ASX APPENDIX 4E

FINANCIAL REPORT TO 30 JUNE 2026

1. Details of reporting period:

Name of Entity	Vysarn Limited ("the Company")
ABN	41 124 212 175
Reporting Period	30 June 2026
Previous Corresponding Period	30 June 2025

2. Results for announcement to the market

	12 Months ended 30 June 2026 $	12 Months ended 30 June 2025 $	Increase %	Amount Change $
Revenues	140,061,837	106,526,209	31%	33,535,628
Profit / (loss) before income tax	20,901,160	15,028,343	39%	5,872,817
Profit / (loss) after tax attributable to members	15,111,725	10,693,410	41%	4,416,773

Refer to enclosed financial report for the year ended 30 June 2026 for further commentary.

Dividend / distributions	Amount per security (cents)	Franked amount per security (cents)	Amount $	Amount per security of foreign sourced dividend (cents)	Record date	Date paid / payable
Final dividend – current year	Nil	Nil	Nil	Nil	N/A	N/A
Final dividend – previous year	Nil	Nil	Nil	Nil	N/A	N/A

3. Statement of comprehensive income
Refer to enclosed financial report for the year ended 30 June 2026.

4. Statement of financial position
Refer to enclosed financial report for the year ended 30 June 2026.

5. Statement of cash flows
Refer to enclosed financial report for the year ended 30 June 2026.

6. Dividend reinvestment plans
Not applicable.

7. Statement of changes in equity
Refer to enclosed financial report for the year ended 30 June 2026.

8. Net tangible assets per security

	30 June 2026 (cents)	30 June 2025 (cents)
Net tangible assets per ordinary security	$0.1251	$0.1036

9. Gain or loss of control over entities
Not applicable.

10. Associates and joint ventures
Not applicable.

11. Other significant information
Not applicable.

12. Foreign entities
Not applicable.

13. Commentary on results for the period
Refer to enclosed financial report for the year ended 30 June 2026 for further commentary.

14. Status of audit
The financial report for the year ended 30 June 2026 has been audited. There are no items of dispute with the auditor and the audit is not subject to qualification.

Signed: James Clement
Managing Director

Date: 25 August 2026

VYSARN LIMITED

ABN 41 124 212 175

CONSOLIDATED FINANCIAL REPORT
for the year ended 30 June 2026

CONTENTS

CORPORATE DIRECTORY

Directors

Peter Hutchinson	Chairman
James Clement	Managing Director and CEO
Sheldon Burt	Non-Executive Director
Shane McSweeney	Executive Director
Steve Dropulich	Executive Director

Company Secretary
Matthew Power

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Level 1, 640 Murray Street
West Perth, WA 6005
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Auditor
Pitcher Partners BA&A Pty Ltd
Level 11, 12-14 The Esplanade
Perth, WA 6000

Share Registry
Automic Registry Services
Level 5, 191 St Georges Terrace
Perth, WA 6000

Bankers
National Australia Bank
Level 14, 100 St Georges Terrace,
Perth WA 6000

Securities Exchange Listing
ASX Limited
Level 40, Central Park 152-158 St Georges Terrace
Perth, WA 6000
ASX Code – VYS

The Directors present their report together with the consolidated financial statements of Vysarn Limited ("Vysarn" or "the Company") and its controlled entities ("the Group") for the financial year ended 30 June 2026 and auditor's report thereon.

1. DIRECTORS

The names and the particulars of the Directors of the Company during the year and to the date of this report are:

Name	Status	Appointed
Peter Hutchinson	Chairman	27 October 2017
James Clement	Managing Director and CEO	3 February 2020
Sheldon Burt	Non-Executive Director	1 November 2024
Shane McSweeney	Executive Director	10 February 2025
Steve Dropulich	Executive Director	10 February 2025

2. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

As announced to the ASX on 28 July 2026, the Company entered into a binding share sale agreement to acquire Technologies International Group Pty Ltd ("Welltech"), a water and sewerage management business delivering water solutions across the civil, utility, government and resources sectors. As part of the Welltech acquisition, the Company completed a capital raising to raise $65.3 million and issued the capital raising shares on 6 August 2026.

As announced on 3 June 2026, the Company entered into a binding share sale agreement to acquire NWG Enterprises Pty Ltd ("NewGround"). NewGround designs, constructs, installs and maintains industrial scale irrigation systems, pumping systems and ancillary technology for local government, urban developers, large-scale landscapers, parks and alternative sporting precincts.

The Group continued to execute its strategy to be Australia's leading water services and infrastructure provider as detailed in the review of operations. In the opinion of the Directors, other than as outlined in this report, there were no other significant changes in the state of affairs of the Group that occurred during the financial year.

3. DIVIDENDS PAID OR RECOMMENDED

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

4. REVIEW OF OPERATIONS

The Group's operations:

Vysarn is focused on becoming Australia's leading water services and infrastructure provider.

Throughout the financial period, the Group continued to focus on providing 'end-to-end' water services to various sectors, including, resources, urban development, government and utilities. The Group's operational divisions include:

1. **Industrial**
   - Pentium Hydro Pty Ltd ("Pentium Hydro").
   - Pentium Test Pumping Pty Ltd ("PTP").

2. **Technology**
   - Project Engineering (WA) Pty Ltd ("Project Engineering").
   - Waste Water Services Pty Ltd ("WWS").

3. **Advisory**
   - Pentium Water Pty Ltd ("Pentium Water").
   - CMP Consulting Group Pty Ltd ("CMP").

4. **Asset Management**
   - Vysarn Asset Management Pty Ltd ("VAM").

The Group continues to make significant investment in business operating systems that facilitate the integration of business units across disparate regions and sectors.

Industrial

Pentium Hydro, the Company's foundation asset in hydrogeological drilling, continued to service a diversified portfolio of some of Australia's leading Tier 1 resource companies driving recurring demand across abstraction and injection borefield services. A strategic fleet expansion and disciplined programmed maintenance occurred during the period, designed to maximise fleet availability and support opportunities for continued organic growth in the segment. Groundwater management and dewatering continue to present as non-discretionary services required to keep Pilbara iron ore production moving.

Technology

Project Engineering and WWS showed earnings resilience demonstrated during a challenging macro-impacted market that created some short-term inflationary pressures on petroleum-based componentry. WWS delivered wastewater projects for Tier-1 clients underpinned by a combination of demand across the capital replacement cycle, upgrades to environmental standards and new infrastructure programs. Project Engineering experienced sustained demand for aquifer recharge, abstraction, monitoring and water reuse solutions across Tier-1 clients in the Pilbara.

Advisory

CMP established a national footprint during the period, broadening the platform from VIC into WA, QLD, NSW and NZ. CMP now provides a strategic national platform which provides access to a larger diversified pool of opportunities across government, infrastructure and resource clients. Pentium Water continues to build a highly credible and diverse water advisory team in urban water and mine water and provides Vysarn with an exceptional line of sight and entry opportunities in broader water services opportunities. The national advisory platform is helping to create cross-selling opportunities for the integrated Vysarn group.

Asset Management

Via the Company's Joint Resource Agreement ("KWSJV") with Kariyarra Aboriginal Corporation RNTBC ("KAC RNTBC"), VAM, together with the KAC RNTBC, continued to progress the development of the Kariyarra Water Scheme ("KWS"). The KWSJV submitted a H3 Report during the period to support the Section 5C application to abstract up to 10GL p.a. over 30 years. The KWSJV participated in Water Corporation's RFP process as a prospective bulk water supplier to Port Hedland, as well as prepared a formal market sounding of Pilbara based industrial and mining projects. The KWSJV continue to progress regulatory approvals required to develop the KWS, which include but are not limited to environmental approvals and land tenure approvals associated with the construction of water infrastructure and the delivery of water.

The Group's business and strategy

Vysarn is an integrated and multi-disciplinary 'end-to-end' water solutions provider. Vysarn provides expert services in water management, environmental planning and engineering and is focused on delivering sustainable and impactful outcomes for clients, communities and investors across the entire water project lifecycle.

Vysarn will continue investing in organic and acquisitive growth opportunities and to deliver water services across multiple industries and regions.

Risk Management

The Board recognises that effective risk management is critical to the achievement of the Company's strategic objectives and the creation of sustainable shareholder value.

