



APPENDIX 4D – HALF YEAR REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

26 February 2025

DETAILS OF THE REPORTING PERIOD

This report details the consolidated results of Provaris Energy Ltd, ABN: 53 109 213 470 ("Provaris" or "Company") and its controlled entities ("Group") for the half-year ended 31 December 2024. Comparatives are for the half-year ended 31 December 2023.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

| | | | | 2024 | 2023 |
|-----|--|------|-----|---------------|---------------|
| | | | | \$'000 | \$'000 |
| 2.1 | Revenue from ordinary activities | | 0% | — | — |
| 2.2 | Profit/(Loss) from ordinary activities after tax attributable to members | Down | 65% | (1,311) | (3,754) |
| 2.3 | Net profit/(loss) for the year attributable to members | Down | 65% | (1,311) | (3,754) |
| | | | | Cents | Cents |
| 2.4 | Net Tangible assets per security – at the end of the period | | | 0.14 | 0.37 |

OPERATING RESULTS

For commentary on the financial results please refer to the information provided in the Directors Report in the attached interim financial report. The half-year report should be read in conjunction with the most recent annual report.

DIVIDENDS

No dividends have been paid or declared since the start of the financial half-year by the Company. The directors do not propose to pay either a final or interim dividend. The Company does not have a dividend reinvestment plan.

DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

The Group did not gain or lose control over any entities during the half-year ended 31 December 2024.

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

The Group did not have any associates or participation in any joint ventures during the half-year ended 31 December 2024.

AUDIT OF FINANCIAL STATEMENTS

This report is based on the attached half-year financial report which has been reviewed by our auditors.



Provaris Energy Ltd

**Consolidated Financial Report
for the Half Year ended 31 December 2024**



CORPORATE DIRECTORY

DIRECTORS: Greg Martin (Independent, Non-Executive Chair)
Martin Carolan (Managing Director and CEO)
Andrew Pickering (Independent, Non-Executive Director)
David Palmer (Independent, Non-Executive Director)

COMPANY SECRETARY: Norman Marshall

ABN: 53 109 213 470

ASX CODE: PV1

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

REGISTERED OFFICE: Level 14, 234 George Street
Sydney NSW 2000

Tel: +61 (2) 9127 8250

AUDITORS: Ernst and Young
11 Mounts Bay Road
Perth, Western Australia 6000

Tel: +61 (8) 9429 2222

SHARE REGISTRY: Computershare Investor Services Pty Ltd
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DIRECTORS' REPORT

The directors of Provaris Energy Ltd A.C.N. 109 213 470 ("Provaris" or "Company") present their report including the consolidated financial report of the Company and its controlled entities ("Consolidated Entity" or "Group") for the half-year ended 31 December 2024. The Company is a listed public company limited by shares and incorporated and domiciled in Australia.

DIRECTORS

The names of the directors of the Company who held office during the half-year and up to the date of this report, unless otherwise indicated, are:

| | |
|------------------|-------------------------------------|
| Greg Martin | Independent, Non-Executive Chair |
| Martin Carolan | Managing Director and CEO |
| Andrew Pickering | Independent, Non-Executive Director |
| David Palmer | Independent, Non-Executive Director |

OPERATING RESULTS

The operating loss for the Consolidated Entity, after income tax, amounted to \$1,311,130 (2023: \$3,754,190). The improvement in operating loss year on year was due to:

- \$267,766 income received for technical services provided on the CO2 project,
- \$147,324 grant income, in FY24, this was recognised in H2,
- A reduction in corporate and administrative expenses of \$491,073, and
- A reduction in direct project development costs from \$1,664,377 in 2023 to \$97,779 in 2024 due to the delay in fabrication of the prototype tank.

At 31 December 2024, the Consolidated Entity had cash and cash equivalents of \$1,187,387 (30 June 2024 \$743,929) plus restricted cash of \$219,324.

REVIEW OF OPERATIONS

PROJECT AND BUSINESS DEVELOPMENT ACTIVITY

European Market Focus and Commercialisation of Compressed Hydrogen Solutions

During the half-year to 31 December 2024 Provaris continued its focus on the European market, advancing the commercialisation of its compressed hydrogen storage, shipping and supply chain solutions. In collaboration with supply and offtake partners, Provaris has demonstrated increasing industry acceptance of compressed hydrogen as a viable alternative for bulk-scale hydrogen storage and transport, leveraging its proprietary hydrogen storage barge (H2Leo) and carriers (H2Neo).

