



Provaris Energy Ltd
Annual Report 2025

CONTENTS

	Page
Corporate Directory	1
Chairman and Managing Director's Letter	2
Operations Report for 2025	4
Directors' Report	7
Corporate Governance Statement	23
Consolidated Statement of Profit or Loss and Other Comprehensive Income	24
Consolidated Statement of Financial Position	25
Consolidated Statement of Cashflows	26
Consolidated Statement of Changes in Equity	27
Notes to the Financial Statements	28
Consolidated Entity Disclosure Statement	56
Directors' Declaration	57
Auditor's Independence Declaration	58
Auditor's Report	59
Additional Information as at 22 August 2025	64

DIRECTORS:	Greg Martin (Independent, Non-Executive Chairman) Martin Carolan (Managing Director and Chief Executive Officer) Andrew Pickering (Independent, Non-Executive Director) David Palmer (Independent, Non-Executive Director)
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CHAIRMAN AND MANAGING DIRECTOR'S LETTER

Dear Shareholders,

Provaris continued to make significant progress in both technical and commercial workstreams for hydrogen, alongside exciting new developments in our market entry with a new tank design for storing and transporting liquid CO₂ (LCO₂). We remain in a unique position, with proprietary tank designs and shipping solutions in demand to address the challenges of scaling up supply chains necessary to meet decarbonisation targets in Europe and globally.

Our strategic decision to focus geographically on Europe remains sound, with increasing awareness leading to collaboration agreements for both upstream hydrogen supply and downstream ports and offtake. The efficiency and economic benefits of our compressed hydrogen supply chain were validated early in 2025 through a tri-party Term Sheet with Uniper and Norwegian Hydrogen for hydrogen supply and shipping from Norway to North-West Europe. This reflects the growing recognition of Provaris as a trusted partner and positions compression as a viable method for scaling hydrogen imports to meet Germany's requirement for 70% of its hydrogen needs to be imported.

We were also pleased to begin a second Memorandum of Understanding (MOU) with a Norwegian project developer and a German utility, adding to our pipeline of projects reliant on the Provaris shipping solution.

Recognising the need to simplify our commercialisation model, we announced a shift of our developer role towards licensing our intellectual property (IP) and ship designs, following a model already established in LNG shipping. This licensing approach allows us to focus on early cash flow at the investment decision point for constructing hydrogen ships using our design, while retaining a long-term interest in future cash flows through charter agreements. Another benefit for shareholders is the reduction of capital requirements at this stage, as our shipowner partners will fund and operate the fleet.

Regarding partnerships, we were pleased to conclude the year with an MOU and cooperation agreement with Japan's "K" LINE to establish a commercial partnership, whereby "K" LINE will provide technical input for the final H2Neo ship specifications and develop an ownership, financing, and operating entity to build, own, and manage the fleet. This partnership is a key step towards a commercial launch in 2026. It validates the maturity of our H2Neo design and the relevance of the compressed H₂ shipping model, with "K" LINE recognising its strategic importance in Europe and regional Asia.

Despite delays in restarting prototype tank fabrication, Provaris has made substantial progress in advancing market applications through partnerships for supply, offtake, and shipping. In 2025, we took measured steps to preserve our investment, securing the site location with a lease of the existing facility and negotiating a final agreement to retain equipment and staffing for a quick restart. Further updates are anticipated in 2026, as we aim to complete and successfully test all final Class approvals.

On the new large-scale LCO₂ tank solution, we secured a valuable partnership with Norway-based Yinson Production AS (Yinson), a global energy infrastructure operator providing both financial backing and offshore industry expertise. Together, we have completed the Concept Design phase, with Yinson funding 100%. The new LCO₂ tank is a large low-pressure tank suitable for Yinson's carbon capture and storage (CCS) project in Norway, where they are developing a 10Mtpa CCS project with Harbour Energy, the UK's largest independent oil and gas company. The design aims to overcome limitations of existing Type C tanks and unlock significant market opportunities, supported by Yinson's financial and commercial backing.

Financially, we maintained prudent capital management with a shareholder-supported \$1 million Share Purchase Plan and \$1.5 million Private Placement, backed by major shareholders and the Board. Our standby facility with Macquarie Bank and non-dilutive project funding from Yinson also support ongoing development efforts towards a commercialisation event. The Board and management demonstrated their confidence by voluntarily accepting shares instead of full or partial salaries during the June quarter, reflecting their commitment to long-term viability.

CHAIRMAN AND MANAGING DIRECTOR'S LETTER

Looking ahead to 2026, our focus is on advancing the commercial steps with our hydrogen partners and accelerating our LCO₂ initiatives. The LCO₂ tank design and fabrication methodology also mitigate risks for H₂ tank applications, positioning Provaris as a dual-market provider for both H₂ and CO₂.

We sincerely appreciate the dedication of our management and staff, our valued shareholders, and strategic partners for their continued trust, support and confidence in Provaris. A summary of our operations and results for financial year 2025 is included in the Operations Report that follows. We look forward to updating you on our progress in the coming year.



Greg Martin
Chairman



Martin Carolan
Managing Director

OPERATIONS REPORT FOR 2025

Provaris continues to make transformative strides in establishing a robust, efficient, and sustainable hydrogen supply chain, with a particular focus on the European and Nordic markets. Our recent achievements reflect a balanced approach of forging strategic alliances, validating technological solutions, demonstrating regulatory compliance, and refining our business model. Through these efforts, Provaris is well-positioned to capitalise on the rapidly growing demand for clean hydrogen and to maintain its first-mover position in the sector.

In addition to hydrogen, this year we have established a second commercialisation opportunity for shareholders, with the extension of our proprietary tank designs in hydrogen and applying to the LCO2 market. Development in partnership with Yinson provides global operations and commercial experience, along with financial commitment to fully fund a new proprietary LCO2 tank, to which Provaris will own 50% of the IP created.

Milestone Activities

Tri-party MOU with Uniper Converts to Term Sheet

A key highlight of this reporting period has been the evolution of our tri-party Memorandum of Understanding (MOU) with Uniper and Norwegian Hydrogen into a non-binding Term Sheet agreement. This progression signifies a deepening of our relationship with one of Europe's foremost energy companies. The original MOU laid the groundwork for collaboration in the development, transport, and supply of green hydrogen into the European market. The conversion to a Term Sheet has formalised intentions and outlined concrete terms, paving the way for definitive agreements and providing tangible evidence of industry confidence in Provaris' capabilities. This strategic step not only validates our business model but also enhances our profile as a trusted partner in the energy transition.

Concept Design Study Confirms Energy Efficiency of Compressed Hydrogen Supply Chain for Regional Europe

Provaris continues to demonstrate the viability of compression with the publication of an in-depth Concept Design Study to evaluate the technical and economic feasibility of deploying a compressed hydrogen supply chain for regional Europe. The study reaffirmed the viability of compressed hydrogen as an energy-efficient solution, capable of meeting the logistical and commercial requirements of emerging hydrogen markets. Key findings demonstrate that compressed hydrogen offers competitive advantages, such as reduced capital expenditure, high scalability, and operational flexibility compared to alternative methods. The study's outcomes have further encouraged potential partners and stakeholders to explore collaborative projects, reinforcing Provaris' position at the forefront of hydrogen logistics innovation.

Demonstration of RED II Compliance for Compressed Hydrogen Supply Chain

Maintaining regulatory compliance is critical to our operations and reputation. Provaris has proactively demonstrated that its compressed hydrogen supply chain aligns with the Renewable Energy Directive II (RED II) requirements. This European Union directive establishes ambitious sustainability criteria for renewable fuels, including hydrogen. By achieving RED II compliance, Provaris ensures that its hydrogen offerings meet the highest standards for environmental integrity, market access, and eligibility for incentives. This milestone not only enhances the credibility of our supply chain but also enables our customers to confidently participate in Europe's clean energy transition.

Second MOU for Nordic Supply

Expanding our reach into the Nordic region, Provaris has signed a second Memorandum of Understanding (MOU) focused on establishing a secure and efficient supply of green hydrogen. This new MOU builds on the momentum of our initial agreements and signals growing interest from regional stakeholders in our

innovative compressed hydrogen solutions. The Nordic region can become a major hub for hydrogen production and export, and this agreement positions Provaris at the heart of this development. The collaboration will facilitate technology transfer, market access, and the creation of new supply routes, enabling Provaris to serve diverse customer bases across multiple geographies.

Completion of Concept Design Study for Hydrogen Import Terminal at Port of Rotterdam

Together with Global Energy Storage (GES), Provaris completed a Concept Design Study (Study) for a proposed 40,000 tpa compressed hydrogen import project in Rotterdam, including discharge scenarios into the HyNetwork pipeline. Hydrogen supply volumes would include projects proposed in Norway and other supply regions such as Spain. The site is located within the Port of Rotterdam as a multi-client terminal under development, covering 24 hectares of land, allowing the construction of on-site pressurized storage capacity (if requested by off-taker). A key feature of the site includes ~600 meters of direct waterfront along the Caland Channel, suitable for unloading of Provaris' compressed hydrogen carriers. The site offers deep-sea waterfront access and excellent connectivity to existing rail and pipeline network. **The Study demonstrated the technical and economic viability of berthing and unloading of Provaris' proprietary H2Neo™ compressed hydrogen carriers at the GES terminal location in Rotterdam.**

Capital Lite Revenue Model to Focus on Early Cash Flow

In response to evolving market conditions and capital constraints, Provaris has adopted a 'capital lite' revenue model. This approach is designed to maximise returns to focus on early cash flow, while removing the upfront capital expenditure and financial risk to Provaris. By focusing on technology licensing, strategic partnerships, and asset-light project structures, Provaris is able to scale more rapidly, reduce financial exposure, and increase flexibility in project delivery. The capital lite model aligns with the interests of shareholders by supporting sustainable growth and ensuring capital is deployed efficiently across high-impact opportunities.

Strategic Partnership with "K"LINE to Commercialise Hydrogen Shipping

Provaris has entered a strategic Memorandum of Understanding (MOU) for co-operation with "K"LINE, a global leader in shipping and maritime logistics. This co-operation is aimed at accelerating the commercialisation and deployment of our compressed hydrogen shipping solutions. "K"LINE's extensive experience in managing complex maritime projects will support Provaris final ship specification of the H2Neo, construction, and operation of hydrogen carriers, thereby expediting market entry and ensuring best-in-class operational standards. This partnership not only strengthens our technical capabilities but also increases the confidence in implementing a capital lite model of a shipowner providing the capital for construction and the long-term viability of fleet operations.

Advancing the Prototype Tank Restart

A significant focus has been maintained on the advancement and restart of our prototype tank programme. This initiative is central to Provaris' strategy of demonstrating the technical viability and safety of compressed hydrogen storage and transport, and award of a Final Class Approval to commence construction. The prototype tank restart involves rigorous testing, validation, and optimisation, ensuring that our technology meets and exceeds regulatory standards set by maritime Classification. Success in this programme will unlock further commercial opportunities and solidify Provaris' reputation as an innovator in hydrogen logistics. It is also important in advancing the emergence of our entry into the designs for innovative LCO2 tanks.

Joint Development Agreement with Yinson for LCO2 Tanks

Provaris has entered into a Joint Development Agreement (JDA) with Yinson Production AS (Yinson) a renowned energy infrastructure group, to collaboratively advance the design and commercialisation of liquefied carbon dioxide (LCO2) tank solutions. This partnership leverages Yinson's global expertise and commercial operations in the offshore industry and Provaris' innovative approach to storage technology,

accelerating the development of robust and efficient LCO2 tanks aimed at addressing the growing demand for decarbonisation solutions. Together, the companies will focus on a design that is compliant with existing regulations, and integration with a Floating Storage Injection Unit. In an accelerated timeline the design package is now under review by a leading Marine Classification Society. This independent review is a critical step in reinforcing the tank's credibility and suitability for global maritime operations.

Demonstrating Yinson's commitment to the development, they continued to provide 100% of the funding with a 50% ownership of all design IP retained by Provaris. The LCO2 tank design and associated fabrication methodology also de-risks the H2 tank applications positioning Provaris as a dual-market technology provider (H2 and CO2). During 2025/26 a FEED program will take Provaris' LCO2 tank design from concept design towards commercial and operational readiness. The tank development focus will be on continued compliance with maritime codes and regulations, including integration of the tank for Yinson's FSIU and suitability for LCO2 carriers.

Exited the Tiwi Islands H2 Development Project

The Provaris Board made a final assessment of the status of the Tiwi H2 Project and subsequently decided to terminate any further development activities. During 2022-23 the Tiwi H2 Project established a positive pre-feasibility report for an integrated compressed hydrogen production and export project, targeting and 90ktpa green hydrogen export. While some of the key benefits of the Tiwi location remain valid, the progress of the Project was continually hindered by the ongoing absence of tangible stakeholder engagement and support, and a lack of meaningful engagement and timeframe for demand with potential S.E Asian hydrogen off-takers. Importantly, Provaris was able to also transfer all the technical and commercial understanding attained from the Tiwi H2 Project to other projects in Europe, including its pre-feasibility studies with Norwegian Hydrogen in Norway during 2023-24, saving the company and the partnership significant costs.

