Appendix 4E – Preliminary Final Report
under ASX Listing Rule 4.3A

1. Company Details

Name of entity:	Terragen Holdings Limited
ABN:	36 073 892 636
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

Key information	30 June 2026	30 June 2025	Change %
Revenue from ordinary operations	1,432,082	1,615,253	(11.3%)
Loss from ordinary activities after tax attributable to members	(3,751,367)	(3,723,830)	0.7%
Net Loss for the period attributable to members	(3,757,196)	(3,722,936)	0.9%

3. Details relating to dividends

There were no dividends paid, recommended, or declared during the reporting period or the previous period.

4. Dividend reinvestment plans

Not applicable.

5. Net tangible assets per share

	30 June 2026 Cents per share	30 June 2025 Cents per share
Net tangible assets per ordinary security	1.06	1.13

6. Details of subsidiaries and associates

The Company did not gain or lose control over any entities during the reporting period.

The Company has no associated entities.

Terragen

7. Audit qualification or review

The consolidated financial statements for the year ended 30 June 2026 on which this report is based, have been audited by Horizon Nexus (Audit) Pty Ltd who have issued an unqualified audit opinion.

8. Other information

Additional Appendix 4E disclosure requirements and further information including commentary on significant features of the operating performance, results of segments and other factors affecting performance for the reporting period are contained in the accompanying Annual Report for the year ended 30 June 2026.

Signed : ______________________________ Date: 25 August 2026

Richard Norton
Managing Director

Terragen

ANNUAL REPORT

For the year ended 30 June 2026

Terragen Holdings Limited and Controlled Entity | ABN 36 073 892 636

www.terragen.com.au

CHAIR AND MANAGING DIRECTOR'S REPORT

DEAR SHAREHOLDERS,

We are pleased to present the 2026 Annual Report for Terragen Holdings Limited. Terragen is an Australian agricultural biotechnology company applying proprietary microbial technology to improve animal health, productivity, crop performance and soil health. During Financial year 2025-2026, our focus shifted from product development and launch towards commercial validation and broader market adoption. In parallel, we continued to strengthen the scientific, operational and financial foundations needed to scale our technology across domestic and international markets.

FINANCIAL YEAR 2025-2026 HIGHLIGHTS

Financial Year 2026 was an important year in Terragen's transition towards broader commercialisation. A key milestone was the commencement of a major trial of Terragen Probiotic Ultra for Ruminants® at Mort & Co's Grassdale feedlot, involving more than 10,000 cattle. Supported by Meat & Livestock Australia Donor Company and Mort & Co, the trial is designed to demonstrate performance under large-scale commercial feedlot conditions.

Commercial adoption also progressed, with Terragen securing its first large-scale supply agreement with Ravensworth Feedlot in May 2026. Covering Terragen Probiotic for Ruminants® and Great Land Plus®, the agreement represents a significant milestone in the commercial adoption of Terragen's microbial technology at scale.

Internationally, Terragen advanced its pathway to North American commercialisation. Canadian regulatory permits enabled the Agriculture and Agri-Food Canada feedlot study to commence, with Phase 1 completed and Phase 2 progressing under replicated commercial feedlot conditions. The Company also continued work on manufacturing pathways and regulatory market access in Canada, the United States and Brazil.

Our plant products portfolio continued to progress, with Great Land Plus® delivering a 12% yield improvement in an independent commercial-scale maize silage assessment. Terragen also launched Naturalift® into the Australian home garden market and continued its QUT and Food Agility collaboration to develop next-generation microbial solutions. Development of the Company's first companion animal probiotic also advanced towards commercialisation.

To support this next phase of growth, Terragen completed a $7 million equity raising during Financial Year 26. The strengthened balance sheet provides the Company with greater capacity to pursue commercial adoption, manufacturing and distribution partnerships and the continued development of its proprietary microbial technology.

FINANCIAL YEAR 2026-2027 OUTLOOK

Terragen enters Financial Year 27 with a clear focus on converting scientific validation and commercial trials into sustainable revenue growth. The Company's priority is to demonstrate the performance of its technology at commercial scale and establish the partnerships and distribution channels required to access larger markets.

In Financial Year 27, our priorities are to:

- Drive adoption of Terragen Probiotic for Ruminants® through the Ravensworth supply agreement, Mort & Co Grassdale trial and broader feedlot engagement.
- Advance international expansion through Canadian trials, regulatory approvals and North American commercial partnerships.
- Broaden revenue streams by expanding Great Land Plus®, Naturalift® and companion animal opportunities while advancing next-generation microbial technologies.

With a strengthened balance sheet, validated technology and growing commercial opportunities, Terragen enters Financial Year 2026-2027 focused on converting its science-based trials into scalable commercial outcomes across Australia and internationally. The Board and management remain committed to disciplined investment, commercial execution and partnerships that accelerate adoption of Terragen's technologies.

On behalf of the Board and management, we thank our shareholders, staff, customers and partners for their continued commitment and contribution during this year.

Dr Michele Allan AO | Chair
25 August 2026

Richard Norton | Managing Director and CEO
25 August 2026

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DIRECTORS' REPORT

The directors of Terragen Holdings Limited (the "Company" or "Terragen") submit herewith the financial report of the Company and the entity it controlled for the year ended 30 June 2026 (collectively "Group"). To comply with the provisions of the *Corporations Act 2001*, the directors report is as follows.

DIRECTORS

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

- **Dr Michele Allan AO** Non-Executive Chair
- **Scobie Ward** Non-Executive Director
- **Michael Barry** Non-Executive Director
- **Andrew Guthrie** Non-Executive Director
- **Paul Whimp** Non-Executive Director (appointed 8 May 2026)
- **Richard Norton** Managing Director and CEO

COMPANY SECRETARY

- **Daniel Pearce** Joint Company Secretary (appointed 7 July 2026)
- **Roger McPherson** Company Secretary (appointed 11 August 2025)
- **Matthew Whyte** Company Secretary (appointed 8 July 2024, resigned 27 August 2025)

Information on directors and key management personnel in office during the financial year and to the date of this report:

Name and Position	Qualifications andExperience	Particulars of interests in shares and options of the Company	
		Shares#	Options
Dr Michele Allan AO *Non-Executive Chair*	Dr Allan AO has a Bachelor of Applied Science from University Technology Sydney, a Master of Management (Technology) from the University of Melbourne, a Doctor of Business Administration from Royal Melbourne Institute of Technology and a Master of Commercial Law from Deakin University. She is also a Fellow of the Australian Institute of Company Directors. In January 2023, Dr Allan was made an Officer in the Order of Australia for distinguished service to the agricultural, food production and business sectors, and to tertiary education. Michele is currently Chair of SmartSat CRC and Australasian Space Innovation Institute, Wine Australia, Trusted Autonomous Systems Limited, Charles Sturt University and Twenty Degrees Limited. She is a non-executive director of MJ Chickens. Michele is the Interim Chair for the bid for AgValue CRC. **Other listed directorships in past three years:** Nil	Nil	3,500,000

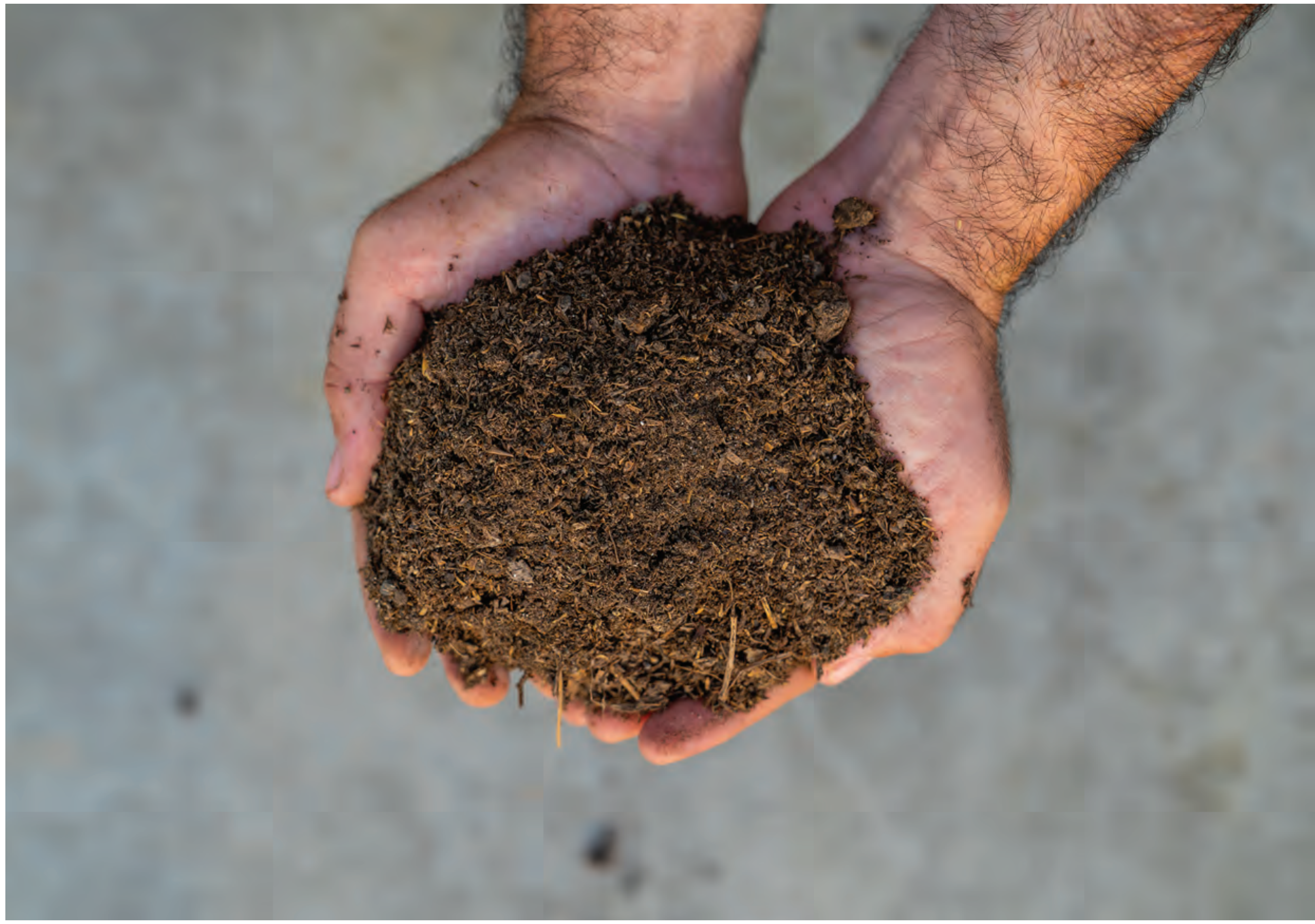
Name and Position	Qualifications and Experience	Particulars of interests in shares and options of Terragen Holdings Limited	
		Shares#	Options
Michael Barry *Non-Executive Director*	Mr Barry has completed a Bachelor of Business from the Queensland University of Technology and a Masters of Business Administration from the University of Queensland. Mr Barry's executive career included 10 years in senior executive roles at Boral Limited, including Regional General Manager for the Western Australian and South Australian Construction Materials operations. Most recently Mr Barry was CEO of MSF Sugar Limited for 13 years up until 2020. Mr Barry is a Director of various unlisted and private Companies. **Other listed directorships in past three years:** Entyr Limited	1,428,572 held directly	5,000,000
Scobie Ward *Non-Executive Director*	Scobie Ward has over 30 years of experience investing in small companies throughout the Asia Pacific region. He started his career as an analyst at Indosuez Asia Investment Services in 1989 and co-founded Lloyd George Management in 1992. Mr. Ward co-founded Ward Ferry Management in 2000 where he served as Chairman until 2021. Mr Ward was an early investor in Terragen, holding shares in the Company prior to its IPO in 2019. **Other listed directorships in past three years:** Nil	277,077,542 held indirectly	Nil
Andrew Guthrie *Non-Executive Director*	Mr Guthrie has a Bachelor of Agricultural Science (Hons) from La Trobe University and is a Graduate of the Australian Institute of Company Directors (GAICD). Andrew gained extensive global agricultural experience during his 32-year career with Syngenta - a global market leader in crop protection and seeds. He spent most of his senior leadership years in Asia, as Regional Director for Asia Pacific, before returning to Switzerland to lead Syngenta's multi-billion dollar business in Europe, Africa and the Middle East. Andrew was a member of Syngenta's Global Crop Protection Leadership team. In 2019 Mr Guthrie returned to Australia and is now a Non-executive Company director and mentor. He currently serves on the Boards of Cotton Seed Distributors Ltd and Bio-Gene Technology Ltd. **Other listed directorships in past three years:** Bio-Gene Technology Limited	285,715 held indirectly	3,500,000

Name and Position	Qualifications and Experience	Particulars of interests in shares and options of Terragen Holdings Limited	
		Shares#	Options
Paul Whimp *Non-Executive Director* *Appointed 8 May 2026*	Paul is a director of Harris Black with extensive national and international accounting, business, banking and finance experience. At Harris Black, Paul where he provides specialised solutions tailored to his clients' needs that combine his knowledge and experience in business operations, strategic planning, taxation, wealth strategies, business structuring, succession planning and self-managed superannuation funds. Paul takes an active part in his client's success that has resulted in him holding management and director roles on a number of client entities within the mining, property, superannuation and financial advisory industries. In recent years he has enjoyed appointments to Family Advisory Boards and Organisation Boards with focuses on their strategic growth and direction. He holds the following qualifications: B Bus (Acc); Member of Chartered Accountants Australia & New Zealand; Certificate of Public Practice with Chartered Accountants Australia and New Zealand; Graduate Diploma of Financial Planning; Accredited advisor with Mindshop Group; Member of the Taxation Institute of Australia; and Member of the Australian Institute of Company Directors. Paul has been an active member in the Brentnalls National Affiliation, holding both the Chair and Deputy Chair roles as well as being a founding director of the Q Coal Foundation and a director of the Southside Community Group. **Other listed directorships in past three years:** Carawine Resources Ltd	Nil	Nil
Richard Norton *Managing Director, Chief Executive Officer*	Mr Norton has a Master of Business Administration from Monash University and is a Graduate of the Australian Institute of Company Directors (GAICD). He has extensive experience in the food processing and agribusiness sector with a specialised focus on commercialisation, having held executive positions in retail, innovation, logistics, marketing and agribusiness for over 30 years. Mr Norton's executive experience includes time as Managing Director of Meat and Livestock Australia (MLA), Managing Director of Landmark Operations and General Manager of Retail at Elders. Richard also has previously held senior positions at Wesfarmers Dalgety, Toll Holdings, Woolworths and Coca Cola Amatil. **Other listed directorships in past three years:** Nil	571,429 held indirectly	10,000,000

