-	-	-	-	-
Andrew Worland	5,000,000	-	-	-	5,000,000
David Pass	4,800,000	-	-	-	4,800,000
Robert Hodby	3,500,000	-	-	-	3,500,000
Matthew O'Kane	2,700,000	-	-	-	2,700,000
	16,000,000	-	-	-	16,000,000

Terms and conditions of share-based payment arrangements - Performance Rights

The vesting terms of the 16,000,000 performance rights held by KMP are as below:

- 1) **Class A Incentive Performance Rights (3,500,000):** exercisable upon the completion by the Company of a definitive feasibility study to a AACE Class 3 standard for the Springdale Graphite Project;
- 2) **Class C Incentive Performance Rights (3,500,000):** exercisable upon the completion by the Company of a definitive agreement with an end user for the offtake of purified spherical graphite / battery anode material, or the provision of technology to facilitate the completion of coating of purified spherical graphite at the Company's Collie facilities to the Board's satisfaction, acting reasonably;

¹ Refer to Note 17(b)(i)

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

- 3) **Class D Incentive Performance Rights (3,500,000):** exercisable upon the completion by the Company of a definitive standard feasibility study to a AACE Class 3 standard for commercial scale battery anode materials production facilities at Collie;
- 4) **Class E Incentive Performance Rights (2,000,000):** exercisable upon the Company achieving a daily weighted average ASX share price exceeding \$1.00 per share for 20 consecutive days; and
- 5) **Class F Incentive Performance Rights (2,400,000):** exercisable upon the Company achieving daily weighted average ASX share price exceeding \$1.00 per share for 20 consecutive days.
- 6) **Class G Incentive Performance Rights (1,100,000):** exercisable upon the Collie Graphite Micronising Facility achieving the production of 150t of finished product per month for three consecutive months within six months of the completion of dry commissioning.

The performance rights have a nil exercise price and will expire four years from the date of issue, after which the performance rights lapse and may no longer be exercised or converted. The Directors must remain in the Company until the vesting conditions are satisfied.

The class distribution of the 16,000,000 performance rights to KMP is as below:

Andrew Worland	1,000,000 each of Class A, C and D Performance Rights and 2,000,000 Class E Performance Rights
David Pass	1,000,000 each of Class A, C and D Performance Rights, 1,200,000 Class F Performance Rights and 600,000 Class G Performance Rights
Robert Hodby	1,000,000 each of Class A, C and D Performance Rights and 500,000 Class G Performance Rights
Matthew O'Kane	500,000 each of Class A, C and D Performance Rights and 1,200,000 Class F Performance Rights

Options in the Company Held by Each KMP

2025 KMP	Balance at start of year (or appointment) No.	Granted during the year No.	Vested and exercised No.	Forfeited No.	Balance at end of year (or resignation) No.
Philip Hearse	2,400,000	-	-	-	2,400,000
Andrew Worland	2,000,000	-	-	-	2,000,000
David Pass	1,200,000	-	-	-	1,200,000
Robert Hodby	1,200,000	-	-	-	1,200,000
Matthew O'Kane	1,200,000	-	-	-	1,200,000
	8,000,000	-	-	-	8,000,000

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

Terms and conditions of share-based payment arrangements (issued in financial year ended 30 June 2022)

The terms and conditions for each grant of options affecting remuneration in the current or a future reporting period are as follows:

Number	Grant date and Vesting date	Expiry date	Exercise price	Value per option at grant date	Total value at grant date	% vested and exercised
3,200,000	1 April 2022	1 April 2027	\$0.30	\$0.06609	211,488	100%
4,800,000	1 April 2022	1 April 2027	\$0.40	\$0.05108	245,184	100%

Other Equity-Related KMP Transactions

Apart from the details disclosed above, no Director or other KMP has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts or balances involving Directors' interests existing at year end.

Loans to KMP and/or Their Related Parties

There are no loans made to/from Directors of Company and/or their related parties as at 30 June 2025 (2024: nil).

Other Transactions with KMP and/or Their Related Parties

International Graphite and Battery Limits Pty Ltd (an entity controlled by Mr Hearse) (Battery Limits) entered into a Professional Services Agreement in February 2022. The agreement is valid for three years. Mr Pass is CEO of Battery Limits. Battery Limits provides mining project development services including but not limited to coordinating and managing exploration, geological, mining, metallurgical investigations, permitting, engineering, process design, feasibility studies and graphite marketing investigations and studies (Graphite Mine and Concentrate Production Services) and all technical studies associated with the development, construction and operation of graphite concentrate downstream processing facilities. Fees charged under the Agreement are based on hourly rates that compare favourably to what the Company would otherwise incur with an unrelated party performing the same services. The agreement is currently being reviewed with a view to extending it.

Battery Limits earned fees for the 2025 and 2024 financial years amounting to \$847,337 and \$945,136 respectively (each ex-GST). Battery Limits invoices the Company monthly and invoices include timesheets for Battery Limits staff and contractors that are engaged on Company work. Time spent on Company matters by Mr Pass that exceed monthly directors fees of \$6,000 are charged through Battery Limits. Battery Limits charged the Company approximately \$193,978 (2024: \$159,000) for time incurred by Mr Pass on Company activities during the financial year. Over the financial year Battery Limits charged the Company services for seven individuals amounting to approximately 2.5 full time equivalent staff.

In addition to the above services, the Company occupies an office space at a commercial premises leased by Battery Limits. In the 2025 and 2024 financial years, the Company paid Battery Limits approximately \$34,428 and \$40,687 respectively for its reasonable share of office rent and outgoings incurred by Battery Limits based on the Company's occupancy levels.

There have been no other transactions involving with KMP and/or their related parties other than those described above.

END OF REMUNERATION REPORT

DIRECTORS' REPORT (CONTINUED)

Financial Position

The financial statements for the year ended 30 June 2025 have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business. During the year, the Company recorded a loss of \$2,416,566 (2024: \$4,017,468) and had net cash outflows from operating activities of \$1,464,277 (2024: \$2,579,554). At reporting date, the Company had a working capital deficit of \$992,714 (2024: \$370,056) Included in that working capital deficit is (i) \$629,942 of unearned revenue from government grants received in advance which are recorded as current liabilities for accounting purposes - these amounts relate to capital grants received and will be offset against the cost of the development asset in future periods and (ii) \$784,698 owing to a third party to finance the Company's forecast 2025 rebate from the Australian Tax Office for eligible research and development expenditure related to the Company's activities – proceeds from the rebate are expected to repay the amount outstanding in full.

In July 2025 Comet Resources Ltd paid \$1,125,000 to International Graphite in full settlement of all outstanding amounts under the Convertible Loan and Loan Facility (refer Note 6).