Outlook and Strategic Priorities

With these achievements, Provaris has established a solid foundation for continued progress. Our priorities moving forward include:

- Finalising definitive agreements with Uniper and other key partners to advance project development and commercialisation.
- Expanding our portfolio of MOUs and partnerships in Europe and the Nordics to secure additional supply sources and customers.
- Continuing to invest in the successful completion and testing of the prototype tank, to receive Final Class Approval for Construction.
- Maintaining best-in-class compliance with regulatory frameworks to facilitate market access and eligibility for renewable energy incentives.
- Leveraging the capital lite model to accelerate growth while preserving financial discipline.
- Developing a first-mover market opportunity in LCO2 with our partner Yinson, leading to new markets for our innovative tank design.

Provaris has made exceptional progress on several fronts, demonstrating the strength of its strategy, the value of its partnerships, and the scalability of its technology. Each milestone covered in this report marks a critical step forward in our journey to become a leader in hydrogen logistics. We remain committed to transparency, innovation, and sustainable growth, and we thank all shareholders for your continued support.

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DIRECTORS' REPORT

The directors of Provaris Energy Ltd A.C.N. 109 213 470 ("Provaris" or "the Company") present their report including the consolidated financial report of Provaris and its controlled entities ("Consolidated Entity" or "Group") for the year ended 30 June 2025.

DIRECTORS

The directors of Provaris in office during the year and up to the date of this financial report are as follows. Directors were in office for the entire period unless otherwise stated.

Greg Martin	Independent, Non-Executive Chairman
Martin Carolan	Managing Director and Chief Executive Officer
Andrew Pickering	Independent, Non-Executive Director
David Palmer	Independent, Non-Executive Director

PRINCIPAL ACTIVITIES

The Group is advancing innovative Compressed Hydrogen (H₂) and Carbon Dioxide (CO₂) storage and transport solutions through proprietary tank designs for storage, maritime gas carriers and integrated supply chain development. Principle activities include (i) supporting the development of hydrogen production and export projects in Europe, with a focus on local collaborations in Norway; (ii) the design, engineering and Maritime Class Approvals for its proprietary H2Neo Carrier and H2Leo Storage Barge for the marine storage and transportation of compressed hydrogen; and (iii) developing innovative liquid CO₂ tank designs for marine transport and offshore storage and injection applications.

OPERATING RESULTS AND FINANCIAL POSITION

The operating loss for the Consolidated Entity, after income tax, amounted to \$2,523,878 (2024: loss of \$6,134,552). The operating loss for the year includes direct project development costs of \$296,719 (2024: \$2,314,275) in addition to staff costs and operational overheads.

At 30 June 2025, the Consolidated Entity had cash and cash equivalents of \$330,828 (2024: \$743,929), a security deposit of \$219,220 (2024: \$209,200) and debt of \$235,000 (2024: \$415,000).

REVIEW OF OPERATIONS

Refer to the Operations Report for further information.

CORPORATE

On 28 November 2024 Provaris' annual general meeting was held as a virtual meeting. All resolutions considered at the meeting were passed.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The following significant changes in the state of affairs of the Consolidated Entity occurred during the financial year:

- On 11 July 2024: 25,000,000 fully paid ordinary shares were issued, at an issue price of \$0.04 per share, under a share purchase plan.
- On 11 July 2024: 8,208,411 unlisted options were issued with an exercise price of \$0.075 per fully paid ordinary share and expiry date of 11 July 2026.
- On 12 July 2024: 2,158,216 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 11 convertible bonds, each with a face value of \$5,000.
- On 30 July 2024: 1,136,363 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 5 convertible bonds, each with a face value of \$5,000.
- On 6 August 2024: 10,000,000 employee performance rights lapsed without the vesting

DIRECTORS' REPORT

conditions being satisfied.

- On 23 August 2024: 10,600 fully paid ordinary shares were issued on the exercise of 10,600 unlisted options, at an exercise price of \$0.075 per share.
- On 6 September 2024: 2,045,454 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 9 convertible bonds, each with a face value of \$5,000.
- On 17 October 2024: 1,136,363 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 5 convertible bonds, each with a face value of \$5,000.
- On 18 October 2024: 1,181,474 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 6 convertible bonds, each with a face value of \$5,000.
- On 13 November 2024: 53,598,485 fully paid ordinary shares were issued, at an issue price of \$0.02 per share, under a placement to sophisticated, professional, and institutional investors.
- On 17 November 2024: 9,000,000 unexercised unlisted options expired.
- On 29 November 2024: 83,334 unlisted options were issued with an exercise price of \$0.075 per fully paid ordinary share and expiry date of 11 July 2026.
- On 24 February 2025: 6,250,000 fully paid ordinary shares were issued, at an issue price of \$0.02 per share, under a placement to Directors of the Company.
- On 7 March 2025: 5,000,000 unexercised unlisted options expired.
- On 8 April 2025: 8,000,000 employee performance rights were issued for no consideration and subject to various vesting conditions being met and an expiry date of 31 November 2026.
- On 17 April 2025: 4,867,624 fully paid ordinary shares were issued, at an issue price of \$0.011 per share, under a placement to sophisticated investors.
- On 10 July 2025: 79,046,156 fully paid ordinary shares were issued, at an issue price of \$0.013 per share, under a placement to sophisticated, professional, and institutional investors.
- On 18 July 2025: 1,000,000 fully paid ordinary shares were issued on the vesting of employee performance rights issued 8 April 2025.
- On 25 July 2025: 1,590,910 fully paid ordinary shares were issued to Macquarie Bank Limited's nominee on the conversion of 7 convertible bonds, each with a face value of \$5,000.
- On 20 August 2025: 9,276,138 fully paid ordinary shares were issued, at an issue price of \$0.011 per share, under a placement to Directors pursuant to voluntary remuneration direction authorities for the months of April, May, and June 2025.
- On 20 August 2025: 4,000,000 fully paid ordinary shares were issued, at an issue price of \$0.013 per share, under a placement to Directors as part of the Company's July 2025 placement.

SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE DATE

On 4 July 2025, the Company announce that it received commitments to raise \$1.08 million (before costs) via a share placement at \$0.013 per share, with 83 million new fully paid ordinary shares issued (Placement). The proceeds of the Placement will be applied to advance Provaris' priority hydrogen and CO₂ storage and marine transportation business development activities in Europe, including its proprietary hydrogen prototype tank program in Norway. The Placement includes the issue of one (1) free unlisted option for every three (3) New Shares subscribed for under the Placement resulting in a total of ~27.7 million Options. The Options have an exercise price of \$0.03 and an expiration date eighteen (18) months from the Attaching Options issue date.

On 11 August 2025, the Company announced approval from its development partner Yinson Production AS (Yinson) to commence the Front End Engineering Design (FEED) development phase for its proprietary large-scale low-pressure liquid CO₂ (LCO₂) Tanks.

On 14 August 2025, the Company held a General Meeting of shareholders where all resolutions approved.

On 27 August 2025 the Company announce that it received commitments to raise \$1.0 million (before costs) via a share placement at \$0.019 per share, with 52.6 million new fully paid ordinary shares issued (Placement). The proceeds of the Placement will be applied to

DIRECTORS' REPORT

ongoing development activities, working capital and business development activities relating to new market developments for the LCO2 tank in maritime and offshore sectors.

The directors are not aware of any other matters or circumstances having arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Provaris will continue to pursue its development activities for both compressed hydrogen supply chain development and the emerging market application for LCO2 through its new proprietary tank design. Funding and company resources will be applied towards:

- Collaboration in the development of hydrogen production and export supply chains with a current focus on the Nordic region, including Norway, and other European regional supply opportunities.
- Achievement of Final Class Approval for Provaris' proprietary H2Neo carrier (shipping) and H2Leo barge (storage) for the marine storage and transportation of compressed hydrogen.
- Development of proprietary LCO2 tank designs in joint development with Yinson and the integration into market applications in the maritime and offshore sectors.

The likely outcomes of these activities depend on a range of technical, economic, industry, geographic, environmental, regulatory, and other activity specific factors many of which are outside Provaris' direct control. Consequently, the directors consider it is not possible or appropriate to make a prediction on the future results of Provaris' activities.

ENVIRONMENTAL & CULTURAL HERITAGE REGULATIONS AND PERFORMANCE

Provaris has an established edict for its activities and operations to comply, in all respects, with the laws and regulations, including environmental and cultural heritage laws and regulations, of each country in which it has a presence and, as a minimum, adopt and comply with the laws, regulations and accepted practices as would apply in Australia.

There have been and are no known breaches of environmental or cultural heritage laws or regulations by Provaris.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Environmental, Social & Governance – ready to measure impact

During the year, our commitment to continuous improvement our approach to reporting on material and non-financial ESG matters continued. Provaris has developed an ESG strategy that is directly aligned with the state of the business and adheres to our aspirations as a company.

Provaris continues to assess the requirement for, and implementation of, a concise ESG strategy, including adhering to a set of relevant ESG-related targets or commitments.

A copy of the ESG Framework is available on our website.



DIRECTORS' REPORT

Our Purpose, and mission

Provaris is focused on becoming the leading technology provider for the storage and transport of hydrogen and liquid CO₂. Our purpose is to develop solutions that are simple, efficient and economic to enable the development of regional markets for hydrogen and CO₂ capture and storage to become key pillars for decarbonisation of hard to abate industries.

As Provaris moves towards commercialising its technology and solutions – our value creation will support and act as drivers for long-term economic growth to allow for the decarbonisation of hard-to-abate sectors.

Leadership & Governance – the right minds matter

Provaris believes in good governance factors of decision-making, independence, diversity and social inclusion. Ensuring the Board of Provaris leads by example, demonstrating a depth of expertise and capability, for Provaris to achieve our corporate milestones – the right minds really do matter. Provaris acknowledges the importance and benefits that come with an independent, diverse and socially inclusive Board.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
Governance	GO-01-C1	Purpose statement	⊖		
	GO-02-A	Governance board composition (matrix)	⊖		
	GO-03-A	Material issues impacting stakeholders		⊖	
	GO-04-A	Anti-corruption practices (completed FY21 G3V Appendix 4G)	⊖		
	GO-04-a	Mechanisms to protect Ethical Behaviour (completed FY21 G3V Appendix 4G)	⊖		
	GO-05-A	Integrating risk and opportunities into business process		⊖	

Planet – managing climate change and biodiversity for future generations

Protecting the planet and ensuring our operations do not cause harm to the environment and biodiversity on the projects we are collaborating with suppliers of hydrogen in Norway and import infrastructure in Germany and Netherlands. We continue to identify and understand the impact our future operations will have on the environment.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
Planet	PL-01-A	GHG Emissions		⊖	
	PL-02-B	TCFD implementation			⊖
	PL-02-A	Land use and ecology sensitivity		⊖	
	PL-02-B	Water consumption		⊖	

DIRECTORS' REPORT

People – human capital and social license to operate

Provaris seeks to employ, develop and grow its team with a focus on diversity and equality. It ensures a safe and healthy environment being aware the physical and mental wellness of our staff and contractors has a direct impact on our performance.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
People	PE-01-C1	People – Diversity & inclusion		⊗	
	PE-02-C1	Health and safety		⊗	
	PE-03-01	Training provided		⊗	
	PE-01-C2	People – pay equality		⊗	
	PE-01-C3	Wage level		⊗	
	PE-01-C4	Child, forced or compulsory	⊗		

Prosperity – contributing to societal, environmental development and economic development

Provaris' focus to deliver low-carbon hydrogen will by the very nature of our mission bring societal, environmental, and economic development to the regions we operate, and overall improve the prosperity of the planet.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
Prosperity	PR-01-C1	Rate of employment		⊗	
	PR-02-C1	Total R&D tax	⊗		
	PR-03-01	Total tax paid	⊗		
	PR-01-C2	Economic contribution	⊗		
	PR-01-C3	Financial investment contribution	⊗		

We're making the future of shipping of hydrogen and CO2 viable – and we're happy to report it

Each year Provaris will continue to report on material and non-financial material ESG matters. As our business matures so too will the sophistication of our ESG reporting mechanisms.

Provaris is committed to its ESG reporting pathway and operationalising our reporting mechanisms set in accordance to leading global frameworks and standards.

We look forward to reporting our ESG risks and opportunities in the new financial year.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY**GREG MARTIN**

INDEPENDENT, NON-EXECUTIVE CHAIRMAN

APPOINTED: 1 FEBRUARY 2022

Qualifications and Experience:

Mr Martin holds a Bachelor of Economics from the University of Sydney and a Bachelor of Laws from the University of Technology, Sydney.

Mr Martin has over 45 years' experience in the utilities, financial services, mining, energy, and energy-related infrastructure sectors across Australia, New Zealand, and internationally. He served as Managing Director and CEO of The Australian Gas Light Company (ASX:AGL) for five years. After AGL, he joined Challenger Financial Services Group (ASX:CGF) as CEO of Infrastructure and later was Managing Director of Murchison Metals Limited (ASX:MML).

Mr Martin's current directorships include Chair of US-based private equity-backed SaaS start-up SafetyIQ, a Non-Executive Director of Sierra Rutile Holdings Limited (ASX:SRX; de-listed October 2024), and a Non-Executive Director of Mawson Infrastructure (MIGI:NASDAQ).

His previous directorships include Power & Water Corporation, The Electricity Networks Corporation (trading as Western Power), Hunter Water Corporation, One Rail Australia Limited, Spark Infrastructure RE (ASX:SKI) the Sydney Desalination Plant, Prostar Capital, Everest Financial Group, NGC Holdings Limited (NZ), Empresa de Gas de la V Región S.A. (Chile), and Kyungnam Energy Co. Ltd (South Korea).