Name and Position	Qualifications and Experience	Particulars of interests in shares and options of Terragen Holdings Limited	
		Shares#	Options
Jocelyn West *Chief Operating Officer*	Dr West is a qualified veterinarian with a Bachelor of Veterinary Biology/Bachelor of Veterinary Science from Charles Sturt University, a Master of Business Administration from Griffith University, and is a Graduate of the Australian Institute of Company Directors (GAICD). Prior to joining Terragen, Dr West spent twelve years in mixed and production animal veterinary practice before being appointed Clinical Lead with National Vet Care in 2018.	516,566 held directly	7,500,000
Daniel Pearce *Chief Financial Officer and Joint Company Secretary* Appointed 7 July 2026	Daniel Pearce holds a Bachelor of Business and a Master of Commerce in Professional Accounting from The University of Queensland, has completed executive education at Harvard University in Leadership and Business Psychology, and is a Certified Practicing Accountant (CPA). Daniel has more than 10 years' experience across commercial finance and advisory, having previously held roles with ANZ and Deloitte. Prior to joining Terragen as Financial Controller in 2025, Daniel held senior executive finance roles, leading financial strategy, reporting, and governance across a range of industries.	Nil	Nil
Roger McPherson *Joint Company Secretary* Appointed 11 August 2025	Roger has more than 30 years' experience in senior finance roles in a wide variety of industries. Prior to joining Terragen, Roger was CFO and Company Secretary for a number of SMEs both listed and unlisted. He has over 20 years of biotechnology, agtech and pharmaceutical experience. In addition to his role with Terragen, Roger also provides CFO and Company Secretarial services to other listed and unlisted entities. In addition to his role with Terragen, Roger also provides CFO and Company Secretarial services to other listed and unlisted entities. Roger has a B. Bus (Accounting) - Curtin University, is a member of CPA Australia and a Graduate of the Australian Institute of Company Directors.	Nil	Nil

Name and Position	Qualifications and Experience	Particulars of interests in shares and options of Terragen Holdings Limited	
		Shares#	Options
Matthew Whyte *Chief Financial Officer and Company Secretary* Appointed 8 July 2024 Resigned 27 August 2025	Mr Whyte holds a Graduate Diploma of Applied Finance, is a Chartered Accountant, and holds a Bachelor of Commerce (Honours) from the University of Queensland. Mr Whyte has over a decade of experience as a CFO of public and private businesses and has prior experience with Australian biotechnology companies.	571,429 held directly	Nil

Includes shares in which the KMP has an indirect interest through associated entity.



MEETINGS OF DIRECTORS

The number of meetings of the Group's board of directors and each board committee held during the year ended 30 June 2026, and the numbers of meetings attended by each director were as follows:

Number of meetings held	BOARD MEETINGS: 9	
	Number of meetings eligible to attend	Number of meetings attended
Michael Barry	9	9
Scobie Ward	9	9
Dr Michele Allan AO	9	9
Richard Norton	9	9
Andrew Guthrie	9	8
Paul Whimp	1	1

During the year, following changes to the Board of Directors in May 2026, the Audit and Risk Committee membership was changed to Andrew Guthrie (Chair), Mike Barry and Paul Whimp. Prior to that all Directors served as members of the Audit and Risk Committee except the Managing Director.

The numbers of meetings attended by each committee member were as follows:

Number of Audit and Risk Committee meetings held	MEETINGS: 2	
	Number of meetings eligible to attend	Number of meetings attended
Michael Barry	2	2
Scobie Ward	2	2
Dr Michele Allan AO	2	2
Andrew Guthrie	2	2
Paul Whimp	-	-

PRINCIPAL ACTIVITIES

The Group's principal activities during the financial year were research, development and commercialisation of biological products that enhance animal and plant health for use in agriculture. There were no significant changes in the nature of these activities during the financial year.

CORPORATE ACTIVITIES

During the year, the Group:

» Made the following Board and Management Changes:
  - Dr Michele Allan AO was appointed as Non-Executive Chair on 6 February 2026 replacing Mike Barry who remains on the Board as a Non-Executive Director.
  - Non-Executive Director Paul Whimp was appointed on 8 May 2026.
  - Matthew Whyte resigned on 27 August 2025 as Chief Financial Officer and Company Secretary.
  - Roger McPherson was appointed as Chief Financial Officer and Company Secretary on 11 August 2025 and stepped down from the Chief Financial Officer role on 7 July 2026.
  - Daniel Pearce was appointed as Chief Financial Officer and Joint-Company Secretary on 7 July 2026.

» During the year, the Group successfully completed a Placement, as announced on 6 February 2026. A total of 318,181,819 fully paid ordinary shares were issued at an offer price of $0.022 per share, raising $7 million in equity before the deduction of capital raising costs.

» Terragen launched its new dry format product range, Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™ on the 25th of March 2025 in line with previously stated timeframes. The new products targeted at feedlots are selling online and through leading agri-retailers across Australia, supported by extensive advertising and marketing campaigns, industry event participation and Terragen Veterinarians and product managers. The product development process for the new products commenced over 18 months ago and was multi-faceted including prototype development, dose rate optimisation, formulation revision, stability and compatibility testing and in field trials in preparation for product launch.

» Terragen launched Naturalift in November 2025, its first consumer garden product and a new organic plant probiotic range designed for the Australian home garden market. Naturalift extends Terragen's established agricultural microbial technology into a new consumer channel, using the same microbial technology that underpins Great Land Plus® and adapting it for use across lawns, gardens, indoor plants and other home horticultural applications. The product introduces beneficial living microorganisms to support nutrient availability, soil structure, plant resilience and long-term soil health. Naturalift was launched through dedicated online channels with nationwide distribution, expanding Terragen's addressable market beyond commercial agriculture and making its microbial technology directly accessible to Australian households.

OPERATING AND FINANCIAL REVIEW

REVIEW OF FINANCIAL RESULTS

The Group reported a loss after tax for the year of $3,751,367 (2025: loss of $3,723,830). The significant items affecting the operating result were:

» Revenues of $1,432,082 (2025: $1,615,253), primarily from sales of Mylo®, Terragen Probiotic for Ruminants™ and Great Land Plus®. The decline in revenue from the prior year reflects a combination of challenging environmental conditions, particularly drought across key target markets, and a slower-than-anticipated rate of product adoption. The transition of existing customers from Mylo® to the newly launched Terragen Probiotic for Ruminants™ range has taken longer than initially anticipated as customers work through existing product inventories and become familiar with the new dry-format offering. In addition, uptake within larger-scale feedlots has progressed more slowly than anticipated, reflecting the longer sales, evaluation and adoption cycles typically associated with introducing new products into large commercial operations. Terragen continues to focus on supporting the transition to Terragen Probiotic for Ruminants™ and building engagement with feedlot operators to drive broader adoption of the product range.

» Terragen also continues to progress initiatives to broaden and diversify its product portfolio, with the objective of reducing exposure to seasonal revenue fluctuations and expanding the application of its microbial technology into new markets. This includes the continued development of a canine probiotic, building on the research and trial activities undertaken during the prior year. These product development initiatives form part of the Company's longer-term strategy to diversify its revenue base, develop new commercial opportunities and support the broader commercialisation of Terragen's technology.

» Other income of $799,259 (2025: $1,088,761) included the cash and accrued research and development tax benefit in relation to research expenditure incurred by the Group during the year of $642,691 (2025: $908,201), interest income of $153,499 (2025: $180,560) and freight recoveries of $3,069 (2025: Nil).

» Operating expenses for the year were $5,982,708 (2025: $6,427,844), representing a decrease of 6.9% compared to the prior year. Key movements included:
  - Sales and marketing expenses: $1,313,496 (2025: $1,727,127), a reduction reflecting the higher expenditure incurred in FY25 to support the launch of Terragen Probiotic for Ruminants™. Following the product's launch in March 2025, FY26 required lower launch-related sales and marketing expenditure.
  - Research expenses: $1,224,905 (2025: $1,098,766), an increase following the ongoing development of a canine probiotic and planned projects

The Group continues to focus on disciplined cost management while making targeted investments in strategic projects to support sustainable long-term growth.

REVIEW OF FINANCIAL POSITION

- » Net cash outflows used in operating activities increased by 11.5% to $3,377,737 (2025: $3,030,400). The key driver of the increase was payments made to procure bulk raw materials used in our new dry probiotic products, in advance of product sales.
- » Issued capital of $57,877,584 (2025: $51,302,054) following the completion of a share placement during the year, raising gross proceeds of $7 million. These capital raising activities have strengthened the Group's balance sheet and provided funding for its ongoing operations and growth initiatives.
- » Terragen Group's net assets have increased from $6,569,265 to $9,502,693 which is consistent with and largely attributable to the capital raising activities and the current year's loss after tax.
- » Financial liabilities primarily relate to lease obligations for the Group's rental premises and company motor vehicle hire purchase arrangements.

REVIEW OF OPERATIONS

Terragen is an Australian research, development and commercialisation company that specialises in the development of biological products that improve animal and plant health for use in agriculture. Our proprietary research has led to the creation of innovative products that improve livestock, productivity and crop yields and deliver positive environmental outcomes, helping to decarbonise agriculture.

Currently, the Terragen product range includes animal probiotics (MYLO® and Terragen Probiotic for Ruminants™), a plant bio-stimulant (Great Land Plus®) and a consumer garden probiotic (Naturalift®). MYLO® (liquid format) and Terragen Probiotic for Ruminants™ (dry format) are animal feed supplement probiotics that increase average daily weight gain and reduce methane production. Great Land Plus® is a plant bio-stimulant targeted for use in cropping that reduces reliance on chemical-based fertilisers, decreasing scope emissions, while also increasing crop yields and soil organic carbon levels. Naturalift® extends Terragen's microbial technology into the home garden market and is designed to support soil health, nutrient availability and plant growth across lawns, gardens and indoor plants.

The year ended 30 June 2026 was primarily focused on activities to support the market adoption and commercialisation of the dry format animal probiotic range, Terragen Probiotic for Ruminants™ and Terragen Probiotic Ultra for Ruminants™, following its successful launch on 25 March 2025. The new product range provides Terragen with access to an expanded segment of the livestock market, including beef and lamb feedlots. During the year, the Company continued to engage with feedlot operators and other industry participants, with sales and marketing activities focused on increasing product awareness, supporting customer trials and driving broader adoption across larger-scale commercial operations.

PRINCIPAL RISKS

The Group's growth and success depends on its ability to understand and respond to the challenges of an uncertain and changing world. This uncertainty generates risk, with the potential to be a source of both opportunities and threats. By understanding and managing risks, we provide greater certainty and confidence for all shareholders.

The material business risks that could adversely impact the Group's financial prospects in future periods and the broad approach Terragen takes to manage these risks are outlined below. These risks are not a complete or exhaustive list of the risks the Group is exposed to.

RISK	DESCRIPTION	MITIGATION
Ownership and protection of intellectual property	Terragen's business model depends on its ability to commercially exploit its intellectual property (IP). Terragen relies on laws relating to trade secrets, copyright and trademarks to assist in protecting its proprietary rights. There is a risk that unauthorised use or copying of intellectual property, business data or secure documentation (electronic laboratory books) will occur. A breach of Terragen's intellectual property may result in the need to commence legal action, which could be costly and time consuming. A failure or inability to protect the Company's intellectual property rights could have an adverse impact on operating and financial performance.	Terragen's use of microbes are protected by patents across Australia, New Zealand, US and Europe. Terragen ensures that its IP is protected when entering into any agreements with 3rd parties such as research institutions or distributors.
Loss of key personnel	The successful operation of Terragen in part relies on the Company's ability to attract and retain experienced and high performing personnel. The loss of any key members of management or other personnel, or the inability to attract additional skilled individuals to key projects or roles, may adversely affect Terragen's ability to develop and implement its business strategies.	Terragen operates in a manner conducive to retain high performing personnel. In particular, this includes flexible workplace arrangements, and cross functional training and development experiences.
Risk of delay and continuity of operations	The potential for delay of any of Terragen's key projects presents a number of risks (including potential cost overruns and impacts of delays on the conclusion of commercial partnerships). Delays may be caused by various factors, including delays in obtaining regulatory approvals, delays in scientific studies, and delays in completing successful field trials.	Strategic planning is fundamental to Terragen's business model. This identifies the process steps and allows management to develop options as required.
Regulatory approvals	Terragen's target markets for its products are emerging, and as such the regulatory environment is constantly changing. There is also a possibility that Terragen may become subject to additional legal or regulatory requirements if its business operations, strategy or geographic reach expand in the future or if there is a change in applicable law or regulation.	Terragen engages appropriate expert advice when entering into new business areas. This approach will continue in the future, whenever Terragen seeks to enter into new jurisdictions with existing or new products.

RISK	DESCRIPTION	MITIGATION
Failure to realise benefits from product research and development	The development and commercialisation of products is expensive and often involves an extended period to achieve return on investment. A critical aspect of Terragen's business model is to continually invest in innovative research and product development opportunities. Terragen may not realise benefits from these investments for several years. The Company makes assumptions about the expected future benefits generated by investment in product research and development and the expected timeframe in which the benefits will be realised. These assumptions are subject to change and involve both known risks and risks that are beyond the Company's control. Any change to the assumptions the Company has made about certain product development may have an adverse impact on the Company's ability to realise a benefit from investment in the development of that product.	Terragen tracks its progress as a matter of course. As new knowledge arises, management will adjust its business plans to maintain an appropriate path to commercial success.
Product risks and liability	Terragen currently manufactures Great Land Plus® and Mylo® in a liquid form and Terragen Probiotic for Ruminants™ in a dry form on a commercial scale. However, there is no assurance that unforeseen adverse events or manufacturing defects will not arise, which could have significant impacts for Terragen's corporate and brand reputations, as well as having regulatory implications.	Terragen operates in accordance with current Good Manufacturing Practices (GMP), prescribed by the Australian Pesticides and Veterinary Medicines Authority (APVMA) and other regulatory authorities. It also operates a strong Quality Assurance framework, including use of retention samples.
Arrangements with third party collaborators	Terragen may pursue collaborative arrangements with life science companies, academic institutions or other partners to complete the development and commercialisation of the Terragen products. However, there is no assurance that Terragen will attract and retain appropriate strategic partners or that any such collaborations will result in commercial grade outcomes. There is a risk that third party collaborators may seek commercial exploitation of Terragen's intellectual property that has been shared under any collaboration arrangement, such as in the form of copycat products.	Terragen engages with appropriate expert advice when entering into new arrangements. Through written agreements, Terragen protects its IP and associated trade secrets, and restricts third parties through undertakings of confidentiality.