The Company maintains an enterprise-wide risk management framework designed to identify, assess, monitor and manage risks and opportunities across all areas of the business. The framework is embedded within the Company's governance, strategic planning and operational decision-making processes.

The Board is responsible for overseeing the Company's risk management framework and determining the nature and extent of risk that the Company is willing to accept in pursuit of its strategic objectives.

The framework is aligned with the principles of ISO 31000 and supports the consistent identification, assessment, treatment, monitoring and reporting of risk across the Group.

General Managers are responsible for identifying, assessing and managing risks and opportunities for their business units, with the enterprise risk profile reviewed regularly by Executive Management and overseen by the Board.

The Board reviews key risks and emerging risks at each Board meeting and undertakes an annual review of the enterprise-wide risk management register and the effectiveness of the Company's risk management framework.

The Company's risk management processes include:

- Identification of risks and opportunities that may impact the achievement of strategic, operational, financial and compliance objectives.
- Assessment of the likelihood and potential impact (consequence) of identified risks and opportunities.
- Implementation of controls and mitigation strategies to manage risks within the Group's approved risk appetite.
- Ongoing monitoring, review and reporting of risks, controls and emerging risk trends.

Management provides regular reporting to the Board regarding material risk exposures, the effectiveness of key controls and emerging risks that may affect the achievement of the Company's strategic objectives.

The Board and Management continually assess the Company's risk profile and monitor emerging risks that may affect future performance.

The Company operates in sectors that are exposed to a range of strategic, operational, financial and compliance risks. The principal risks that may impact the achievement of the Company's objectives are summarised below and include, but are not limited to:

Principle Risks	Impact Assessment
People, health and safety risk	The Group's operations include remote, field-based and safety-critical work involving heavy equipment, drilling, water infrastructure and travel. Employees of the Group operate in industries which can carry inherent risk of injury and harm to themselves and members of the community. Management of the exposure to injury and potential harm to employees remains a key priority for the Board and the Executive and is also embedded in the core values of the Group. A serious incident, ineffective safety system, or inability to attract and retain appropriately skilled personnel could result in harm to people, regulatory action, operational disruption, higher costs, loss of capability and reputational damage. The Group manages this risk through its health and safety management systems, site-specific risk assessments, training and competency requirements, incident reporting and investigation, leadership oversight, workforce planning, employee development and the use of suitably qualified contractors. The Group maintains a strong commitment to health, safety and wellbeing through its ISO 45001 certified Health and Safety Management System, supported by a robust governance, audit and assurance framework. This framework promotes continual improvement by ensuring risks are systematically identified, assessed, and controlled, while opportunities for enhancement are actively monitored and implemented. Safety performance is regularly reviewed, with key learnings and outcomes communicated across the organisation to strengthen awareness and accountability. Through this approach, the Company continues to foster a positive safety culture and support the consistent application of safe work practices across all business units.

Economic, market and industry risk	The Group's performance is influenced by conditions in the resources, government, utilities, infrastructure and urban development sectors, including commodity cycles, public and private capital expenditure, inflation, interest rates, supply-chain disruption and customer procurement decisions. A material reduction or delay in project activity, or sustained cost escalation that cannot be recovered through pricing, could reduce demand, revenue, margins, cash flow and asset utilisation. The Group seeks to mitigate this risk through diversification across industries, customers, services and regions, disciplined tendering and contract reviews, monitoring of market conditions and the opportunity pipeline and active management of pricing, costs, working capital and fleet deployment.
Strategic growth, inadequate acquisition due diligence, investment and integration risk	Acquisition and growth initiatives may not deliver the expected strategic, operational or financial benefits, may require greater funding or management attention than anticipated, or may expose the Group to unforeseen liabilities, integration challenges, cultural misalignment, earnings dilution, loss of key personnel, regulatory or compliance issues, or the impairment of acquired assets. There is also a risk that due diligence activities may not identify all material risks, obligations or contingent liabilities prior to completing a transaction. The Group manages this risk through Board-approved investment criteria, robust financial, legal, tax and operational due diligence processes, the use of independent third-party advisors, disciplined valuation and funding assessments, documented integration planning, clear accountability frameworks, ongoing performance monitoring against acquisition objectives and post-acquisition reviews to identify lessons learned and ensure expected benefits are realised.
Operational and project delivery risk	The Group undertakes drilling, test pumping, engineering, wastewater treatment, injection, advisory and infrastructure activities that may be affected by equipment failure, labour or material shortages, adverse site conditions, weather, scheduling delays, design or estimation errors, subcontractor performance and failure to meet contractual milestones. These events could cause injury, project losses, liquidated damages, rework, customer claims, loss of revenue or damage to the Group's reputation. Mitigation measures include project governance and approval processes, tender and contract reviews, qualified personnel, preventative maintenance and fleet planning, procurement controls, subcontractor assessment, project reporting and cost control, quality assurance and appropriate insurance arrangements.
Cyber security and information technology risk	The Group relies on information systems, communications networks and third-party technology providers to operate, report and protect commercially sensitive, personal and financial information. A cyber-attack, data breach, system failure or unsuccessful systems implementation could interrupt operations, cause financial loss or fraud, compromise information, breach legal obligations and damage stakeholder confidence. Controls include access restrictions, security monitoring, backups and recovery arrangements, incident response processes, staff awareness training, vendor management and ongoing investment in business systems and cyber resilience.

Legal, contractual and professional liability risk	The Group enters into contracts involving technical services, design, advice, project delivery, warranties, indemnities, share purchase agreements (SPAs) and other performance obligations. Unfavourable contract terms, errors or omissions, disputes, failure to meet professional standards or changes in law could result in claims, penalties, uninsured liabilities, project losses or restrictions on future work. The Group mitigates this risk through delegated authorities, legal and commercial reviews of material contracts, careful preparation and negotiation of SPAs with the assistance of third-party legal advisors, professional standards and quality controls, appropriate insurance coverage, records management and escalation of claims and disputes to senior management and the Board where material.
Environmental, sustainability and regulatory compliance risk	The Group is subject to environmental, water, planning, cultural heritage, workplace, corporate and other laws and approvals. Failure to obtain or comply with licences, permits and regulatory conditions, or environmental harm arising from operations, could lead to project delays, remediation costs, penalties, loss of approvals, civil or criminal liability and reputational damage. The Group manages this risk through compliance registers and management systems, permit and approval processes, environmental and site controls, monitoring and reporting, specialist advice, staff training and oversight of regulatory developments.
Reputation and customer risk	The Group depends on its reputation, customer relationships and ability to deliver safe, reliable and high-quality outcomes. Service failures, safety or environmental incidents, disputes, adverse publicity, ethical misconduct or over-reliance on significant customers could affect tender success, contract renewal, employee retention and stakeholder confidence. The Group seeks to mitigate this risk through customer diversification, executive engagement with key customers, performance and feedback monitoring, governance and conduct policies, transparent stakeholder communication and timely management of complaints and incidents.
Impairment of Goodwill and Cash Generating units (CGUs)	Goodwill and CGUs are subject to periodic impairment assessments and may become impaired if acquired businesses or CGUs do not achieve expected financial performance, growth forecasts are not realised, market conditions deteriorate, key customers or personnel are lost, integration benefits are not achieved, or discount rates and other valuation assumptions change. An impairment charge could have a material adverse impact on the Group's reported earnings, net assets and shareholder perception. The Group manages this risk through disciplined acquisition assessment and valuation processes, due diligence, integration planning, regular monitoring of business performance against acquisition assumptions, annual impairment testing in accordance with applicable accounting standards and periodic reviews of key valuation inputs and cash flow forecasts. Material variances, indicators of impairment and valuation outcomes are reported to senior management, the Audit and Risk Committee and the Board.

Water Infrastructure Project	The Kariyarra Water Scheme project may fail to achieve its anticipated strategic, operational or financial objectives, or may be delayed or prevented from proceeding. Key risks include unsuccessful negotiations with water off-take partners, delays or failure in securing land tenure arrangements, changes in position by pastoral landholders, regulatory or approval delays and increased project development costs. These factors may adversely impact project viability, expected returns on investment and the Group's ability to progress the project. The Group manages this risk through ongoing engagement with potential water off-take customers, continued negotiations with pastoral landholders and other key stakeholders regarding land tenure arrangements, regular and constructive consultation with the KAC RNBTC to maintain positive working relationships, active monitoring of project feasibility and commercial outcomes and regular reporting to senior management and the Board on project progress, risks and mitigation strategies.