Milestone Term Sheet with Uniper and Norwegian Hydrogen

A significant breakthrough during the period was the execution of a conditional **Term Sheet** under the tri-party Memorandum of Understanding (MOU) with Norwegian Hydrogen AS and Uniper Global Commodities. This Agreement outlines the supply and offtake of 42,500 tonnes per year of green hydrogen to Uniper, transported via Provaris' H2Neo compressed hydrogen carriers. Deliveries are scheduled to commence in early 2029, spanning a minimum of 10 years, marking Europe's first large-scale regional hydrogen marine transport project. The Term Sheet serves as the foundation for a binding Hydrogen Sale and Purchase Agreement, targeted for June 2025, and facilitates further discussions with shipyards and shipowners for the



DIRECTORS' REPORT

construction of Provaris' H2Leo barge and H2Neo carriers.

Provaris and Norwegian Hydrogen are also working on RFNBO compliant hydrogen supply from the Nordics, evaluating preferred sites in Norway and Finland including the FjordH2 Project located in the Alesund region. Additional sites across the Nordics are under assessment for hydrogen production and export to European markets. Meanwhile, Provaris is collaborating with Uniper to optimise shipping schedules and import terminal solutions to ensure efficient delivery.

Expansion of Supply Chain Opportunities and Competitive Advantage

Provaris continues to advance a portfolio of supply chain opportunities, positioning its carriers as a cost-effective alternative to ammonia-based hydrogen transport.

Two additional MOUs were signed in 2024 with major German utilities, progressing towards formal collaborations involving both supply and offtake partners. Workshops with German and Spanish utilities have addressed technical, operational, safety and economic considerations, focused on hydrogen supply from the Nordics and Iberia for industrial clients.

Germany's heavy industries, including steel, cement, metal refineries, chemical refineries, shipping and heavy-duty transportation (trucks), are increasingly reliant on hydrogen transport. This growing demand underscores the importance of Provaris' energy efficient hydrogen transport solutions for Europe. Late in the period interest in compression as a scalable hydrogen supply solution continued to rise, with Provaris identifying new leads and advancing its pipeline of European supply chain opportunities.

Concept Design Study Validates Energy and Cost Benefits of Compression

The **Concept Design Study released in September 2024**, confirmed that Provaris' compressed hydrogen carriers provide superior efficiency and cost benefits compared to ammonia-based transport. Conducted with support from a leading original equipment manufacturer of high-pressure compressor equipment. The study highlighted high technical readiness and economic feasibility.

Analysis of a 540MW renewable, grid connected site, sailing 1,000 Nm, when compared to the ammonia supply chain (delivered as gas), confirms capital and energy efficiency benefits of compression:


50% more gaseous hydrogen
delivered to the customer
(only 2.8% used for compressed, remaining 97% H2 production)


20% reduction in capital intensity
(€/kg H2 delivered)


~20% lower delivered cost
(~€ 1.40/kg discount)


5-10x the value of grid connected site
through higher net-back price received over 20yrs

Rotterdam Import Facility Development

To support the development of critical import infrastructure, Provaris entered into a collaboration agreement with Global Energy Storage (GES) to establish a hydrogen import facility as part of GES' multi-product terminal in the Port of Rotterdam. As the world's largest energy import terminal Rotterdam and GES aim to become a key import hub for hydrogen and connection into NW Europe.

During the period, Provaris and GES advanced the conceptual design of an initial 40,000 tpa compressed hydrogen import project, assessing terminal storage solutions and pipeline connectivity to the Hynetwork Netherlands H2 network.



DIRECTORS' REPORT

Optimisation studies on operations and costs and regulatory considerations are ongoing. Workshops with the Port of Rotterdam are scheduled for early 2025 to define the permitting process, with preliminary studies expected to be completed in the March quarter 2025. Joint marketing activities with potential capacity users of the terminal are already underway.

RED II Compliance for Compressed Hydrogen Shipping

Provaris achieved a key milestone in verifying compliance with the European Union's Renewable Energy Directive II (RED II) emissions standards for bulk hydrogen shipping. A preliminary study confirmed that the H2Neo carrier on a round-trip between Norway and Germany achieves a carbon intensity of 7.6 g CO₂e/MJ H₂, significantly below the 28.2 g CO₂e/MJ H₂ threshold required for RED II compliance.