RISK	DESCRIPTION	MITIGATION
Market acceptance and competitor risk	Terragen believes that there is a growing demand for non-chemical products that enable farmers to pursue sustainable agricultural practices. The demand for such products can be significantly impacted by changes in the regulatory and industry economic environment. Whilst the market for such products is relatively new, and demand is developing, there is a risk that there will be new entrants into the market and the risk of existing competitors introducing new products or technologies. Competition in the market has the potential to disrupt Terragen's business and market share. There may be aggressive, fast-moving, early stage, start-up companies developing products that are comparable or competing products with properties that are similar to one or more of the properties of the Terragen equivalent.	Terragen considers it has a competitive advantage in being one of the first in the market to provide a new approach to the development of natural live microbial products. Terragen also supports its early-mover advantage with a level of investment in research that distinguishes itself from the competitive set of biological products.
Uncertainty of future revenue and profitability	Terragen's long term viability is contingent on, amongst other things, the Company's ability to enter into appropriate licensing or distribution arrangements that deliver the requisite revenues to cover the Company's ongoing costs, including the ongoing research into next generation products. Future revenues could be impacted by general economic conditions, market demand, competitor activity and the results of further studies and field trials.	Terragen's products are targeted towards a large global market opportunity and are well positioned to increase market share given the growing market trend towards sustainability, organic products and environmentally friendly solutions.
Sufficiency of funding and additional requirements for capital	There is a risk that the costs of research and development may be higher than anticipated or increase as a result of unforeseen circumstances (which may include circumstances related to other key risk factors set out in this section).	As a business that is still in the IP building phase of its development, management undertakes continuous assessment to allocate available funds to projects or activities that are identified as delivering the best return on investment.
Financial risks	Terragen is exposed to a variety of financial risks, including credit risk, adverse movements in interest rates as well as liquidity risk. These risks may have an adverse effect on the Company's operating and financial performance.	Terragen has in place a framework for managing these risks. Information on how Terragen manages financial risks is included in note 26 to the Financial Statements.

RISK	DESCRIPTION	MITIGATION
Operational risks	A prolonged and unplanned interruption to Terragen's operations could significantly impact the Company's financial performance and reputation. Terragen is exposed to a variety of operational risks, including risk of site loss or damage, environmental and climatic events, global pandemic risks, technology failure or incompetency and systems security or data breaches. Failure to mitigate these risks could impact on Terragen's corporate reputation, and adversely impact delivery of Terragen's strategy, through a failure in customer service.	Terragen has a comprehensive range of controls and strategies in place to manage such risks, including operational processes to Good Manufacturing Practises (GMP) standards, inventory management processes and business continuity plans.
Cyber risks	Terragen, like any organisation, faces an ever-changing cyber security threat, and needs to prevent, detect and respond to cyber security threats by maintaining a high standard of information security control.	The Group has in place a Computer and Cyber Security, Digital Information, Internet and Email policy. The policy sets out security controls and standards of behaviour determined as necessary to achieve an appropriate level of information security.

EARNINGS PER SHARE

	2026	2025
Basic and diluted loss per share (cents)	(0.63)	(0.85)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Terragen intends to continue investment into research on biological product application in agriculture. This research is intended to provide the scientific basis for a new generation of sustainable agricultural products for both animal and plant applications.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On the 7 July 2026, Daniel Pearce was appointed as Chief Financial Officer and Joint Company Secretary, replacing Roger McPherson who continues as Joint Company Secretary. Other than the above, there has been no event or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

DIVIDENDS

No dividends were paid or declared during the year and no recommendation is made as to payment of dividends.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

ENVIRONMENTAL REGULATION

The Group was not subject to any significant environmental regulation under a law of the Commonwealth or a State or Territory of Australia.

SHARES UNDER OPTION

Unissued ordinary shares of the Group under option at the date of this report are as follows:

Option series	Grant Date	Expiry Date	Exercise Price	Number of Options
Vaious (2025 Employee & Director Plan)	04/10/2024 & 07/11/2024	29/11/2029	$0.025–$0.110	36,500,000
2026 Employee Plan	26/9/2025	26/9/2030	$0.025–$0.110	7,500,000
INCENTIVE				**44,000,000**

The Employee Incentive Plan (EIP) options include options granted on 4 October 2024 and 7 November 2024, covering a range of exercise prices and vesting dates, expiring 29 November 2029 and options granted on 26 September 2025 covering a range of exercise prices and vesting dates, expiring 26 September 2030.

All options are unexercised and remain on issue at the date of this report. No option holder has any right under the options to participate in any other share issue of the company or any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the financial year no shares were issued as a result of the exercise of options.

REMUNERATION REPORT (AUDITED)

This remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of Terragen's key management personnel for the financial year ended 30 June 2026. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The prescribed details for each person covered by this report are detailed below under the following headings:

» Key management personnel
» Remuneration policy
» Remuneration, Group performance and shareholder wealth
» Remuneration of key management personnel
» Loans to key management personnel.

a. KEY MANAGEMENT PERSONNEL

The directors and other key management personnel of the consolidated entity during the financial year were:

Non-executive directors	Position
Dr Michele Allan AO	Chair
Scobie Ward	Non-Executive Director
Michael Barry	Non-Executive Director
Andrew Guthrie	Non-Executive Director
Paul Whimp	Non-Executive Director *(appointed 8 May 2026)*

Executive Directors	Position
Richard Norton	Managing Director and CEO

Other Key Management Personnel	Position
Jocelyn West	Chief Operating Officer
Matthew Whyte	Chief Financial Officer and Company Secretary *(appointed 8 July 2024 and resigned 27 August 2025)*
Roger McPherson	Chief Financial Officer and Company Secretary *(appointed 11 August 2025)*

Except as noted, the named persons held their current position for the whole of the financial year. Refer to Note 22 Related Party Transactions for further information.

b. REMUNERATION POLICY

The Board of Terragen is responsible for determining and reviewing compensation arrangements for the non-executive directors and the executives. The Board's remuneration policy is to ensure that the remuneration package properly reflects the person's duties and responsibilities, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. Such officers are given the opportunity to receive compensation in a variety of forms. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost to the Group. In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

NON-EXECUTIVE DIRECTOR REMUNERATION

OBJECTIVE

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of high calibre, whilst incurring a cost which is acceptable to shareholders.

STRUCTURE

Remuneration of non-executive directors is determined by the Board, within the maximum amount approved by the shareholders from time to time (currently set at an aggregate of $300,000 per annum).

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each non-executive director receives a fee for being a director of the Company. The non-executive Chair receives an annual fee of $83,625, all other non-executive directors receive an annual fee of $60,000. Non-executive directors who are called upon to perform extra services beyond the director's ordinary duties may be paid additional fees for those services. During the year ended 30 June 2026, selective directors chose to waive their director fees.

Non-executive directors may also be granted equity incentives from time to time. The options granted are considered by the Board to be an effective means of appropriately compensating directors whilst preserving the Group's cash reserves and providing an alignment between Director and shareholder interests.

EXECUTIVE DIRECTORS AND KEY MANAGEMENT PERSONNEL REMUNERATION

OBJECTIVE

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

» reward executives for Group and individual performance against agreed targets;
» align the interest of executives with those of shareholders;
» link reward with the strategic goals and performance of the Group; and
» ensure total remuneration is competitive by market standards.

STRUCTURE

In determining the level and make-up of executive remuneration, the Board has had regard to market levels of remuneration for comparable executive roles. It is the Board's policy that employment contracts are entered into with all senior executives.

VARIABLE REMUNERATION - SHORT AND LONG-TERM INCENTIVES

OBJECTIVE

The objectives of the incentive plan are to:

» recognise the ability and efforts of the employees of the Group who have contributed to the success of the Group and to provide them with rewards where deemed appropriate;
» provide an incentive to the employees to achieve the long-term objectives of the Group and improve the performance of the Group; and
» attract persons of experience and ability to employment with the Group and foster and promote loyalty between the Group and its employees.

STRUCTURE

Long term incentives granted to senior executives are delivered in the form of shares, options or performance rights in accordance with an Employee Incentive Plan. As part of the Group's annual strategic planning process, the Board and Management agree upon a set of financial and non-financial objectives for the Group. The objectives form the basis of the assessment of Management performance and vary but are targeted directly to the Group's business and financial performance and thus to shareholder value.

c. REMUNERATION, GROUP PERFORMANCE AND SHAREHOLDER WEALTH

The development of remuneration policies and structures is considered in relation to the effect on Group performance The development of remuneration policies and structures is considered in relation to the effect on Group performance and shareholder wealth. They are designed by the Board to align director and executive behaviour with improving Group performance and ultimately shareholder wealth. The Board considers at this stage in the Group's development, that share price growth itself is an adequate measure of total shareholder return.

Executives are currently remunerated by a combination of cash base remuneration, options and short-term incentives. The options granted are considered by the Board to provide an alignment between the employees and shareholders interests.

The table below shows for the current financial year and previous financial years the total remuneration cost of the key management personnel, earnings per ordinary share (EPS), dividends paid or declared, and the closing price of ordinary shares on ASX at year end.

Financial Year	Total Remuneration $	EPS (Cents)	Dividends (cents)	Share Price as at 30 June (cents)
2026	1,299,615	(0.53)	-	1.6
2025	1,373,568	(0.85)	-	1.9
2024	911,945	(0.87)	-	1.3
2023	1,001,966	(1.57)	-	2.4
2022	1,111,142	(2.80)	-	15.5
2021	2,500,558	(3.23)	-	28.0

d. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Compensation paid, payable or provided by the Group or on behalf of the Group, to key management personnel is set out below. Key management personnel include all directors of the Group and certain executives who, in the opinion of the Board and Managing Director, have authority and responsibility for planning, directing, and controlling the activities of the Group directly or indirectly.

The Company's Managing Director and other members of senior management are employed under individual contracts of employment with the Company. The contracts set out:

» The individual's total fixed compensation, including fixed cash remuneration and the Company's superannuation contribution;
» Notice and termination provisions; and
» Employee entitlements including leave.

The Company makes contributions with respect to the senior executives to complying superannuation funds in accordance with relevant superannuation legislation and the individual contracts of employment. Summaries of material service agreements are set out below:

RICHARD NORTON

Managing Director and Chief Executive Officer

» *Base Remuneration* – $265,255 per annum plus statutory superannuation contributions, on a fulltime basis, subject to annual increases at the discretion of the Board of Directors.
» Provision of company motor vehicle.
» *Termination* – By four months' notice from either party.
» *Incentive benefits* – Entitled to participate in the Terragen Employee Incentive Plan subject to the usual Board and Shareholder approvals. Entitled to a cash bonus subject to Board approval.

JOCELYN WEST

Chief Operating Officer

» *Base Remuneration* – $201,571 per annum plus statutory superannuation contributions, on a fulltime basis, subject to annual increases at the discretion of the Board of Directors.
» *Termination* – By one month's notice from either party.
» *Incentive benefits* – Entitled to participate in the Terragen Employee Incentive Plan subject to the usual Board and Shareholder approvals.

ROGER MCPHERSON

Chief Financial Officer and Joint Company Secretary (Appointed 11 August 2025)

» *Base Remuneration* – Consultant on a daily rate of $1,500 working an average of 1-2 days per week.
» *Termination* – By three month's notice from either party.

MATTHEW WHYTE

Chief Financial Officer and Company Secretary (Resigned 27 August 2025)

» *Base Remuneration* – $250,000 per annum including superannuation contributions, on a fulltime basis, subject to annual increases at the discretion of the Board of Directors.
» *Termination* – By three month's notice from either party.
» *Incentive benefits* – Entitled to participate in the Terragen Employee Incentive Plan subject to the usual Board and Shareholder approvals.

2026

	Cash and salary fees	Super-annuation	Employee entitlements [e]	Share based pay-ments	Other [f]	Total remuneration	Proportion of remuneration that is performance based
	$	$	$	$	$	$	%
NON-EXECUTIVE DIRECTORS							
Dr Michele Allan AO	62,143	7,457	-	34,058	-	103,658	0%
Michael Barry	66,429	7,971	-	48,655	-	123,055	0%
Scobie Ward [a]	-	-	-	-	-	-	0%
Andrew Guthrie	53,571	6,429	-	34,058	-	94,058	
Paul Whimp [b]	7,866	944	-	-	-	8,810	0%
Total Non-Executive Directors	**190,009**	**22,801**	**-**	**116,771**	**-**	**329,581**	**0%**
EXECUTIVE DIRECTORS							
Richard Norton	260,719	43,286	14,360	97,310	100,000	515,675	19.4%
Total Executive Directors	**260,719**	**43,286**	**14,360**	**97,310**	**100,000**	**515,675**	**19.4%**
OTHER KEY MANAGEMENT PERSONNEL							
Jocelyn West	198,146	23,778	(8,468)	71,785	-	285,241	0%
Roger McPherson [c]	112,500	-	-	-	-		0%
Matthew Whyte [d]	50,698	5,920	-	-	-	112,500	0%
Total Key Management Personnel	**361,344**	**29,698**	**(8,468)**	**71,785**	**-**	**454,359**	**0%**
Total Director and KMP Compensation	**812,072**	**95,785**	**5,892**	**285,866**	**100,000**	**1,299,615**	**7.7%**

[a] *Director elected to waive their entitlement to be paid directors fees.*
[b] *Appointed 8 May 2026.*
[c] *Appointed 11 August 2025.*
[d] *Resigned 27 August 2025.*
[e] *Reflects annual and long service leave movements during the year.*
[f] *Reflects a performance bonus for the 2026 financial year paid out in July 2026.*

2025

	Cash and salary fees	Super-annuation	Employee entitlements [e]	Share based payments	Other	Total remuneration	Proportion of remuneration that is performance based
	$	$	$	$	$	$	%
NON-EXECUTIVE DIRECTORS							
Michael Barry	75,000	8,625	-	59,840	-	143,465	0%
Scobie Ward[a]	-	-	-	-	-	-	0%
Andrew Guthrie[b]	52,837	6,076		41,888		100,801	0%
Dr Michele Allan AO	53,812	6,188	-	41,888	-	101,888	0%
Total Non-Executive Directors	**181,649**	**20,889**	**-**	**143,615**	**-**	**346,154**	**0%**
EXECUTIVE DIRECTORS							
Richard Norton	257,500	29,613	10,152	119,680	-	416,944	0%
Total Executive Directors	**257,500**	**29,613**	**10,152**	**119,680**	**-**	**416,944**	**0%**
OTHER KEY MANAGEMENT PERSONNEL							
Jocelyn West	195,700	22,506	9,843	93,791	-	321,840	0%
Matthew Whyte[d]	214,319	24,647	11,161	-	-	250,127	0%
Robyn Smith[c]	17,727	2,039	18,737	-	-	38,503	0%
Total Key Management Personnel	**427,746**	**49,192**	**39,741**	**93,791**	**-**	**610,470**	**0%**
Total Director and KMP Compensation	**866,895**	**99,694**	**49,893**	**357,086**	**-**	**1,373,568**	**0%**

[a] *Director elected to waive their entitlement to be paid directors fees.*
[b] *Appointed 8 July 2024.*
[c] *Resigned 7 July 2024.*
[d] *Appointed 8 July 2024. Resigned 27 August 2025.*
[e] *Reflects annual and long service leave movements during the year.*

SHARE-BASED COMPENSATION

On 16 November 2022, Terragen established an Employee Incentive Plan to assist in the motivation, reward and retention of its Directors, executive staff, and other selected employees.