Directorships of other listed companies in the 3 years before the end of the Financial Year:

Chairman Iluka Resources Limited (ASX:ILU) from January 2013 to April 2022.

MARTIN CAROLAN

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

APPOINTED: 2 APRIL 2019

Qualifications and Experience:

Mr Carolan holds a Bachelor of Business (Banking and Finance) and a Graduate Diploma in Applied Finance.

Mr Carolan was appointed as an Executive Director of Corporate and Finance in 2019, followed by his appointment to Managing Director and Chief Executive Officer in June 2021. Mr Carolan has been involved in Provaris since the Company's inception in 2016, firstly as an advisor and founding shareholder, before joining the Board as an Executive Director in 2019, responsible for corporate strategy and finance. Mr Carolan brings extensive capital markets and corporate strategy experience having worked in the Australian capital markets for over 15 years, and consulting to large corporates prior to his career in finance. In the role of CEO Mr Carolan oversees our strategy and implementation into the commercialisation of hydrogen and CO2 technologies.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

DIRECTORS' REPORT

ANDREW PICKERING

INDEPENDENT, NON-EXECUTIVE DIRECTOR

APPOINTED: 1 FEBRUARY 2021

Qualifications and Experience:

Mr Pickering holds a bachelor degree in Environmental Science from University of Colorado and a Masters of Science in Environmental Management from University of London.

He has 40 years' experience in shipping and logistics. This includes a distinguished career with Stolt-Nielsen Limited which is listed in Norway, with a market capitalisation of circa 1 billion USD (SNI:NO), and provides transportation, storage, and distribution solutions for chemicals and other bulk-liquid products worldwide.

More recently, Mr Pickering led the development of an integrated global energy supply business as founding CEO of Avenir LNG Limited. Avenir LNG Limited, initially a joint venture between Stolt-Nielsen; Golar LNG and Hoegh LNG, is now a publicly listed company on the OTC exchange in Norway and provides LNG supply solutions for off-grid industry, power generation, marine bunkering and the transport industry, including the construction of new small-scale LNG vessels and an LNG terminal.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

DAVID PALMER

INDEPENDENT, NON-EXECUTIVE DIRECTOR

APPOINTED: 1 NOVEMBER 2021

Qualifications and Experience:

Mr Palmer holds a Masters Degree in Economics from the University of Cambridge and an Executive MBA from Harvard Business School.

Mr Palmer has held many senior positions in the shipping industry including John Swire and Sons, Stolt-Nielsen Inc, and more recently was CEO of Pareto Securities Asia, CEO of Wah Kwong Holdings (HK) Ltd and COO and CFO of Britoil Offshore Services Pte Ltd.

Mr Palmer brings extensive shipping, capital markets, corporate strategy, M&A and management experience having worked in these markets for 45 years.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

NORMAN MARSHALL

COMPANY SECRETARY

APPOINTED: 15 MARCH 2021

Qualifications & Experience

Mr Marshall has a Master of Applied Finance from Macquarie University Sydney and over 20 years managerial and executive experience in project and corporate financing and a similar period in Company Secretary, Chief Financial Officer, and Executive Director positions in listed public companies.

Prior to his appointment as Company Secretary of Provaris Energy Ltd, Mr Marshall acted as a consultant to the company. Mr Marshall also holds an executive position as the Group Commercial Manager, which includes responsibility for the drafting, review, execution, and management of all contracts.

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Directors' meetings	11
Greg Martin	8
Martin Carolan	11
Andrew Pickering	11
David Palmer	10

DIRECTORS' INTERESTS IN SHARES AND SHARE BASED INSTRUMENTS OF PROVARIS

As at the date of this report, the interests of the directors in the ordinary shares and performance rights of Provaris were:

	Ordinary Shares	Performance Rights
Greg Martin	9,552,364	-
Martin Carolan	25,832,864	-
Andrew Pickering	6,895,455	-
David Palmer	7,245,455	-
	49,526,138	-

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by Section 300A of the *Corporations Act 2001*. The prior year Remuneration Report was approved at the 2024 Annual General Meeting with the votes against the resolution being less than 25 per cent.

KEY MANAGEMENT PERSONNEL

The names and positions of key management personnel of Provaris and of the Consolidated Entity who have held office during the financial year are:

Independent Directors:

Greg Martin	Non-Executive Chairman
Andrew Pickering	Non-Executive Director
David Palmer	Non-Executive Director

Executive Directors:

Martin Carolan	Managing Director and Chief Executive Officer
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Other Key Management Personnel:

Per Røed	Chief Technical Officer
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REMUNERATION OBJECTIVE

The objective of Provaris' executive remuneration is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward.

Executive remuneration is based on fees set by resolution of the Board of Directors and reviewed annually based on market practices. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

OVERVIEW OF PROVARIS' PERFORMANCE

The table below sets out information about Provaris' results and movements in shareholder wealth for the past five years, up to and including the current financial year:

	2025	2024	2023	2022	2021
Net loss after tax (\$)	(2,523,878)	(6,134,552)	(12,407,340)	(6,757,611)	(3,088,132)
Loss per share (cents)	(0.38)	(1.07)	(2.26)	(1.32)	(0.74)
Share price (cents) 30-June	1.4	2.7	4.6	4.3	6.7

No dividends have been paid or provided in any of these financial years.

EXECUTIVE DIRECTORS

Existing Executive Directors' remuneration and reward framework have the following components:

- base pay and non-monetary benefits
- discretionary short-term incentives (generally paid in cash)
- share based payments (with options or performance rights generally issued to executives over a period and based on long-term incentives), and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

PV1AM Performance Rights, issued under Provaris' Performance Rights Plan, were granted to Executive Directors during the 2021 financial year. No further rights have been issued in 2022, 2023, 2024 and 2025. Refer to page 19 for the performance rights held by key management personnel, including the terms and conditions.

NON-EXECUTIVE DIRECTORS

Fees and payments to non-executive directors reflect the demands that are made on, and the responsibilities of, the directors. Non-Executive Directors' fees and payments are reviewed annually by the Board to ensure fees are appropriate and in line with the market.

In accordance with the provisions of Listing Rule 10.11 of the Australian Securities Exchange, a meeting of shareholders held on 22 November 2019 approved the sum of \$500,000 per annum to be the total aggregate annual fees payable to Non-Executive Directors of Provaris. The current total of Non-Executive Director fees is \$233,571.

DIRECTORS' REPORT

Shares are issued to Non-Executive Directors from time to time to align their interests to those of Provaris' shareholders. The number and value of Provaris shares issued, together with any other terms, are determined by the Board and, in all cases, subject to shareholder approval.

Refer to page 19 for shares issued under Provaris' Employee Share Plan to Non-Executive Directors during the previous financial year. No shares were issued to Non-Executive Directors in 2025 under the Plan (2024: nil).

No Provaris performance rights were issued to Executive or Non-Executive Directors during the financial year (2024: nil).

Service agreements

Provaris has executed the following employment contracts with key management personnel:

Martin Carolan (Managing Director & Chief Executive Officer)

Provaris has executed an Employee Service Agreement with Mr Martin Carolan, as Chief Executive Officer, which commenced on 1 July 2021 and continues until terminated in accordance with the terms of the agreement. The base salary is \$337,398 per annum, plus statutory superannuation contributions.

Provaris may terminate the agreement, without cause, subject to 6 months prior written notice and immediately with cause. Mr Carolan may terminate the agreement for any reason subject to 3 months prior written notice. The agreement does not include any special termination payment or benefit.

Per Røed (Chief Technical Officer)

Provaris, through its wholly owned subsidiary Provaris Norway AS, has executed an Employment Agreement with Mr Per Røed, as Chief Technical Officer, which commenced on 1 August 2022 and continues until terminated in accordance with the agreement. The base salary is NOK 2,451,456 (AUD 352,080) per annum, plus statutory pension contributions.

The mutual termination period of the agreement is 3 months written notice.

DIRECTORS' REPORT

The following table sets out the remuneration paid to directors and named executives of the Group during the financial year. Other than those noted below, the Group had no other executives designated as key management personnel.

	Short-Term			Post-Employment	Share-Based Payments		Total	Performance related %
	Salary and Fees \$	Annual Leave Accrued \$	Bonus \$	Super-annuation \$	Performance Rights \$	Ordinary Shares \$		
2025								
EXECUTIVE DIRECTORS								
Martin Carolan ¹	337,398	7,765	-	29,932	1,778 ²	-	376,873	0.5%
OTHER KEY MANAGEMENT PERSONNEL								
Per Røed	357,903	(5,319)	-	5,645	15,741 ³	-	373,970	4.2%
	695,301	2,446)	-	35,577	17,519	-	750,843	2.3%
NON-EXECUTIVE DIRECTORS								
Greg Martin ¹	95,400	-	-	10,971	-	-	106,371	0.0%
Andrew Pickering ¹	63,600	-	-	-	-	-	63,600	0.0%
David Palmer ¹	63,600	-	-	-	-	-	63,600	0.0%
	222,600	-	-	10,971	-	-	233,571	0.0%
TOTAL KEY MANAGEMENT PERSONNEL	917,901	2,446	-	46,548	17,519	-	984,414	1.8%

¹ On 14 April 2025, the Directors issued the Company directives to withhold the payment of net salary and directors' fees (for the period 1 April 2025 to 30 June 2025) for the purchase of newly issued shares at \$0.011 per share (being the share price on the day these instructions were issued). These shares were issued following shareholder approval at a general meeting held on 14 August 2025. Refer to "Other Transactions and Balances With Key Management Personnel" section of the remuneration report for further details.

² On 6 August 2021, Provaris issued 5,000,000 PV1AM Performance Rights to Martin Carolan under Provaris' Performance Rights Plan. These Performance Rights expired on 6 August 2024.

³ On 8 April 2025, Provaris issued 8,000,000 PV1AF Performance Rights to Per Røed under Provaris' Performance Rights Plan. Refer below for the terms and conditions of the rights granted.

DIRECTORS' REPORT

2024	Short-Term			Post-Employment	Share-Based Payments		Total	Performance related
	Salary and Fees	Annual Leave Accrued	Bonus	Super-annuation	Performance Rights	Ordinary Shares		
	\$	\$	\$	\$	\$	\$	\$	%
EXECUTIVE DIRECTORS								
Martin Carolan	334,215	7,062	—	36,764	23,833 ¹	—	401,874	6%
OTHER KEY MANAGEMENT PERSONNEL								
Garry Triglavcanin ²	292,325	14,506	—	32,156	23,833 ¹	—	362,820	7%
Per Røed	313,299	39,140	—	4,394	—	—	356,833	0%
	939,839	60,708	—	73,314	47,666	—	1,121,527	4%
NON-EXECUTIVE DIRECTORS								
Greg Martin	94,050	—	—	10,346	—	—	104,396	0%
Andrew Pickering	62,700	—	—	—	—	—	62,700	0%
David Palmer	62,700	—	—	—	—	—	62,700	0%
	219,450	—	—	10,346	—	—	229,796	0%
TOTAL KEY MANAGEMENT PERSONNEL	1,159,289	60,708	—	83,660	47,666	—	1,351,323	4%

¹ On 6 August 2021, Provaris issued 5,000,000 PV1AM Performance Rights to Martin Carolan and 5,000,000 PV1AM Performance Rights to Garry Triglavcanin under Provaris' Performance Rights Plan. These Performance Rights expired on 6 August 2024.

² Following a review of roles and responsibilities and within the Group, Garry Triglavcanin is no longer considered a KMP with effect from 1 July 2024.

DIRECTORS' REPORT

SHARES HELD BY KEY MANAGEMENT PERSONNEL DIRECTLY AND INDIRECTLY

Year Ended 30 June 2025

	1 July 2024	Number of Ordinary Shares			30 June 2025
		Conversion Perf Rights	Issued as Remuneration	Net Change Other	
Greg Martin	4,500,000	—	—	2,500,000	7,000,000
Martin Carolan	16,500,000	—	—	2,500,000	19,000,000
Andrew Pickering	3,950,000	—	—	1,000,000	4,950,000
David Palmer	4,050,000	—	—	1,250,000	5,300,000
Per Røed	2,000,000	—	—	—	2,000,000
	31,000,000	—	—	7,250,000	38,250,000

PERFORMANCE RIGHTS HELD BY KEY MANAGEMENT PERSONNEL

Year Ended 30 June 2025

	1 July 2024	Number of Performance Rights		Unvested 30 June 2025
		Granted as Remuneration	Expired	
Greg Martin	—	—	—	—
Martin Carolan	5,000,000	—	(5,000,000)	—
Andrew Pickering	—	—	—	—
David Palmer	—	—	—	—
Per Røed ¹	—	8,000,000	—	8,000,000
	5,000,000	8,000,000	(5,000,000)	8,000,000

Note 1 – PV1AF Performance Rights, issued under Provaris' Performance Rights Plan (Expiry: 8 April 2027).

No performance rights have vested or are exercisable in the current year.