The risks described above are not exhaustive and may change over time. The Group's controls and mitigation strategies are designed to reduce the likelihood or consequence of these risks, however, no assurance can be given that they will prevent all adverse outcomes or that risks can be eliminated or fully mitigated.

The Company continues to monitor emerging risks and changes in the operating environment, recognising that these developments may influence the nature, likelihood and potential impact of its principal risks. The Board remains satisfied that the Group's risk management framework is appropriate and sufficiently robust to support the effective identification, assessment and management of risks and opportunities as the business continues to evolve.

5. LIKELY DEVELOPMENTS

The Group will continue to pursue new contract opportunities in Australia for its water services and infrastructure focused business activities. The Group will likely complete the Welltech and NewGround transaction in 1HFY27.

6. FINANCIAL PERFORMANCE

The profit for the Group after providing for income tax amounted to $15,111,725 (30 June 2025: $10,693,410).

Working capital, represented by current assets less current liabilities, was $28,440,620 (30 June 2025: $24,526,663). The Company had positive cash flow from operating activities for the year amounting to $14,921,654 (2025: $17,164,126).

Operational revenue for the year ended 30 June 2026 was $140,061,837 (2025: $106,526,209).

The table below provides a comparison of the key results for the year ended 30 June 2026 to the preceding year ended 30 June 2025:

Statement of Profit or Loss	**30-June-26 ($)**	**30-June-25 ($)**
Revenue from operations	140,061,837	106,526,209
Reported profit after tax	15,111,725	10,693,410

Statement of Financial Position	**30-June-26 ($)**	**30-June-25 ($)**
Net assets	116,646,973	99,373,429
Total assets	163,974,950	138,705,643
Cash and cash equivalents	12,126,852	12,957,391

7. PRINCIPAL ACTIVITIES

The Group currently operates hydrogeological drilling, test pumping, reinjection water services, water consultancy and waste water businesses.

The Group aims to become a significant provider of production critical water services and infrastructure solutions to industry in Australia.

8. EVENT SUBSEQUENT TO REPORTING DATE

The Company released the following material ASX announcement post 30 June 2026:

- As announced to the ASX on 28 July 2026, the Company announced it entered into a binding share sale agreement to acquire Welltech, a water and sewerage management business delivering water solutions across the civil, utility, government and resources sectors.
- As announced to the ASX on 28 July 2026, as part of the Welltech acquisition, the Company completed a capital raising to raise $65.3 million and issued the capital raising shares on 6 August 2026.

There were no other matters or circumstance that has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Company's state of affairs in future financial years.

9. INDUSTRY AND GEOGRAPHIC EXPOSURES

The Group is exposed to the Australian mining industry, government, municipalities, utilities and the large scale domestic urban development sector. On a geographic basis, the Group's operations are predominantly exposed to Western Australia, Victoria, New South Wales, Queensland and New Zealand.

10. ENVIRONMENTAL REGULATION

The Group's operations are subject to a range of Commonwealth, State and Territory environmental and water resource management legislation. Principal legislation includes the Environment Protection and Biodiversity Conservation Act 1999 (Cth), together with jurisdiction-specific environmental protection, water management, planning and cultural heritage legislation. These laws regulate activities including groundwater abstraction, water bore construction, water infrastructure development, wastewater treatment, environmental approvals, land disturbance, biodiversity protection and pollution prevention. The Group maintains systems and processes to identify regulatory changes, obtain required licences and approvals and monitor ongoing compliance with its legal obligations.

11. INFORMATION ON DIRECTORS & COMPANY SECRETARY

Peter Hutchinson	Chairman (appointed 27 October 2017)
Experience and Expertise:	Mr Hutchinson holds a Bachelor of Commerce (UWA) and is a Fellow of both the Australian Institute of Company Directors and Certified Practicing Accountants. Mr Hutchinson was a Non-Executive Director of Zeta Resources (formerly Kumarina Resources Ltd). Mr Hutchinson was the founding director of ASX listed Forge Group Ltd, floated in 2007 with a market capitalisation of $12m and reaching over $450m at the time of Mr Hutchinson's resignation as CEO and final sell down in July 2012. Mr Hutchinson has chaired ASX listed company Resource Equipment Ltd and was the founding shareholder and Chairman of Mareterram Ltd, both the subject of successful takeover bids at significant premiums to market prices. Mr Hutchinson has substantial experience in mergers and acquisitions, prospectus preparation, ASX listing, compliance and corporate governance, company secretarial requirements and exit strategies, and has been a Member of Audit, Remuneration and Nomination Committees, often as Chairman.
Other current listed directorships:	N/A
Former listed directorships (last 3 years):	N/A
Interests in shares:	69,100,000 fully paid ordinary shares
Interest in options:	Nil
Interests in performance rights:	Nil

James Clement	Managing Director and CEO (appointed 3 February 2020)
Experience and Expertise:	Mr Clement holds a Master of Business Administration, a Bachelor of Science, a Graduate Diploma of Agribusiness, a Graduate Certificate in Applied Finance and is a Graduate of the Australian Institute of Company Directors. He is an experienced ASX company director with a demonstrated history of successfully managing and leading businesses. Prior to his appointment at Vysarn Ltd, Mr Clement was previously the Managing Director and CEO of sustainable agricultural company Mareterram Ltd. He led the cornerstone asset acquisitions, the ASX listing of the company and its subsequent successful takeover at a significant premium to the market price. Mr Clement is a past director of the Fremantle Football Club and a past director and vice chairman of the Western Australia Fishing Industry Council. He also has over a decade of experience in finance and investment during his time as an institutional dealer and retail fund manager for financial service companies specialising in Western Australian small cap industrial and resource companies.
Other current listed directorships:	N/A
Former listed directorships (last 3 years):	N/A
Interests in shares:	28,500,000 fully paid ordinary shares
Interest in options:	Nil
Interest in performance rights:	6,000,000 performance rights

Sheldon Burt	Non-Executive Director (appointed 1 November 2024) Executive Director (appointed 15 May 2019, transitioned to Non-Executive on 1 November 2024)
Experience and Expertise:	Mr Burt serves as a Non-Executive Director of Vysarn Limited and is a co-founder of its subsidiary, Pentium Hydro. He is an experienced drilling industry professional with more than 35 years of national and international experience spanning field operations, operational leadership, senior management, executive management and company ownership. Prior to founding Pentium Hydro and joining the Vysarn board as Executive Director in 2019, Mr Burt co-founded SBD Drilling, a Perth-based exploration drilling company operating in Australia and West Africa, where he served as Managing Director from 2004 to 2011. Following the sale of SBD Drilling, he held the position of General Manager of Easternwell Minerals for six years, from 2012 to 2018. Mr Burt also serves as Non-Executive Chairman of Metzke, a drilling equipment manufacturer.
Other current listed directorships:	N/A
Former listed directorships (last 3 years):	N/A
Interests in shares:	6,958,055
Interest in options:	Nil
Interest in performance rights:	Nil

Shane McSweeney	Executive Director, (appointed 10 February 2025)
Experience and Expertise:	Mr Shane McSweeney is an accomplished executive leader, bringing with him 20 years' extensive experience in advisory services, strategic management, operational excellence and corporate governance, specialising in the water sector. Mr McSweeney's career spans almost two decades in consultancy practices encompassing senior leadership roles in consultancy and advisory businesses focusing on water services across diverse industries. Mr McSweeney holds a Bachelor of Science in Environmental Science, a Master in Environmental Engineering and is a Graduate of the Australian Institute of Company Directors. Mr McSweeney is currently the General Manager of Pentium Water and Director of CMP, leading the Group's Advisory segment.
Other current listed directorships:	N/A
Former listed directorships (last 3 years):	N/A
Interests in shares:	426,595 fully paid ordinary shares
Interest in options:	Nil
Interest in performance rights:	6,000,000 performance rights

Steve Dropulich	Executive Director, (appointed 10 February 2025)
Experience and Expertise:	Mr Steve Dropulich is a 30-year veteran of the Australian energy and infrastructure services sector having established and led market leading contracting companies in senior executive management roles across both public and private business. Prior to joining Vysarn, Mr Dropulich was a founding Director of an ASX listed energy and infrastructure services company, where he was the Managing Director for over 10 years until its acquisition by an international industrial services group in 2021. He then served as Executive Director of Operations for the acquiring group. Mr Dropulich holds a Bachelor of Commerce in accounting and business law and is a member of both the Institute of Chartered Accountants and the Australian Institute of Company Directors. Mr Dropulich is currently the Chief Operating Officer of the Company, leading the Group's Industrial and Technology segments.
Other current listed directorships:	N/A
Former listed directorships (last 3 years):	N/A
Interests in shares:	75,000
Interest in options:	Nil
Interest in performance rights:	6,000,000 performance rights

12. MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each Director is set out below:

	Board Meetings		**Audit and Risk Committee Meetings**		**Remuneration and Nomination Committee Meetings**	
	Held	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Peter Hutchinson	10	10	2	2	1	1
James Clement	10	10	2	2	1	1
Sheldon Burt	10	10	2	2	1	1
Shane McSweeney	10	10	-	-	1	1
Steve Dropulich	10	10	2	2	-	-

Held: Represents the number of meetings held during the time the Directors held office.