Incentives under the Employee Incentive Plan may be offered to an Eligible Employee which means:

» an employee of a Group Company;
» an executive director, a non-executive director, or a company secretary of a Group Company;
» a contractor or consultant who provides services to a Group Company.

In selecting Eligible Employees to apply for, or otherwise receive incentives, the Board will have regard to:

» the position in the Group held or to be held by the Eligible Employee;
» the Eligible Employee's length of service with the Group;
» the contribution made by the Eligible Employee to the Group;
» the potential contribution to be made by the Eligible Employee to the Group; and
» any other matters which the Board considers relevant.

The following incentives may be issued under the Employee Incentive Plan:

» a performance right;
» an option; and
» a share.

A grant of Incentives under the Employee Incentive Plan is subject to both the rules of the Employee Incentive Plan and the terms of the specific grant.

Options or performance rights granted under the Employee Incentive Plan may only be exercised if, at the time of exercise:

» the options or performance rights have vested;
» the options or performance rights have not been forfeited or lapsed; and
» the exercise price (for option or performance right (as adjusted if applicable)) has been paid.

OPTIONS GRANTED DURING THE FINANCIAL YEAR

During the financial year ended 30 June 2026, the Company granted 7,500,000 unlisted options to an Employee under the Employee Incentive Plan. The options have exercise prices ranging from $0.025 to $0.110 and expire on 26 September 2030. The options were issued as part the employee's remuneration.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are determined using an option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the likelihood of options vesting and the risk-free interest rate for the term of the option.

SHARES PROVIDED ON EXERCISE OF REMUNERATION OPTIONS

No shares were issued to Key Management Personnel or Directors as a result of the exercise of options during the year.

No shares were issued, as a result of the exercise of options, to individuals other than Key Management Personnel or Directors, during the year.

UNLISTED OPTION HOLDINGS

No options over ordinary shares in the Group were issued to Directors or key management persons of the Group during the financial year ended 30 June 2026.

2026						
Name	**Balance at start of year**	**Granted as remuneration**	**Lapsed**	**Held at time of ceasing to be KMP**	**Balance at end of year**	**Vested and exercisable**
Michael Barry	5,000,000	-	-	-	5,000,000	1,500,000
Jocelyn West	7,500,000	-	-	-	7,500,000	2,250,000
Scobie Ward	-	-	-	-	-	0
Richard Norton	10,000,000	-	-	-	10,000,000	3,000,000
Michele Allan	3,500,000	-	-	-	3,500,000	1,050,000
Andrew Guthrie	3,500,000	-	-	-	3,500,000	1,050,000
Matthew Whyte	7,500,000	-	(7,500,000)	-	-	-
Total	**37,000,000**	**-**	**(7,500,000)**	**-**	**29,500,000**	**8,850,000**

SHARE HOLDINGS

The number of shares in the Group held during the financial year by each director of Terragen and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation (2025: nil).

2026	Balance at start of year	Shares held on appointment as KMP	Acquisitions during the year	Options converted	Shares held on ceasing to be KMP	Balance at the end of the year
Dr Michele Allan AO	-	-	-	-	-	-
Scobie Ward	174,804,815	-	102,272,727	-	-	277,077,542
Michael Barry	1,428,572	-	-	-	-	1,428,572
Andrew Guthrie	285,715	-	-	-	-	285,715
Paul Whimp	-	-	-	-	-	-
Richard Norton	571,429	-	-	-	-	571,429
Jocelyn West	516,566	-	-	-	-	516,566
Roger McPherson	-		-	-	-	-
Matthew Whyte	571,429	-	-	-	(571,429)	-
	178,178,526	**-**	**102,272,727**	**-**	**(571,429)**	**279,879,824**

2025	Balance at start of year	Shares held on appointment as KMP	Acquisitions during the year	Options converted	Shares held on ceasing to be KMP	Balance at the end of the year
Michael Barry	–	–	1,428,572	–	–	1,428,572
Scobie Ward	122,930,971	–	51,873,844	–	–	174,804,815
Dr Michele Allan AO	–	–	–	–	–	–
Andrew Guthrie	–	–	285,715	–	–	285,715
Richard Norton	–	–	571,429	–	–	571,429
Jocelyn West	516,566	–	–	–	–	516,566
Robyn Smith	40,000	–	–	–	(40,000)	–
Matthew Whyte	–	–	571,429	–	–	571,429
	123,487,537	**-**	**54,730,989**	**-**	**(40,000)**	**178,178,526**

e. LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans to key management personnel at any time during the financial year.

END OF REMUNERATION REPORT

INSURANCE AND INDEMNIFICATION

To the extent permitted by law, the Group has indemnified (fully insured) each director and the secretary of the Group. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. Premiums paid during the year for Directors & Officers liability insurance were $46,099 (2025: $102,136).

PROCEEDINGS ON BEHALF OF THE GROUP

The Group is not aware that any person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Details of amounts paid or payable to the auditor for audit and non-audit services provided during the year by the auditor are set out in Note 27 to the Financial Statements.

The directors are satisfied that the provision of non-audit services, during the year, by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are of the opinion that the services, as disclosed in Note 27 to the financial statements, do not compromise the external auditor's independence, for the following reasons:

- » all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- » none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Details of the amounts paid or payable to the auditor, Horizon Nexus (Audit) Pty Ltd, for audit services provided during the year are set out in Note 27 to the financial report.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

ROUNDING OFF OF AMOUNTS

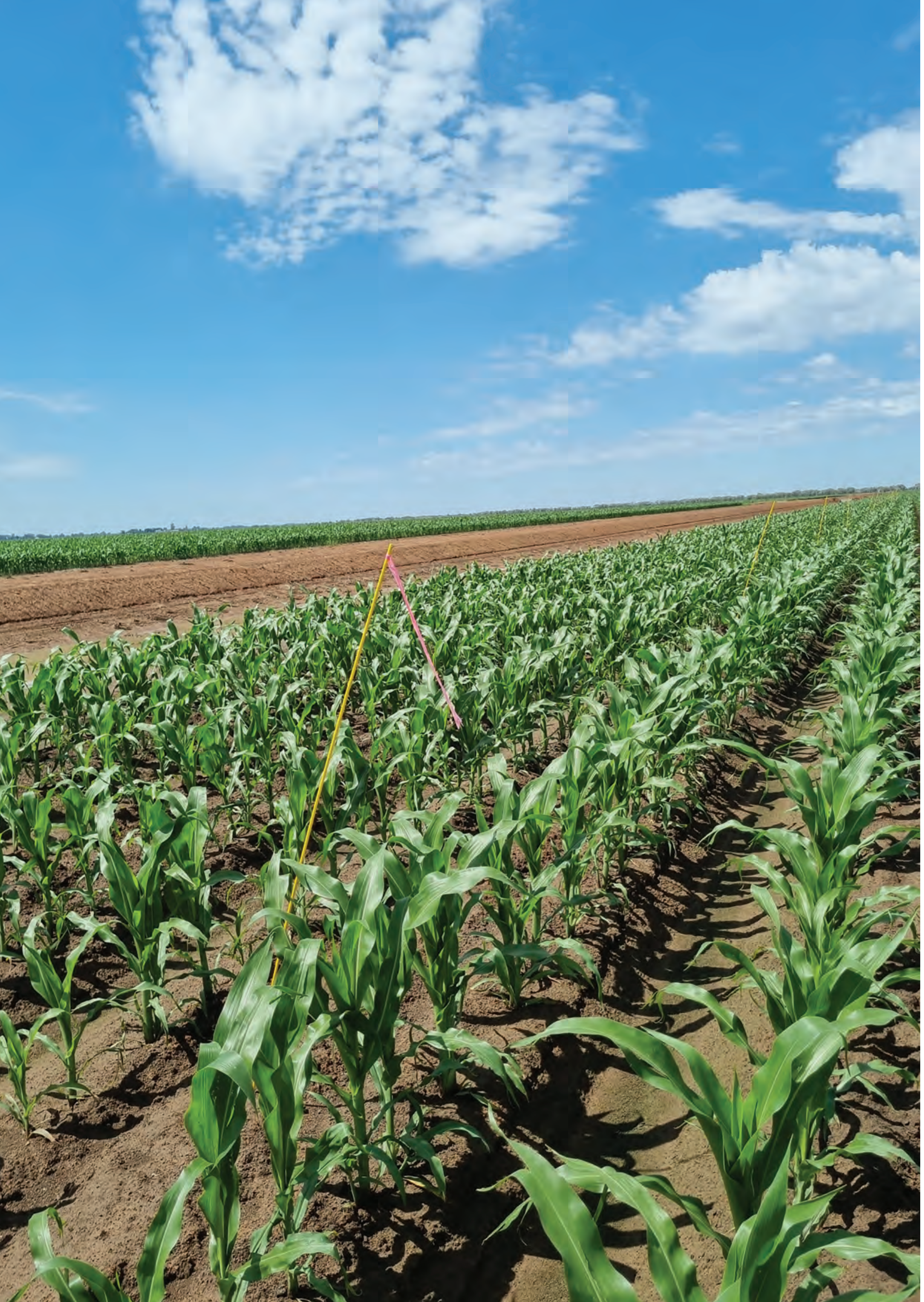
The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest dollar unless otherwise indicated.

This report is made in accordance with a resolution of directors.

On behalf of the Directors

Richard Norton | Managing Director

25 August 2026



AUDITOR'S INDEPENDENCE DECLARATION

Horizon Nexus Partners

Horizon Nexus (Audit) Pty Ltd (ABN 33 692 918 577)
Level 4, 35 Collins Street, Melbourne, Victoria, 3000
PO Box 24155, Melbourne, Victoria 3001
horizonnp.com.au

AUDITOR'S INDEPENDENCE DECLARATION
UNDER 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Horizon Nexus (Audit) Pty Ltd

Horizon Nexus (Audit) Pty Ltd
ABN 33 692 918 577

W. Tarrant

WAYNE TARRANT
Director
Melbourne, 25th August 2026

Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 $	2025 $
Revenue	*3*	1,432,082	1,615,253
Cost of sales		(582,959)	(823,021)
Gross profit		**849,123**	**792,232**
Other income	*4*	799,259	1,088,761
Gross profit and other income		**1,648,382**	**1,880,993**
Expenses			
Sales and marketing expenses		(1,313,496)	(1,727,127)
Research and development expenses	*6*	(1,224,905)	(1,098,766)
Administrative and other expenses		(2,824,242)	(2,746,529)
Finance costs	*6*	(37,106)	(32,401)
Loss before income tax		**(3,751,367)**	**(3,723,830)**
Income tax benefit	*10*	-	-
Loss for the year after income tax benefit		**(3,751,367)**	**(3,723,830)**
Other comprehensive income net of tax Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operations	*19*	(8,514)	894
Total comprehensive deficit for the year		**(3,759,881)**	**(3,722,936)**
Basic and diluted loss per share (cents per share)	*7*	(0.63)	(0.85)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	2026 $	2025 $
Current assets			
Cash and cash equivalents	*20*	7,253,956	4,701,017
Trade and other receivables	*8*	683,928	948,798
Inventories	*9*	972,160	495,865
Other assets	*14*	283,918	280,381
Total current assets		**9,193,962**	**6,426,061**
Non-current assets			
Intangible assets	*11*	763,244	886,705
Right of use assets	*12*	32,887	164,126
Plant and equipment	*13*	602,326	639,799
Other assets	*14*	-	-
Total non-current assets		**1,398,457**	**1,690,630**
TOTAL ASSETS		**10,592,419**	**8,116,691**
Current liabilities			
Trade and other payables	*15*	590,533	548,928
Lease liabilities	*12*	24,377	141,247
Employee provisions	*16*	184,635	235,361
Other financial liabilities	*17*	89,812	276,993
Total current liabilities		**889,357**	**1,202,529**
Non-current liabilities			
Lease liabilities	*12*	-	24,364
Employee provisions	*16*	38,986	27,690
Other financial liabilities	*17*	161,383	292,843
Total non-current liabilities		**200,369**	**344,897**
TOTAL LIABILITIES		**1,089,726**	**1,547,426**
NET ASSETS		**9,502,693**	**6,569,265**
Equity			
Issued capital	*18*	57,877,584	51,302,054
Reserves	*19*	613,263	2,259,295
Accumulated losses		(48,988,154)	(46,992,084)
TOTAL EQUITY		**9,502,693**	**6,569,265**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

2025

		Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2024		**46,903,663**	**1,680,842**	**(43,268,254)**	**5,316,251**
Loss for the year		-	-	(3,723,830)	(3,723,830)
Translation of foreign operations	19	-	894	-	894
Total comprehensive defecit for the year		**-**	**894**	**(3,723,830)**	**(3,722,936)**
Transactions with owners in their capacity as owners:					
Issue of share capital	18	4,757,762	-	-	4,757,762
Capital raising costs	18	(359,371)	-	-	(359,371)
Share based payments expensed	19	-	577,559	-	577,559
Balance as at 30 June 2026		**51,302,054**	**2,259,295**	**(46,992,084)**	**6,569,265**

2026

		Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2025		**51,302,054**	**2,259,295**	**(46,992,084)**	**6,569,265**
Loss for the year		-	-	(3,751,367)	(3,751,367)
Translation of foreign operations		-	(8,514)	-	(8,514)
Total comprehensive defecit for the year		**-**	**(8,514)**	**(3,751,367)**	**(3,759,881)**
Transactions with owners in their capacity as owners:					
Issue of share capital	18	7,000,000	-	-	7,000,000
Transfer of value of expired options		-	-	1,755,297	1,755,297
Capital raising costs	18	(424,470)	-	-	(424,470)
Share based payments expensed /(lapsed)	19	-	(1,637,518)	-	(1,637,518)
Balance as at 30 June 2026		**57,877,584**	**613,263**	**(48,988,154)**	**9,502,693**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

		2026 $	2025 $
Cash flow from operating activities			
Receipts from customers		1,393,797	1,527,086
Payments to suppliers and employees		(5,852,691)	(5,696,573)
Interest received		129,021	179,366
Interest and other costs of finance paid		(37,106)	(15,005)
Research and development tax concessions received		989,242	974,726
Net cash used in operating activities	*20(b)*	**(3,377,737)**	**(3,030,400)**
Cash flow from investing activities			
Payments for plant and equipment		(116,064)	(4,000)
Payments for intangible assets		(38,887)	(678,428)
Payments for other non-current assets		(21,753)	-
Net cash used in investing activities		**(176,704)**	**(682,428)**
Cash flow from financing activities			
Proceeds from issue of shares	18	7,000,000	4,757,762
Cost of issuing equity securities	18	(424,470)	(359,371)
Repayment of other financial liabilities		(318,402)	(299,799)
Repayment of lease liabilities		(141,234)	(228,878)
Net cash provided by financing activities		**6,115,894**	**3,869,714**
Reconciliation of cash			
Cash and cash equivalents at the beginning of the year		4,701,017	4,543,013
Net increase in cash and cash equivalents		2,561,453	156,886
Foreign exchange differences on cash holdings		(8,514)	1,118
Cash at end of financial year	*20(a)*	**7,253,956**	**4,701,017**

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: INTRODUCTION

The financial report covers Terragen Holdings Limited (the "Company" or "Terragen") and the entity it controlled for the year ended 30 June 2026 (collectively "Group"). For the purposes of preparing the consolidated financial statements, the Company is a for profit entity.