The Company has the following active grants:

Grant	Funder	Grant Size	Grant Drawdown
Critical Minerals Development Program	Australia Government	\$4,700,000	\$4,230,000
The Investment Attraction Fund	Western Australian Government	\$4,000,000	\$200,000
Collie Industrial Transition Fund – Micronising Facility	Western Australian Government	\$4,500,000	-
Collie Industrial Transition Fund – Battery Anode Material study	Western Australian Government	\$2,000,000	\$550,000

A total of \$10,220,000 is still available to be utilised over the next 18 months on the development of the Company's commercial micronising facility in Collie, the advancement of feasibility study activities for the Springdale Graphite Project and downstream graphite processing for battery anode facilities.

Material Business Risks

The material business risks that could impact the International Graphite's operations, financial performance, or strategic objectives include: Project Development and Execution Risk such as delays or cost overruns, permitting, approvals and construction timelines; Market and Price Volatility which may impact revenues, capital costs and operating costs; Funding and Capital Risk which could impact securing adequate funding for exploration, development and operational activities.

Events Occurring after the Reporting Date

In July 2025 Comet Resources Ltd paid \$1,125,000 to International Graphite in full settlement of all outstanding amounts under the Convertible Loan and Loan Facility (refer Note 6).

The Company has signed a non-binding term sheet with a third party for the potential investment in the Company of up to \$3 million. Negotiation of binding documentation is in progress though there can be no assurance that a final agreement will be reached.

Matthew O'Kane resigned as a director on 28 July 2025.

DIRECTORS' REPORT (CONTINUED)

Other than the above, no matters or circumstance have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company in future financial years.

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



Andrew Worland

Managing Director/CEO

Dated on this 26th day of September 2025 in North Perth

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF INTERNATIONAL GRAPHITE LIMITED**

I declare that to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2025 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

*Armada Audit
& Assurance*

Armada Audit & Assurance Pty Ltd



Marcia Johnson CA
Director

Dated this 28 September 2025, at Perth Western Australia

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025	2024
		\$	\$
REVENUE FROM CONTINUING OPERATIONS			
Sales		18,120	-
Other income	2	2,863,827	66,287
		<u>2,881,947</u>	<u>66,287</u>
EXPENSES			
Administration expenses		(114,634)	(54,788)
Consulting Fees		(934,049)	(949,678)
Corporate expenses		(685,510)	(302,789)
Depreciation & Amortisation	8&11	(567,692)	(194,450)
Employment Expenses		(992,803)	(807,189)
Insurance		(75,034)	(64,749)
Marketing		(335,432)	(727,628)
Process development expenses		(879,465)	-
Share based payments	17	(568,195)	(895,829)
TOTAL EXPENSES		<u>(5,152,814)</u>	<u>(3,997,100)</u>
Operating loss		<u>(2,270,867)</u>	<u>(3,930,813)</u>
Finance expense		(145,699)	(86,655)
Loss before income tax expense		<u>(2,416,566)</u>	<u>(4,017,468)</u>
Income tax expense	3	-	-
NET LOSS AFTER INCOME TAX EXPENSE		<u>(2,416,566)</u>	<u>(4,017,468)</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(2,416,566)</u>	<u>(4,017,468)</u>
Basic and diluted loss per share	18	<u>(0.0124)</u>	<u>(0.0236)</u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	19(ii)	1,080,708	3,326,341
Trade and other receivables	5	-	41,041
Financial Assets	6	1,125,000	-
Other current assets	7	39,270	39,393
		<u>2,244,978</u>	<u>3,406,775</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	996,269	1,383,785
Exploration and evaluation asset	9	13,916,557	13,764,042
Financial Assets	6	-	1,000,000
Right-of-use of asset	11	309,298	59,650
Other non current assets		1,356	19,821
		<u>15,223,480</u>	<u>16,227,298</u>
TOTAL ASSETS		<u>17,468,458</u>	<u>19,634,073</u>
CURRENT LIABILITIES			
Trade payables and other payables	12	1,508,134	1,189,459
Loans	13	784,698	500,000
Employee related provisions		131,649	52,893
Lease liabilities	14	183,269	71,165
Contract liabilities	15	629,942	1,963,314
		<u>3,237,692</u>	<u>3,776,831</u>
NON-CURRENT LIABILITIES			
Other non-current liabilities	14	235,382	13,488
		<u>235,382</u>	<u>13,488</u>
TOTAL LIABILITIES		<u>3,473,074</u>	<u>3,790,319</u>
NET ASSETS		<u>13,995,384</u>	<u>15,843,754</u>
EQUITY			
Issued capital	16	27,168,419	27,168,419
Reserves	17	2,086,926	1,793,043
Accumulated losses		(15,259,961)	(13,117,708)
TOTAL EQUITY		<u>13,995,384</u>	<u>15,843,754</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Note	ISSUED SHARE CAPITAL	SHARE BASED PAYMENTS RESERVE	ACCUMULATED LOSSES	TOTAL
		\$	\$	\$	\$
Balance at 30 June 2023		23,629,566	1,187,215	(9,100,240)	15,716,541
Loss for the year		-	-	(4,017,468)	(4,017,468)
Total comprehensive loss for the year		-	-	(4,017,468)	(4,017,468)
Transactions with owners in their capacity as owners:					
Issue of shares (net of transaction costs)		3,425,000	-	-	3,425,000
Capital Raising Costs		(176,148)	-	-	(176,148)
Share based payments		-	895,829	-	895,829
Share based payments vested	17	290,000	(290,000)	-	-
Balance at 30 June 2024		27,168,419	1,793,043	(13,117,708)	15,843,754
Loss for the year		-	-	(2,416,566)	(2,416,566)
Total comprehensive loss for the year				(2,416,566)	(2,416,566)
Transactions with owners in their capacity as owners:					
Issue of shares (net of transaction costs)		-	-	-	-
Capital Raising Costs		-	-	-	-
Expired Options	17	-	(274,313)	274,313	
Share based payments	17	-	568,196	-	568,196
Balance at 30 June 2025		27,168,419	2,086,926	(15,259,961)	13,995,384

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(3,504,904)	(2,661,723)
GST received		-	143,614
R&D rebate received		1,527,225	-
Interest paid		(145,699)	(86,655)
Interest income received		8,318	25,210
Net cash used in operating activities	19(i)	(2,115,060)	(2,579,554)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	8	(83,990)	(145,985)
Grant income received	15	1,416,666	4,448,221
Payments for exploration and evaluation acquired and incurred	9	(1,076,752)	(2,423,237)
Payments for process development	10	(327,704)	(1,368,534)
Net cash provided by/(used in) investing activities		(71,780)	510,465
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	3,425,000
Capital raising costs		-	(176,148)
Loan provided	6	(125,000)	(1,000,000)
Proceeds from Loan	13	1,284,698	1,400,000
Repayment of loan	13	(1,000,000)	(900,000)
Repayment of finance lease interest	14	11,283	-
Repayment of finance lease	14	(229,774)	(66,141)
Other		-	-
Net cash provided by financing activities		(58,792)	2,682,712
Net increase/(decrease) in cash held		(2,245,633)	613,624
Cash at beginning of year		3,326,341	2,712,717
CASH AT END OF YEAR	19(ii)	1,080,708	3,326,341

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Corporate Information

The financial report covers International Graphite Limited (the “Company”). The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration. International Graphite Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The Company was admitted to the Official List of the Australian Securities Exchange (ASX”) on 5 April 2022.