This analysis supported by Wärtsilä, a global leader in innovative technologies and lifecycle solutions for the marine and energy markets, with a proposal for alternative propulsion plant configurations (available today), together with Provaris' own analysis on fuel consumption and carbon emissions - over a range of sailing speeds and fuel types.

These results enhance Provaris' ability to secure term sheets with offtake parties that require strict compliance with RFNBO regulations.

H2Neo Class Approvals and Prototype Tank Restart in Norway

Provaris has made significant progress towards restarting and completing the Prototype Tank program, a crucial step in securing final Class Approvals for the H2Neo carrier. The company advanced an Asset Purchase Agreement with secured lenders to acquire the installed Prototype Tank and production cell at the Fiskå Facility in Norway. This acquisition includes essential robotic and laser welding equipment and steel materials to complete fabrication. A lease agreement for the Fiska facility has been progressed with the new owner of the Fiskå Facility contingent on sale of the facility to the new owners which was completed in early January 2025. Detailed planning, staffing and budgets have been prepared.

Joint Development with Yinson Production for CO₂ Storage and Transport

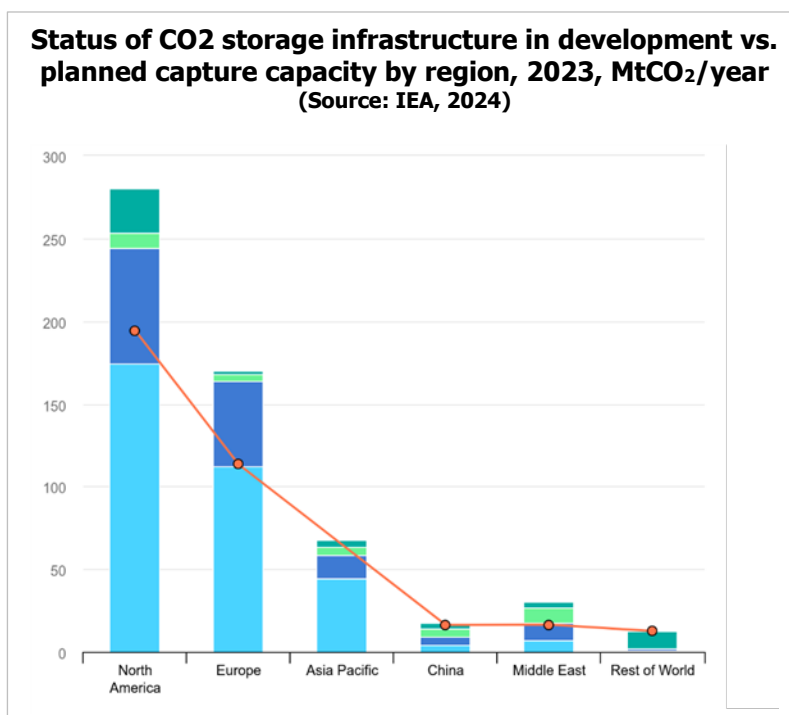
In October 2024, Provaris entered a binding Joint Development Agreement (Collaboration) with Yinson Production to develop advanced storage tank solutions for the bulk storage and marine transportation of liquid carbon dioxide (CO₂). This collaboration addresses the need for larger volume tanks, optimising cost and transport efficiency beyond current industry standard of 7,500 cbm.

Yinson, a global leader in FPSO operations, brings extensive experience in marine project execution and sustainability. The partnership allows Provaris to explore commercialisation pathways for its tank technology, leveraging Yinson's expertise. The market for cost-competitive CO₂ storage and transport infrastructure is expanding rapidly, driven by the need for scalable carbon capture solutions. Provaris and Yinson are well-positioned to capitalize on this emerging opportunity. An initial USD 200,000 payment to Provaris from Yinson for Technology Service Fees and Yinson also meeting external costs related to the initial phase of development, which runs into early 2025.



DIRECTORS' REPORT

Yinson has identified a large market opportunity for a new tank design given there is no current storage and ship transport of CO₂ at low pressure and temperature range suitable for long sailing distances and large cargo volumes. Cost-competitive storage and transport infrastructure is crucial for the widespread deployment of carbon capture, which is a critical pillar in meeting global emission targets.



Tiwi H2 Project, Northern Territory

No activity was undertaken on the Tiwi H2 Project during the period, aligned with the Board's strategy to prioritise on the European market opportunities. Two major hurdles remain unresolved (i) the development of a viable offtake market for hydrogen in South-East Asia and (ii) slow engagement with the Tiwi Land Council's newly appointed leadership team on outstanding draft project agreements. The project will be reassessed by the Board in early 2025.