The Company is a listed public company limited by shares, incorporated, and domiciled in Australia. The presentation currency and functional currency of the Company is Australian dollars.

The principal activities of the Company during the financial year were research, development, and commercialisation of biological products.

The Registered office and principal place of business address of the Company is Unit 6, 39 Access Crescent, Coolum Beach, QLD, Australia, 4573.

NOTE 2: BASIS OF PREPARATION

GENERAL INFORMATION

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial report also complies with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

HISTORICAL COST CONVENTION

The financial report has been prepared under the historical cost convention unless stated otherwise.

GOING CONCERN

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

The group incurred a loss for the year after income tax benefit of $3,751,367 (2025: $3,723,830) and net operating cash outflows of $3,377,737 (2025: $3,030,400) during the year ended 30 June 2026. The directors have prepared the financial statements on a going concern basis for the following reasons:

- Cash flow forecasts demonstrating sufficient cash through the period to 31 March 2028
- The adaptation of management's sales strategy, including the focus on strengthening relationships with large-scale feedlots to encourage commitment to buy
- Issuing share options to facilitate extension of the Company's cash runway
- Receipts from the Federal Government R&D tax incentive program continue on the basis that the Group continues to qualify for these receipts 2026: $456,116 (2025: $802,667).
- A history of successful capital raisings, including a placement in the finance year ended 30 June 2026, raising $7 million in equity before the deduction of capital raising costs.

NOTE 2: BASIS OF PREPARATION (CONTINUED)

NEW AND REVISED ACCOUNTING STANDARDS EFFECTIVE AT 30 JUNE 2026

During the year, the Group adopted all new and amended Australian Accounting Standards and Interpretations that became mandatory for the current reporting period. The adoption of these standards and amendments did not have a material impact on the Group's financial position, financial performance or disclosures. There were no new accounting standards that resulted in significant changes to the Group's accounting policies during the year.

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025. Set out below are the new and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group:

STATEMENT OF MATERIAL ACCOUNTING POLICIES

The material accounting policies which have been adopted in the preparation of these financial statements are set out below.

a. SUBSIDIARIES

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the group is exposed to, Subsidiaries are all entities over which the Group has control. The Group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

b. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each year.

Control is achieved when the Company:

» Has the power over the investee
» Is exposed, or has rights, to variable returns from its involvement with the investee, and
» Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

c. FINANCIAL INSTRUMENTS

RECOGNITION AND DERECOGNITION

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

CLASSIFICATION OF FINANCIAL ASSETS

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

» The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
» The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

» the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
» the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Financial assets are classified according to their business model and the characteristics of their contractual cash flows. In the preparation of these financial statements, all financial assets are measured at amortised cost.

IMPAIRMENT OF FINANCIAL ASSETS

The Group makes use of a simplified approach for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators, and forward looking information to calculate the expected credit losses.

d. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

KEY SOURCES OF ACCOUNTING JUDGEMENTS

The directors have made the following critical judgements and estimations in the process of applying the Group's accounting policies.

JUDGEMENTS

i. Capitalised development costs – refer to *Note 11 Intangible Assets*
ii. Share based payments refer to *Note 21 Share based payments*

NOTE 2: BASIS OF PREPARATION (CONTINUED)

KEY SOURCES OF ESTIMATION UNCERTAINTY

In the following notes are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided in the following notes:

i. Tax receivables – refer to *Note 10 Income Tax Expense*
ii. Recoverability of deferred tax asset – refer to *Note 10 Income Tax Expense*

There have been no other significant estimates and judgements made in applying accounting policies that the Directors consider would have a significant effect on the amounts recognised in the financial statements. There have been no key assumptions made concerning the future, and there are no other key sources of estimation uncertainty at the reporting date, that the Directors consider would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

e. CHANGE IN PRESENTATION OF RESEARCH AND DEVELOPMENT TAX INCENTIVE

During the year, the Group reassessed the presentation of its R&D tax incentive and determined that the amounts previously recognised within income tax benefit were more appropriately presented as other income, reflecting the nature of the incentive, as the incentive is not considered an income tax expense/(benefit) under AASB 112.

Accordingly, $642,691 (2025: $908,201) of R&D tax incentive have been reclassified from income tax benefit to other income (refer to note 4). The comparative amount has been reclassified to conform with the current year presentation.

f. PLANT AND EQUIPMENT

MATERIAL ACCOUNTING POLICIES

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss during the financial period in which they are incurred.

The depreciable amounts of all fixed assets are depreciated over their estimated useful lives to the company commencing from the time the asset is first held ready for use.

The following depreciation rates are used in the calculation of depreciation:

CLASS OF FIXED ASSET	Depreciation rates	Depreciation basis
Leasehold improvements	10-33%	Straight line
Plant and equipment	10-40%	Straight line
Motor vehicles	12.5%	Straight line
Office equipment	10-30%	Straight line
Research equipment	10-33%	Straight line

NOTE 3: REVENUE CATEGORY CUSTOMERS

Sales by product category at a point in time:	2026 $	2025 $
Animal probiotics	1,123,206	1,349,371
Plant bio-stimulants	308,876	265,882
	1,432,082	**1,615,253**

MATERIAL ACCOUNTING POLICY

SALE OF GOODS

Revenue is recognised at the point in time when control of the goods passes to the customer, which generally occurs upon delivery. This is the point at which the Group satisfies its performance obligations under the sales contract.

Sales are made directly to customers and consideration is received in accordance with the agreed trading terms. Revenue is measured based on the transaction price specified in the contract with the customer, net of any applicable discounts and taxes collected on behalf of third parties.

NOTE 4: OTHER INCOME

	2026 $	2025 $
Government grants and tax incentives	642,691	908,201
Freight recovery	3,069	-
Interest income	153,499	180,560
	799,259	**1,088,761**

INTEREST REVENUE

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

NOTE 5: OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that were reviewed and used by the Group's Chief Executive Officer (the Chief Operating Decision Maker (CODM)) in assessing performance and determining the allocation of resources during the year.

The Group is managed primarily on a geographic basis, that is, the countries in which products are sold. Operating segments are therefore determined on the same basis. The CODM assesses the performance of the operating segments based on revenue and expenditure that is recognised in the statement of profit or loss in these financial statements. The measurement of gross expenditure does not include non cash items such as depreciation expense and share based payments expense.

Geographic locations from which reportable segments derive their revenues:

» Australia
» New Zealand

Both operating segments generated revenue during the year. Revenue is recognised at the point in time that the Group satisfies its performance obligations by transferring the promised goods to its customers. Commissions are granted to agents who are members of the Retail Agency Partner Network (having signed Retail Agency Partner Agreements).

Assets, liabilities, and cash flows are not allocated to segments in the internal reports that are prepared for the CODM.

The following tables present revenue and loss information for the Group's operating segments for year ended 30 June 2026 and 30 June 2025, respectively.

A. SEGMENT PERFORMANCE

30 June 2026	Australia $	New Zealand $	TOTAL $
Total segment revenue	1,404,261	27,821	**1,432,082**
Segment other income	799,259	-	**799,259**
Segment expenditure	(5,549,836)	(4,605)	**(5,554,441)**
Segment depreciation and amortisation	(428,267)	-	**(428,267)**
Segment result	**(3,774,583)**	**23,216**	**(3,751,367)**

The Group's Other income includes $642,691 (2025: 908,201) in relation to the government grant and tax incentives – see Note 4.

MAJOR CUSTOMERS

Included in revenues arising from the Australian segment, are the following customers where greater than 10% of revenues are generated.

» Customer A $200,533
» Customer B $158,036

No other single customer contributed 10 per cent or more to the Group's revenue.

30 June 2025	Australia $	New Zealand $	TOTAL $
Total segment revenue	1,598,617	16,636	**1,615,253**
Segment other income	1,088,761	-	**1,088,761**
Segment expenditure	(6,179,474)	4,484	**(6,174,990)**
Segment depreciation and amortisation	(253,845)	991	**(252,854)**
Segment result	**(3,745,941)**	**22,111**	**(3,723,830)**

B. SEGMENT ASSETS

The following tables present assets, liabilities, and other segment information for the Group's operating segments as at 30 June 2026 and 30 June 2025, respectively.

30 June 2026	Australia $	New Zealand $	TOTAL $
Segment assets	10,527,450	64,968	**10,592,419**

30 June 2025	Australia $	New Zealand $	TOTAL $
Segment assets	8,035,832	80,859	**8,116,691**

C. OTHER SEGMENT INFORMATION

30 June 2026	Australia $	New Zealand $	TOTAL $
Additions to non-current assets	153,228	-	**153,228**

30 June 2025	Australia $	New Zealand $	TOTAL $
Additions to non-current assets	1,126,330	-	**1,126,330**

Additions include right of use assets, plant and equipment and intangible assets.

NOTE 6: EXPENSES DISCLOSURE ITEMS

1. RESEARCH AND DEVELOPMENT EXPENSES	2026 $	2025 $
Direct research	489,066	406,182
Employee benefits	397,801	459,259
Depreciation and amortisation	165,093	93,482
Other expenses	172,945	139,843
Total research and development expenses	**1,224,905**	**1,098,766**

2. DEPRECIATION AND AMORTISATION		2026 $	2025 $
Amortisation of right-of-use assets	*12*	131,239	155,996
Depreciation of plant and equipment	*13*	134,680	71,194
Amortisation of intangible assets	*11*	162,348	25,664
Total depreciation and amortisation		**428,267**	**252,854**

DEPRECIATION AND AMORTISATION BY FUNCTION AS DISCLOSED IN PROFIT & LOSS

Cost of sales	104,053	84,596
Sales and marketing expenses	44,103	37,239
Research and development expenses	165,093	93,482
Administration and other expenses	115,018	37,537
Total depreciation and amortisation	**428,267**	**252,854**

3. EMPLOYEE BENEFITS	2026 $	2025 $
Salaries and wages	2,212,751	2,436,489
Post-employment benefits	252,301	292,641
Termination benefits	41,407	184,150
Employee on-costs	218,052	142,956
Total employee benefits	**2,724,511**	**3,056,236**

EMPLOYEE BENEFITS BY FUNCTION AS DISCLOSED IN THE PROFIT & LOSS

Cost of sales	123,297	490,740
Sales and marketing expenses	660,795	624,397
Research and development expenses	397,801	415,490
Administration and other expenses	1,542,618	1,525,609
Total employee benefits	**2,724,511**	**3,056,236**

4. FINANCE COSTS	2026 $	2025 $
Interest on lease liabilities	13,994	14,254
Other finance costs	23,112	18,147
Total finance costs	**37,106**	**32,401**

NOTE 7: LOSS PER SHARE

Both the basic and diluted loss per share have been calculated using the loss for the year. The reconciliation of the weighted average number of shares for the purpose of diluted loss per share to the weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

	2026 $	2025 $
Loss attributable to the owners of the Group	(3,751,367)	(3,723,830)

	Number of shares	Number of shares
Weighted average number of shares used in basic loss per share	600,090,220	438,444,003
Weighted average number of shares used in diluted loss per share (i)	600,090,220	438,444,003

i. There were no potential ordinary shares that are considered dilutive as they did not meet the requirements for inclusion as per *AASB 133 Earnings per share* since the Group generated losses for the year ended 30 June 2026 and the prior year.

MATERIAL ACCOUNTING POLICY

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTE 8: TRADE AND OTHER RECEIVABLES

CURRENT	2026 $	2025 $
Trade receivables	203,334	108,877
Tax incentives	456,116	802,667
Interest Receivable	24,478	44,382
Allowance for credit losses	-	(7,128)
	683,928	**948,798**

RISK PROFILE OF RECEIVABLES FROM CUSTOMERS

The average credit period on sales of goods is 41 days (2025: 42 days). No interest is charged on outstanding trade receivables. The Group measures the loss allowance for trade receivables using the lifetime expected credit loss ("ECL") simplified approach. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The ageing of the Group's trade receivables at 30 June 2026 and 30 June 2025 was:

12-MONTH EXPECTED CREDIT LOSSES: DAYS PAST DUE

2026	NOT PAST DUE $	1-30 $	31-150 $	151-180 $	>180 $	TOTAL $
Estimated total gross carrying amount at default	201,178	-	2,116	-	-	**203,294**

2025	NOT PAST DUE $	1-30 $	31-150 $	151-180 $	>180 $	TOTAL $
Estimated total gross carrying amount at default	70,751	36,011	2,115	-	-	**108,877**

NOTE 9: INVENTORIES

CURRENT AT COST	2026 $	2025 $
Raw materials	738,636	366,504
Finished goods	233,524	129,361
	972,160	**495,865**

OTHER INFORMATION

The increase in raw materials on hand reflects increased procurement of microbial strains to support production of the newly launched dry probiotic line Terragen Probiotic for Ruminants™.