The principal activities of the Company are the development of a vertically integrated ‘mine to market’ graphite business focussing on the exploration and development of the Springdale Graphite Project in Hopetoun, Western Australia and the development of commercial downstream processing facilities in Collie, Western Australia, Germany and potentially the United States of America providing high quality graphite products supply for industrial and battery markets.

b) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements were authorised for issue by the Directors on 26 September 2025.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied. The presentation currency of the Company is Australian dollars (AUD).

c) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Company is an exploration and development stage entity listed on the ASX and therefore its primary source of funding is derived from the equity capital markets and Research and Development Tax Incentives and Government grants.

For the year ended 30 June 2025, the Company recorded a loss of \$2,416,566 (2024: \$4,017,468) and had net cash outflows from operating activities of \$2,115,060 (2024: \$2,579,554). At reporting date, the Company had a working capital deficit of \$992,714 (2024: \$370,056).

The Directors have considered the above and believe that there are reasonable grounds that the Company will continue as a going concern based on the following:

- The net current liability includes Government Grants Received in Advance of \$629,942 (2024: \$1,245,000). The amounts relate to the Critical Minerals Development Program grant with the federal government for \$4,700,000 of which \$4,230,000 has been drawn down as at 30 June 2025 with a further \$470,000 to be received.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

- The net current liability includes also includes \$784,698 owing to a third party to finance the Company's forecast 2025 rebate from the Australian Tax Office for eligible research and development expenditure related to the Company's activities – proceeds from the rebate are expected to repay the amount outstanding in full.
- In July 2025 Comet Resources Ltd paid \$1,125,000 to International Graphite in full settlement of all outstanding amounts under the Convertible Loan and Loan Facility (refer Note 6).
- The Company has signed a non-binding term sheet with a third party for the potential investment in the Company of up to \$3 million. Negotiation of binding documentation is in progress though there can be no assurance that a final agreement will be reached.

The Directors have prepared a cash flow forecast and based on that forecast the Directors have the ability reduce discretionary costs and raise funds from capital raisings as well receiving further research and development incentives based on the exploration and development work already performed to 30 June 2025 plus planned future work.

In the event that the Company is not able to raise additional funds and / or reduce discretionary costs there is a material uncertainty that may cast significant doubt about whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amount stated in the year report ended 30 June 2025. This report does not include any adjustments relating to the amount or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

d) Significant Accounting Judgments and Key Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

(i) Share-based payments

The fair value of share-based payments are discussed in Note 17. The fair values of options are determined using Option Pricing Models that take into account the exercise price, the term of the option, the impact of dilution, the share price at valuation date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Judgement has been exercised on the probability and timing of achieving milestones related to the options.

(ii) Exploration and Evaluation Assets

The Company's accounting policy for exploration and evaluation expenditure is set out at Note 1(r). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the statement profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

(iii) Deferred Tax

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be deducted. Recognition, therefore, involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised.

e) Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM, which has been identified as the Board of Directors, is responsible for the allocation of resources to operating segments and assessing their performance.

Management has determined that the Company reports one segment, graphite products.

f) Financial Instruments

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted. Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

(i) Financial Assets

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price (excludes estimates of variable consideration) as defined in AASB 15 *Revenue*, as the contracts of the Company do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Other receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in profit or loss.

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

f) Financial Instruments (continued)

All the following criteria need to be satisfied for de-recognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

(ii) Financial Liabilities and Equity

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

All other loans including convertible loan notes are initially recorded at fair value, which is ordinarily equal to the proceeds received net of transaction costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(iii) Effective Interest Rate Method

The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability and allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

g) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

g) Impairment of Non-Financial Assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

h) Employee Benefits

(i) Short-Term Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, sick leave and annual leave which will be settled after one year, have been measured at their nominal amount.

(ii) Share-Based Payments

The Company may provide benefits to employees (including senior executives) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

When provided, the cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an appropriate Options Pricing Model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of International Graphite Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) the extent to which the vesting period has expired, and
- (ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The amount charged or credited to the Statement of Profit or Loss and Other Comprehensive Income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

h) Employee Benefits (continued)

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

j) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less plus bank overdrafts. Bank overdrafts are shown on the statement of financial position as current liabilities under borrowings.

k) Trade and Other Payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

l) Revenue

(i) Interest Income

Interest income 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.

(ii) Government Grants

Government grants are recognised as revenue when the performance obligations and terms and conditions of the grant are met. Government grants for the construction of an asset are offset against the cost of the asset or deferred as unearned grant revenue if the funds are received in advance.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and service tax, except:

- I. where the amount of GST incurred is not recoverable from the Australian Tax Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of the expense.
- II. receivables and payables are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n) Income Taxes

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the statement of financial position date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary difference can be utilised. The amount of benefits brought to account or which may be released in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

o) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

p) Property, Plant and Equipment

Property plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end. Depreciation is calculated on a straight line method to allocate the cost of tangible fixed assets over their estimated useful lives as follows:

Computing Equipment – 2 years

Leasehold improvements – 2-10 years

Motor vehicles – 8 years

Plant and equipment – 5 years

NOTES TO THE FINANCIAL STATEMENTS (Cont)

q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Exploration and Evaluation Expenditure

Exploration and evaluation asset acquired

Exploration and evaluation assets comprise of the acquisition cost of mineral rights (such as joint ventures) and the fair value (at acquisition date) of exploration and expenditure assets acquired from other entities. As the assets are not yet ready for use they are not depreciated.

Exploration and evaluation assets are assessed for impairment if:

- sufficient data exists to determine technical feasibility and commercial viability; or
- other facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the assets are demonstrable, exploration and evaluation assets are first tested for impairment and then reclassified to mine properties as development assets. The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the result of future exploration; and
- the recoupment of cost through successful development and exploitation of the areas of interest,
- or alternatively, by their sale.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

r) Exploration and Evaluation Expenditure (continued)

Exploration and evaluation expenditure

The acquisition cost of minerals rights and exploration and evaluation expenditure on the mineral rights are reported at cost. These costs are carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated and approved by the Directors of the Company, any capitalised exploration and evaluation expenditure is then reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment annually in accordance with AASB 6. Where impairment indicators exist, recoverable amounts of these assets will be estimated based on discounted cash flows from their associated cash generating units.