CORPORATE ACTIONS

Shareholder and Capital Management Activities

In November 2024 the Company's annual general meeting was held virtually. All resolutions considered at the meeting were passed.

With respect to ongoing funding for development and R&D, a partially underwritten Share Purchase Plan, announced in May and finalised in July 2024.

A placement to sophisticated institutional investors was completed in November 2024 welcoming Regal Funds Management as a new substantial shareholder. Directors subscribed for \$125,000, pending shareholder approval at a General Meeting scheduled for 26 February 2025.

A convertible bond facility (Facility) with Macquarie Bank Ltd remains available with \$2.5 million undrawn. A first tranche of \$500,000 Convertible Bonds was drawn as part of the Facility agreements, with a two-year term to maturity. As at the date of this report the face value of the outstanding first tranche convertible bonds is currently \$235,000.



DIRECTORS' REPORT

Operational costs remained steady, while project expenses were reduced due to the temporary halt of the Prototype Tank program. A comprehensive cost review led to reductions in non-core activities, including the closure of the Perth head office and consolidation of corporate operations in Sydney, where we benefit from a shared office facility.

Share Capital Movements

| Date | Details |
|------------------|--|
| 11 July 2024 | Issued 25,000,000 fully paid ordinary shares pursuant to the Company's share purchase plan |
| 12 July 2024 | Issued 2,158,216 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds |
| 30 July 2024 | Issued 1,136,363 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds |
| 23 August 2024 | Issued 10,600 fully paid ordinary shares on conversion of options |
| 6 September 2024 | Issued 2,045,454 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds |
| 17 October 2024 | Issued 1,136,363 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds |
| 18 October 2024 | Issued 1,181,474 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds |
| 13 November 2024 | Issued 53,598,485 fully paid ordinary shares pursuant to the Company's November 2024 placement |

EVENTS SUBSEQUENT TO BALANCE DATE

In January 2025, Provaris, Uniper Global Commodities SE (Uniper) and Norwegian Hydrogen AS announced the execution of a conditional Term Sheet for the supply, transport and offtake of RFNBO compliant hydrogen. The Term Sheet provides the basis of negotiating a binding Hydrogen Sale and Purchase Agreement (Hydrogen SPA).

In February, Provaris announced an update to its commercialisation model to maximise early cash flow while minimising capital outlay by the Company. This approach will leverage Technology License Fees and Origination Fees to generate revenue.

In February 2025, a General Meeting of shareholders was held with all resolutions passed.

No other matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.



DIRECTORS' REPORT

AUDITORS INDEPENDENCE DECLARATION

In accordance with the Corporations Act 2001 section 307C the auditors of the Company have provided a signed auditors independence declaration to the directors in relation to the review for the half-year ended 31 December 2024. This declaration is set out on page 19.

Signed in accordance with a resolution of the directors.

Martin Carolan
Managing Director and CEO

26 February 2025
Perth, Western Australia



DIRECTORS' DECLARATION

The directors of Provaris Energy Ltd ("Company") declare that:

- a) in their opinion the accompanying financial statements and notes of the Consolidated Entity;
 - i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
- b) in their 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 is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Martin Carolan
Managing Director and CEO

26 February 2025
Perth, Western Australia



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

| | | Half-Year to 31 December 2024 | Half-Year to 31 December 2023 |
|--|------|--|--|
| | Note | \$ | \$ |
| Income from non-operating activities | 2 | 426,109 | 68,570 |
| Corporate and administrative expenses | | (1,635,904) | (2,126,977) |
| Project development | | (97,779) | (1,664,377) |
| Share based payments | 2 | (3,556) | (31,406) |
| LOSS BEFORE INCOME TAX | | (1,311,130) | (3,754,190) |
| Income tax | | - | - |
| LOSS AFTER INCOME TAX | | (1,311,130) | (3,754,190) |
| NET LOSS FOR THE PERIOD | | (1,311,130) | (3,754,190) |
| OTHER COMPREHENSIVE LOSS | | | |
| <i>Items that may be reclassified to profit and loss</i> | | | |
| Exchange differences on translating foreign operations | | (1,161) | (9,703) |
| OTHER COMPREHENSIVE LOSS AFTER INCOME TAX | | (1,161) | (9,703) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | | (1,312,291) | (3,763,893) |
| BASIC LOSS PER SHARE (CENTS PER SHARE) | | (0.20) | (0.68) |
| DILUTED LOSS PER SHARE (CENTS PER SHARE) | | (0.20) | (0.68) |