MATERIAL ACCOUNTING POLICY

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

NOTE 10: INCOME TAX

		2026 $	2025 $
A.	**COMPONENTS OF TAX BENEFIT**		
Income Tax Benefit (reclassified to Other income – Note 4)		-	-
		-	**-**
B.	**INCOME TAX RECONCILIATION**		
Numerical reconciliation of income tax expense and tax at the statutory rate			
Loss before income tax expense		(3,751,367)	(3,723,830)
Tax at the statutory rate of 25% (2025:25%)		(937,842)	(930,958)
Tax effect amounts which are not deductible/(assessable)in calculating income:			
»	Non-assessable income	(167,404)	(227,050)
»	Non-deductible expenditure	337,560	620,746
»	Non-recognition of tax losses and temporary differences	767,686	537,262
Income tax expense		-	-
C.	**DEFERRED TAX ASSETS NOT RECOGNISED**		
Tax losses – revenue		7,687,039	6,866,950
Tax losses - capital		44,847	44,547
Deductible temporary differences		316,275	239,054
Total deferred tax assets not recognised		8,048,161	7,150,551
D.	**CURRENT TAX ASSET**		
Opening balance		802,667	869,192
R&D Tax concession received		(989,242)	(974,726)
Under provision of prior year R&D benefit		186,575	105,534
Closing balance		**-**	**-**

In the prior financial year, the R&D tax incentive was treated as an income tax benefit and a current tax asset. For the current financial year, this item is reflected in Other income (Note 4) and Other receivable (Note 8).

MATERIAL ACCOUNTING POLICIES

CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management estimates the Research and Development tax refund based on application of the rules and requirements of the legislation. The Group recognises the benefit in the determination of income tax expense/benefit.

TAX CONSOLIDATION

The Company and its wholly owned Australian resident entity are members of a tax consolidated group under Australian tax law. Terragen is the head entity within the tax consolidated group. In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax consolidated group.

NOTE 10: INCOME TAX (CONTINUED)

Amounts payable or receivable under the tax funding arrangement between the Company and the entities in the tax consolidated group are determined using a 'separate taxpayer within group' approach to determine the tax contribution amounts payable or receivable by each member of the tax consolidated group. This approach results in the tax effect of transactions being recognised in the legal entity where that transaction occurred and does not tax effect transactions that have no tax consequences to the group. The same basis is used for tax allocation within the tax consolidated group.

KEY SOURCES OF ESTIMATION UNCERTAINTY

TAX RECEIVABLES

Management has estimated the amount receivable that can be claimed in respect of Research and Development tax offsets based on application of the rules and requirements of the relevant tax legislation. There may be differences between the initial estimate and actual amounts received which will be accounted for in subsequent periods.

RECOVERABILITY OF DEFERRED TAX ASSET

Deferred tax assets have not been recognised as Management and the Directors do not believe that the members of the Group satisfy the recognition criteria set out in paragraph 35 of AASB 112 i.e., "that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity".

NOTE 11: INTANGIBLE ASSETS

	2026 $	2025 $
Patents & trademarks	453,760	414,873
Accumulated amortisation and impairment	(174,569)	(133,234)
	279,191	**281,639**
Capitalised development costs	605,066	605,066
Accumulated amortisation and impairment	(121,013)	-
	484,053	**605,066**
Total intangible assets	**763,244**	**886,705**

A. RECONCILIATIONS

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

	2026 $	2025 $
PATENTS AND TRADEMARKS		
Opening balance	281,639	233,941
Additions	38,887	73,362
Amortisation for the year	(41,335)	(25,664)
Closing balance	**279,191**	**281,639**
CAPITALISED DEVELOPMENT COSTS		
Opening balance	605,066	-
Additions	-	605,066
Amortisation for the year	(121,013)	-
Closing balance	**484,053**	**605,066**

NOTE 11: INTANGIBLE ASSETS (CONTINUED)

INTERNALLY GENERATED INTANGIBLE ASSETS RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following has been demonstrated:

- » the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- » the intention to complete the intangible asset and use or sell it;
- » the ability to use or sell the intangible asset;
- » how the intangible asset will generate probable future economic benefits;
- » the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- » the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. After initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

PATENTS AND TRADEMARKS

Patents and trademarks are amortised over their estimated useful lives, which is on average 20 years.

CRITICAL ACCOUNTING JUDGEMENTS

With regard to research and development costs incurred during the previous financial year, Management has determined that the Group has met the criteria for capitalisation of certain development projects, as outlined in the material accounting policy. This includes targeted initiatives such as the development of the new TPR dry format product and applied research trials to expand Great Land Plus® into maize and canola. These projects are expected to enhance product efficacy, broaden market opportunities, and strengthen Terragen's position in delivering sustainable, commercially viable agricultural solutions.

A key judgment involves determining whether development projects are expected to generate probable future economic benefits. In making this assessment, management considers market research, customer feedback, strength of the Groups intellectual property protection and assessments regarding the anticipated demand for the products once commercialised. Given the inherent uncertainty in predicting market conditions and technological change, the decision to capitalise development costs involves significant judgment. If actual future benefits differ from those anticipated, the carrying amount of capitalised development costs may not be recoverable and could result in future impairment losses.

NOTE 12: RIGHT OF USE ASSETS AND LEASE LIABILITIES

A. RIGHT OF USE ASSETS	2026 $	2025 $
Buildings under lease	805,892	805,892
Accumulated amortisation	(773,005)	(641,766)
	32,887	**164,126**
Motor vehicles under lease	-	-
Accumulated amortisation	-	-
	-	**-**
Total carrying amount of right of use assets	**32,887**	**164,126**

RECONCILIATIONS

Reconciliation of the carry amount of right of use assets at the beginning and end of the financial year:

LAND AND BUILDINGS

Opening carrying amount	164,126	295,986
Additions	-	-
Amortisation for the year	(131,239)	(131,860)
Closing carrying amount	**32,887**	**164,126**

MOTOR VEHICLES

Opening carrying amount	-	95,860
Additions	-	-
Amortisation for the year	-	(24,136)
Transfer to property, plant & equipment	-	(71,724)
Closing carrying amount	**-**	**-**

MATERIAL ACCOUNTING POLICY

GROUP AS LESSEE

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant, and equipment with the exception that they factor in lease renewals where relevant. In addition, the right of use assets are periodically reduced by impairment losses in accordance with AASB 136 *Impairment of Assets*, if any, and adjusted for certain remeasurements of the lease liability.

LEASE LIABILITIES

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate as the discount rate. The discount rate is generally calculated using incremental borrowing rates for the specific lease terms and currencies. Lease liabilities are disclosed in the Consolidated Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- » fixed payments, including in substance fixed payments less any lease incentives receivables;
- » variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement rate;
- » amounts expected to be payable under a residual value guarantee;
- » the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- » payment of penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It will be remeasured when there is a change in index rate for future lease payments, a change in the Group's estimated amount payable under a residual value guarantee or changes in the Group's assessment of probabilities of exercising a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to nil. The Group did not make any such adjustment during the period presented.

B. LEASE LIABILITIES	2026 $	2025 $
CURRENT		
Right of use liabilities	24,377	141,247
NON CURRENT		
Right of use liabilities	-	24,364
Total carrying amount of lease liabilities	**24,377**	**165,611**

MATURITY ANALYSIS ON LEASE LIABILITIES

< 1 year	24,506	146,851
1-2 years	-	24,595
> 2 years	-	-
Less: Unearned interest	(129)	(5,835)
Total lease liabilities	**24,377**	**165,611**

NOTE 13: PLANT AND EQUIPMENT

	2026 $	2025 $
Leasehold improvements at cost	517,466	527,125
Accumulated depreciation	(506,133)	(505,001)
	11,333	**22,124**
Plant and equipment at cost	426,260	549,858
Accumulated depreciation	(246,977)	(383,759)
	179,283	**166,099**
Motor vehicles at cost	413,364	412,725
Accumulated depreciation	(59,799)	(28,199)
	353,565	**384,526**
Office equipment at cost	28,727	99,574
Accumulated depreciation	(21,173)	(99,480)
	7,554	**94**
Research equipment at cost	967,169	1,017,727
Accumulated depreciation	(916,578)	(950,771)
	50,591	**66,956**
Total property, plant and equipment	**602,326**	**639,799**

A. IMPAIRMENT

Management assesses at each reporting date whether there are indicators of impairment for non current assets in accordance with AASB 136 Impairment of Assets. Judgments are applied in evaluating both external and internal factors, including changes in market conditions, market capitalisation, technological developments, or movements in interest rates that may impact the recoverability of assets. Internal indicators include evidence of physical damage, obsolescence, or underperformance of an asset.

As required by accounting standards, the Group undertook a formal impairment review for impairment indicators for the year ended 30 June 2026. Based on the impairment review performed, there are no indications that non current assets are impaired at reporting date.

B. RECONCILIATIONS

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

	2026 $	2025 $
LEASEHOLD IMPROVEMENTS		
Opening carrying amount	22,124	24,046
Disposals	(9,659)	–
Depreciation expense	(1,132)	(1,922)
Closing carrying amount	**11,333**	**22,124**
PLANT AND EQUIPMENT		
Opening carrying amount	166,099	155,564
Additions	72,913	33,950
Disposals	(1,730)	–
Depreciation expense	(57,999)	(23,415)
Closing carrying amount	**179,283**	**166,099**
MOTOR VEHICLES		
Opening carrying amount	384,526	–
Additions	72,364	412,725
Disposals	(42,182)	–
Depreciation expense	(61,143)	(28,199)
Closing carrying amount	**353,565**	**384,526**
OFFICE EQUIPMENT		
Opening carrying amount	94	214
Additions	7,951	1,227
Disposals	–	–
Depreciation expense	(491)	(1,347)
Closing carrying amount	**7,554**	**94**
RESEARCH EQUIPMENT		
Opening carrying amount	66,956	83,267
Additions	–	–
Disposals	(2,450)	–
Depreciation expense	(13,915)	(16,311)
Closing carrying amount	**50,591**	**66,956**

C. DEPRECIATION RATES

Depreciation rates for each class of fixed assets is set out in Note 2 (f).

NOTE 14: OTHER ASSETS

	2026 $	2025 $
CURRENT		
Prepayments	149,532	167,748
Deposits and guarantees	134,386	112,633
	283,918	**280,381**
NON CURRENT		
Other non-current assets	**-**	**-**

Deposits and guarantees relate principally to Term Deposits held as security against credit card facilities.

NOTE 15: TRADE AND OTHER PAYABLES

	2026 $	2025 $
CURRENT		
Unsecured liabilities at amortised cost		
Trade creditors	358,302	204,958
Other payables	-	89,402
Accrued expenses	232,231	254,568
	590,533	**548,928**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 31 days (2025: 32 days) from invoice date. The carrying values of the trade and other payables are considered to be a reasonable approximation of fair value.

NOTE 16: PROVISIONS

	2026 $	2025 $
CURRENT		
Employee provisions	**184,635**	**235,361**
NON CURRENT		
Employee provisions	**38,986**	**27,690**

NOTE 17: OTHER FINANCIAL LIABILITIES

	2026 $	2025 $
CURRENT		
Insurance Premium Funding	-	176,121
Chattel mortgages	89,812	100,872
	89,812	**276,993**
NON CURRENT		
Chattel mortgages	161,383	292,843
	161,383	**292,843**

NOTE 18: SHARE CAPITAL

ISSUED AND PAID-UP CAPITAL	2026 $	2025 $
Contributed equity - share capital issued	**57,877,584**	**51,302,054**

A. ORDINARY SHARES - ISSUED AND FULLY PAID

	2026		2025	
	Number	$	Number	$
Opening balance	505,017,174	51,302,054	369,081,126	46,903,663
Shares issued:	318,181,819	7,000,000	135,936,048	4,757,762
Transaction costs relating toshares issued, net of tax	-	(424,470)	-	(359,371)
	318,181,819	**6,575,530**	**135,936,048**	**4,398,391**
At reporting date	**823,198,993**	**57,877,584**	**505,017,174**	**51,302,054**

RIGHTS OF EACH TYPE OF SHARE

At shareholder meetings, each ordinary share has the right to attend and vote, one vote for every share held. Each ordinary share has the right to participate in the dividends (if any) declared on that class of share.

ISSUED CAPITAL

Shares issued as remuneration are issued at the market value of the shares with reference to recent capital raisings.

During the year the Group completed a Placement as announced on 6 February 2026. The following ordinary shares were issued:

The following ordinary shares were issued:

» On 16 February 2026, 126,254,293 fully paid ordinary shares were issued at $0.022 per share, raising $2,777,594 before capital raising costs.

» On 30 March 2026, 191,927,526 fully paid ordinary shares were issued at $0.022 per share, raising $4,222,406 before capital raising costs.

No shares were issued on the exercise of options (2025: nil).

SHARE OPTIONS

Options over ordinary shares:

EMPLOYEE SHARE SCHEME

The group continued to offer employee participation in short term and long term incentive schemes as part of the remuneration packages for the employees of the companies.

Details of the method to value including pricing model utilised and key assumptions are listed in Note 21 (a).

CAPITAL MANAGEMENT

When managing capital, management's objective is to ensure the group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

NOTE 19: RESERVES

		2026 $	2025 $
Foreign currency translation reserve	19(a)	(5,828)	2,686
Share based payments reserve	19(b)	619,091	2,256,609
		613,263	**2,259,295**

A. FOREIGN CURRENCY TRANSLATION RESERVE

MOVEMENTS IN RESERVE

Opening balance	2,686	1,792
Exchange differences on translation of foreign operations	(8,514)	894
Closing balance	**(5,828)**	**2,686**

B. SHARE BASED PAYMENTS RESERVE

MOVEMENTS IN RESERVE

Opening balance	2,256,609	1,679,050
Share based payments expensed	(1,637,518)	577,559
Closing balance	**619,091**	**2,256,609**

Refer to Note 21 *Share Based Payments* for a list of options granted during the period and outstanding at year end.