The Remuneration and Nomination Committee is made up of the Managing Director and CEO (James Clement), Executive Director (Shane McSweeney) and Non-Executive Directors (Peter Hutchinson and Sheldon Burt). The Audit and Risk Committee is made up of the Managing Director and CEO (James Clement), Executive Director Steve Dropulich and Non-Executive Directors (Peter Hutchinson and Sheldon Burt).

13. INDEMNITY AND INSURANCE OF OFFICERS

To the extent permitted by law, the Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers in the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from 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. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

14. SHARES UNDER OPTION

No options were issued during the year ended 30 June 2026 (2025: Nil).

At 30 June 2026 and as at the date of this report, there are no unissued ordinary shares of the Company under option (2025: Nil).

15. SHARES UNDER PERFORMANCE RIGHTS OR SUBJECT TO VESTING CONDITIONS

At 30 June 2026 and as at the date of this report, the unissued ordinary shares of the Company under performance rights are as follows:

Grant Date	Date of Vesting	Vesting Conditions	Number Under Performance Rights
28-Mar-25	30-Jun-27	Employment and cumulative EPS condition	6,666,667
28-Mar-25	30-Jun-28	Employment and cumulative EPS condition	6,666,667
28-Mar-25	30-Jun-29	Employment and cumulative EPS condition	6,666,666
Total			**20,000,000**

The vesting conditions of the above performance rights are pending assessment and as such the unissued shares under these performance rights have yet to be exercised. No fully paid ordinary shares were issued during the year ended 30 June 2026 upon the conversion of performance rights held by Key Management Personnel (30 June 2025: 3,333,335). Refer to the Remuneration Report for further information.

In addition to the above, there were 21,111,111 fully paid ordinary shares on issue as "deferred consideration shares" in relation to the acquisition of CMP. These deferred consideration shares will vest on achievement of certain Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") targets for earn out periods over the next two years.

16. PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court under section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company or its controlled entities is a party for the purpose of taking responsibility on behalf of the Company for all or any part of such proceedings. The Group was not a party to any such proceedings during the year.

17. NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments in addition to their statutory audit duties where the auditor's expertise and experience with the Company are important. Non-audit services provided during the financial year by the auditor are detailed below. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.*

	30-June-26	30-June-25
	$	$
Amount paid/payable to Pitcher Partners BA&A Pty Ltd or related entities for non-audit services		
Pitcher Partners Accountants & Advisors WA Pty Ltd – Taxation compliance	31,650	23,500
Total auditors' remuneration for non-audit services	**31,650**	**23,500**

In the event that non-audit services are provided by Pitcher Partners BA&A Pty Ltd or related entities, the Board has established certain procedures to ensure that the provision of non-audit services is compatible with, and do not compromise the auditor's independence requirement of the *Corporation Act 2001.*

These procedures include:

- Non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor and other general principles to independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.
- Ensuring non-audit services do not involve 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 risks and rewards.
- Decisions on non-audit services are decided upon by the full Board in the absence of any audit committee meetings.

18. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001 (Cth)* for the year ended 30 June 2026 has been received and can be found on page 27 of the financial report.

19. ROUNDING OF AMOUNTS

In accordance with *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2026/183,* the amounts in the Directors' report and in the financial report have been rounded to the nearest $1 (where rounding is applicable).

REMUNERATION REPORT (AUDITED)

The remuneration report for the year ended 30 June 2026 outlines the remuneration arrangement of the Company in accordance with the requirements of the *Corporations Act 2001 (Cth),* as amended (the Act) and its regulations. This information has been audited, as required by section 308(3C) of the Act.

The remuneration report is set out under the following main headings:

1. Introduction
2. Remuneration governance
3. Executive remuneration arrangement
4. Non-Executive Director fee arrangement
5. Details of remuneration
6. Share-based compensation
7. Loans to Directors and executives
8. Other transactions and balances with KMP and their related parties
9. Key performance indicators of the Company over the last 5 years

Details of the nature and amount of each element of the remuneration of each of the Key Management Personnel ("KMP") of the Company (the Directors and executives) for the year ended 30 June 2026 are set out below:

Key Management Personnel covered under this report are as follows:

Name	Status	Appointed
Peter Hutchinson	Chairman	27 October 2017
James Clement	Managing Director and CEO	3 February 2020
Sheldon Burt	Non-Executive Director	1 November 2024
Shane McSweeney	Executive Director	10 February 2025
Steve Dropulich	Executive Director	10 February 2025

1. Introduction

KMP have authority and responsibility for planning, directing and controlling the major activities of the Group. KMP comprise the Directors of the Company.

Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced Directors and executives. The Board may seek independent advice on the appropriateness of compensation packages, given the trend in comparative companies both locally and internationally and objectives of the Company's compensation.

Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Performance linkage/alignment of executive compensation;
- Transparency; and
- Capital management.

1. Introduction (continued)

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Company depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performing and high-quality personnel. The Company has structured a market competitive executive remuneration framework. The reward framework is designed to align executive reward to shareholders' interests.

The Board has considered that it should seek to enhance shareholders' interests by:

- Focusing on shareholder value and returns; and
- Attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- Rewarding capability and experience;
- Reflecting a competitive reward for contribution to growth in shareholder wealth;
- Providing a clear structure for earning rewards; and
- Providing recognition for contribution.

2. Remuneration governance

Given the size of the Company, remuneration and nomination matters were considered by the members of the Remuneration and Nomination Committee, with other Directors participating in discussions where appropriate but not acting as committee members. All remuneration matters were considered in accordance with the Remuneration and Nomination Committee Charter. During the financial year, the Company did not engage any remuneration consultants.

3. Executive remuneration arrangement

The compensation structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Compensation packages may include a mix of fixed compensation, equity-based compensation, as well as employer contributions to superannuation funds. Shares and options may only be issued to Directors subject to approval by shareholders in a general meeting.

The compensation structures take into account:

- The capability and experience of the executive;
- The executive’s ability to control the relevant segment’s performance; and
- The Company’s performance including:
  - The Company’s earnings; and
  - The growth in share price and delivering constant returns on shareholder wealth.

The short-term incentives (“STI”) program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators (“KPI's”) being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management. The long-term incentives (“LTI”) include long service leave and share-based payments. Shares are awarded to executives based on long-term incentive measures and includes an increase in shareholders’ value. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2026.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Company. A portion of cash bonus and incentive payments, including performance rights, are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board.

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 2025 Annual General Meeting (“AGM”)

The Company received more than 87% of "yes" votes on its remuneration report for the 2025 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

The key terms of Mr Clement, Mr McSweeney, and Mr Dropulich' s agreements are set out below for the year ended 30 June 2026 are as follows;

James Clement, Managing Director and CEO

(a) **Term of agreement:** commencing 3 February 2020 with indefinite duration.

(b) **Remuneration:**

(i) a base salary of $700,000 per annum, including mandatory superannuation contributions and salary-sacrificed benefits;

(ii) a short-term cash incentive of up to $250,000 per annum, subject to the achievement of certain short-term incentive key performance indicators; and

(iii) a long-term incentive being the issue of 6,000,000 performance rights.