Terms and conditions of Performance Rights:

PV1AF Performance Rights

A total of 8,000,000 PV1AF Performance Rights are on issue, which were granted on 8 April 2025. Vesting and fair values of PV1AF Performance Rights is as follows:

- 1,000,000 will vest on completion of Phase 2 of the CO₂ tank program with Yinson Production AS (fair value \$0.009 per right);
- 1,500,000 will vest on completion of Phase 3 of the CO₂ tank program with Yinson Production AS and establishment of a Joint Venture between Provaris Energy Ltd (or its nominated entity) and Yinson Production AS (or its nominated entity) for the licensing of CO₂ tanks (fair value \$0.009 per right);
- 1,500,000 will vest on completion of the fabrication and testing of the prototype hydrogen tank at Fiskå, Norway (or at any other location determined by Provaris Energy Ltd) (fair value \$0.009 per right);
- 1,000,000 will vest on the execution of a Shipbuilding Contract for the construction of a vessel for the transportation of hydrogen or CO₂ utilising, as applicable, Provaris Energy Ltd's

DIRECTORS' REPORT

- hydrogen tank design and technology or Yinson Production AS and Provaris Energy Ltd's jointly owned CO2 tank design and technology (fair value \$0.009 per right); and
- (e) 3,000,000 will vest on completion of 18 (eighteen) months continuous employment with the Provaris Energy Ltd Group (which includes any subsidiary or affiliate) from the date of issue of the Rights (fair value \$0.009 per right).

Unless otherwise determined by the Board the PV1AF Performance Rights lapse after 30 days of the holder ceasing to be employed by Provaris.

The Board considered that market conditions (Provaris share price) best aligned the PV1AF Performance Rights holders interests to those of Provaris' shareholders at the time of issue.

No PV1AF Performance Rights have vested at 30 June 2025. The PV1AF Performance Rights were issued pursuant to Provaris' Performance Rights Plan, which was approved at the general meeting of shareholders held on 22 July 2021. No key management personnel PV1AF Performance Rights were exercised (as vesting conditions were not met) or cancelled during the period.

The maximum amount of PV1AF Performance Rights that could be recognised in future financial periods is \$22,959.

No person entitled to exercise any of the performance rights had or has any right by virtue of the performance rights to participate in any share issue of any other body corporate.

LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans made to key management personnel during the financial year (2024: Nil).

OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL

On 14 April 2025, the Directors issued the Company directives to withhold the payment of net salary and directors' fees (for the period 1 April 2025 to 30 June 2025) for the purchase of newly issued shares at \$0.011 per share (being the share price on the day these instructions were issued). These shares were issued following shareholder approval at a general meeting held on 14 August 2025:

	Amount Withheld	Shares to be Issued
Greg Martin	17,076	1,552,364
Martin Carolan	53,162	4,832,864
Andrew Pickering	15,900	1,445,455
David Palmer	15,900	1,445,455
	102,038	9,276,138

The amounts withheld are represented on the Balance Sheet as Trade and other payables as the shares were issued following shareholder approval at a general meeting held on 14 August 2025.

There were no other transactions or balances with key management personnel or their related parties during the financial year.

End of Audited Remuneration Report

INSTRUMENTS OVER UNISSUED SHARES – EXERCISED, GRANTED OR EXPIRED

8,000,000 Performance Rights were granted on 8 April 2025. 10,000,000 Performance Rights granted on 6 August 2021 expired unvested during the financial year.

During the year, the Company issued 8,208,411 unlisted options over ordinary shares on 11 July 2024 and 83,334 on 29 November 2024, being one option for every three shares purchased under the July 2024 Share Purchase Plan, at an issue price of \$nil.

Subsequent to 30 June 2025, on 20 August 2025, the Company issued 27,682,053 unlisted options over ordinary shares on, being one option for every three shares purchased under the July 2025 Share Purchase Plan, at an issue price of \$nil.

INSTRUMENTS OVER UNISSUED SHARES OUTSTANDING

The following instruments to subscribe for unissued fully paid ordinary shares in Provaris are outstanding at the date of this report:

8,000,000 Performance Rights, issued on 8 April 2025, remained on issue at the end of the year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

In addition to the rights of indemnity provided to directors and officers under Provaris' Constitution (to the extent permitted by the *Corporations Act 2001 (Cth)*), Provaris has entered in a Deed of Access, Insurance, and Indemnity with each director pursuant to which Provaris indemnifies each director named in this report against all liabilities to persons (other than Provaris or a related body corporate) which arise out of the performance of their normal duties as directors unless the liability relates to conduct involving bad faith or is otherwise prohibited from indemnification under the *Corporations Act 2001 (Cth)*.

Furthermore, during the financial year, Provaris paid premiums of \$42,529 for Directors and Officers liability insurance. The policy insures the directors and officers against any liabilities and expenses that may arise because of work performed in their respective capacities, provided that the liability does not arise out of conduct involving:

- (i) A wilful breach of duty; or
- (ii) A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year by Provaris. The directors have recommended that no dividend be paid by Provaris in respect of the year ended 30 June 2025 (2024: Nil).

PROCEEDINGS ON BEHALF OF PROVARIIS

No person has applied for leave of Court to bring proceedings on behalf of Provaris or intervene in any proceedings to which Provaris is a party for the purpose of taking responsibility on behalf of Provaris for all or any part of those proceedings. Provaris was/is not a party to any such proceedings during or since the end of the 2025 financial year.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Provaris' auditor is Ernst & Young Australia. In accordance with the *Corporations Act 2001* section 307C a signed Auditor's Independence Declaration to the directors in relation to the year ended 30 June 2025 has been provided to Provaris. This declaration has been included on page 58.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, Provaris has agreed to indemnify its auditors, as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit. No payments have been made to indemnify Ernst & Young Australia during or since the 2025 financial year.

NON-AUDIT FEES

Fees for non-audit services paid to the auditors to the Group, Ernst & Young Australia for indirect tax and tax compliance services amounted to \$28,256 (2024: \$66,004). The directors are satisfied that the provision of these non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of these non-audit services means that auditor independence was not compromised.

Signed in accordance with a resolution of the directors.



Martin Carolan
Managing Director and Chief Executive Officer

29 August 2025
Sydney, New South Wales

CORPORATE GOVERNANCE STATEMENT

Provaris' directors are committed to conducting Provaris' business in an ethical manner and in accordance with the highest standards of corporate governance. Provaris has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (4th Edition) (Recommendations) to the extent appropriate for the size and nature of Provaris' operations.

Provaris has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for Provaris, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations.

Provaris' Corporate Governance Statement and policies can be found on its website:

<https://www.provaris.energy/contact>

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

	Note	Consolidated Entity 2025 \$	2024 \$
Income from non-operating activities	2	851,372	342,147
Corporate and administrative		(3,043,813)	(4,054,243)
Project development		(296,719)	(2,314,275)
Interest expense		(15,421)	(4,300)
Share based payments	13	(19,297)	(103,881)
LOSS BEFORE INCOME TAX EXPENSE		(2,523,878)	(6,134,552)
Income tax expense	3	—	—
LOSS AFTER INCOME TAX EXPENSE		(2,523,878)	(6,134,552)
OTHER COMPREHENSIVE INCOME/LOSS			
<i>Other comprehensive income/loss that may be reclassified to profit or loss in subsequent periods (net of tax)</i>			
Exchange differences on translating foreign operations	8	20,566	(25,046)
OTHER COMPREHENSIVE INCOME/LOSS NET OF INCOME TAX		20,566	(25,046)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(2,503,312)	(6,159,598)
BASIC (LOSS) PER SHARE (CENTS PER SHARE)	4	(0.38)	(1.07)
DILUTED (LOSS) PER SHARE (CENTS PER SHARE)	4	(0.38)	(1.07)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	Consolidated Entity 2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	10	330,828	743,929
Security Deposit	10	219,220	209,200
Prepayments		119,013	223,629
Other assets		66,902	50,536
TOTAL CURRENT ASSETS		735,963	1,227,294
TOTAL ASSETS		735,963	1,227,294
CURRENT LIABILITIES			
Trade and other payables	5	446,221	571,113
Provision for annual leave		142,944	128,813
Convertible bonds	6	198,202	286,804
Conversion options	6	5,439	12,000
TOTAL CURRENT LIABILITIES		792,806	998,730
TOTAL LIABILITIES		792,806	998,730
NET (LIABILITY)/ASSETS		(56,843)	228,564
EQUITY			
Issued capital	7	23,276,547	21,077,939
Reserves	8	4,002,884	3,963,021
Accumulated losses		(27,336,274)	(24,812,396)
TOTAL EQUITY		(56,843)	228,564

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated Entity 2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Other receipts		684,992	-
Payments to suppliers and employees		(2,898,069)	(3,904,325)
Project development		(335,856)	(2,765,613)
Interest received		19,056	67,562
Research and development tax concession rebate		147,324	254,652
NET CASH OUTFLOW USED IN OPERATING ACTIVITIES	10	(2,382,553)	(6,347,724)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Investment in Security deposit		(10,020)	(209,200)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(10,020)	(209,200)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issues		2,250,512	1,900,000
Proceeds from convertible bonds issues	6	-	465,000
Proceeds from exercise of options		795	-
Capital raising costs		(256,414)	(124,802)
Convertible bonds issue costs		-	(24,814)
Interest paid		(15,421)	(4,300)
NET CASH INFLOW FROM FINANCING ACTIVITIES		1,979,472	2,211,084
NET DECREASE IN CASH HELD		(413,101)	(4,345,840)
Net foreign exchange differences		-	19,933
Cash and cash equivalents at beginning of year		743,929	5,069,836
CASH AND CASH EQUIVALENTS AT END OF YEAR	10	330,828	743,929

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

ATTRIBUTABLE TO MEMBERS OF THE COMPANY	CONSOLIDATED ENTITY				
	Issued Capital \$	Share Based Payments Reserve \$	Currency Translatio n Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2024	21,077,939	4,003,236	(40,215)	(24,812,396)	228,564
COMPREHENSIVE LOSS					
Currency translation differences	-	-	20,566	-	20,566
Loss for year	-	-	-	(2,523,878)	(2,523,878)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	-	-	20,566	(2,523,878)	(2,503,312)
TRANSACTIONS WITH OWNERS, IN THEIR CAPACITY AS OWNERS					
Issue of shares under purchase plan	1,000,000	-	-	-	1,000,000
Issue of shares under placement	1,250,514	-	-	-	1,250,514
Issue of shares-conversion of options	795	-	-	-	795
Issue of shares-conversion of bonds	203,714	-	-	-	203,714
Issue of performance rights	-	19,297	-	-	19,297
Issue costs of share purchase plan	(166,547)	-	-	-	(166,547)
Issue costs of share placement	(89,868)	-	-	-	(89,868)
At 30 JUNE 2025	23,276,547	4,022,533	(19,649)	(27,336,274)	(56,843)
At 1 July 2023	85,901,440	3,871,570	(15,169)	(85,426,156)	4,331,685
COMPREHENSIVE LOSS					
Currency translation differences	-	-	(25,046)	-	(25,046)
Loss for year	-	-	-	(6,134,552)	(6,134,552)
Total comprehensive loss for the year	-	-	(25,046)	(6,134,552)	(6,159,598)
Reduction in Issued Capital (<i>Note 7</i>)	(66,748,312)	-	-	66,748,312	-
TRANSACTIONS WITH OWNERS, IN THEIR CAPACITY AS OWNERS					
Issue of shares - consultant	56,215	-	-	-	56,215
Issue of shares under placement	1,900,000	-	-	-	1,900,000
Issue of shares-conversion of bonds	93,398	-	-	-	93,398
Issue of performance rights	-	47,666	-	-	47,666
Options issued - convertible bonds	-	84,000	-	-	84,000
Issue costs of share placement	(124,802)	-	-	-	(124,802)
At 30 JUNE 2024	21,077,939	4,003,236	(40,215)	(24,812,396)	228,564

The accompanying notes form part of these financial statements

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements of Provaris Energy Ltd (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 29 August 2025. The Company is a listed public company limited by shares, incorporated and domiciled in Australia. The registered office is located at Level 14, 234 George Street, Sydney NSW 2000.

The Group is advancing innovative Compressed Hydrogen (H₂) and Carbon Dioxide (CO₂) storage and transport solutions through proprietary tank designs for storage, maritime gas carriers and integrated supply chain development. Principle activities include (i) supporting the development of hydrogen production and export projects in Europe, with a focus on local collaborations in Norway; (ii) the design, engineering and Maritime Class Approvals for its proprietary H2Neo Carrier and H2Leo Storage Barge for the marine storage and transportation of compressed hydrogen; and (iii) developing innovative liquid CO₂ tank designs for marine transport and offshore storage and injection applications.

Basis of Preparation

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASs) and the *Corporations Act 2001*. The consolidated financial report of the Group also complies with the International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared on an historical cost basis. The presentation currency used in this financial report is Australian Dollars.

Going concern basis for preparation of financial statements

The Group incurred a loss after tax of \$2,523,878 (2024: \$6,134,552) and had cash outflows from operations of \$2,382,553 (2024: \$6,347,724) for the year ended 30 June 2025. The Group had a net current liability and net liability position of \$56,843 as at 30 June 2025 (30 June 2024: net current asset and net asset position of \$228,564). The Group held cash and cash equivalents at 30 June 2025 of \$330,828 (30 June 2024: \$743,929). Subsequent to year end, the Group raised \$1.08 million through a share placement (before costs) and on 27 August 2025 the Company announced that it received commitments to raise a further \$1.0 million (before costs) via a share placement with final settlement by 29 August 2025. As at 28 August 2025 the Group has cash on hand of \$1,086,144.

The Group's cashflow forecast for the period ended 31 August 2026 reflects that the Group will require working capital in addition to any additional funds they may be able to access under the convertible bond facility during this period to enable it to continue to meet its ongoing operational and project expenditure commitments.