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the period in which that assessment is made. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

s) Process Development Expenditure

Process development expenditure incurred is expensed in respect of each identifiable area of interest until such a time where a process has been identified as being of a commercial nature in relation to the identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful commercialisation of the area or where activities in the area have yet reached a stage which permits reasonable assessment of the existence of economic viability of the process.

t) Earnings per Share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit/loss attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (Cont)

u) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

v) Lease liabilities

The Company, as a lessee, will assess whether a contract is, or contains, a lease under AASB 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the contract is assessed to be, or contains, a lease, the Company will recognise a right-of-use asset (Note 1(u)) and a lease liability at the lease commencement date.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

w) Adoption of new and revised standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023. The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

x) New standards, interpretation and amendments issued by not yet effective

The Directors have reviewed all Standards and Interpretations on issue but not yet adopted for the year ended 30 June 2025. As a result of this review the Directors have determined that there is no material impact, of the Standards and Interpretations on issue but not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 2: OTHER INCOME

	2025	2024
	\$	\$
Interest income	8,318	66,252
Insurance payouts	4,085	-
R&D Tax Incentive Rebate	1,100,617	-
Grant income	1,750,807	-
Foreign Exchange	-	35
	<u>2,863,827</u>	<u>66,287</u>

NOTE 3: INCOME TAX EXPENSE

	2025	2024
	\$	\$
Current tax expense	-	-
Deferred tax expense	-	-
	<u>-</u>	<u>-</u>

Numerical reconciliation of income tax expense to prima facie tax expense:

Loss before income tax expense	(2,416,566)	(4,017,468)
Tax at statutory tax rate of 30%	(724,970)	(1,205,240)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Permanent differences	908,635	272,590
Other timing differences	122,684	36,805
Tax losses not recognised as an asset	(1,756,289)	(1,514,636)
Income Tax Expenses / (Benefit)	<u>-</u>	<u>-</u>

Tax losses and unrecognised temporary differences

The Directors estimate that the potential future income tax benefit as at 30 June 2025 in respect of tax losses not brought to account is as follows:

Potential future tax benefit – income tax losses	2,416,566	4,017,468
Potential future tax benefit – capital losses	77,720	51,651
Potential deferred tax liability – exploration expenditure	(1,076,752)	(2,423,237)
	<u>1,417,534</u>	<u>1,628,026</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 3: INCOME TAX EXPENSE (CONTINUED)

The benefit of these losses has not been brought to account at 30 June 2025 because the Directors do not believe it is appropriate to regard realisation of the deferred tax asset as being probable at this point in time or that there are sufficient deferred tax liabilities to offset these losses. These tax losses are also subject to final determination by the Taxation authorities when the Company derives taxable income. The benefits will only be realised if:

- a) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefit of the deduction for the losses to be realised;
- b) The Company continues to comply with the conditions for the deductibility imposed by law; and
- c) No changes in the tax legislation adversely affect the Company in realising the benefit of the losses.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 4: AUDITOR'S REMUNERATION

	2025	2024
	\$	\$
Audit services	44,250	37,250
Non-audit services	-	-
	<u>44,250</u>	<u>37,250</u>

NOTE 5: TRADE AND OTHER RECEIVABLES

	2025	2024
	\$	\$
Accrued Interest	-	41,041
	<u>-</u>	<u>41,041</u>

NOTE 6: FINANCIAL ASSETS

	2025	2024
	\$	\$
Current		
Convertible Loan	250,000	-
Loan Facility	875,000	-
	<u>1,125,000</u>	<u>-</u>
Non- Current		
Convertible Loan	-	250,000
Loan Facility	-	750,000
	<u>-</u>	<u>1,000,000</u>

In July 2025 Comet Resources Ltd paid \$1,125,000 to International Graphite in full settlement of all outstanding amounts under the Convertible Loan and Loan Facility.

NOTE 7: OTHER CURRENT ASSETS

	2025	2024
	\$	\$
Prepayments	8,470	9,393
Security bond on lease	20,800	20,000
Deposit paid for land & buildings ¹	10,000	10,000
	<u>39,270</u>	<u>39,393</u>

¹ Deposits have been paid to vendors for the acquisition of industrial land in Collie.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	\$	\$
Plant and equipment at cost	1,674,828	1,590,837
Less accumulated depreciation	(678,559)	(207,052)
	<u>996,269</u>	<u>1,383,785</u>
Reconciliation:		
Opening balance	1,383,785	1,371,480
Additions	83,990	145,984
Depreciation	(471,506)	(133,679)
Closing balance	<u>996,269</u>	<u>1,383,785</u>

NOTE 9: EXPLORATION AND EVALUATION ASSET

	2025	2024
	\$	\$
Opening balance	13,764,042	13,764,042
Exploration costs incurred	1,076,752	2,423,237
Grant income attributable to Exploration Expenditure	(924,237)	(2,423,237)
Closing balance	<u>13,916,557</u>	<u>13,764,042</u>

NOTE 10: ASSET DEVELOPMENT

	2025	2024
	\$	\$
Opening balance	-	-
Development costs incurred	327,704	1,368,534
Grant income attributable to Development Expenditure	(327,704)	(1,368,534)
Closing balance	<u>-</u>	<u>-</u>

NOTE 11: RIGHT-OF-USE ASSET

	2025	2024
	\$	\$
Right-of-use asset at cost	469,277	123,393
Less accumulated amortisation	(159,929)	(63,743)
	<u>309,298</u>	<u>59,650</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

Reconciliation:

Opening balance	59,650	65,404
Additions	-	55,016
Lease modification	345,834	-
Amortisation	(96,186)	(60,770)
Closing balance	309,298	59,650

NOTE 12: TRADE PAYABLES AND OTHER PAYABLES

	2025	2024
	\$	\$
Trade payables	862,390	504,342
Accrued expenditure	151,782	444,428
GST Payable	405,462	163,210
Other payables	33,770	77,479
	1,508,134	1,189,459

NOTE 13: CURRENT LOANS

	2025	2024
	\$	\$
Loan facility	784,698	500,000

Reconciliation:		
Opening balance	500,000	-
Loan Draw downs	1,284,698	500,000
Loan Repayments	(1,000,000)	-
Closing balance	784,698	500,000

In February 2025, the Company signed a loan facility totalling \$1,000,000 with a third party to finance the Company's forecast rebate expected to be due from the Australian Taxation Office for eligible 2025 research and development expenditure related to the Company's activities. At 30 June 2025 \$784,698 had been drawn under the loan. Interest is charged at 16% per annum and the loan is repayable on or before 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 14: CURRENT LEASE LIABILITIES

	2025	2024
	\$	\$
Opening balance	84,663	95,777
Additions	615,478	55,016
Interest expense	11,283	8,059
Payments	(229,773)	(74,189)
Closing balance	481,651	84,663
Current	183,269	71,175
Non-Current	235,382	13,488
	481,651	84,663

The Company has two warehouse leases at 15 Morrison Way and 87 Harris River Road, a residential lease at Hutton Street in Collie and two finance leases for commercial vehicles. The lease liabilities are measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 6.59%.