(c) **General termination:** the agreement can be terminated:

(i) by either party for no reason by giving 3 months' notice in writing to the other party; and

(ii) by the Company effective immediately in the event the executive Director is guilty of gross misconduct, becomes bankrupt or insolvent, is convicted of a criminal offence or other similar grounds.

Shane McSweeney, Executive Director

(a) **Term of agreement:** commencing 10 February 2025 with indefinite duration.

(b) **Remuneration:**

(i) a base salary of $350,000 per annum, including mandatory superannuation contributions;

(ii) a short-term cash incentive of up to $105,000 per annum, subject to the achievement of certain short-term incentive key performance indicators; and

(iii) a long-term incentive being the issue of 6,000,000 performance rights.

(c) **General termination:** the agreement can be terminated:

(i) by either party for no reason by giving 3 months' notice in writing to the other party; and

(ii) by the Company effective immediately in the event the executive Director is guilty of gross misconduct, becomes bankrupt or insolvent, is convicted of a criminal offence or other similar grounds.

Steve Dropulich, Executive Director

(a) **Term of agreement:** commencing 10 February 2025 with indefinite duration.

(b) **Remuneration:**

(i) a base salary of $450,000 per annum, including mandatory superannuation contributions;

(ii) a short-term cash incentive of up to $135,000 per annum, subject to the achievement of certain short-term incentive key performance indicators; and

(iii) a long-term incentive being thee issue of 6,000,000 performance rights.

(c) **General termination:** the agreement can be terminated:

(i) by either party for no reason by giving 3 months' notice in writing to the other party; and

(ii) by the Company effective immediately in the event the executive Director is guilty of gross misconduct, becomes bankrupt or insolvent, is convicted of a criminal offence or other similar grounds.

4. Non-Executive Director fee arrangement

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

The maximum aggregate amount of fees that can be paid to non-executive Directors is presently limited to an aggregate of $200,000 per annum and any change is subject to approval by shareholders at the general meeting. Fees for non-executive Directors are not linked to the performance of the Company.

The table below summarises the annual fees payable to non-executive Directors for the 2026 financial year (inclusive of superannuation):

	Board	**Committee**	**Total**
Board Fees – per annum	**$**	**$**	**$**
Chair	121,081	-	121,081
Non-Executive Director	60,000	-	60,000

Non-executive Directors may be reimbursed for expenses reasonably incurred in attending to the Company's affairs. Non-executive Directors do not receive retirement benefits. The Company or the non-executive Directors can terminate the above arrangements at any time upon written notice being provided, with no minimum notice period applicable.

5. Details of remuneration

Details of the remuneration of key management personnel of the Company are set out in the following tables.

	Short-term benefits				Post-employment	Equity	
	Short-term salary, fees & commissions	**STI cash bonus**	**Non-monetary benefits**	**Other employee benefits[5]**	**Post-employment superannuation**	**Share-based payments**	**Total**
2026	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Chairman							
Peter Hutchinson	108,108	-	-	-	12,973	-	121,081
Non-Executive Directors							
Sheldon Burt[3]	60,000	-	-	-	-	-	60,000
Executive Directors							
James Clement[1, 2,4]	670,000	150,000	31,967	56,796	30,000	649,008	1,587,771
Shane McSweeney[2]	320,000	60,000	-	-	30,000	649,008	1,059,008
Steve Dropulich[2]	420,000	80,000	-	-	30,000	649,008	1,179,008
Total	**1,578,108**	**290,000**	**31,967**	**56,796**	**102,973**	**1,947,024**	**4,006,868**

[1] The amount of $31,967 disclosed as a non-monetary benefit for Mr Clement is a salary sacrificed amount pertaining to a novated lease on a motor vehicle.

[2] Refer to section 6 of this remuneration report for further information pertaining to share-based payment expenses recognised for key management personnel.

[3] Mr Burt's Director fees were paid to Connada Pty Ltd, an entity controlled by Mr Burt.

[4] Mr Clement's total remuneration increased on 1 July 2025.

[5] Relates to benefit received by Mr Clement in the form of an interest free loan to execute his Managing Director Options. Refer to section 7 of the Remuneration Report for further information.

5. Details of remuneration (continued)

Details of the remuneration of key management personnel of the Company are set out in the following tables.

	Short Term Benefits				Post Employment Benefits	Equity	
	Short-term Salary, Fees & Commissions	STI Cash Bonus	Non-Monetary Benefits	Other Employee Benefits[5]	Post Employment Superannuation	Share-Based Payments	Total
2025	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Chairman							
Peter Hutchinson	108,108	-	-	-	12,432	-	120,540
Non-Executive Directors							
Sheldon Burt[3]	40,000	-	-	-	-	-	40,000
Executive Directors							
James Clement[1, 2,4]	470,068	200,000	29,633	55,127	29,932	167,142	951,902
Sheldon Burt [3]	100,000	-	-	-	-	-	100,000
Shane McSweeney[2,6]	111,490	-	-	-	12,472	167,142	291,104
Steve Dropulich[2,6]	139,612	-	-	-	12,472	167,142	319,226
Total	**969,278**	**200,000**	**29,633**	**55,127**	**67,308**	**501,426**	**1,822,772**

[1] The amount of $29,633 disclosed as a non-monetary benefit for Mr Clement is a salary sacrificed amount pertaining to a novated lease on a motor vehicle.

[2] Refer to section 6 of this remuneration report for further information pertaining to share-based payment expenses recognised for key management personnel.

[3] As at 1st November 2024 Mr Burt transitioned from Executive Director to Non-Executive Director of Vysarn Limited. Mr Burt's Director fees were paid to Connada Pty Ltd, an entity controlled by Mr Burt.

[4] Mr Clement's total remuneration increased on 1 January 2025.

[5] Relates to benefit received by Mr Clement in the form of an interest free loan to execute his Managing Director Options. Refer to section 7 of the Remuneration Report for further information.

[6] The remuneration summary of Mr Shane McSweeney and Mr Steve Dropulich are effective from the date they became key management personnel (KMP), being the date of the Directorship appointments on 3 February 2025.

5. Details of remuneration (continued)

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed Remuneration		At Risk STI		At Risk LTI	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
Directors						
Peter Hutchinson	100%	100%	-	-	-	-
Sheldon Burt	100%	100%	-	-	-	-
James Clement	50%	61%	9%	21%	41%	18%
Shane McSweeney	33%	43%	6%	-	61%	57%
Steve Dropulich	38%	48%	7%	-	55%	52%

Cash bonuses are dependent on meeting defined performance measures (e.g. minimum EBT financial hurdles, key safety metrics, growth targets). The amount of the bonus is determined having regard to the satisfaction of performance measures and weightings, including qualitative stretch targets and key quantitative measures. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Board.

6. Share-based compensation

Issue of Shares

During the year ended 30 June 2026 no share-based payments in the form of ordinary shares were issued by the Company to key management personnel as remuneration.

Performance Rights

As at 30 June 2026, 20,000,000 performance rights were on issue and outstanding. Each performance right will convert on a 1:1 basis to fully paid ordinary shares upon achievement of their relevant vesting conditions (refer below).

Movements in performance rights

The movement during the reporting period in the number of performance rights in the Company held, directly, indirectly or beneficially by each key management personnel including their related parties, is as follows:

Key Management Personnel and Senior Executives	Opening balance	Granted as compensation	Vested and exercised during the year	Closing balance	Unvested and not exercisable at the end of the year
2026	**No.**	**No.**	**No.**	**No.**	**No.**
Peter Hutchinson	-	-	-	-	-
Sheldon Burt	-	-	-	-	-
James Clement	6,000,000	-	-	6,000,000	6,000,000
Shane McSweeney	6,000,000	-	-	6,000,000	6,000,000
Steve Dropulich	6,000,000	-	-	6,000,000	6,000,000
Other Executive	2,000,000	-	-	2,000,000	2,000,000
Total	**20,000,000**	**-**	**-**	**20,000,000**	**20,000,000**

No performance rights were exercised during the year ended 30 June 2026.

6. Share-based compensation (continued)

Performance rights on issue at year end

At 30 June 2026, the unissued performance rights are subject to achievement of vesting conditions as follows:

Tranche	Number Under Performance Rights	Value at Grant Date ($)	Date of Vesting	Management Probability Assessment 30-Jun-26	Fair Value ($)
1	6,666,667	2,252,000	30 June 2027	100%	2,252,000
2	6,666,667	2,154,000	30 June 2028	100%	2,154,000
3	6,666,666	2,152,000	30 June 2029	100%	2,152,000
Total	**20,000,000**	**6,558,000**			**6,558,000**

Each performance right will convert on a 1:1 basis to fully paid ordinary shares upon achievement of their relevant vesting conditions (refer below).