The Directors are satisfied that the Group will be able to secure additional working capital as required through raising additional equity given the Group's history of being able to successfully raise funding via share equity raisings. Accordingly, the directors consider it appropriate to prepare the consolidated financial statements on a going concern basis.

In the event the Group is unable to raise additional working capital to meet its ongoing operational and project expenditure commitments as and when required, there is material uncertainty as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern and, therefore whether it will be able to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

No adjustments have been made relating to the recoverability and classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

New or Amended Accounting Standards or Interpretations Adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period and were relevant to the Group. The adoption of the new and amended accounting standards and interpretations had no material impact on the Group.

Material Accounting Policy information

The following is a summary of the material accounting policies adopted by the Group in the preparation of these financial statements.

a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at and for the period ended 30 June each year (the Group). Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intragroup transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues in the separate income statement of the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a gain on bargain purchase. A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction. Non-controlling interests are allocated their share of net profit after tax in the statement of profit or loss and other comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent. Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary; derecognises the carrying amount of any non-controlling interest; derecognises the cumulative translation differences, recorded in equity; recognises the fair value of the consideration received; recognises the fair value of any investment retained; recognises any surplus or deficit in profit or loss and reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

b) *Foreign currency translation*

The Group's consolidated financial statements are presented in Australian dollars, which is also the functional currency of the Company. For each group entity, the Group determines the functional currency and items included in the financial statements of each group entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences in the consolidated financial report are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of the overseas subsidiary is Norwegian NOK. As at the reporting date the assets and liabilities of this overseas subsidiary is translated into the presentation currency of the Company at the rate of exchange ruling at the balance sheet date and the income statement is translated at the weighted average exchange rates for the period. The exchange differences arising on the retranslation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement as part of the gain or loss on sale as applicable.

c) *Taxes*

Income Tax

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

d) *Employee Benefits*

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and annual leave and are recognised at the rates payable when these provisions are expected to be settled.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred. The Group has no legal obligation to cover any shortfall in any superannuation fund's obligation to provide benefits to employees on retirement.

e) *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 a maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts and investments in money market instruments with less than 90 days to original maturities.

f) *Interest income*

Interest income is recognised using the effective interest rate method, taking into account the interest rates applicable to the financial assets.

g) *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST; except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from the investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

h) *Impairment of assets*

The Group 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 Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal 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.

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. In assessing the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, then an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

i) *Leases – Group as lessee**Right of use assets*

The Group recognises right-of-use assets at the commencement date of the lease (ie. 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. Right-of-use assets are depreciated on a straight-line basis over the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating a lease, if the lease term reflects the Group 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 in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group 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.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are expensed on a straight-line basis over the lease term.

j) *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.

k) *Property, Plant and Equipment*

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 1 to 15 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs of disposal and value in use. 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.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

l) *Other receivables*

Other receivables are initially recognised at fair value and subsequently carried at amortised cost, less an allowance for any expected credit losses.

For short-term receivables, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

m) *Trade and other payables*

Trade payables and other payables are initially recognised at fair value and subsequently carried at amortised cost which represents future liabilities for goods and services received, whether or not billed to the Company.

n) *Financial assets*

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

- This is the only category of financial asset the Group has. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For short-term receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

o) *Financial liabilities**Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and convertible bonds.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group and it covers the convertible bonds on issue. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

p) *Share-based payment transactions*

The Group provides benefits to employees (including directors and service providers) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Monte Carlo simulation model, Black-Scholes option pricing model or a binomial 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 the Company ('market conditions'). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date'). 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 number of awards that, in the opinion of the directors of the Group, will ultimately vest.

This opinion is formed based on the best available information at balance date. 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. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where 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 increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where 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.

q) *Earnings/(loss) per share*

Basic earnings per share is calculated as net result attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net result attributable to members of the parent, adjusted for: costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

r) *Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred. The useful lives of the intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of economic future benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortised expense of intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Intangible assets with indefinite useful lives or those that are not yet available for use are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supported. If not, the changes in the useful life from indefinite to finite are made on a prospective basis.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Refer to note 1(u) below for the policy on research and development expenditure.

s) *Government grants*

Research and development tax rebates are treated as a government grant. Government grants are recognised as income recognised in profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs.

t) *Technical service fee*

Technical service fee is recognised over the term of service performance in line with AASB 15: *Revenue from Contracts with Customers*.

u) *Research and development expenditure*

Research costs are expensed as incurred. Development expenses are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

Significant accounting judgements, estimates and assumptions

Significant judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences when management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and service providers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Monte Carlo simulation mode, Black-Scholes option pricing model or a binomial model, using the assumptions detailed. The Group measures the cost of cash-settled share-based payments at fair value at the grant date using a binomial formula taking into account the terms and conditions upon which the instruments were granted.

Once the fair value is determined the Company applies an estimate for the probability that the non-market and service vesting conditions attached to each award will be met. This probability is applied to the fair value and expensed across the vesting period. If the estimated probability of vesting is determined to be less than 50 per cent then none of the fair value is expensed. If the estimated probability of vesting is determined to be 50 per cent or higher, the fair value is expensed over the vesting period. The estimated probability of market vesting conditions is taken into account in determining the fair value of the share-based payments.

Accounting for convertible bonds

Accounting for the convertible bonds (Note 6) requires judgement in respect of classifying the instrument as debt or equity, identifying and valuing embedded derivatives and treatment of warrants issued as part of the arrangement. Estimating fair value for derivative financial liabilities requires the determination of the most appropriate valuation model and the determination of the most appropriate inputs to the valuation model. The assumptions used for estimating the fair value of the derivative financial liabilities are disclosed in Note 6.

NOTE 2. INCOME AND EXPENSES

	Consolidated Entity	
	2025	2024
	\$	\$
The loss before income tax includes the following income and expenses where disclosure is relevant in explaining the performance of the Group:		
Technical service fee ^(a)	684,992	-
Interest received	19,056	67,562
Unrealised exchange gains	-	19,933
Research and development tax concession rebate - Australia	147,324	254,652
TOTAL INCOME FROM NON-OPERATING ACTIVITIES	851,372	342,147

(a) Recognised over time and earned in Norway

Expenses include:

Employee benefits and consultants' expenses	1,916,267	2,566,025
Remeasurement loss on conversion options	69,730	26,828

NOTE 3. INCOME TAX

INCOME TAX BENEFIT

Numerical reconciliation between tax expense and pre-tax net loss:

Loss before income tax benefit	(2,523,878)	(6,134,552)
Income tax using the Company's domestic tax rate of 25% (2024: 25%)	(630,970)	(1,533,638)
Share-based payments	4,824	25,970
Deferred tax asset not recognised	626,146	1,507,668
INCOME TAX BENEFIT (EXPENSE) ATTRIBUTABLE TO ENTITY	—	—

Estimated Australian unused tax losses of \$37,063,404 (2024: \$35,840,174 and estimated Norwegian tax losses of NOK 24,731,451 (2024: NOK 14,468,200) have not been recognised as a deferred tax asset as it is not probable that future forecast taxable profits will be available to utilise the tax losses, and the tax losses being available having regard to relevant tax legislation associated with their recoupment.

NOTE 4. EARNINGS PER SHARE

	Consolidated Entity	
	2025	2024
	\$	\$
Basic loss per share (cents per share)	(0.38)	(1.07)
Diluted loss per share (cents per share)	(0.38)	(1.07)
(Loss) used in the calculation of basic EPS	(2,523,878)	(6,134,552)
	2025	2024
	Shares	Shares
Weighted average number of ordinary shares used in the calculation of basic earnings per share	668,328,086	575,521,764

At 30 June 2025, 8,000,000 PV1AF Performance Rights and 36,031,145 unlisted options, with rights to convert to fully paid ordinary shares (on vesting conditions being satisfied or exercise price paid, as applicable) remained outstanding. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

At 30 June 2024, 10,000,000 PV1AM Performance Rights and 41,750,000 unlisted options, with rights to convert to fully paid ordinary shares (on vesting conditions being satisfied or exercise price paid, as applicable) remained outstanding. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

NOTE 5. TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated Entity	
	2025	2024
	\$	\$
Trade creditors	168,396	425,765
Sundry creditors and accrued expenses	277,825	145,348
	<u>446,221</u>	<u>571,113</u>

Trade payables are non-interest bearing and normally settled on 14-30 day terms.

Consolidated Entity
2025 2024
\$ \$

NOTE 6. FINANCIAL LIABILITIES

a) Financial liabilities at amortised cost – Current

Convertible bonds	198,202	286,804
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b) Financial liabilities at fair value through profit and loss – Current

Conversion options	5,439	12,000
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On 3 May 2024, the Company entered into a \$3 million convertible bond facility (Facility) with Macquarie Bank Limited ("MBL") to provide a standby funding alternative for the Group's hydrogen development plans in 2024/25. The Facility provides for the issue of convertible bonds (Bonds) in multiple tranches, with each Bond having a face value of \$5,000 and free attaching call options issued to MBL. The funding received on draw down is at a discount, with the Group receiving 93% of the face value of the Bonds. The Facility provides that the Bonds can be settled either in cash or via the issue of a variable number of the Company's shares. MBL holds the option to settle the Bonds in shares rather than in cash (conversion option).

As the settlement of the Bonds is either via repayment in cash on maturity or the issue of a variable number of the Company's shares, the host contract is considered to be a financial liability. The conversion option has been accounted for as a derivative financial liability as it does not result in the issue of a fixed number of shares for a fixed amount of cash and therefore the instrument does not meet definition of an equity instrument. This conversion option therefore constitutes an embedded derivative in the host contract which must be bi-furcated and carried at fair value through profit and loss.

On 8 May 2024, the Company issued 100 Bonds to MBL having a face value of \$500,000 (Tranche 1). The Company received net proceeds of \$465,000 (being 93% of the face value of the Bonds issued), and issued 4,000,000 attaching call options. The attaching call options were issued to MBL without additional consideration (see Note 7).

When certain MBL Bonds are converted, the conversion price is determined at the higher of:

- (i) 92% of the daily volume weighted average price (VWAP) of the Company's shares on the ASX trading day immediately preceding the date of a conversion notice; and
- (ii) the Minimum Conversion Price (being \$0.033 per share). If the VWAP of the Company's shares over the 5 consecutive ASX trading days at the time is less than the Minimum Conversion Price of \$0.033 per share, the Minimum Conversion Price will be A\$0.022 per share).

The issue of further tranches of Bonds under the Facility remains at the discretion of the Company and MBL, ensuring strategic alignment with the Company's evolving financial requirements. Unless otherwise agreed by MBL, (i) Provaris may only request the issue of a Further Tranche once at least 75% of the immediately preceding Tranche has been converted and (ii) each Further Tranche shall not exceed an aggregate Face Value of \$1,000,000.

At 30 June 2025, 47 (with a face value of \$235,000) were on issue (2024: 83 (with a face value of \$415,000)).

The fair values of the conversion options were determined using a Monte-Carlo simulation (Level 3).

Consolidated Entity
2025 **2024**
\$ **\$**

NOTE 7. ISSUED CAPITAL

ORDINARY SHARES

698,001,282 (2024: 600,616,703) fully paid ordinary shares – Note 7(a) 23,276,547 21,077,939

(A) MOVEMENTS IN ORDINARY SHARES

	Date	Number of Shares	\$
Opening balance	01-Jul-23	549,280,552	85,491,804
Expired Loyalty Options	1-Jul-23	-	409,636
Shares issued to consultant	10-Aug-23	448,656	31,406
Reduction of share capital (a)	30-Nov-23	-	(66,748,312)
Share placement at \$0.04 per share	8-Dec-23	41,750,000	1,670,000
Less: Issue costs of share placement	8-Dec-23	-	(90,214)
Shares issued to consultant	28-Feb-24	708,814	24,809
Share placement at \$0.04 per share	29-Feb-24	5,750,000	230,000
Less: Issue costs of share placement	29-Feb-24	-	(34,588)
Shares issued on conversion of bonds	24-May-24	1,672,240	65,218
Shares issued on conversion of bonds	26-Jun-24	1,006,441	28,180
Balance at 30 June 2024		600,616,703	21,077,939
Share purchase plan	11-Jul-24	25,000,000	1,000,000
Shares issued on conversion of bonds	12-Jul-24	2,158,216	66,905
Shares issued on conversion of bonds	30-Jul-24	1,136,363	28,409
Shares issued on conversion of options	23-Aug-24	10,600	795
Shares issued on conversion of bonds	6-Sep-24	2,045,454	47,045
Shares issued on conversion of bonds	17-Oct-24	1,136,363	31,818
Shares issued on conversion of bonds	18-Oct-24	1,181,474	29,537
Share placement at \$0.02 per share	13-Nov-24	53,598,485	1,071,969
Share placement at \$0.02 per share	24-Feb-25	6,250,000	125,000
Share placement at \$0.011 per share	17-Apr-25	4,867,624	53,544
Less: Issue costs during year		-	(256,414)
AT THE END OF THE FINANCIAL YEAR	30-Jun-25	698,001,282	23,276,547

(a) Reduction of Share Capital

On 30 November 2023, the Company reduced its share capital by \$66,748,312 in accordance with section 258F of the *Corporations Act 2001*, reducing accumulated losses relating to activities no longer undertaken, therefore deemed to be of a permanent nature, by the same amount.