NOTE 15: CONTRACT LIABILITIES

	2025	2024
	\$	\$
Government Grants Received in Advance	629,942	1,963,314
	629,942	1,963,314
Reconciliation:		
Opening balance	1,963,314	1,306,864
Funds Received	1,416,666	2,491,000
Funds Allocated to Projects	(2,750,038)	(1,834,550)
Closing balance	629,942	1,963,314

This relates to capital grants and will be offset against the cost of the asset in future periods.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 16: ISSUED CAPITAL

(a) Share Capital

	30 June 2025		30 June 2024	
	No.	\$	No.	\$
Fully paid ordinary shares	193,558,330	27,168,419	193,558,330	27,168,419

(b) Movement in Issued Capital

	Date	No.	\$
Balance as at 30 June 2023		165,158,330	23,629,566
Performance shares vested	31/07/2025	1,000,000	290,000
Share Placement	02/05/2025	22,240,000	2,780,000
Share Purchase Plan	17/05/2025	3,400,000	425,000
Share Placement (Directors)	06/06/2025	1,760,000	220,000
Capital raising costs		-	(176,147)
Balance as at 30 June 2024		193,558,330	27,168,419
Balance as at 30 June 2025		193,558,330	27,168,419

(c) Fully Paid Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 17: RESERVES

(a) Shared Based Payment Reserve

	2025	2024
	\$	\$
Share based payment reserve	2,086,926	1,793,043
	<u>2,086,926</u>	<u>1,793,043</u>

Movement in share based payment reserve:

	2025	2024
	\$	\$
Beginning balance	1,793,043	1,187,215
Vesting of Performance shares	-	(290,000)
Share based payments	568,196	895,828
Adviser option expired unexercised	(274,313)	-
Closing balance	<u>2,086,926</u>	<u>1,793,043</u>

The share based payments reserve is used to recognise the fair value of shares and options issued to Directors, employees, contractors and brokers.

(b) Share Based Payments

	2025	2024
	\$	\$
Director and KMP Performance Rights	414,561	471,107
Director shares	-	-
Director and KMP options	-	-
Contractor Performance Rights	55,534	68,722
Advisory options charged	98,100	356,000
Amount expensed to profit or loss	568,195	895,829
Total share based payments	568,195	895,829

(i) On 24 November 2023, the Company's shareholders approved the grant of 5,100,000 performance rights with the vesting terms as below:

- 1) **Class A Incentive Performance Rights (1,500,000):** exercisable upon the completion by the Company of a definitive feasibility study to a AACE Class 3 standard for the Springdale Graphite Project;
- 2) **Class C Incentive Performance Rights (1,500,000):** exercisable upon the completion by the Company of a definitive agreement with an end user for the offtake of purified spherical graphite / battery anode material, or the provision of technology to facilitate the completion of coating of purified spherical graphite at the Company's Collie facilities to the Board's satisfaction, acting reasonably;

NOTES TO THE FINANCIAL STATEMENTS (continued)

- 3) **Class D Incentive Performance Rights (1,500,000):** exercisable upon the completion by the Company of a definitive standard feasibility study to a AACE Class 3 standard for commercial scale battery anode materials production facilities at Collie;
- 4) **Class G Incentive Performance Rights (600,000):** exercisable upon the Collie Graphite Micronising Facility achieving the production of 150t of finished product per month for three consecutive months within six months of the completion of dry commissioning.

In addition the directors issued 6,500,000 performance rights to employees and contractors under the company's employee share scheme:

- 1) **Class A Incentive Performance Rights (2,000,000):** exercisable upon the completion by the Company of a definitive feasibility study to a AACE Class 3 standard for the Springdale Graphite Project;
- 2) **Class C Incentive Performance Rights (1,000,000):** exercisable upon the completion by the Company of a definitive agreement with an end user for the offtake of purified spherical graphite / battery anode material, or the provision of technology to facilitate the completion of coating of purified spherical graphite at the Company's Collie facilities to the Board's satisfaction, acting reasonably;
- 3) **Class D Incentive Performance Rights (2,000,000):** exercisable upon the completion by the Company of a definitive standard feasibility study to a AACE Class 3 standard for commercial scale battery anode materials production facilities at Collie;
- 4) **Class G Incentive Performance Rights (1,500,000):** exercisable upon the Collie Graphite Micronising Facility achieving the production of 150t of finished product per month for three consecutive months within six months of the completion of dry commissioning.

Vesting terms for performance right issued in prior years not identified above are:

- 1) **Class E Incentive Performance Rights:** exercisable upon the Company achieving a daily weighted average ASX share price exceeding \$1.00 per share for 20 consecutive days; and
- 2) **Class F Incentive Performance Rights:** exercisable upon the Company achieving daily weighted average ASX share price exceeding \$1.00 per share for 20 consecutive days.

The performance rights have a nil exercise price and will expire four years from the date of issue, after which the performance rights lapse and may no longer be exercised or converted. The Directors must remain in the Company until the vesting conditions are satisfied.

Class A, C, D and G performance rights were valued using the share price at grant date with the share-based payment recognised as share-based payment expense in the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 17: RESERVES (CONTINUED)

	Grant date 24/11/2023	Grant date 30/11/2022	Grant date 30/11/2022	Number Granted	Fair value on grant date	Most likely outcome	Total expense	Amount previous 30 June
Fair value on Grant Date	\$0.19	\$0.29	\$0.1937					
Class A	3,500,000	1,000,000		4,500,000	955,000	50%	477,500	1
Class C	2,500,000	1,000,000		3,500,000	765,000	25%	191,250	1
Class D	3,500,000	1,000,000		4,500,000	955,000	25%	477,500	1
Class E	-	-	2,000,000	2,000,000	387,400	N/A	387,400	6
Class F	-	-	2,400,000	2,400,000	464,880	N/A	464,880	6
Class G	2,100,000			2,100,000	399,000	25%	131,670	
Total	11,600,000	3,000,000	4,400,000	19,000,000	3,926,280		2,130,200	16
Options (OPT\$)	6,000,000	-	-	-	98,100			
					4,024,380			

The total fair value of the performance rights is expensed over the term of maturity.

Management shall revise the most likely outcome of Class A, C, D, E, F and G when subsequent information indicates that the number of performance rights expected to vest differs from previous estimates. The most likely outcome of Class E and F have been factored into the valuation model of the performance rights on grant date.

The advisory options issued during the prior year (OPT07 below) were valued using Black-Scholes Model. They key inputs used were as follows:

- Spot price - \$0.048 (or 19 cents) as at the valuation date, 6 June 2025
- Exercise price - \$0.12 (per option terms)
- Expiry date – 1 May 2025(per option terms)
- Term – 3 years from valuation date to expiry date
- Volatility - approximately 85% (estimated based share price data over a historical three year period)
- Risk free rate - approximately 3.45% per annum (continuously compounded interpolated rates based on the three-year discrete Australian Government bond yields as at 29 May 2025)
- Dividend yield - nil

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Number granted	Grant date	Exercise price	Maturity Date	Fair value on grant date	Total fair value	Amount Expensed to 30 June 2024	Amount expensed to 30 June 2025
OPT01	3,200,000	1 Apr 22	\$0.30	1 Apr 27	\$0.06609	\$211,488	-	-
OPT02	4,800,000	1 Apr 22	\$0.40	1 Apr 27	\$0.05108	\$245,184	-	-
OPT03	6,250,000	1 Apr 22	\$0.30	1 Apr 25	\$0.0439	\$274,313	-	-
OPT04	4,000,000	4 Dec 23	\$0.40	30 Apr 27	\$0.08900	\$356,000	\$356,000	-
OPT07	6,000,000	6 Jun 25	\$0.12	1 Apr 28	\$0.0164	\$98,100	-	\$98,100
Total	24,250,000					\$1,185,085	\$356,000	\$98,100