Tranche	Number of Performance Rights on Issue	Condition Test Date	Vesting Condition for each respective Tranche
1	6,666,667	30 June 2027	Employment condition, and meeting either of the;
2	6,666,667	30 June 2028	• Cumulative EPS condition; or
3	6,666,666	30 June 2029	• Volume weighted average price of shares condition

Where the:

- Employment condition – means the holder of the rights remains employed by the Company at the condition test date;
- Cumulative EPS condition – means the average annualised earnings per share (EPS) of the Company over the three periods ending on the Condition Test Date is at least A$0.0251 for Tranche 1, at least $0.0289 for Tranche 2 and at least $0.0332 for Tranche 3; and
- Volume weighted average price of shares condition - The volume weighted average price of Shares trading on the ASX in the ordinary course of trade (VWAP) of at least (“Barrier Price”) $0.51 for Tranche 1, $0.59 for Tranche 2 and $0.67 for Tranche 3 over 5 consecutive trading days (on which Shares have actually traded) at any time during the 90-day period commencing on the day immediately after the Condition Test Date.

The executive performance rights were valued based on the Company’s share price as at the date of their approval for issue. A total valuation of $6,558,000 was determined for the remaining tranches, assuming satisfaction of performance conditions in full and 100% vesting rate.

6. Share-based compensation (continued)

The executive performance rights were valued using a Parisian Barrier in parallel with a Monte Carlo Simulation, utilising the following inputs:

Valuation Inputs	Tranche 1	Tranche 2	Tranche 3
Valuation Date	28-Mar-25	28-Mar-25	28-Mar-25
Spot Price	$0.49	$0.49	$0.49
Barrier Price	$0.51	$0.59	$0.67
Parisian Barrier Price	$0.56	$0.64	$0.73
Condition Test Date	30-Jun-27	30-Jun-28	30-Jun-29
Vesting Period (Yrs)	2.26	3.26	4.26
Expiry Date	28-Mar-30	28-Mar-30	28-Mar-30
Expected Volatility *	40%	40%	40%
Risk Free Rate	3.94%	3.94%	3.94%
Dividend Yield	Nil	Nil	Nil
Value per executive performance right	**0.3378**	**0.3231**	**0.3228**
Number of executive performance rights issued per tranche	6,666,667	6,666,667	6,666,667
Valuation	$2,252,000	$2,154,000	$2,152,000

* Volatility was determined with reference to the Company's historical volatility for a comparative vesting period prior to the valuation date.

The executive performance rights will be brought to account over the expected vesting period to which they relate. $2,163,361 in share-based payments was recorded as an expense in the statement of profit or loss and other comprehensive income during the year ended 30 June 2026 in relation to the executive performance rights (30 June 2025: $557,140).

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6. Share-based compensation (continued)

Options

No options were issued or on issue during the year ended 30 June 2026 (2025: Nil).

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Company, including their personally related parties, is set out below:

30 June 2026	Opening balance	Other	Received on exercise of options	Received on exercise of performance rights	On-market purchases/ (disposals)	Closing balance
Peter Hutchinson	69,100,000	-	-	-	-	69,100,000
Sheldon Burt	11,217,315	-	-	-	(4,259,260)	6,958,055
James Clement	28,500,000	-	-	-	-	28,500,000
Shane McSweeney	426,595	-	-	-	-	426,595
Steve Dropulich	75,000	-	-	-	-	75,000
Total	**109,318,910**	**-**	**-**	**-**	**(4,259,260)**	**105,059,650**

30 June 2025	Opening balance	Other	Received on exercise of options	Received on exercise of performance rights	On-market purchases	Closing balance
Peter Hutchinson	69,100,000	-	-	-	-	69,100,000
Sheldon Burt	9,550,648	-	-	1,666,667	-	11,217,315
James Clement	16,833,332	-	10,000,000	1,666,668	-	28,500,000
Shane McSweeney	-	426,595*	-	-	-	426,595
Steve Dropulich	-	-	-	-	75,000	75,000
Total	**95,483,980**	**426,595**	**10,000,000**	**3,333,335**	**75,000**	**109,318,910**

* Shares previously held by Mr Shane McSweeney as at 10 February 2025, when he became a key management personnel.

7. Loans to Directors and executives

Apart from the details disclosed in this Note, no Director has entered into a material contract with the Group since the end of the previous financial year.

Key management personnel or their related party	Nature of transactions	Transaction value		Receivable balance	
		30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
		$	$	$	$
James Clement	Options Loan Agreement	750,000	750,000	698,810	642,014

On 24 November 2022, Shareholders approved the issue of 10,000,000 Options to Mr James Clement (and/or his nominee(s)), as part of his long-term incentive-based remuneration package with the Company (Incentive Options). On 23 November 2023, Shareholders approved the terms to extend an interest free loan to Mr Clement, for the exercise of the Incentive Options (Director Loan).

On 2 July 2024, Mr Clement (via his nominee) exercised the 10,000,000 Incentive Options at an exercise price of $0.075, funded by a drawdown of $750,000 pursuant to the Director Loan. On 28 March 2025, shareholders approved to vary the terms of the Director Loan, which was then finalised and signed by Mr James Clement.

As a result 10,000,000 Shares (Loan Funded Shares) were issued to Mr James Clement.

Mr James Clement must repay the Loan Balance to the company within 10 business days of the earlier of:

- three (3) years after the date on which Mr James Clement (and/or his nominee(s) is issued the Loan Funded Shares on exercise of the Managing Director Options (Maturity Date);
- the date on which Mr James Clement ceases to be employed or engaged by the Group; or
- where the Board has determined (in its absolute discretion) that Mr James Clement engaged in serious misconduct; or
- the date on which the last Loan Funded Shares held by Mr James Clement are sold.

The loan is interest free and repayable in 3 years from the date Mr James Clement was issued the loan funded shares (i.e. 2 July 2027). The receivable balance has therefore been recognised at amortised cost, utilising an interest rate of 8.7% per annum. This rate was determined by management with reference to comparable funding arrangements available from other finance providers. During the period, an interest free loan benefit of $56,796 (2025: $55,127) was recognised as remuneration to Mr James Clement pertaining to this arrangement.

8. Other transactions and balances with KMPs and their related parties

Some Directors, or former Directors of the Company, hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Mr Sheldon Burt is currently the Chairman of Metzke Pty Ltd, a developer and manufacturer of drilling technology. Metzke Pty Ltd invoiced Pentium Hydro $142,921 (2025: $46,436) during the period for drilling consumables.

There were no other purchases from or sales to related parties during the year (2025: Nil).

9. Key performance indicators of the Company over the last 5 years

Consolidated	**30-June-26** *($)*	**30-June-25** *($)*	**30-June-24** *($)*	**30-June-23** *($)*	**30-June-22** *($)*
Revenue	140,061,837	106,526,209	75,885,416	64,957,156	46,297,406
Net profit before tax	20,901,160	15,028,343	11,060,394	7,075,570	4,095,180
Net profit after tax	15,111,725	10,693,410	7,960,510	3,872,558	2,856,729
Share price at start of year	0.47	0.29	0.132	0.073	0.095
Share price at end of year	1.02	0.47	0.29	0.132	0.073
Interim and final dividend	-	-	-	-	-
Basic profit per share	0.0287	0.0213	0.0195	0.0098	0.0073

REMUNERATION REPORT (END)

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

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

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James Clement
Managing Director and Chief Executive Officer
Dated 25 August 2026

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF VYSARN LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report Vysarn Limited for the year ended 30 June 2026, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