The accompanying notes form part of this financial report



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

| | | 31 December 2024 | 30 June 2024 |
|----------------------------------|-------------|-----------------------------|-------------------------|
| | Note | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 1,187,387 | 743,929 |
| Security deposit | | 219,324 | 209,200 |
| Prepayments | | 93,312 | 223,629 |
| Other current assets | | 204,584 | 50,536 |
| TOTAL CURRENT ASSETS | | 1,704,607 | 1,227,294 |
| TOTAL ASSETS | | 1,704,607 | 1,227,294 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 4 | 314,734 | 571,113 |
| Provision for annual leave | | 168,176 | 128,813 |
| Unearned income | | 80,024 | - |
| Convertible bonds | | 179,560 | 286,804 |
| Convertible options | | 5,439 | 12,000 |
| TOTAL CURRENT LIABILITIES | | 747,933 | 998,730 |
| TOTAL LIABILITIES | | 747,933 | 998,730 |
| NET ASSETS | | 956,674 | 228,564 |
| EQUITY | | | |
| Issued capital | 5 | 23,114,784 | 21,077,939 |
| Reserves | 6 | 3,965,416 | 3,963,021 |
| Accumulated losses | | (26,123,526) | (24,812,396) |
| TOTAL EQUITY | | 956,674 | 228,564 |

The accompanying notes form part of this financial report



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

| | Half-Year to 31 December 2024 | Half-Year to 31 December 2023 |
|---|--|--|
| Note | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Other receipts | 347,790 | - |
| Payments to suppliers & employees | (1,594,057) | (2,135,224) |
| Interest received | 10,245 | 48,637 |
| Project development | (139,613) | (2,162,420) |
| NET CASH USED IN OPERATING ACTIVITIES | (1,375,635) | (4,249,007) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investment in security deposit | (9,350) | - |
| NET CASH USED IN INVESTING ACTIVITIES | (9,350) | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from equity issues | 2,072,765 | 1,670,000 |
| Capital raising costs | (235,625) | (22,317) |
| Interest paid | (8,697) | - |
| NET CASH FROM FINANCING ACTIVITIES | 1,828,443 | 1,647,683 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 443,458 | (2,601,324) |
| Net foreign exchange differences | - | 19,933 |
| Cash and cash equivalents at beginning of period | 743,929 | 5,069,836 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 1,187,387 | 2,488,445 |
| 3 | | |

The accompanying notes form part of this financial report



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

| | Issued Capital \$ | Share- Based Payments Reserve \$ | Currency Translation Reserve \$ | Accumulated Losses \$ | Total Equity \$ |
|---|-------------------------|--|--|-----------------------------|--------------------|
| At 1 July 2024 | 21,077,939 | 4,003,236 | (40,215) | (24,812,396) | 228,564 |
| Other comprehensive loss | - | - | (1,161) | - | (1,161) |
| Loss for period | - | - | - | (1,311,130) | (1,311,130) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | - | - | (1,161) | (1,311,130) | (1,312,291) |
| 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 | 1,071,970 | - | - | - | 1,071,970 |
| Issue of shares – conversion of options | 795 | - | - | - | 795 |
| Issue of shares – conversion of bonds | 203,714 | - | - | - | 203,714 |
| Issue of performance rights | - | 3,556 | - | - | 3,556 |
| Issue costs of share purchase plan | (166,547) | - | - | - | (166,547) |
| Issue costs of share placement | (73,087) | - | - | - | (73,087) |
| At 31 DECEMBER 2024 | 23,114,784 | 4,006,792 | (41,376) | (26,123,526) | 956,674 |
| At 1 July 2023 | 85,901,440 | 3,871,570 | (15,169) | (85,426,156) | 4,331,685 |
| Other comprehensive loss | - | - | (9,703) | - | (9,703) |
| Loss for period | - | - | - | (3,754,190) | (3,754,190) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | - | - | (9,703) | (3,754,190) | (3,763,893) |
| Reduction in Issued Capital | (66,748,312) | - | - | 66,748,312 | - |
| TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS | | | | | |
| Issue of shares - consultant | 31,406 | - | - | - | 31,406 |
| Issue of shares under placement | 1,670,000 | - | - | - | 1,670,000 |
| Issue costs of share placement | (90,214) | - | - | - | (90,214) |
| At 31 December 2023 | 20,764,320 | 3,871,570 | (24,872) | (22,432,034) | 2,178,984 |