OPT03 expired unexercised on 1 April 2025

NOTE 18: LOSS PER SHARE

	2025	2024
	\$	\$
Loss attributable to shareholders	(2416,566)	(4,017,468)
	Number	Number
Weighted average number of shares	193,558,330	170,182,920
	\$ per share	\$ per share
Basic and diluted loss per share	(0.0124)	(0.0236)

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 19: CASH FLOW INFORMATION

(i) Reconciliation of Cash Flow from Operations with Loss after income tax expense

	2025	2024
	\$	\$
Loss after income tax	(2,416,566)	(4,017,468)
Adjustments for:		
Share based payments	568,195	895,829
Depreciation and amortisation	567,692	194,450
Interest paid	145,699	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	41,041	115,320
(Increase)/decrease in prepayments	-	(16,118)
(Increase)/decrease in other debtors	124	(17,851)
Increase/(decrease) in trade creditors	199,598	213,391
Increase/(decrease) in contract liabilities	(1,333,371)	-
Increase/(decrease) in provisions	112,528	52,893
Cash flows used in operating activities	(2,115,060)	(2,579,554)

(ii) Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash and cash equivalents		
Cash at bank	1,019,813	3,265,393
Term deposits	60,000	60,000
Employee cash advances	895	948
	1,080,708	3,326,341
Restricted cash and cash equivalents		
Government grants received in advance	629,942	1,963,314
Unrestricted Cash and cash equivalents	450,766	1,363,027

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 20: KMP COMPENSATION

For the purposes of this report KMP's of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

The names and positions of KMP for the Company in office at any time during the financial year are as follows:

Andrew Worland	Managing Director/CEO
David Pass	Technical Director
Robert Hodby	CFO / Company Secretary
Philip Hearse	Non-Executive Chairman
Matthew O'Kane	Non-executive Director

Information regarding individual Directors and executives' compensation and equity instruments disclosures as required by the *Corporations Regulations* 2M.3.03 is provided in the Remuneration Report.

	2025	2024
KMP Compensation	\$	\$
Short-term employee benefits	912,084	676,812
Annual leave accrued	58,229	52,893
Post-employment benefits	56,816	45,008
Share-based payments	414,561	471,107
	<u>1,441,690</u>	<u>1,245,820</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 21: RELATED PARTY TRANSACTIONS

Transactions with related parties

International Graphite and Battery Limits entered into a Professional Services Agreement in February 2022. The agreement was valid for three years. Mining project development services including but not limited to coordinating and managing exploration, geological, mining, metallurgical investigations, works and activities, permitting, undertaking engineering, process design and feasibility studies and graphite marketing investigations and studies (Graphite Mine and Concentrate Production Services) and all technical studies associated with the development, construction and operation of graphite concentrate downstream processing facilities. The Agreement contains a market competitive schedule of rates plus a 5% administration fee. The agreement is currently being reviewed to extend it.

Battery Limits earned fees for the 2025 and 2024 financial years amounting to \$847,337 and \$945,136 respectively (each ex-GST). Battery Limits invoices the Company monthly and invoices include timesheets for Battery Limits staff and contractors that are engaged on Company work. Time spent on Company matters by Mr Pass that exceed monthly directors fees of \$6,000 are charged through Battery Limits. Battery Limits charged the Company approximately \$193,978 (2024: \$159,000) for time incurred by Mr Pass on Company activities during the financial year. Over the financial year Battery Limits charged the Company services for seven individuals amounting to approximately 2.5 full time equivalent staff.

In addition to the above services, the Company occupies an office space at a commercial premises leased by Battery Limits. In the 2025 and 2024 financial years, the Company paid Battery Limits approximately \$34,428 and \$40,687 respectively for its reasonable share of office rent and outgoings incurred by Battery Limits based on the Company's occupancy levels.

In July 2023 the Company contributed \$250,000 to a convertible loan with Comet Resources Ltd and agreed to act as security trustee on behalf of other third party investors who are also parties to the convertible loan. Refer Note 6.

In March 2024 the Company and Comet Resources Ltd entered into a loan agreement whereby the Company agreed to loan Comet \$1,500,000 and Comet granted the Company a right to appoint a majority of the directors to the Comet board. At 30 June 2025 the Company had advanced \$875,000. Refer Note 11.

Subsequent to the end of the financial year, the Company agreed to the disposal by Comet of 25,000,000 shares in the Company and was paid \$1,125,000 in full settlement of the outstanding amounts due to the Company including all interest accrued under the Loan Facility and Note Agreement.

Matthew O'Kane resigned as a director on 28 July 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 22: FINANCIAL INSTRUMENTS

Financial Risk Management Objectives

The Company's risk management framework is supported by the Board and management. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk.

The Company has exposure to the following risks from their use of financial assets:

- Market risk
- Liquidity risk
- Credit risk

The overall financial risk management strategy focuses on the unpredictability of the equity markets and seeks to minimise the potential adverse effects due to movements in financial liabilities or assets. The Company holds the following financial instruments:

	2025	2024
	\$	\$
Financial Assets		
Cash and cash equivalents	1,080,708	3,326,341
Financial Assets	1,125,000	1,000,000
Trade and other receivables	-	41,041
	<u>2,205,708</u>	<u>4,367,382</u>
Financial Liabilities		
Trade and other payables	1,508,134	1,189,459
Loan liability	784,698	500,000
Lease liabilities	346,450	82,872
	<u>2,639,282</u>	<u>1,772,331</u>

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and commodity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return. There were no changes in the Company's market risk management policies from previous years.

Interest Rate Risk

The Company's exposure to interest rates primarily relates to the Company's cash and cash equivalents. The Company manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates. No disclosures on the sensitivity check as any reasonable movement of the interest rate would not have any significant impact to the financial statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 22: FINANCIAL INSTRUMENTS (CONTINUED)

	2025	2024
	\$	\$
<i>Variable Rate Instruments</i>		
Cash at bank	1,080,708	3,325,393
	<u>1,080,708</u>	<u>3,325,393</u>

Funds held in cash earned variable interest at rates ranging between 0% to 2.65%.

Other Market Price Risk

The Company operates within Australia and all transactions during the financial year are denominated in Australian dollars. The Company is not exposed to foreign currency risk at the end of the reporting period.

Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

The Company's material credit risk exposure relates to the loan to Comet Resources Ltd. Management has assessed the financial position of Comet Resources Ltd and determined that the credit risk is sufficiently mitigated at this stage. The Company holds a general security deed in relation to the Convertible Loan - refer Note 11.