MICHAEL LIPRINO
Executive Director

Perth, 25 August 2026

		Group	
		30 June 2026	30 June 2025
	Notes	$	$
Sales revenue	*4*	140,061,837	106,526,209
Cost of sales		(94,155,675)	(69,729,526)
Gross Profit		**45,906,162**	**36,796,683**
Fair value gain on movements in financial instruments	*26*	3,015,894	-
Other income	*5*	1,394,595	1,295,530
Administration and corporate expense	*6*	(6,949,376)	(5,602,651)
Employee benefits expense, excluding cost of sales	*6*	(12,292,927)	(10,604,943)
Share-based payment expense	*22*	(2,163,361)	(557,140)
Depreciation and amortisation expense	*6*	(7,725,396)	(6,016,578)
Finance expense	*6*	(284,431)	(282,558)
Profit before income tax		**20,901,160**	**15,028,343**
Income tax expense	*7*	(5,789,435)	(4,334,933)
Profit after income tax expense		**15,111,725**	**10,693,410**
Profit after income tax expense for the year attributable to the owners of Vysarn Limited		15,111,725	10,693,410
Other comprehensive income / (loss):			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences		(1,542)	-
Other comprehensive loss for the year, net of tax		(1,542)	-
Total comprehensive income for the year attributable to the owners of Vysarn Limited		**15,110,183**	**10,693,410**
Basic earnings per share for profit attributable to the owners of Vysarn Limited	*9*	0.0287	0.0213
Diluted earnings per share for profit attributable to the owners of Vysarn Limited	*9*	0.0276	0.0205

The accompanying Notes form part of these financial statements

VYSARN

		30 June 2026	30 June 2025
Current Assets	***Notes***	**$**	**$**
Cash and cash equivalents	*10*	12,126,852	12,957,391
Trade and other receivables	*11*	31,684,534	21,760,800
Inventories	*12*	10,821,140	7,519,796
Other current assets	*13*	9,187,379	7,920,506
Total Current Assets		**63,819,905**	**50,158,493**
Non-Current Assets			
Plant and equipment	*14*	46,580,000	40,369,967
Right of use assets	*15*	2,191,345	1,752,290
Intangible assets	*16*	50,653,676	45,781,887
Other non-current assets	*22*	730,024	643,006
Total Non-Current Assets		**100,155,045**	**88,547,150**
Total Assets		**163,974,950**	**138,705,643**
Current Liabilities			
Borrowings	*17*	5,000,000	885,169
Trade and other payables	*18*	23,536,258	18,725,758
Current tax liability	*7*	1,094,711	1,858,167
Employee liabilities	*19*	4,214,057	3,393,755
Lease liability	*15*	1,108,097	768,981
Contingent consideration payable	*26*	426,162	-
Total Current Liabilities		**35,379,285**	**25,631,830**
Non-Current Liabilities			
Lease liability	*15*	1,199,159	1,056,996
Employee liabilities	*19*	693,416	297,674
Deferred tax liability	*7*	8,217,427	7,064,968
Contingent consideration payable	*26*	1,838,690	5,280,746
Total Non-Current Liabilities		**11,948,692**	**13,700,384**
Total Liabilities		**47,327,977**	**39,332,214**
Net Assets		**116,646,973**	**99,373,429**
Shareholders' Equity			
Issued capital	*20*	61,651,251	61,651,251
Reserves	*21*	4,202,292	5,996,029
Retained earnings		50,793,430	31,726,149
Shareholders' Equity		**116,646,973**	**99,373,429**

The accompanying Notes form part of these financial statements

	Issued Capital	Share Based Payment Reserve	Translation Reserve	Retained Earnings	Total
	$	$	$	$	$
Balance at 1 July 2024	**20,024,837**	**799,775**	**-**	**20,232,964**	**41,057,576**
Profit for the period	-	-	-	10,693,410	10,693,410
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	10,693,410	**10,693,410**
Transactions with owners in their capacity as owners:					
Issue of shares	43,395,586	-	-	-	43,395,586
Capital raising costs, net of tax	(1,769,172)	-	-	-	(1,769,172)
Options exercised and transferred to retained earnings	-	(224,774)	-	224,774	-
Performance Rights exercised and transferred to retained earnings	-	(575,001)	-	575,001	-
Deferred (contingent) consideration shares issued	-	5,438,889	-	-	5,438,889
Share based payments	-	557,140	-	-	557,140
Total transactions with owners	41,626,414	5,196,254	-	799,775	47,622,443
Balance at 30 June 2025	**61,651,251**	**5,996,029**	**-**	**31,726,149**	**99,373,429**
Balance at 1 July 2025	**61,651,251**	**5,996,029**	**-**	**31,726,149**	**99,373,429**
Profit for the period	-	-	-	15,111,725	15,111,725
Other comprehensive income	-	-	(1,542)	-	(1,542)
Total comprehensive income for the period	-	-	(1,542)	15,111,725	**15,110,183**
Transactions with owners in their capacity as owners:					
The Deferred Consideration Shares lapsed under CMP's Year 1 earn-out period	-	(3,955,556)	-	3,955,556	-
Share based payments (Note 22)	-	2,163,361	-	-	2,163,361
Total transactions with owners	-	(1,792,195)	-	3,955,556	2,163,361
Balance at 30 June 2026	**61,651,251**	**4,203,834**	**(1,542)**	**50,793,430**	**116,646,973**

The accompanying Notes form part of these financial statements.

	Notes	30 June 2026 $	30 June 2025 $
Cash Flows from Operating Activities			
Receipts from customers		144,123,638	112,643,271
Payments to suppliers and employees		(124,087,437)	(92,858,466)
Income tax paid		(5,400,430)	(2,973,554)
Interest received		349,635	635,433
Interest and other costs of finance paid		(63,752)	(282,558)
Net cash flows from operating activities	*10(a)*	**14,921,654**	**17,164,126**
Cash Flows from Investing Activities			
Payment for acquisitions, net of cash acquired	*25,26*	-	(29,661,929)
Purchase of plant and equipment		(14,077,241)	(9,987,362)
Payment for intangible assets		(4,873,006)	(1,478,866)
Payment for other assets		(374,364)	-
Proceeds from disposal of plant and equipment		547,500	357,115
Net cash flows used in investing activities		**(18,777,111)**	**(40,771,042)**
Cash Flows from Financing Activities			
Proceeds from borrowings		5,000,000	-
Repayment of borrowings		(904,260)	(2,058,758)
Payments for principal portion of lease liabilities		(1,070,822)	(776,312)
Proceeds from capital raising	20	-	38,195,586
Capital raising costs		-	(2,527,389)
Net cash flows from financing activities		**3,024,918**	**32,833,127**
Net (decrease) / increase in cash and cash equivalents		(830,539)	9,226,211
Cash and cash equivalents at the beginning of financial year		12,957,391	3,731,180
Cash and cash equivalents at the end of financial year	*10*	**12,126,852**	**12,957,391**

The accompanying Notes form part of these financial statements.

NOTE 1: GENERAL INFORMATION

Vysarn Limited ("Vysarn" or "the Company") is a listed public Company limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity. Its registered office and principal place of business is Level 1, 640 Murray St, West Perth WA 6005.

The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Company and its controlled entities ("the Group").

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 August 2026. The Directors have the power to amend and reissue the financial statements.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian interpretations) adopted by the Australian Accounting Standard Board ("AASB") and the *Corporations Act 2001*. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

b) Basis of preparation

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in Note 2(bb) below.

c) Adoption of New Accounting Standards

The Group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact as a result of the adoption of these Accounting Standards and Interpretations issued.

d) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

e) Trade receivables

Trade receivables are amounts due from customers for goods or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional which is considered to be fair value; none of the Group's trade receivables contain a financing component. The Group holds the trade receivables with the objective of collecting the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on share credit risk characteristics and the days past due. The expected loss rates are based on existing market conditions and forward-looking estimates at the end of each reporting period.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

f) Inventories

Inventories, including raw materials and stores, work in progress and contract fulfilment costs are measured at the lower of cost and net realisable value.

g) Property, plant & equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income / (expense) in the statement of profit or loss. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

Depreciation is a systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount is the cost of the asset, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of the fixed asset item, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets.

The estimated useful lives are as follows:

- Plant and equipment – 2 - 10 years;
- Computer equipment – 3 years; and
- Trucks, trailers and light vehicles – 4 - 10 years.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

h) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

i) Intangible Assets

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised. Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Capitalised development costs

Costs incurred in developing products and technology are initially recognised as an asset and are subsequently amortised over their estimated useful lives commencing from the time the product is considered commercialised. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, development costs are recognised as an intangible asset are measured at cost, less accumulated amortisation and any accumulated impairment losses.

j) Lease liabilities

Lease liabilities are measured at amortised cost using the effective interest method.

k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group. Interest, when charged by the lender, is recognised as an expense on an accruals basis.

l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating the actual draw-down of the facility, are recognised as prepayments and amortised on a straight -line basis over the term of the facility.