There is no impact on shareholders from the capital reduction as no shares have been cancelled or rights varied, and there is no change in the net asset position of the Company. There is also no impact on the availability of the Company's tax losses from this capital reduction. The table below reflects the position at 30 June 2024 before and after the capital reduction.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Before capital reduction	After Capital reduction
Issued capital	87,826,251	21,077,939
Reserves	3,963,021	3,963,021
Accumulated losses	(91,560,708)	(24,812,396)
Total equity/net assets	228,564	228,564

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of, and amounts paid up, of shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at any meeting of the Company.

(B) MOVEMENTS IN UNLISTED OPTIONS ON ISSUE

	Date	Number of Options
Opening balance	01-Jul-23	14,000,000
Issued during the year attached to new share issue	1-Mar-24	23,750,000
Issued during the year attached to convertible bonds	8-May-24	4,000,000
Prior year closing balance	30-Jun-24	41,750,000
Lapsed during the year		(14,000,000)
Issued during the year attached to new share issue	11-Jul-24	8,208,411
Conversion to shares	23-Aug-24	(10,600)
Issued during the year attached to new share issue	29-Nov-24	83,334
OUTSTANDING/EXERCISABLE AT THE END OF THE FINANCIAL YEAR	30-Jun-25	36,031,145

TERMS AND CONDITIONS OF UNLISTED OPTIONS

On 1 March 2024, the Company issued 23,750,000 unlisted options over ordinary shares, being one option for every two shares purchased under the December 2023 Share Placement, at an issue price of \$nil. All Unlisted Options remained on issue at the end of the year. The unlisted options have an exercise price of \$0.075 and expire on 1 March 2026. On exercise, each Unlisted Option entitles the holder to one fully paid ordinary share in the Company. Any Unlisted Options not exercised before their expiry date will lapse.

As part of the convertible bond transaction in Note 6, the Company issued 4,000,000 unlisted options to MBL which have an exercise price of \$0.0661 and expire on 8 May 2027. These unlisted options have been accounted for as a share-based payment in accordance with AASB 2. These options have been valued using a Black-Scholes option pricing model. These options are not required to be remeasured subsequently.

During the year, the Company issued 8,208,411 unlisted options over ordinary shares on 11 July 2024 and 83,334 on 29 November 2024, being one option for every three shares purchased under the July 2024 Share Purchase Plan, at an issue price of \$nil. On 23 August 2024, 10,600 options were converted to shares leaving 8,281,145 unlisted options remaining on issue at the end of the year. The unlisted options have an exercise price of \$0.075 and expire on 11 July 2026. On exercise, each Unlisted Option entitles the holder to one fully paid ordinary share in the Company. Any Unlisted Options not exercised before their expiry date will lapse.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The fair value of the unlisted options issued to MBL in 2024 was estimated using the following assumptions:

Fair Value Level 3 measurements

8 May 2024

Exercise price	\$0.0661
Valuation date share price	\$0.043
Dividend yield	-
Risk-free interest rate	4%
Volatility	82%
Estimated expiry date	8 May 2027
Fair value	\$0.021

Bond conversion

At 30 JUNE 2025:

During the year, fully paid ordinary shares were issued to MBL's nominee on the conversion of the convertible bonds converted. The terms of the conversions were as follows:

	<u>15-Jul-2024</u>	<u>30-Jul-2024</u>	<u>6-Sep-2024</u>	<u>17-Oct-2024</u>	<u>18-Oct-2024</u>
No. of bonds converted	11	5	9	5	6
Share price	\$0.031	\$0.025	\$0.023	\$0.028	\$0.025
92% of VWAP	\$0.029	\$0.023	\$0.021	\$0.026	\$0.023
Floor price	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022
Number of shares issued	2,158,216	1,136,363	2,045,454	1,136,363	1,181,474
Fair value of shares issued	\$66,905	\$28,409	\$47,045	\$31,818	\$29,537

At 30 JUNE 2024:

On 24 May 2024 and 26 June 2024, fully paid ordinary shares were issued to MBL's nominee on the conversion of the convertible bonds converted. The terms of the conversion were as follows:

	<u>24 May 2024</u>	<u>26 June 2024</u>
No. of bonds converted	12	5
Share price	\$0.039	\$0.028
92% of VWAP	\$0.036	\$0.026
Floor price	\$0.036	\$0.024
Number of shares issued	1,672,240	1,006,441
Fair value of shares issued	\$65,218	\$28,180

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(D) MOVEMENTS IN PV1AM PERFORMANCE RIGHTS	Date	Number of Perf Rights
Opening balance	01-Jul-24	10,000,000
Lapsed due to performance condition not being met	6-Aug-24	(10,000,000)
AT THE END OF THE FINANCIAL YEAR	30-Jun-25	-

TERMS AND CONDITIONS OF PV1AM PERFORMANCE RIGHTS

AT 30 JUNE 2025:

There were no unissued ordinary shares for which PV1AM Performance Rights were outstanding at 30 June 2025 (30 June 2024: Nil). All PV1AM Performance Rights lapsed on the expiry date of 6 August 2024 as vesting conditions had not been met. No PV1AM Performance Rights were exercised during the period.

(E) MOVEMENTS IN PV1AF PERFORMANCE RIGHTS	Date	Number of Perf Shares
Opening balance	01-Jul-24	-
Issued under the Performance Rights Plan	8-Apr-25	8,000,000
AT THE END OF THE FINANCIAL YEAR	30-Jun-25	8,000,000

TERMS AND CONDITIONS OF PV1AF PERFORMANCE RIGHTS

AT 30 JUNE 2025:

On 8 April 2025, the Company issued 8,000,000 PV1AF Performance Rights which expire on 8 April 2028. On vesting, each Performance Right entitles the holder to one fully paid ordinary share in the Company. All PV1AF Performance Rights remain on issue at the end of the year.

Vesting PV1AF Performance Rights is as follows:

- 1,000,000 will vest on completion of Phase 2 of the CO2 tank program with Yinson Production AS;
- 1,500,000 will vest on completion of Phase 3 of the CO2 tank program with Yinson Production AS and establishment of a Joint Venture between Provaris Energy Ltd (or its nominated entity) and Yinson Production AS (or its nominated entity) for the licensing of CO2 tanks;
- 1,500,000 will vest on completion of the fabrication and testing of the prototype hydrogen tank at Fiskå , Norway (or at any other location determined by Provaris Energy Ltd);
- 1,000,000 will vest on the execution of a Shipbuilding Contract for the construction of a vessel for the transportation of hydrogen or CO2 utilising, as applicable, Provaris Energy Ltd's hydrogen tank design and technology or Yinson Production AS and Provaris Energy Ltd's jointly owned CO2 tank design and technology; and
- 3,000,000 will vest on completion of 18 (eighteen) months continuous employment with the Provaris Energy Ltd Group (which includes any subsidiary or affiliate) from the date of issue of the Rights.

Unless otherwise determined by the Board the PV1AF Performance Rights lapse after 30 days of a holder ceasing to be employed by Provaris.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

Management controls the capital of the Group, ensuring that the Group has enough liquid assets in order to fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of liability levels and share issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Consolidated Entity 2025 2024 \$ \$

NOTE 8. RESERVES

Share based payments reserve
Currency translation reserve

4,022,533 4,003,236
(19,649) (40,215)

(4,002,884) (3,963,021)

Consolidated Entity 2025 2024 \$ \$

MOVEMENTS IN SHARE BASED PAYMENTS RESERVE

At the beginning of the financial year
Issue of unlisted options attached to convertible bonds
Expense of PV1AM Performance Rights to employees
Expense of PV1AF Performance Rights to employees

4,003,236 3,871,570
- 84,000
3,556 47,666
15,741 -

AT THE END OF THE FINANCIAL YEAR

4,022,533 4,003,236

Consolidated Entity 2025 2024 \$ \$

MOVEMENTS IN CURRENCY TRANSLATION RESERVE

At the beginning of the financial year
Movement for the year

(40,215) (15,169)
20,566 (25,046)

AT THE END OF THE FINANCIAL YEAR

(19,649) (40,215)

NATURE AND PURPOSE OF RESERVES

SHARE-BASED PAYMENTS RESERVE

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, and consultants as part of their remuneration or consulting fees. Refer to Note 14 for further details of these share-based payments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

CURRENCY TRANSLATION RESERVE

This reserve is used to record foreign exchange differences arising from the translation of the financial statements of subsidiaries that have functional currencies other than Australian dollars.

	Company	
	2025	2024
	\$	\$

NOTE 9. PARENT ENTITY

FINANCIAL INFORMATION ON THE PARENT ENTITY AS AT THE END OF THE FINANCIAL YEAR:

CURRENT ASSETS

Cash and cash equivalents	147,519	647,940
Security deposit	219,220	209,200
Prepayments	75,903	210,542
Other assets	-	8,557

TOTAL CURRENT ASSETS

442,642	1,076,239
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NON-CURRENT ASSETS

Investments	7,246	7,246
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TOTAL NON-CURRENT ASSETS

7,246	7,246
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TOTAL ASSETS

449,888	1,083,485
---------	-----------

CURRENT LIABILITIES

Trade and other payables	294,627	383,974
Provisions	120,680	109,841
Convertible bonds	198,202	286,803
Conversion options	5,439	12,000

TOTAL CURRENT LIABILITIES

618,948	792,618
---------	---------

TOTAL LIABILITIES

618,948	792,618
---------	---------

NET ASSETS

(169,060)	290,867
-----------	---------

EQUITY

Issued capital	23,276,547	21,077,939
Reserves	4,022,533	4,003,236
Accumulated losses	(27,468,140)	(24,790,308)

TOTAL EQUITY

(169,060)	290,867
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Company

2025	2024
\$	\$

FINANCIAL INFORMATION ON THE PARENT ENTITY FOR THE FINANCIAL YEAR:

(Loss) after related income tax expense	(2,677,833)	(6,055,499)
Other comprehensive income/loss	-	-
TOTAL COMPREHENSIVE LOSS	(2,677,833)	(6,055,499)

There are no contingent liabilities (2024: Nil) of the Parent Entity as at the reporting date.

The parent entity did not have any capital commitments at 30 June 2025 (2024: Nil).

Consolidated Entity

2025	2024
\$	\$

NOTE 10. CASH FLOW INFORMATION

RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX

Loss after tax	(2,523,878)	(6,134,552)
Share-based payments expense	19,297	103,881
Remeasurement loss on conversion options	69,730	26,828
Foreign exchange loss/(gain)	20,566	(44,979)
Amortisation of convertible bond issue costs	38,822	9,187
Interest paid	15,421	4,300
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in receivables	88,250	(115,379)
Decrease in creditors and accruals	(124,892)	(211,214)
Increase in provisions	14,131	14,204
NET CASH USED IN OPERATING ACTIVITIES	(2,382,553)	(6,347,724)

RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year is shown in the statement of financial position as:

Cash	330,828	243,929
Term deposits	-	500,000
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	330,828	743,929

Cash at banks earns interest at floating rates based on daily bank deposit rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

NON-CASH FINANCING AND INVESTING ACTIVITIES

There were no non-cash financing and investing activities during the year (2024: None).

FINANCING FACILITIES

On 3 May 2024, the Company entered into a two-year \$3 million Convertible Bond Facility with Macquarie Bank Limited to provide a standby funding alternative for the Company's hydrogen development plans in 2024/25. The Facility provides for the issue of Convertible Bonds (Bond) in multiple tranches, with each Bond having a face value of \$5,000.

On 8 May 2024 the Company issued Macquarie 100 Bonds with a face value of \$500,000 (Tranche 1), in relation to which the Company received net proceeds of \$465,000 (being 93% of the face value of those Bonds), and 4,000,000 free-attaching call options, the terms of which are detailed in Note 7. At 30 June 2025, the Company held a restricted deposit with Macquarie of \$219,220 (2024: \$209,200) as security over unconverted bonds.

The issue of further tranches of Bonds under the Facility remains at the discretion of the Company and Macquarie, ensuring strategic alignment with the Company's evolving financial requirements.

NOTE 11. AUDITOR'S REMUNERATION

Consolidated Entity

	2025 \$	2024 \$
Remuneration of the auditor for:		
Auditing or reviewing the financial reports	87,123	70,616
Tax compliance services	28,256	66,004
	<u>115,379</u>	<u>136,620</u>

NOTE 12. EXPENDITURE COMMITMENTS

Non-Cancellable leases contracted for but not capitalised in the statement of financial position:

Payable

not later than one year	146,316	2,338
later than 1 year but not later than 5 years	-	-
	<u>146,316</u>	<u>2,338</u>

AGGREGATE EXPENDITURE CONTRACTED FOR AT REPORTING DATE

NOTE 13. KEY MANAGEMENT PERSONNEL

Consolidated Entity

	2025 \$	2024 \$
REMUNERATION OF KEY MANAGEMENT PERSONNEL		
Short term employee benefits	920,347	1,219,997
Post-employment benefits	46,548	83,660
Share based payment benefits	17,519	47,666
	<u>984,414</u>	<u>1,351,323</u>

NOTE 14. SHARE BASED PAYMENTS

Performance Rights

30 JUNE 2025:

The Company issued 8,000,000 PV1AF Performance Rights as share-based payments during the financial year. The fair value of the PV1AF Performance Rights is the share price at grant date as the Performance Rights are not subject to market vesting conditions. The terms and conditions are detailed in Note 7(E).