Liquidity Risk

Liquidity risk arises from the debts (financial liabilities being creditors and other payables) of the Company and the Company's subsequent ability to meet these obligations to repay its debts (financial liabilities) as and when they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the administration of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves and monitoring actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and debts (liabilities). There were no changes in the Company's liquidity risk management policies from previous years.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 22: FINANCIAL INSTRUMENTS (CONTINUED)

The following tables detail the Company's contractual maturity for its financial liabilities:

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	2-5 Years	>5 Years
30 June 2025					
Trade and other payables	1,508,134	1,508,134	1,508,134	-	-
Loan liability	784,698	784,698	784,698	-	-
Lease liabilities	346,450	346,450	164,898	181,552	-
Total	2,639,282	2,639,282	2,457,730	181,552	-

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	2-5 Years	>5 Years
30 June 2024					
Trade and other payables	1,189,459	1,189,459	1,189,459	-	-
Loan liability	500,000	500,000	500,000	-	-
Lease liabilities	82,872	82,872	82,872	-	-
Total	1,772,331	1,772,331	1,772,331	-	-

NOTE 23: COMMITMENTS - TENEMENTS

	2025 \$	2024 \$
<i>Committed but not recognised as liabilities:</i>		
Within one year	517,000	310,000
Between one to two years	425,000	216,000
After two years but not more than five years	280,000	146,600
	1,222,000	672,600

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 24: CONTINGENCIES AND COMMITMENTS

There were no material contingent liabilities, contingent assets and other commitments at reporting date.

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

In July 2025 Comet Resources Ltd paid \$1,125,000 to International Graphite in full settlement of all outstanding amounts under the Convertible Loan and Loan Facility (refer Note 11).

The Company has signed a non-binding term sheet with a third party for the potential investment in the Company of up to \$3 million. Negotiation of binding documentation is in progress though there can be no assurance that a final agreement will be reached.

Other than the above there are no matters or circumstance have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company in future financial years.

Consolidated Entity Disclosure Statement

30 June 2025

Entity Name	Entity Type	Place formed/incorporated	Ownership interest %	Tax Residency
International Graphite Limited	Body corporate	Australia	Not applicable	Australia
International Graphite Springdale Pty Ltd	Body corporate	Australia	100%	Australia
International Graphite Collie Pty Ltd	Body corporate	Australia	100%	Australia
Lithium Valley Graphite Pty Ltd	Body corporate	Australia	100%	Australia
International Graphite (US) Inc.	Body corporate	United States of America	100%	United States of America

The entities that International Graphite Limited has 100% interest in are all dormant and therefore not consolidated in accordance with AASB 10 Consolidated Financial Statements.

DIRECTORS' DECLARATION

In the opinion of the directors of International Graphite Limited ("the Company"):

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 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 2025 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.
- the information disclosed in the consolidated entity disclosure statement on page 50 is true and correct.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors:



Andrew Worland

Managing Director/CEO

Dated this 26th of September 2025 in Perth

Independent Auditor's Report to the Members of International Graphite Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of International Graphite Limited ('the Company') which, comprises the statement of financial position as at 30 June 2025, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of International Graphite Limited is in accordance with the *Corporation Act 2001*, Including

- Giving a true and fair view of the Company's financial position as at 30 June 2025, and of its financial performance for the year then ended and;
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has given to directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty in relation to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Company incurred a net loss of \$2,416,566 and had net cash outflows from operating activities of \$2,115,060 for the year ended 30 June 2025. As of that date, the company had net current liabilities of \$992,714. These events or conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separated opinion on these matters.

Exploration and Evaluation Assets and Asset Development - Notes 9 & 10

At 30 June 2025, the Company's carrying value of Exploration and Evaluation Assets was \$13,916,557 and Asset Development Nil.

During the year \$1,076,752 was spent on Exploration and Evaluation Assets and \$327,704 was spent on Asset Development. This expenditure was recouped from research and development re-imbursement and grant funding received as the grant agreements relate to the construction/development of capital assets.

The exploration and evaluation assets are required to be assessed for impairment when facts and circumstances suggest that the carrying amount may exceed their recoverable amounts. Any impairment losses are then measured in accordance with *AASB 136 Impairment of Assets*.

This area is a key audit matter as significant judgement is required in determining whether:

- The capitalised Exploration and Evaluation assets meet the recognition criteria in terms of *AASB 6 Exploration for and Evaluation of Mineral Resources*;
- The capitalised Asset Development expenditure meet the recognition criteria in terms of *AASB 138 Intangible Assets*; and
- Facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount in accordance with *AASB 6*.

Our Procedures, amongst others, included:

- Verified whether the amounts capitalised were in accordance with the grant agreements as well as in accordance with the recognition criteria of *AASB 6 Exploration for and Evaluation of Mineral Resources* and *AASB 138 Intangible Assets* by agreeing a sample of capitalised expenditure to invoices and other documentation;
- Confirmed whether the rights to tenure for the areas of interest were current at the reporting date as well as whether the rights to tenure are expected to be renewed for tenements that will expire in the near future;
- Obtained evidence of the Company's intention to carry out exploration and evaluation activities in the relevant areas of interest. This included checking future budgeted exploration expenditure, reading board minutes and related exploration work programmes;
- Assessed whether the Company has the ability to fund its planned exploration and evaluation activities;
- Reviewed grant agreements from funders to assess whether conditions have been met and expenditure aligns with grant conditions and agreed funds received to the bank statements;
- Evaluated Company documents such as announcements made by the Company to the ASX, geologist reports, resource updates and board minutes to check whether exploration and evaluation activities in the relevant area of interest were unsuccessful; and

Share Based Payments – Note 17

At 30 June 2025, the Company had recorded \$568,195 of share-based payments in the statement of profit or loss:

- \$470,095 relates to Performance Rights
- \$98,100 relates to Options

The fair values of performance rights and options are determined using option pricing models that take into account the exercise price, the term of the option, market performance and conditions, the impact of dilution, the share price at valuation date and expected price volatility of the underlying share, and the risk-free interest rate for the term of the option.

Judgement has been exercised on the probability and timing of achieving milestones related to the options and performance rights.

The Company issued Options to advisors during the year and no additional performance rights were issued.

This area is a key audit matter as the valuation of share-based payments is subject to significant management estimates and judgements.

- Assessed the appropriateness of the accounting treatment and disclosure in terms of AASB 6 and AASB 138.

Our procedures, amongst others, included:

- Verified the key terms and conditions of the equity settled share-based payments including number of equity instruments granted, exercise price and vesting conditions to the relevant agreements, ASX announcements and award letters;
- Assessed the fair value of the share-based payments by testing the key inputs used in option pricing model. This included checking the share price on grant date, exercise price, option life, volatility and risk-free rate to supporting documentation and market information;
- Tested the accuracy of the share-based payments amortisation over the relevant vesting periods;
- Assessed managements estimates based on the likelihood of achieving the performance milestones linked to the performance rights;
- Assessed the Company's accounting treatment in accordance with AASB 2 *Share Based Payments*; and
- Checked the related financial statement disclosures relating to share-based payments.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025 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. If, based on the work we have performed, 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 the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporation Act 2001* and for such internal control as the Directors determines 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, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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 at https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 17 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of International Graphite Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

*Armada Audit
& Assurance*

ARMADA AUDIT & ASSURANCE PTY LTD



Marcia Johnson CA

Director Perth, 28 September 2025

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Additional information required by the Australian Securities Exchange and not shown elsewhere in this report is as follows. This information is current as at 22 September 2025.