The accompanying notes form part of this financial report



NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This interim condensed financial report for the interim half-year reporting period ended 31 December 2024 has been prepared in accordance with requirements of the Corporations Act 2001 (Cth) and Australian Accounting Standard AASB 134: Interim Financial Reporting ("AASB 134") and was authorised for issue in accordance with a resolution of the directors on 26 February 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 principally involved in (i) the development of hydrogen production and export projects in Europe, with a focus on local collaborations in Norway; (ii) the design, engineering activities required to attain final Class Approval processes for its proprietary H2Neo Carrier and H2Leo Storage Barge for the marine storage and transportation of compressed hydrogen; and (iii) the early stage development of new hydrogen storage tanks required for industrial and maritime sectors, with a hydrogen capacity range of 1 to 5 tonnes.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2024, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and in the corresponding interim reporting period, except those accounting policies which have changed as a result of the adoption of new and revised accounting standards and interpretations as described below.

Going concern basis for preparation of financial statements

The Group incurred a loss after tax of \$1,311,130 (2023: \$3,754,190) and had cash outflows from operations of \$1,375,635 (2023: \$4,249,007) for the half year ended 31 December 2024. The Group held cash and cash equivalents at 31 December 2024 of \$1,187,387 (30 June 2024: \$743,929).

The Group's cashflow forecast for the period ended 28 February 2026 reflects that the Group will require additional working capital 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. 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.

Comparative information

Certain comparative information in the consolidated statement of profit or loss and other comprehensive income has been reclassified to ensure consistency with current year presentation. These reclassifications have no effect on the reported results of operations.



NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

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 are relevant to the Group. The adoption of the new and amended accounting standards and interpretations had no material impact on the Group. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been adopted early.

| | Half-Year to 31 December 2024 | Half-Year to 31 December 2023 |
|--|--|--|
| | \$ | \$ |

NOTE 2. INCOME AND EXPENSES

The loss before income tax includes the following income and expenses where disclosure is relevant in explaining the performance of the Group:

NON-OPERATING ACTIVITIES

| | | |
|---|----------------|---------------|
| Technical service fee ^(a) | 267,766 | - |
| Interest received | 11,019 | 48,637 |
| Unrealised exchange gains | - | 19,933 |
| Grant income | 147,324 | - |
| TOTAL INCOME FROM NON-OPERATING ACTIVITIES | 426,109 | 68,570 |

(a) During the period the Group provided certain technical services, income from which has been recognised in accordance with AASB 15: Revenue from Contracts with Customers

CORPORATE AND ADMINISTRATIVE EXPENSES INCLUDE:

| | | |
|---|-----------------------------|-------------------------|
| Employee benefits and consultants' expenses | 977,146 | 1,343,629 |
| Share based payments expense | 3,556 | 31,406 |
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |

NOTE 3. CASH AND CASH EQUIVALENTS

| | | |
|--------------|------------------|----------------|
| Cash at bank | 1,187,387 | 743,929 |
| | 1,187,387 | 743,929 |

NOTE 4. TRADE AND OTHER PAYABLES

| | | |
|---------------------------------------|----------------|----------------|
| Trade creditors | 174,119 | 425,765 |
| Sundry creditors and accrued expenses | 140,615 | 145,348 |
| | 314,734 | 571,113 |



NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

| | | 31 December 2024 | 30 June 2024 |
|--|-------------|-----------------------------|-----------------|
| | | \$ | \$ |
| NOTE 5. ISSUED CAPITAL | | | |
| ORDINARY SHARES | | | |
| 686,883,658 (30 June 2024: 600,616,703) fully paid ordinary shares (a) | | 23,114,784 | 21,077,939 |
| | | 23,114,784 | 21,077,939 |
| 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 capitals(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) |
| Balance at 31 December 2023 | | 591,479,208 | 20,764,320 |
| 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 at \$0.04 per share | 11-Jul-24 | 25,000,000 | 1,000,000 |
| Less: Issue costs of share purchase plan | 12-Jul-24 | - | (166,547) |
| 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-Sept-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 | 1,071,970 |
| Less: Issue costs of share placement | 13-Nov-24 | - | (73,087) |
| AT THE END OF THE FINANCIAL PERIOD | 31-Dec-24 | 686,883,658 | 23,114,784 |

(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 were cancelled or rights varied, and there was no change in the net asset position of the Company. There was also no impact on the availability of the Company's tax losses from this capital reduction.



NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

PERFORMANCE SHARES

There are no unvested performance shares at 31 December 2024 (31 December 2023 Nil).

| | 31 December 2024 | 30 June 2024 |
|--|-----------------------------|-------------------------|
| | \$ | \$ |

NOTE 6. RESERVES

| | | |
|------------------------------|-------------|-------------|
| Share based payments reserve | 4,006,792 | 4,003,236 |
| Currency translation reserve | (41,376) | (40,215) |
| | <hr/> | <hr/> |
| | 3,965,416 | 3,963,021 |
| | <hr/> <hr/> | <hr/> <hr/> |

MOVEMENTS IN SHARE BASED PAYMENTS RESERVE

| | | |
|---|-----------|-----------|
| At the beginning of the financial period | 4,003,236 | 3,871,570 |
| Issue of unlisted options attached to convertible bonds | - | 84,000 |
| Issue of PV1AM Performance Rights to employees | 3,556 | 47,666 |
| | <hr/> | <hr/> |
| AT THE END OF THE PERIOD | 4,006,792 | 4,003,236 |
| | <hr/> | <hr/> |

MOVEMENTS IN CURRENCY TRANSLATION RESERVE

| | | |
|--|----------|----------|
| At the beginning of the financial period | (40,215) | (15,169) |
| Consolidation of foreign currency subsidiaries | (1,161) | (25,046) |
| | <hr/> | <hr/> |
| AT THE END OF THE PERIOD | (41,376) | (40,215) |
| | <hr/> | <hr/> |

Note 7. Financial Instruments

(a) Overview of Financial Instruments

Set out below is an overview of the financial instruments held by the Group as at 31 December 2024:

| | 31 December 2024 | 30 June 2024 |
|--|-----------------------------|-------------------------|
| | \$ | \$ |

CASH AND RECEIVABLES

| | | |
|---------------------------|-------------|-------------|
| Cash and cash equivalents | 1,187,387 | 743,929 |
| Security deposit | 219,324 | 209,200 |
| Other current assets | 204,584 | 50,536 |
| | <hr/> | <hr/> |
| | 1,611,295 | 1,003,665 |
| | <hr/> <hr/> | <hr/> <hr/> |



NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

TRADE AND OTHER PAYABLES

| | | |
|-------------------------------|----------------|----------------|
| Trade creditors | 174,119 | 425,765 |
| Sundry creditors and accruals | 140,615 | 145,348 |
| Convertible bonds | 179,560 | 286,804 |
| | <u>494,294</u> | <u>857,917</u> |

(b) Fair values

Due to the short-term nature of the financial assets and liabilities, the carrying amounts approximate fair value.

NOTE 8. SEGMENT INFORMATION

The Group has only one operating segment, being the development of compressed shipping solutions.

NOTE 9. CONTINGENT LIABILITIES-

There have been no significant changes in contingent liabilities since the last annual reporting date (30 June 2024: None).

NOTE 10. EVENTS SUBSEQUENT TO BALANCE DATE

In January 2025, Provaris, Uniper Global Commodities SE (Uniper) and Norwegian Hydrogen AS announced the execution of a conditional Term Sheet for the supply, transport and offtake of RFNBO compliant hydrogen. The Term Sheet provides the basis of negotiating a binding Hydrogen Sale and Purchase Agreement (Hydrogen SPA).

In February, Provaris announced an update to its commercialisation model to maximise early cash flow while minimising capital outlay by the Company. This approach will leverage Technology License Fees and Origination Fees to generate revenue.

In February 2025, a General Meeting of shareholders was held with all resolutions passed.

No other matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.



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

As lead auditor for the review of the half-year financial report of Provaris Energy Ltd for the half-year ended 31 December 2024, 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 review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Sarang Halai' in a cursive style.

Sarang Halai
Partner
26 February 2025



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

Conclusion

We have reviewed the accompanying half-year financial report of Provaris Energy Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, 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 half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'Ernst & Young', written over a light grey rectangular background.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Sarang Halai', written over a light grey rectangular background.

Sarang Halai
Partner
Perth
26 February 2025