30 JUNE 2024:

The Company issued 12,500,000 PV1AM Performance Rights as share-based payments during the 2022 financial year.

The fair value of the PV1AM Performance Rights grant date was determined by using a Monte-Carlo Simulation model, taking into account the terms and conditions associated with the rights. The key valuation inputs were as follows:

	PV1AM Rights Tranche 1	PV1AM Rights Tranche 2	PV1AM Rights Tranche 3
Fair value	\$0.047	\$0.040	\$0.032
Weighted average share price	\$0.062	\$0.062	\$0.062
Expected volatility	96%	94%	89%
Perf rights life	1 year	2 years	3 years
Risk-free rate	0.16%	0.16%	0.16%

2,500,000 of the PV1AM Performance Rights lapsed during the previous financial year due to a service condition no longer being met, as such 10,000,000 remained on issue at the end of the period. No other PV1AM Performance Rights were forfeited, exercised or expired during the financial year. At 30 June 2025, there are no PV1AM Performance Rights outstanding (30 June 2024: 0.10 years).

Company Shares

30 JUNE 2025:

The Company did not issue any ordinary shares during the financial year pursuant to the Company's Employee Share Plan.

30 JUNE 2024:

The Company did not issue any ordinary shares during the financial year pursuant to the Company's Employee Share Plan.

On 10 August 2023, the Company issued 448,656 ordinary shares issued in lieu of a cash payment, for the provision of digital media consulting and investor relations service. These shares were issued at the market value of services provided.

On 23 February 2024, the Company issued 708,814 ordinary shares issued in lieu of a cash payment, for the provision of digital media consulting and investor relations service. These shares were issued at the market value of services provided.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Unlisted Options

The Company issued the below unlisted options as share based payments during the current and prior year:

	Date	Number of Options	Weighted Ave Ex Price	Fair Value at Grant Date
Opening balance	01-Jul-23	14,000,000	\$0.1580	-
Granted during the year	8-May-24	4,000,000	\$0.0661	\$0.021
Prior year closing balance	30-Jun-24	18,000,000	\$0.1376	
Expired during the year	11-Nov-24	(6,000,000)	-	-
Expired during the year	16-Nov-24	(3,000,000)	-	-
Expired during the year	7-Mar-25	(5,000,000)	-	-
OUTSTANDING/EXERCISABLE AT THE END OF THE FINANCIAL YEAR	30-Jun-25	4,000,000	\$0.0661	-

TERMS AND CONDITIONS OF UNLISTED OPTIONS

30 JUNE 2025:

No unlisted options were issued, forfeited or exercised during the financial year.

The weighted average remaining contractual life of options outstanding at 30 June 2025 is 1.85 years.

30 JUNE 2024:

On 8 May 2024, the Company issued 4,000,000 unlisted options issued attached to 100 convertible bonds, details of which are included in Note 6. All Unlisted Options remained on issue at the end of the year. These have an exercise price of \$0.0661 and expire on 8 May 2027. On exercise, each Unlisted Option entitles the holder to one fully paid ordinary share in the Company. Any Unlisted Options not exercised before their expiry date will lapse.

No unlisted options were forfeited, exercised or expired during the financial year.

The weighted average remaining contractual life of options outstanding at 30 June 2024 is 1.33 years.

The fair value of the options at grant date was determined using a Black-Scholes valuation model. The key valuation inputs were as follows:

	Options
Fair value	\$0.021
Weighted average share price	\$0.043
Exercise price	\$0.0661
Expected volatility	90%
Option life	3 years
Risk-free rate	1.04%

NOTE 15. SEGMENT INFORMATION

The Group has only one operating segment, being the development of integrated compressed hydrogen and carbon dioxide supply chains.

NOTE 16. CONTINGENT LIABILITIES

There are no significant contingent liabilities as at 30 June 2025 (2024: Nil).

NOTE 17. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT POLICIES

The Group's management of financial risk aims to ensure net cash flows are sufficient to meet financial commitments as and when they fall due, and to fund the progression of the Group's activities. The Group's financial instruments consist mainly of deposits with banks, convertible bonds issued and accounts payable, which arise directly from its operations.

The Board considers the Group's financial risk exposure and treasury management strategies in the context of the Group's operations. The Board's overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk. The Board reviews each of these risks on an on-going basis.

INTEREST RATE RISK

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and term deposits held with one AA- rated Australian financial institution. The interest rate risk is managed by the Group through analysis of the market interest rates and its exposure to changes in variable interest. The Group currently has no debt.

Sensitivity analysis:

At 30 June 2025 the effect on profit and equity of the Group as a result of reasonably possible changes in the interest rate, with all other variables remaining constant would be as follows:

	Post-Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
	2025 \$	2024 \$	2025 \$	2024 \$
Increase in interest rate by 0.5% (2024: 0.5%)	2,856	9,911	2,856	9,911
Decrease in interest rate by 0.5% (2024: 0.5%)	(2,856)	(9,911)	(2,856)	(9,911)

FOREIGN CURRENCY RISK

The Group is not exposed to material fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than of the individual group entities. The Group does not seek to hedge this exposure.

LIQUIDITY RISK

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are available through on-going business activity and capital raising.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

PRICE RISK

The Group is exposed to securities price risk. This arises from the conversion options held by the Group and classified in the Statement of Financial Position as financial liabilities through profit and loss, refer to Note 6.

CREDIT RISK

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any allowance for expected credit losses, as disclosed in the statement of financial position and notes to the financial statements. There are no other material amounts of collateral held as security at 30 June 2025 or at 30 June 2024.

Credit risk is managed on a Group basis and reviewed by the Board. It arises from exposures to customers and through deposits with financial institutions. The Board monitors credit risk by actively assessing the quality and liquidity of counter parties, consequently only creditworthy banks are utilised for deposits. The Group's cash and term deposits held with one AA- rated Australian financial institution. The counterparties included in other receivables at 30 June 2025 and at 30 June 2024 are not rated, however given the amount and nature of these financial instruments, the Board is satisfied that they represent a low credit risk.

FINANCIAL INSTRUMENT COMPOSITION AND LIQUIDITY ANALYSIS

The tables below reflect the settlement period for financial instruments:

	Consolidated Entity 2025	Entity 2024
	\$	\$
TRADE AND OTHER PAYABLES:		
Less than 6 months	446,221	571,113
CONVERTIBLE BONDS:		
Less than 6 months	198,202	286,804
	644,423	857,917

FAIR VALUES

Financial assets are carried at amounts approximating fair value because of their short-term nature.

NOTE 18. RELATED PARTY TRANSACTIONS

The Company is not controlled by any other entity.

Winslow Vale Pty Ltd received benefits from the Company for services performed by Mr Pickering as a director of the Company. The remuneration received by Winslow Vale Pty Ltd for the services of Mr Pickering as a director of the Company of \$63,600 (2024: \$62,700) is included in the remuneration of Mr Pickering in the Remuneration Report which is within the Directors' Report.

On 14 April 2025, the Directors issued the Company directives to withhold the payment of net salary and directors' fees (for the period 1 April 2025 to 30 June 2025) for the purchase of newly issued shares at \$0.011 per share (being the share price on the day these instructions were issued) subject to shareholder approval:

	Amount Withheld	Shares to be Issued
Greg Martin	17,076	1,552,364
Martin Carolan	53,162	4,832,864
Andrew Pickering (Winslow Vale Pty Ltd)	15,900	1,445,455
David Palmer	15,900	1,445,455
	102,038	9,276,138

The amounts withheld are represented on the Balance Sheet at 30 June 2025 as Trade and other payables as the shares were issued following shareholder approval at a general meeting held on 14 August 2025.

At 30 June 2025, directors and their related entities held directly, indirectly or beneficially 36,250,000 ordinary shares in the Company (2024: 29,000,000), no options over ordinary shares in the Company (2024: Nil) and no performance rights over ordinary shares in the Company (2024: 10,000,000).

NOTE 19. DIVIDENDS

No dividends have been paid or proposed during the year (2024: Nil).

NOTE 20. EVENTS SUBSEQUENT TO BALANCE DATE

On 4 July 2025, the Company announce that it received firm commitments to raise \$1.08 million (before costs) via a share placement at \$0.013 per share, with 83 million new fully paid ordinary shares issued (Placement). The proceeds of the Placement will be applied to advance Provaris' priority hydrogen and CO2 storage and marine transportation business development activities in Europe, including its proprietary hydrogen prototype tank program in Norway. The Placement includes the issue of one (1) free unlisted option for every three (3) New Shares subscribed for under the Placement resulting in a total of ~27.7 million Options. The Options have an exercise price of \$0.03 and an expiration date eighteen (18) months from the Attaching Options issue date.

On 11 August 2025, the Company announced approval from its development partner Yinson Production AS (Yinson) to commence the Front End Engineering Design (FEED) development phase for its proprietary large-scale low-pressure liquid CO2 (LCO2) Tanks.

On 14 August 2025, the Company held a General Meeting of shareholders where all resolutions were approved.

On 27 August 2025 the Company announce that it received commitments to raise \$1.0 million (before costs) via a share placement at \$0.019 per share, with 52.6 million new fully paid ordinary shares issued (Placement). The proceeds of the Placement will be applied to ongoing development activities, working capital and business development activities relating to new market developments for the LCO2 tank in maritime and offshore sectors.

The directors are not aware of any other matters or circumstances having arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Entity Name	Entity Type	Place of incorporation or formation	Direct or indirect ownership interest	Tax residency	Foreign jurisdictions of residence
Provaris Energy Ltd	Body Corporate	Western Australia	Head Entity	Australia	Nil
Provaris Norway AS	Body Corporate	Norway	100% direct ownership	Norway	Norway
GEV International Pty Ltd	Body Corporate	Western Australia	100% direct ownership	Australia	Nil
Global Gas Ventures Pty Ltd	Body Corporate	Western Australia	100% direct ownership	Australia	Nil
Global Shipping Ventures Pty Ltd	Body Corporate	Western Australia	100% direct ownership	Australia	Nil
Global Hydrogen Ventures Pty Ltd	Body Corporate	Western Australia	100% direct ownership	Australia	Nil
GEV Technologies Pty Ltd	Body Corporate	Western Australia	100% direct ownership	Australia	Nil

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Provaris Energy Ltd A.C.N. 109 213 470 ("Company"), I state that:

In the opinion of the directors:

- 1) the financial statements and notes of the Company and its subsidiaries (collectively the Consolidated Entity) are in accordance with the *Corporations Act 2001* including:
 - a) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Consolidated Entity.
- 2) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1
- 3) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct.
- 4) in the director's opinion, subject to the matters set out in Note 1 to the Financial Statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors by Mr Martin Carolan, Chief Executive Officer and Mr John Stevenson, Financial Controller in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

On behalf of the Board of Directors.



Martin Carolan
Managing Director and Chief Executive Officer

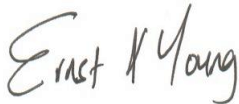
29 August 2025
Sydney, New South Wales

Auditor's independence declaration to the directors of Provaris Energy Ltd

As lead auditor for the audit of the financial report of Provaris Energy Ltd for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Provaris Energy Ltd and the entities it controlled during the financial year.



Ernst & Young



Sarang Halai
Partner
29 August 2025

Independent auditor's report to the members of Provaris Energy Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Provaris Energy Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and
- b. 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which describes the events or conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



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Key audit matters

Key audit matters are those matters that, in our professional judgment, 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, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key matter to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

Accounting for Convertible Bonds

Why significant	How our audit addressed the key audit matter
As disclosed in Note 6 to the financial report, as at 30 June 2025, the Group has on issue 47 convertible bonds with a total face value of \$235,000, in \$5,000 tranches, maturing in May 2026. Each tranche includes a conversion option allowing the bond holder to convert the bond into ordinary shares of the Company at any time. During the year, the bond holder elected to convert 36 convertible bonds with a total face value of \$180,000 into ordinary shares. The accounting for the conversion option is complex, as it results in a variable number of the Company's shares being issued upon conversion, requiring it to be accounted for as a derivative liability measured at fair value through profit or loss. At the date of each conversion, the fair value of the conversion option, together with the carrying amount of the convertible bond, is transferred to issued capital. Due to the complexity in estimating the fair values of the conversion options and measuring the gain or loss on conversion, the accounting for the convertible bonds was considered a key audit matter.	Our audit procedures included the following: ▪ Reading the convertible bond facility agreement in order to obtain an understanding of its terms ▪ Reviewing management's assessment of the applicable accounting treatment for the convertible bond debt, conversion option and attaching call options ▪ Reviewing the Group's valuation methodologies of the convertible bond debt and the conversion option ▪ Involving our valuation specialist in assessing the reasonableness of the inputs and assumptions used by the Group in determining the valuations of the convertible bond conversion option ▪ Testing the gains or losses recognised on conversion of the bonds ▪ Assessing the adequacy of the disclosures in Note 6 of the financial report.

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 Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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 (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

For such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.



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Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

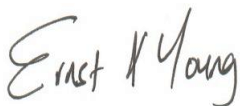
Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Provaris Energy Ltd 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.