1. Registered office and principal administrative office

The address of the registered office and principal administrative office is Level 1, 333 Charles Street, North Perth WA 6060.

2. Registered of securities are held at the following address:

Automic Group Pty Ltd, Level 5, 191 St Georges Terrace, Perth WA 6000

3. Restricted securities

The Company does not have any restricted securities on issue as at the date of this report.

4. On-market buy back

At the date of this report, the Company is not involved in an on-market buy back.

5. Shareholding

a. Distribution of shareholders

Category (size of holding)	Number of Shareholders	Number of Shares	%
1 – 1,000	30	10,174	0.01
1,001 – 5,000	455	1,333,605	0.69
5,001 – 10,000	287	2,339,041	1.21
10,001 – 100,000	712	26,234,664	13.55
100,001 – and over	288	163,640,846	84.54
	1,772	193,558,330	100.00

b. Less than marketable parcels of shares

As at market close on 23 September 2025, an unmarketable parcel of shares in the Company is any shareholding of 9,091 or less, based on the closing price of \$0.055 per share. This represents 2,477,696 ordinary shares in the Company, held by 651 shareholders.

c. Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Options

Options over ordinary shares do not carry voting rights.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES (CONTINUED)

d. 20 Largest shareholders – ordinary shares

Rank	Shareholder	Holding	% Held
1	JUAD PTY LTD <HAYES HEARSE SUPER FUND A/C>	11,920,963	6.16%
2	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	6,586,800	3.40%
3	COMET RESOURCES LIMITED	5,276,320	2.73%
4	MURDIE INVESTMENTS PTY LTD <THE HUTCHINSON SUPER A/C>	3,400,000	1.76%
5	FORBERG PTY LTD <R & D BERGMEIER S/F A/C>	3,054,589	1.58%
6	DAVID JOHN PASS	3,020,000	1.56%
7	PELTON CAPITAL PTY LTD	2,900,400	1.50%
8	MR ANDREW JOHN WORLAND	2,780,000	1.44%
9	JOHNBILL PTY LTD <BILL & JOHN S/F A/C>	2,735,384	1.41%
10	MR BART ADSON	2,500,000	1.29%
11	PAMPLONA OPPORTUNITIES LTD	2,325,000	1.20%
12	MR JOSHUA BADEN HEARSE	2,260,000	1.17%
12	MR STEPHEN KAM LO TONG & MRS PATSY LIN HAP TONG <BIALLA SUPER FUND A/C>	2,260,000	1.17%
13	LADYMAN SUPER PTY LTD <LADYMANSUPERFUND A/C>	2,200,000	1.14%
14	MRS ROBYN MIGNON HEARSE	2,050,000	1.06%
15	MR PHILLIP BADEN HEARSE	2,010,001	1.04%
16	JUAD PTY LTD <HAYES HEARSE SUPER FUND A/C>	2,000,000	1.03%
16	INVESKO PTY LTD <INVESKO PRIV INV FUND A/C>	2,000,000	1.03%
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,896,092	0.98%
18	JNAA PTY LIMITED <JONA ALAN SUPER FUND A/C>	1,750,000	0.90%
19	M & K GILES PTY LTD <GILES FAMILY SUPER FUND A/C>	1,700,000	0.88%
20	JUAD PTY LTD	1,636,363	0.85%
Total Top 20 Shareholders		68,261,912	35.27%
Total Issued Capital		193,558,330	100.00%

e. Substantial holders of fully paid ordinary shares

Juad Pty Ltd <Hayes Hearse Super Fund A/C>

Number of fully paid
ordinary shares held

11,920,963

11,920,963

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES (CONTINUED)

6. Company Secretary

The name of the Company Secretary is Robert Hodby.

7. Securities exchange listing

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange ('IG6').

8. Unquoted securities

Terms	Number of options	Number of holders
Unquoted options Expiry 1 April 2027, Exercise Price \$0.30	2,720,000	4
Unquoted options Expiry 1 April 2027, Exercise Price \$0.30	480,000	1
Unquoted options Expiry 1 April 2027, Exercise Price \$0.40	4,080,000	4
Unquoted options Expiry 1 April 2027, Exercise Price \$0.40	720,000	1
Unquoted options Expiry 30 April 2027, Exercise Price \$0.40	4,000,000	4
Unquoted options Expiry 1 May 2028, Exercise Price \$0.12	6,000,000	3
	18,000,000	

9. Unquoted securities holdings greater than 20%

No individual holder has a holding greater than 20% of the unquoted securities.

10. Use of Funds

The Company has used the cash and assets in a form readily convertible to cash that it had at the time of Admission in a way that is consistent with its business objectives.

TENEMENTS SCHEDULE

Project	Holder	State	Tenement	Status	Percentage Held
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0562	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0612	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0751	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0809	Granted	100%
Springdale Central	International Graphite Springdale Pty Ltd	WA	M74/252	Granted	100%
Mason Bay	International Graphite Springdale Pty Ltd	WA	M74/253	Granted	100%

FORWARD LOOKING STATEMENTS

Various statements in this report constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates” and similar expressions are intended to identify forward looking statements. International Graphite cautions shareholders and prospective shareholders not to place undue reliance on these forward looking statements, which reflect the view of International Graphite only as of the date of this report. The forward looking statements made in this report relate only to events as of the date on which the statements are made.

COMPETENT PERSON STATEMENT

The information in this announcement which relates to exploration targets, exploration results or mineral resources is based on information compiled by Mr. Peter Langworthy. Mr. Langworthy is the Principal Consultant and fulltime employee of OMNI GeoX Pty Ltd. He is a member of the Australian Institute of Geoscientists (“AIG”). Mr. Langworthy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code). Mr. Langworthy consents to the inclusion of the information in this announcement in the form and context in which it appears.

The Competent Person confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

MINERAL RESOURCE ESTIMATION - GOVERNANCE STATEMENT

International Graphite Limited ensures that all Mineral Resource Estimates are subject to appropriate levels of governance and internal controls. Estimation procedures are well established and are subject to systematic internal peer review and external technical review undertaken by competent and qualified professionals. These reviews have not identified any material issues. International Graphite Limited also periodically reviews this governance framework to ensure it remains appropriate for the requirements of its business activities. Mineral Resource Estimates are reported on an annual basis in accordance with the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (‘JORC Code’). Mineral Resource Estimates are quoted inclusive of Ore Reserves. Competent Persons named are Members or Fellows of The Australasian Institute of Mining and Metallurgy and/or The Australian Institute of Geoscientists and qualify as Competent Persons as defined under the JORC Code.