NOTE 20: CASH AND CASH EQUIVALENTS

A. RECONCILIATION OF CASH

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2026 $	2025 $
Cash and bank balances	7,253,956	4,701,017

At 30 June 2026, the Group holds term deposits of $107,533 (2025: $103,234) with financial institutions that roll over beyond 90 days of year end, which are restricted for the use of bank guarantees. These have been classified within other assets on the Statement of Financial Position at 30 June 2026.

B. RECONCILIATION OF CASH FLOW USED IN OPERATIONS WITH LOSS AFTER INCOME TAX

	2026 $	2025 $
Loss from ordinary activities after income tax	(3,751,367)	(3,723,830)
ADJUSTMENTS AND NON-CASH ITEMS		
Depreciation and amortisation	428,267	252,854
Share based payments	117,781	577,559
Loss on sale of depreciable assets	18,924	-

CHANGES IN OPERATING ASSETS AND LIABILITIES	2026 $	2025 $
Decrease in other non-current assets	-	1,600
Decrease in trade and other receivables	264,870	110,327
Increase in inventories	(476,295)	(307,856)
Decrease / (increase) in other current assets	18,215	(13,872)
Increase in trade and other payables	41,298	84,373
(Decrease) / increase in provisions	(39,430)	(11,555)
Net cash used from operating activities	**(3,377,737)**	**(3,030,400)**

NOTE 21: SHARE BASED PAYMENTS

A. EQUITY-SETTLED SHARE-BASED PAYMENTS

I. EMPLOYEE OPTION PLAN

The Group has an employee incentive plan (EIP) for directors, executives, employees, contractors and consultants of the Group and its subsidiaries (Eligible Participants). As approved by the Board, and in accordance with the terms of the EIP, Eligible Participants may be granted options or performance rights to purchase ordinary shares (Awards). Each Award converts into one ordinary share of the Group on exercise. No amounts are paid or payable by the recipient on receipt of the Award. The Awards carry neither rights to dividends nor voting rights. Awards may be exercised at any time from the date of vesting to the date of their expiry.

Details of the options granted are provided below:

2026

Grant date	Expiry date	Exercise price	Balance at beginning of the year	Granted during the year	Exercised /(lapsed) during the year	Balance at the end of the year	Exercisable at end of the year
4/12/2020	4/12/2025	$ 0.25	1,000,000	-	(1,000,000)	-	-
4/12/2020	4/12/2025	$ 0.50	2,000,000	-	(2,000,000)	-	-
4/12/2020	4/12/2025	$ 1.00	5,000,000	-	(5,000,000)	-	-
4/10/2024	29/11/2029	$ 0.025	5,000,000	-	(2,100,000)	2,900,000	2,900,000
7/11/2024	29/11/2029	$ 0.025	4,400,000	-	-	4,400,000	4,400,000
4/10/2024	29/11/2029	$ 0.04	5,000,000	-	(2,100,000)	2,900,000	1,450,000
7/11/2024	29/11/2029	$ 0.04	4,400,000	-	-	4,400,000	-
7/11/2024	29/11/2029	$ 0.06	9,400,000	-	(2,100,000)	7,300,000	-
7/11/2024	29/11/2029	$ 0.085	9,400,000	-	(2,100,000)	7,300,000	-
7/11/2024	29/11/2029	$ 0.11	9,400,000	-	(2,100,000)	7,300,000	-
26/9/2025	26/9/2030	$ 0.025	-	1,500,000	-	1,500,000	750,000
26/9/2025	26/9/2030	$ 0.04	-	1,500,000	-	1,500,000	-
26/9/2025	26/9/2030	$ 0.06	-	1,500,000	-	1,500,000	-
26/9/2025	26/9/2030	$ 0.085	-	1,500,000	-	1,500,000	-
26/9/2025	26/9/2030	$ 0.11	-	1,500,000	-	1,500,000	-
			55,000,000	**7,500,000**	**(18,500,000)**	**44,000,000**	**9,500,000**

NOTE 21: SHARE BASED PAYMENTS (CONTINUED)

Fair value was determined using the Black Scholes pricing model. The following inputs were utilised for the options granted in the current financial year:

- Share price at grant date: $0.022 per share.
- Expected price volatility: 98.064% per annum, based on the historical volatility of the Company's shares over a period consistent with the expected option life.
- Expected dividend yield: 0% per annum, as no dividends are anticipated during the option period.
- Risk free interest rate: 3.773% per annum, derived from Australian Government bond yields with similar maturity terms.
- Assessment of the likelihood of options vesting.
- No modifications, cancellations, or settlements of share based payment arrangements occurred during the reporting period.

2025

Grant date	Expiry date	Exercise price	Balance at beginning of the year	Granted during the year	Exercised / (lapsed) during the year	Balance at the end of the year	Exercisable at end of the year
4/12/2020	4/12/2025	$ 0.25	1,000,000	-	-	1,000,000	1,000,000
4/12/2020	4/12/2025	$ 0.50	2,000,000	-	-	2,000,000	2,000,000
4/12/2020	4/12/2025	$ 1.00	5,000,000	-	-	5,000,000	5,000,000
4/10/2024	29/11/2029	$ 0.025	-	6,500,000	(1,500,000)	5,000,000	2,500,000
7/11/2024	29/11/2029	$ 0.025	-	4,400,000	-	4,400,000	2,200,000
4/10/2024	29/11/2029	$ 0.04	-	6,500,000	(1,500,000)	5,000,000	-
7/11/2024	29/11/2029	$ 0.04	-	4,400,000	-	4,400,000	-
7/11/2024	29/11/2029	$ 0.06	-	10,900,000	(1,500,000)	9,400,000	-
7/11/2024	29/11/2029	$ 0.085	-	10,900,000	(1,500,000)	9,400,000	-
7/11/2024	29/11/2029	$ 0.11	-	10,900,000	(1,500,000)	9,400,000	-
			8,000,000	**54,500,000**	**(7,500,000)**	**55,000,000**	**12,700,000**

Fair value was determined using the Black Scholes pricing model. The following inputs were utilised for options granted in the prior financial year:

- Share price at grant date: Between $0.040 and $0.041 per share.
- Expected price volatility: 114.4% per annum, based on the historical volatility of the Company's shares over a period consistent with the expected option life.
- Expected dividend yield: 0% per annum, as no dividends are anticipated during the option period.
- Risk free interest rate: Ranged between 3.613% and 4.128% per annum, derived from Australian Government bond yields with similar maturity terms.
- Assessment of the likelihood of options vesting.
- No modifications, cancellations, or settlements of share based payment arrangements occurred during the reporting period.

NOTE 22: RELATED PARTY TRANSACTIONS

A. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF THE ENTITY OR ITS PARENT AND THEIR PERSONALLY RELATED ENTITIES

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Related parties within the Group encompass key management including the Executive Management team and Non Executive Directors. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The aggregate compensation paid to key management personnel of the Group is set out below:

	2026 $	2025 $
Salary and Fees	912,072	916,788
Superannuation	94,135	99,694
Share-based payments	285,866	357,086
	1,292,073	**1,373,568**

During the year, Terragen paid $196,121 to Food Agility CRC. Food Agility Consultancy (FAC) is a wholly owned subsidiary of Food Agility CRC. Michele Allan was a Director of Food Agility CRC until 18 February 2025. Richard Norton was Managing Director of FAC until 30 June 2026.

Terragen has procedures in place to manage actual and perceived conflicts of interest that include abstaining from decisions where conflicts exist. These procedures were followed in relation to the above.

NOTE 23: CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2026 (2025: nil).

NOTE 24: EVENTS SUBSEQUENT TO REPORTING DATE

On the 7 July 2026, Daniel Pearce was appointed as Chief Financial Officer and Joint Company Secretary, replacing Roger McPherson who continues as Joint Company Secretary.

There have been no other matters or circumstances, which have arisen since 30 June 2026 that has significantly affected or may significantly affect:

a. the operations, in financial years subsequent to 30 June 2026, of the group, or
b. the results of those operations, or
c. the state of affairs, in financial years subsequent to 30 June 2026, of the group.

NOTE 25: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

At 30 June 2026, a number of accounting standards and amendments had been issued but were not yet mandatory for the Group. Management has not early adopted these standards. The most significant forthcoming change is AASB 18 Presentation and Disclosure in Financial Statements, which will modify the presentation of the statement of profit or loss and introduce additional disclosure requirements relating to management-defined performance measures and the aggregation/disaggregation of information. Management is currently assessing the potential impact on the Group's financial statements and related reporting processes. Based on the assessment performed to date, no other issued but not yet effective standards are expected to have a material impact on the Group's financial position or results of operations.

NOTE 26: FINANCIAL RISK MANAGEMENT

The group is exposed to the following financial risks in respect to the financial instruments that it held at the end of the reporting period:

a. Market risk
b. Foreign exchange risk
c. Interest rate risk
d. Credit risk
e. Liquidity risk

The Board of Directors have overall responsibility for identifying and managing operational and financial risks.

A. MARKET RISK

Market risk is the risk that the fair value or future cash flows will fluctuate because of changes in market prices. Market risk includes foreign currency risk and interest rate risk.

B. FOREIGN EXCHANGE RISK

The Group operates a branch in New Zealand and is exposed to foreign exchange risk arising from currency exposure. The Group's policy is to convert its local currency to the foreign currency at the time of the transaction. Foreign exchange risk arises from future commercial transactions and recognised financial liabilities denominated in a currency that is not the Group's functional currency (which is the Australian dollar).

The Group manages foreign exchange risk on an as needs basis. The risk is measured using sensitivity analysis and cash flow forecasting. The Group's exposure to foreign currency risk, expressed in Australian dollars at the reporting date, was as follows:

	2026 $	2025 $
Cash and cash equivalents	64,968	78,258
Trade and other receivables	-	5,124
Trade and other payables	(72,270)	(36,296)
Net exposure	**(7,302)**	**47,086**

SENSITIVITY

The following table details the group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents an assessment of the reasonably possible change in foreign exchange rates.

AUSTRALIAN DOLLARS + / - 10% MOVEMENT IN AUD AGAINST NZD	2026 $	2025 $
Equity - 10% increase	730	(4,709)
Equity - 10% decrease	(730)	4,709

C. INTEREST RATE RISK

The Group's exposure to interest rate risk arises predominantly from cash and cash equivalents bearing variable interest rates, as the Group intends to hold any fixed rate financial assets to maturity. At the end of the reporting period the Group maintained the following variable rate accounts:

2026 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS	Interest bearing	Non-interest bearing	Total carrying amount	Weighted average effective interest rate
Cash and cash equivalents	**7,253,956**	**-**	**7,253,956**	**4.35%**

2025 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS	Interest bearing	Non-interest bearing	Total carrying amount	Weighted average effective interest rate
Cash and cash equivalents	**4,701,017**	**-**	**4,701,017**	**1.6%**

No other financial assets or financial liabilities are expected to be exposed to interest rate risk.

SENSITIVITY

If interest rates were to increase/decrease by 100 basis points from the rates prevailing at the reporting date, assuming all other variables remain constant, then the impact of profit for the year and equity would be as follows:

+ / - 100 BASIS POINTS	2026 $	2025 $
Impact on profit after tax and equity + 1%	72,540	47,010
Impact on profit after tax and equity - 1%	(72,540)	(47,010)

D. CREDIT RISK

In order to minimise credit risk, the Group has adopted a policy of including dealing with creditworthy counterparties. For all new customers, credit checks are performed, including using publicly available financial information and the Group's own trading records to rate its major customers.

Credit approvals and other monitoring procedures are in place to ensure that follow up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Of the trade receivables balance at the end of the year, $0 (2025: $10,384) is due from Company A and $27,236 (2025: $11,792) is due from Company B. The Group's two largest customers disclosed in note 5.

Apart from this, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk related to Companies A and B did not exceed 35 per cent of trade and other receivables assets at any time during the year.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

NOTE 26: FINANCIAL RISK MANAGEMENT (CONTINUED)

OVERVIEW OF THE GROUP'S EXPOSURE TO CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 30 June 2026, the Group's maximum exposure to credit risk which will cause a financial loss to the Group, due to failure to discharge an obligation by the counterparties, arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

I. CASH DEPOSITS

Credit risk for cash deposits is managed by holding all cash deposits with major Australian banks.

II. RECEIVABLES FROM CONTRACTS WITH CUSTOMERS

Credit risk for receivables from contracts with customers is managed by transacting with a large number of customers, undertaking credit checks for all new customers and setting credit limits for all customers commensurate with their assessed credit risk. Outstanding receivables are regularly monitored for payment in accordance with credit terms.

The following table outlines the group's exposure to credit risk, by credit risk rating grade, arising from the group's financial assets.

	Basis of recognising allowance for credit losses	Gross carrying amount		Allowance for credit losses		Net carrying amount	
Low risk (performing)		2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Trade and other receivables	Lifetime ECL (simplified)	227,812	153,260	-	(7,128)	227,812	146,132
		227,812	**153,260**	**-**	**(7,128)**	**227,812**	**146,132**

For trade receivables, the Group has applied the simplified approach in AASB 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 8 includes further details on the loss allowance for these assets respectively.

E. LIQUIDITY RISK

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

LIQUIDITY AND INTEREST RISK TABLES

The following table details the Group's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Year ended 30 June 2026	< 6 months $	6-12 months $	1-5 years $	Total contractual cash flows $	Carrying amount* $
Payables	590,533	-	-	590,533	590,533
Lease liabilities	24,506	-	-	24,506	24,506
Other financial liabilities	51,981	51,981	170,921	274,883	251,228
Net maturities	**667,020**	**51,981**	**170,921**	**889,922**	**866,267**

Year ended 30 June 2025	< 6 months $	6-12 months $	1-5 years $	Total contractual cash flows $	Carrying amount $
Payables	548,928	-	-	548,928	548,928
Lease liabilities	73,068	73,784	24,595	171,447	165,611
Other financial liabilities	194,962	106,708	318,059	619,729	569,836
Net maturities	**816,958**	**180,492**	**342,654**	**1,340,104**	**1,284,375**

* Other financial liabilities relate to chattel mortgage arrangements entered into to finance the Company's motor vehicles. The difference between total contractual cash flows and carrying amount of other financial liabilities is unexpired interest that will be recognised over the remaining terms of the chattel mortgage agreements.

NOTE 27: REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity and its related practices:

HORIZON NEXUS (AUDIT) PTY LTD (2025: SW AUDIT) AND RELATED NETWORK FIRMS	2026 $	2025 $
Audit and assurance services		
Audit or review of the financial report	68,000	103,800
Fee relating to prior period audit of financial report	-	-
Other non-audit services		
Advice on taxation and other matters and review and lodgement of corporate tax returns		15,900
	68,000	**119,700**

NOTE 28: COMMITMENTS

There were no capital expenditure commitments at 30 June 2026 (2025: nil).