Ernst & Young



Sarang Halai
Partner
Perth
29 August 2025

ANALYSIS OF HOLDINGS OF SHARES, RIGHTS AND OPTIONS IN THE COMPANY

		Quoted Ordinary Shares	
		Number of holders	% of shares held
1	— 1,000	243	0.01%
1,001	— 5,000	567	0.26%
5,001	— 10,000	843	0.85%
10,001	— 50,000	1,639	5.30%
50,001	— 100,000	488	4.83%
100,001	— and over	724	88.76%
Total number of holders		4,504	100.00%
Holdings of less than a marketable parcel		2,567	

		Options Expiring 1 March 2026		Options Expiring 11 July 2026	
		Number of holders	% of options held	Number of holders	% of options held
1	— 1,000	0	0%	0	0%
1,001	— 5,000	0	0%	0	0%
5,001	— 10,000	0	0%	52	5.23%
10,001	- 50,000	0	0%	54	18.74%
50,001	— 100,000	0	0%	14	14.09%
100,001	— and over	25	100.00%	18	61.94%
Total number of holders		25	100.00%	138	100.00%

		Options Expiring 20 February 2027		Options Expiring 8 May 2027	
		Number of holders	% of options held	Number of holders	% of bond held
1	— 1,000	0	0%	0	0%
1,001	— 5,000	0	0%	0	0%
5,001	— 10,000	0	0%	0	0%
10,001	- 50,000	0	0%	0	0%
50,001	— 100,000	0	0%	0	0%
100,001	— and over	28	100.00%	1	100.00%
Total number of holders		28	100.00%	1	100.00%

	Convertible Bonds Maturing 8 May 2026		Performance Rights Expiring 8 April 2028	
	Number of holders	% of options held	Number of holders	% of bond held
1 — 1,000	1	100.00%	0	0%
1,001 — 5,000	0	0%	0	0%
5,001 — 10,000	0	0%	0	0%
10,001 - 50,000	0	0%	0	0%
50,001 — 100,000	0	0%	0	0%
100,001 — and over	0	0%	1	100.00%
Total number of holders	1	100.00%	1	100.00%

REGISTERED OFFICE OF THE COMPANY

Level 14
234 George Street
Sydney
New South Wales 2000

Tel: +61 (2) 9127 8250

Legal Entity Identifier: 2138003ILL8P2E7ZIF22

STOCK EXCHANGE LISTING

Quotation has been granted for all ordinary shares on the Australian Securities Exchange. The State Office of Australian Securities Exchange in Perth, Western Australia has been designated the Home Branch of Provaris Energy Ltd.

There are no current on-market buy-back arrangements for the Company.

SHARE REGISTRY

The registers of shares, rights and options of the Company are maintained by:-

Computershare Registry Services Pty Ltd
Level 17
221 St Georges Terrace
Perth, Western Australia 6000

Tel: +61 1300 787 272
Fax: +61 (8) 9323 2033

COMPANY SECRETARY

The name of the Company Secretary is Norman Marshall.

TAXATION STATUS

Provaris Energy Ltd is taxed as a public company.

VOTING RIGHTS

For all ordinary shares, voting rights are one vote per member on a show of hands and one vote per share in a poll.

TOTAL NUMBER OF SECURITIES ON ISSUE

Security Description	Number on issue
Quoted Fully Paid Ordinary Shares	792,914,486
Unlisted Options Expiring 1 March 2026	23,750,000
Unlisted Options Expiring 11 July 2026	8,281,145
Unlisted Options Expiring 8 May 2027	4,000,000
Unlisted Options Expiring 20 February 2027	27,682,053
Convertible Notes Maturing 8 May 2026	40
Performance Rights Expiring 8 April 2025	7,000,000

TWENTY LARGEST HOLDERS OF ORDINARY SHARES

	Number of Shares	Percentage of Total
CITICORP NOMINEES PTY LIMITED	47,205,001	5.95
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	38,303,271	4.83
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	37,365,153	4.71
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	32,365,004	4.08
MARJACK HOLDINGS PTY LTD <CAROLAN 2013 A/C>	19,832,864	2.50
SASIGAS NOMINEES PTY LTD <FLETCHER M BRAND FAMILY A/C>	13,050,000	1.65
SIR KURT ANDREW HOULDEN	11,557,695	1.46
BDM CONSULTING PTY LTD	10,580,000	1.33
ASTRUM ENERGY & SHIPPING PTE LTD	10,000,000	1.26
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	9,811,747	1.24
JAMOCA PTY LTD <MARTIN FAMILY A/C>	9,552,364	1.20
PROSPECT CUSTODIAN LIMITED	8,000,000	1.01
MR CRISTIAN MERLI	7,902,889	1.00
COLENEW PTY LIMITED <PAUL XIRADIS ACCOUNT>	7,692,308	0.97
PROSPECT CAPITAL SECURITIES LIMITED <THE PROSPECT CAPITAL A/C>	7,692,308	0.97
PINE STREET PTY LTD <PINE STREET SUPER FUND A/C>	7,237,860	0.91
BNP PARIBAS NOMS PTY LTD	7,228,310	0.91
MRS KYUNGNAN KIM + MR YEONGSOO JOO	7,199,986	0.91
18 MR FRANK HEPBURN	7,000,000	0.88
MR DAVID PALMER	6,445,455	0.81
	306,022,215	38.59

TWENTY LARGEST HOLDERS OF OPTIONS EXPIRING 1 MARCH 2026

	Number of Options	Percentage of Total
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,862,500	20.47
PROSPECT CAPITAL SECURITIES LIMITED	2,500,000	10.53
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	2,500,000	10.53
PINE STREET PTY LTD <PINE STREET SUPER A/C>	2,155,095	9.07
ASTRUM ENERGY & SHIPPING PTE LTD	1,500,000	6.32
MR ROBERT GREGORY CALNON	1,500,000	6.32
JAMOCA PTY LTD <MARTIN FAMILY A/C>	1,250,000	5.26
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	857,405	3.61
FULL CIRCLE STRATEGY PTY LTD <ENDLESS POWDER S/F A/C>	625,000	2.63
LOFTUS GROUP LIMITED	625,000	2.63
NORFOLK AS	625,000	2.63
MR DAVID PALMER	625,000	2.63
CLARKSONS BOATHOUSE PTY LTD <CLARKSON SUPER FUND A/C>	500,000	2.11
PAKASOLUTO PTY LIMITED <BARKL FAMILY SUPER FUND A/C>	500,000	2.11
MR SIMON WILLIAM TRITTON <INVESTMENT A/C>	500,000	2.11
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	375,000	1.58
WINSLOW VALE PTY LTD	375,000	1.58
JONNOLA PTY LTD <SCALES SUPER A/C>	350,000	1.47
THE MILLENNIAL FUND PTY LTD	312,500	1.32
HAYROW PTY LTD <DAVID CASEY SUPER FUND A/C>	250,000	1.05
RIYA INVESTMENTS PTY LTD	250,000	1.05
JOHN STEVENSON	250,000	1.05
	23,287,500	98.05

TWENTY LARGEST HOLDERS OF UNLISTED OPTIONS EXPIRING 11 JULY 2026

	Number of Options	Percentage of Total
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,262,709	15.25
PROSPECT CAPITAL SECURITIES LIMITED	573,959	6.93
ALBANY VENTURES PTY LTD <BRUTON ELLNOR SUPER FUND A/>	250,000	3.02
MRS TALIA RAHEL ALTON	250,000	3.02
MR MARK PATRICK BALDWIN	250,000	3.02
BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C>	250,000	3.02
MR MATTHEW ROBERT GOODALL	250,000	3.02
MRS KYUNGNAN KIM + MR YEONGSOO JOO	250,000	3.02
PINE STREET PTY LTD <PINE STREET A/C>	250,000	3.02
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	229,584	2.77
MR ROBERT GREGORY CALNON	208,334	2.52
MR ROBERT GREGORY CALNON	208,334	2.52
BAC PTY LTD <BAC SUPERANNUATION FUND A/C>	166,667	2.03
MR FRANK HEPBURN	166,667	2.01
MUSSETT PTY LTD	166,667	2.01
JOHN STEVENSON	166,667	2.01
FLETCH PTY LTD <BRAND SUPER FUND A/C>	114,792	1.39
PINE STREET PTY LTD <PINE STREET SUPER FUND A/C>	114,792	1.39
MR ALAN ROSEBY BARKAS + MRS LEE MARGARET BARKAS <BARKAS SUPER FUND A/C>	83,334	1.01
MR MAXWELL JOHN DUNLOP	83,334	1.01
EL PRONTO PTY LTD <ITS BOUT BLOODY TIME SF A/C>	83,334	1.01
MR WARWICK IAN FORBES	83,334	1.01
MR PASHUPATI JOSHI	83,334	1.01
MR YU WEN LIEW	83,334	1.01
MARJACK HOLDINGS PTY LTD <CAROLAN 2013 A/C>	83,334	1.01
MR HUY NGUYEN	83,334	1.01
MR TIM O'HARA + MRS FRANCESCA HENRIETTE LOUIS	83,334	1.01
PAGSTRO PTY LTD <SCOTT AND PAULA SUPER A/C>	83,334	1.01
PRASHA HOLDINGS PTY LTD <PRASHA FAMILY A/C>	83,334	1.01
SABERBLADE PTY LTD <SABER SUPERFUND A/C>	83,334	1.01
THANGAM SUPER PTY LIMITED <THANGAM SUPER FUND A/C>	83,334	1.01
WAHROONGA SUPER PTY LTD	83,334	1.01
	6,295,848	76.03

TWENTY LARGEST HOLDERS OF UNLISTED OPTIONS EXPIRING 20 FEBRUARY 2027

	Number of Options	Percentage of Total
BDM CONSULTING PTY LTD	3,205,128	11.58
COLENEW PTY LIMITED <PAUL XIRADIS ACCOUNT>	2,564,103	9.26
PROSPECT CAPITAL SECURITIES LIMITED <THE PROSPECT CAPITAL A/C>	2,564,103	9.26
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	2,564,103	9.26
SUNLORA PTY LTD <THE THREE FISH SUPER A/C>	2,564,103	9.26
RXC PTY LTD <WOOLWICH ARSENAL S/F A/C>	1,750,000	6.32
FIFTH WAVE PTY LTD <LF A/C>	1,025,641	3.71
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,025,641	3.71
MR PETER GEOFFREY HOLLICK + MS HELEN THERESE PATTISON <MACDY NO 5 SUPER FUND A/C>	1,000,000	3.61
GREYBULL CAPITAL PTY LTD	916,667	3.31
MR PAUL NGUYEN + MRS CLAIRE ALEXIS SHELVEY <JLCN FAMILY A/C>	900,000	3.25
ASTRUM ENERGY & SHIPPING PTE LTD	666,667	2.41
IAMSF CAPITAL PTY LTD	666,667	2.41
JC KING PTY LTD <KING FAMILY SUPER 2 A/C>	666,667	2.41
MR MARK ANDREW TKOCZ	666,667	2.41
MR SIMON LILL	666,667	2.41
NORFOLK AS	666,667	2.41
MARJACK HOLDINGS PTY LTD <CAROLAN 2013 A/C>	666,666	2.41
THE MILLENNIAL FUND PTY LTD	512,821	1.85
MR ROBERT GREGORY CALNON	500,000	1.81
	25,758,978	93.05

HOLDERS OF UNLISTED OPTIONS (EXPIRING 8 MAY 2027)

	Number of Options	Percentage of Total
Macquarie Bank Limited Nominee	4,000,000	100.00%
	4,000,000	100.00%

Each option is convertible to one fully paid ordinary share in the company on payment of the option exercise price of \$0.0661 per share. The term of the options is 3 years from their date of issue and any option not exercised by the expiry date will automatically lapse

HOLDERS OF CONVERTIBLE BONDS (EXPIRING 8 MAY 2026)

	Number of Bonds	Percentage of Total
Macquarie Bank Limited Nominee	40	100.00%
	40	100.00%

Each convertible bond has a face value of \$5,000 and a conversion right term of 2 years to 8 May 2026. Convertible bonds not converted by 8 May 2026 will be redeemed by the Company at their face value.

HOLDERS OF PERFORMANCE RIGHTS (EXPIRING 8 APRIL 2028)

	Number of Options	Percentage of Total
Per Røed	7,000,000	100.00%

The Performance Rights were issued under the Company's Performance Rights Plan approved by shareholders on 22 July 2021.

Each Performance Right shall convert to one fully paid ordinary shares in the Company subject to satisfaction of the vesting conditions detailed in the below table. In the absence of the relevant vesting condition being satisfied each of the Performance Rights will automatically expire 3 years from their date of issue.

Vesting condition to be met	Number of Performance Rights that will vest
Completion of Phase 3 of the CO2 tank program with Yinson Production AS and establishment of a Joint Venture between Provaris Energy Ltd (or its nominated entity) and Yinson Production AS (or its nominated entity) for the licensing of CO2 tanks	1,500,000
Completion of the fabrication and testing of the prototype hydrogen tank at Fiskå , Norway (or at any other location determined by Provaris Energy Ltd	1,500,000
Execution of a Shipbuilding Contract for the construction of a vessel for the transportation of hydrogen or CO2 utilising, as applicable, Provaris Energy Ltd's hydrogen tank design and technology or Yinson Production AS and Provaris Energy Ltd's jointly owned CO2 tank design and technology	1,000,000
Completion of 18 (eighteen) months continuous employment with the Provaris Energy Ltd Group (which includes any subsidiary or affiliate) from the date of issue of the Rights	3,000,000

SUBSTANTIAL SHAREHOLDERS

Date Announced	Name	Number of Shares
N/A	N/A	N/A

SHARES SUBJECT TO VOLUNTARY ESCROW

Description	Number of Shares
N/A	N/A