NOTE 29: CONTINGENT ASSETS

There are no contingent assets as at 30 June 2026 (2025: nil).

NOTE 30: INTERESTS IN SUBSIDIARIES

A. SUBSIDIARIES

The following are the group's significant subsidiaries:

Subsidiaries of Terragen Group:		2026 %	2025 %
Terragen Biotech Pty Limited (i)	Australia	100	100

i. Terragen Biotech Pty Ltd operates in Australia and also operates through a branch in New Zealand.

NOTE 31: PARENT ENTITY DETAILS

Summarised presentation of the parent entity, Terragen Holdings Limited, financial statements:

A. SUMMARISED STATEMENT OF FINANCIAL POSITION

	2026 $	2025 $
ASSETS		
Current assets	7,311,625	4,615,542
Non-current assets	386,724	384,974
Total assets	**7,698,349**	**5,000,516**
LIABILITIES		
Current liabilities	501,997	448,262
Non-current liabilities	8,628	-
Total Liabilities	**510,625**	**448,262**
Net assets	**7,187,724**	**4,552,254**
EQUITY		
Share capital	57,878,516	51,302,054
Retained earnings	(51,309,884)	(49,006,409)
RESERVES		
Share based payments reserve	619,092	2,256,609
Total equity	**7,187,724**	**4,552,254**

B. SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

	2026 $	2025 $
Loss for the year	(4,058,773)	(4,831,424)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(4,058,773)**	**(4,831,424)**

C. PARENT ENTITY CONTINGENT LIABILITIES

The Parent Entity has no capital commitments at 30 June 2026 (2025: nil)
The Parent Entity has no contingent liabilities at 30 June 2026 (2025: nil)

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2.

Entity Name	Entity type	Country of incorporation	Ownership interest	Tax residency
Terragen Biotech Pty Ltd	Body Corporate	Australia	100%	Australia

DIRECTORS' DECLARATION

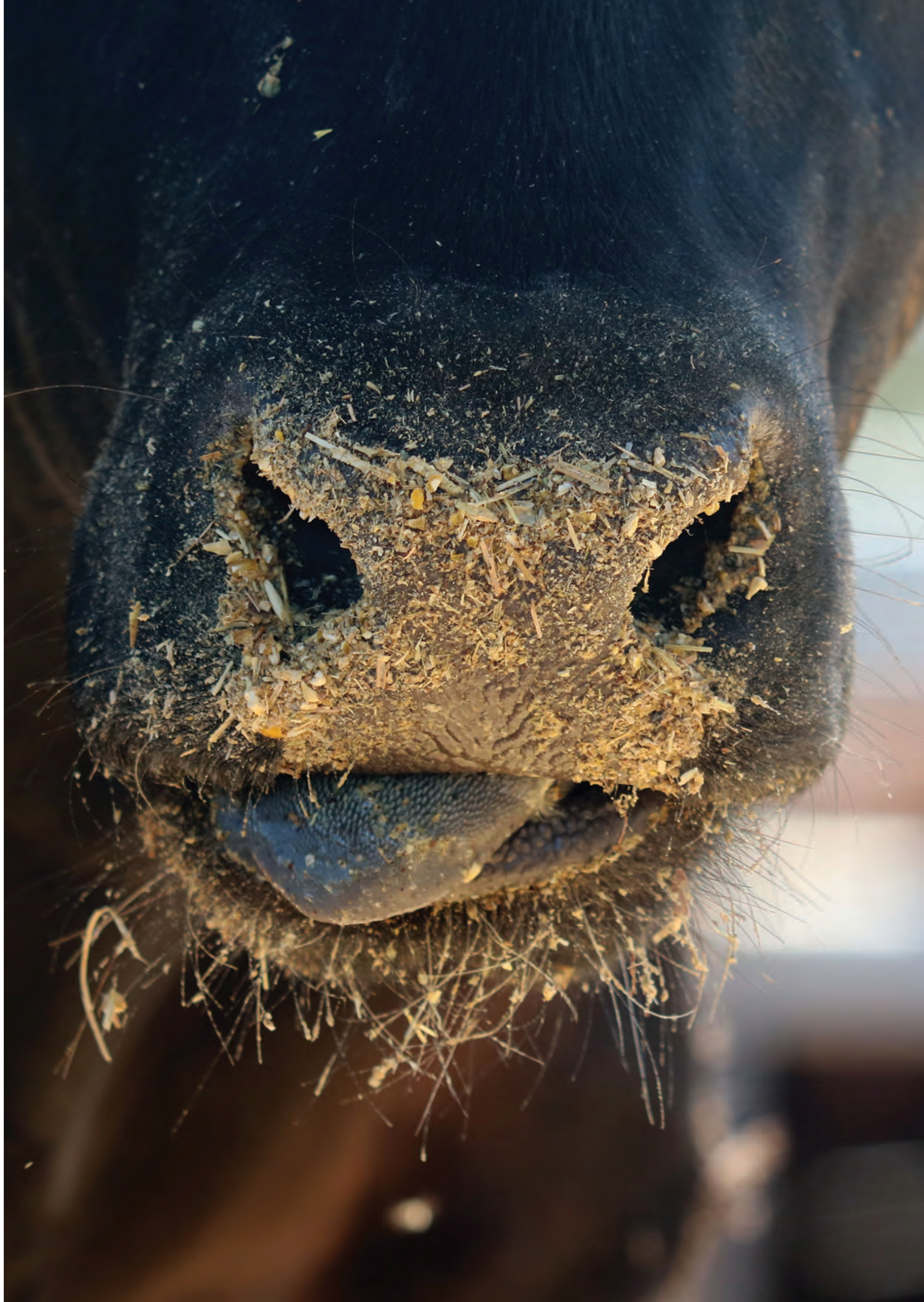
The directors of the Group declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 28 - 60, are in accordance with the *Corporations Act 2001*, including:
    a. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
    b. as stated in Note 1, the financial statements also comply with *International Financial Reporting Standards*; and
    c. giving a true and fair view of the financial position as at 30 June 2026 and performance for the year ended on that date of the Group.
2. In the directors' opinion, the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* is true and correct;
3. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
4. The Directors' have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

Richard Norton | Managing Director

25 August 2026



INDEPENDENT AUDITOR'S REPORT

Horizon Nexus Partners

Horizon Nexus (Audit) Pty Ltd (ABN 33 692 918 577)
Level 4, 35 Collins Street, Melbourne, Victoria, 3000
PO Box 24155, Melbourne, Victoria 3001
horizonnp.com.au

INDEPENDENT AUDITOR'S REPORT

To the members of Terragen Holdings Limited and Controlled Entity

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Terragen Holdings Limited (the Company and its subsidiary (the Group) which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and 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 Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) issued by the Accounting Professional & Ethical Standards Board Limited that are relevant to audits of the financial report of public interest entities 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.

Key Audit Matters

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

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Audit Area	
Area of focus	**How our audit addressed the area of focus**
Share Options and Equity Transactions Refer also to Note 21 (Accounting Policy and Financial Disclosures)	
The Group issued shares and options to directors and senior management under a share-based compensation plan. These arrangements have differing terms and conditions that give rise to different accounting outcomes. Share based payment arrangements require judgmental assumptions including volatility rate and expected life in determining the fair value of the arrangements and the expensing of that fair value over the estimated service period. In recognising these transactions, the Group performed a valuation to calculate the accounting expense. Details of the share-based payment arrangements offered to directors, executive management, third parties and shareholders, are disclosed in the Remuneration Report. The audit of the share-based payment arrangements and the associated expense is a key audit matter due to the judgements required in determining fair value.	Our Audit procedures included: • In performing our procedures, we assessed the terms of the share-based payment arrangements issued during the period including review of documentation issued to shareholders. • We assessed the methodology used by the Group in valuing the share options. • We assessed the expense recorded in the statement of comprehensive income. • We assessed whether the disclosure in note 21 in relation to the arrangements was adequate and whether it complied with Australian Accounting Standards.

Terragen

TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of:

a) 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

b) 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:

> i. 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
>
> ii. 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

Horizon Nexus Partners

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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. 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 with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period 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.

Horizon Nexus Partners

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16-24 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Terragen Holdings Limited, for the year ended 30 June 2026, 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.

Horizon Nexus (Audit) Pty Ltd

Horizon Nexus (Audit) Pty Ltd

W. Tarrant

Wayne Tarrant
Director

Melbourne, Victoria

Date: 25th August 2026

SHAREHOLDER INFORMATION

In accordance with ASX Listing Rule 4.10, Terragen Holdings Limited ("Terragen") provides the following information to shareholders not elsewhere disclosed in the Annual Report.

The shareholder information set out below was applicable as of 4 August 2026.

A. CORPORATE GOVERNANCE STATEMENT

The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation in the year ended 30 June 2026.

In accordance with ASX Listing Rule 4.10.3, the Corporate Governance Statement will be available for review on Terragen's website www.terragen.com.au and will be lodged with the ASX at the same time that this Annual Report is lodged with the ASX.

B. DISTRIBUTION AND NUMBER OF HOLDERS OF EQUITY SECURITIES

The distribution and number of holders of equity securities on issue in the Company as at 4 August 2026, and the number of holders holding less than a marketable parcel of the company's ordinary shares based on the closing market price as at 4 August 2026 is as follows:

Range	Listed fully paid ordinary shares		Unlisted Employee Options	
	Number of holders	% of securities	Number of holders	% of securities
1 – 1,000	27	4.95	–	–
1,001 – 5,000	86	15.78	–	–
5,001 – 10,000	54	9.91	–	–
10,001 – 50,000	110	20.18	–	–
50,001 - 100,000	54	9.91	–	–
100,001 and over	214	39.27	8	100.00
Total	**545**	**100.00**	**8**	**100.00**

As at 4 August 2026, the number of shareholders holding less than a marketable parcel of $500 worth of shares, based on the closing market price on that date of $0.02per share, is 227.

The total securities on issue in each class of equity securities as at 4 August 2026 are:

	Listed fully paid ordinary shares	Unlisted Options	Unlisted Employee Options
Total securities on issue	823,198,993	–	44,000,000

As of 4 August 2026, there were no equity securities that were subject to restrictions.

C. TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

Terragen has only one class of quoted equity securities, being fully paid ordinary shares (ASX: TGH). The names of the twenty largest holders of fully paid ordinary shares, the number of fully paid ordinary shares and the percentage of fully paid ordinary shares on issue as of 4 August 2026 was as follows:

Name	4 August 2026	% of total
CITICORP NOMINEES PTY LIMITED	281,104,739	34.15
WAM INVESTMENT HOLDINGS PTY LTD	149,545,455	18.17
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	44,895,118	5.45
UBS NOMINEES PTY LTD	25,295,470	3.07
WINGADANGEE PTY LTD	23,911,702	2.90
MARTANNMAR PTY LTD	23,828,671	2.89
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	22,115,993	2.69
CARRAMELON PTY LTD	17,136,360	2.08
GRANNA'S INVESTMENTS PTY LTD	10,443,525	1.27
CAPTAIN NOMINEES PTY LTD	9,708,432	1.18
MR EDWARD RICHARDSON PURSEGLOVE	8,906,492	1.08
HENDERSON INTERNATIONAL PTY LIMITED	5,609,429	0.68
MUTUAL TRUST PTY LTD	5,045,655	0.61
MBA INVESTMENTS PTY LTD	5,000,000	0.61
GOWING BROS LTD	4,680,196	0.57
MR RODNEY JOHN LOONE & MRS DIANE GAYE LOONE	4,186,670	0.51
SUNLORA PTY LTD	4,175,000	0.51
P M DESMOND PTY LTD	4,028,340	0.49
CY CAPITAL PTY LTD	3,650,000	0.44
ACTION ALWAYS PTY LTD	3,547,337	0.43
Total for top twenty holders	**656,814,584**	**79.78**
Balance of register	**166,384,409**	**20.21**
Grand Total	**823,198,993**	**100.00**

D. HOLDERS OF MORE THAN TWENTY PERCENT OF EACH CLASS OF UNQUOTED SECURITIES

Each unlisted employee option entitles the holder to acquire one fully paid ordinary share subject to the holder paying the exercise price on or before the expiry date.

There were no holders of more than 20% of each class of options or performance shares.

E. VOTING RIGHTS

At a general meeting of the Company, every holder of ordinary shares present in person or by proxy, attorney or representative has one vote on a show of hands, and on a poll, one vote for each ordinary share held.

Options do not carry any voting rights.

F. SUBSTANTIAL SHAREHOLDERS

As of 4 August 2026, the names of the substantial shareholders of the Company and the number of equity securities in which those substantial shareholders and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company were as follows:

Name	Number held	% of issued capital
Mr Scobie Dickinson Ward	277,077,542	33.60%
WAM Investment Holdings Pty Ltd, Captain Nominees Pty Ltd as trustee of the Christopher Wallin Superannuation Fund No.2 trust (and their associates) and Christopher Ian Wallin	159,253,887	19.35%

G. ON-MARKET BUY-BACK

The Company is not currently conducting an on-market buy-back.

H. ON-MARKET BUY-BACK

The Company did not purchase securities on market during the reporting period.

I. USE OF INITIAL PUBLIC OFFERING PROCEEDS

The Company confirms that in the period since its listing on the Australian Stock Exchange on 11 December 2019 it has used its cash and assets in a form readily convertible into cash that it had at the time of its admission to the ASX in a manner consistent with its business objectives as set out in the Prospectus dated 18 October 2019.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Dr Michele Allan AO	*Non-Executive Chairman*
Mr Scobie Ward	*Non-Executive Director*
Mr Mike Barry	*Non-Executive Director*
Mr Andrew Guthrie	*Non-Executive Director*
Mr Paul Whimp	*Non-executive Director*
Mr Richard Norton	*Managing Director*

COMPANY SECRETARIES

Mr Roger McPherson
Mr Daniel Pearce

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 6
39 Access Crescent
Coolum Beach QLD 4573

PHONE NUMBER

1 300 837 724

POSTAL ADDRESS

PO Box 5807
Brisbane QLD 4000

WEBSITE

www.terragen.com.au

SHARE REGISTRY

MUFG Corporate Markets (AU) Limited
Level 41 Liberty Place
161 Castlereagh Street
Sydney NSW 2000

PHONE NUMBER

1 300 554 474

STOCK EXCHANGE

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX CODE

TGH

AUDITORS

Horizon Nexus Partners

www.terragen.com.au