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

n) Foreign currencies

The consolidated financial statements are presented in Australian dollars (AUD), which is the functional currency of the Company and the presentation currency of the Group. In preparing the financial statements of the group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

o) Equity and reserves

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits. The share-based payment reserve records the value of share-based payments. The translation reserve records accumulated exchange rate differences.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

p) Revenue recognition

Revenue from contracts with customers

The revenue associated with drilling contracts is recognised in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. Hire revenue is recognised as the customer simultaneously receives and consumes the benefits, the Group has an enforceable right to payment and as such the performance obligation is satisfied over time. For test pumping services provided under contract, revenue is recognised in accordance with a specified unit of production based on rates agreed to with the customer (for example activity completed or hours worked).

Revenue from customer contracts is recognised upon satisfaction of a performance obligation under those contracts either over time in accordance with specified units of production (for example meters drilled or hours worked) or a point in time when risks and rewards pass to the customer under those contracts (for example the sale of certain items including consumables).

For consultancy services provided under contract, revenue is recognised in accordance with a specified unit of production based on rates agreed to with the customer (for example project reports completed, or hours worked).

For engineering services provided under contract, revenue is recognised in accordance with a specified unit of production based on a rate agreed to with the customer (for example MAR units delivered or hours worked). For engineering services provided under contract where services are rendered over time, revenue is recognised over time based on the percentage of costs incurred to date relative to total expected costs. This approach is used when the contract outcome can be reliably measured and the customer simultaneously receives and consumes the benefits as the Group performs (for example waste water treatment plant delivered and installed).

q) Revenue recognition (continued)

The Group has no material contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Contract assets and liabilities

AASB 15 uses the terms "contract asset" and "contract liability" to describe what is commonly known as "accrued revenue" and "deferred revenue." Accrued revenue arises where work has been performed however is yet to be invoiced. Deferred revenue arises where payment is received prior to work being performed and is allocated to the performance obligations within the contract and recognised on satisfaction of the performance obligation.

Contract fulfilment costs

Costs generally incurred prior to the commencement of a contract may arise due to mobilisation/site setup costs as these costs are incurred to fulfil a contract. Where the costs are expected to be recovered, they are capitalised and expensed over the period of revenue recognition. Where the costs, or a portion of these costs, are reimbursed by the customer, the amount received is recognised as deferred revenue.

Contract fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the consolidated entity that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Contract fulfilment costs are amortised on a straight-line basis over the term of the contract, or a period of 12 months for long term contracts greater than 12 months in duration.

r) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

s) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

t) Fair value measurement

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

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

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

u) Share-based payments

Share-based payments are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. Share-based payment transactions are recognised in equity if the goods or services were received in an equity-settled share-based payment transaction, or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

The fair value of performance rights are determined using the Parisian Barrier Model developed by Hoadley Trading & Investment Tools. The number of performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

The Group initially measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them, as well as an assessment of the probability of achieving non-market based vesting conditions.

The probability of achieving non-market based vesting conditions of performance rights is assessed at each reporting period.

The Group has applied judgement in assessing the likelihood of achieving the performance milestones in relation to the performance rights issued in the period.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

v) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tax consolidation

The Group and its wholly owned Australian resident entity formed a tax-consolidated group effective 28 August 2019. As a consequence, all members of the tax-consolidated group are taxed as a single entity from that date. The head entity within the tax-consolidated group is Vysarn Limited.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the "separate taxpayer within group" approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised by the Group as amounts payable (receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Group as an equity contribution or distribution.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

w) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at amortised cost using the effective interest method. For contingent consideration, it is measured at fair value through profit or loss.

Financial assets

Financial assets are subsequently measured at amortised cost.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

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

x) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

y) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2026/183*, the amounts in the directors’ report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

z) New Accounting Standards issued but not yet effective

Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The Group's assessment of the impact of these new or amended Accounting Standards and interpretations, most relevant to the Group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 replaces AASB 101 Presentation of Financial Statements to improve how entities communicate in their financial statements, with a focus on information about financial performance in the profit or loss.

AASB 18 has also introduced changes to other accounting standards including AASB 108 Basis of Preparation of Financial Statements (previously titled Accounting Policies, Changes in Accounting Estimates and Errors), AASB 7 Financial Instruments: Disclosures, AASB 107 Statement of Cash Flows, AASB 133 Earnings Per Share and AASB 134 Interim Financial Reporting.

They key presentation and disclosure requirement are:

(a) the presentation of two newly defined subtotals in the statement of profit or loss, and the classification of income and expenses into operating, investing and financing categories – plus income taxes and discontinuing operations;

(b) the disclosure of management-defined performance measures; and

(c) enhanced requirements for grouping (aggregation and disaggregation) of information.

AASB 18 mandatorily applies to annual reporting periods commencing on or after 1 January 2027 and will be first applied by the Group in the financial year commencing 1 July 2027. The likely impact of this accounting standard on the financial statements of the Group has not been determined.

aa) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective Notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed below, is calculated based on the information available at the time of preparation as detailed in Note 23. The actual credit losses in future years may be higher or lower.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made as detailed in Note 7.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Share-based payments

The Group measures the cost of equity-settled transactions with suppliers and employees by reference to the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted. The fair value of the equity instruments granted is determined using the Black-Scholes, Hoadley, Monte Carlo Simulation, or other appropriate option pricing model taking into account the terms and conditions upon which the instruments were granted as detailed in Note 22. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets and Intangible assets

The Group determines the estimated useful lives and related depreciation and amortisation for its property, plant and equipment and other intangible assets. The useful lives could change significantly as a result of technical innovations or other events. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets have been abandoned or sold will be written off or written down.

Business combinations

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Impairment of goodwill and other intangible assets

Goodwill is allocated to a cash generating unit or units (CGU’s) according to management’s expectations regarding which assets will be expected to benefit from the synergies arising from the business combination that gave rise to the goodwill. The recoverable amount of a CGU is based on value in use calculations.

Impairment of non-financial assets

All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the Group. Management has determined there is no impairment indicators for the year ended 30 June 2026.

NOTE 3: OPERATING SEGMENTS

Identification of Reportable Segments

The Group has identified 4 reportable segments as described below:

- **Industrial:** Pentium Hydro and PTP.
- **Technology:** Project Engineering and WWS.
- **Advisory:** Pentium Water and CMP.
- **Other:** Includes both Vysarn and VAM.

The Group's reportable segments are based on the differences in the products and services offered by each segment and the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources. Vysarn and VAM have been aggregated into one segment due to the non-material products and services and therefore, external revenues currently provided by these entities.

Revenue received from the reportable segments are received solely from external Australian customers. The major results of the Group's reportable segments are consistent with the presentation of these consolidated financial statements.

Reportable Segments	30-June-26 $	30-June-25 $
1. Segmented External Revenues		
Industrial	73,900,278	60,497,235
Technology	33,131,455	25,984,333
Advisory	33,019,215	20,015,446
Other	10,889	29,195
Total	**140,061,837**	**106,526,209**
2. Segmented Net Profit Before Tax		
Industrial	11,509,040	7,808,682
Technology	6,729,668	7,140,366
Advisory	5,470,620	3,833,104
Other [1]	(2,808,168)	(3,753,809)
Total	**20,901,160**	**15,028,343**

Note 1: Inclusive of Vysarn Limited's and Vysarn Asset Management's corporate overhead

	30-June-26 $	30-June-25 $
3. Segmented Depreciation and Amortisation		
Industrial	6,274,572	5,153,286
Technology	766,924	319,172
Advisory	468,963	307,644
Other	214,937	236,476
Total	**7,725,396**	**6,016,578**

4. Segmented Assets		
Industrial	70,386,809	58,833,375
Technology	29,600,348	20,631,096
Advisory	44,155,177	42,703,846
Other	19,832,616	16,537,326
Total	**163,974,950**	**138,705,643**

5. Segmented Liabilities		
Industrial	13,768,029	11,509,676
Technology	10,188,306	6,518,756
Advisory	5,061,849	3,684,184
Other	18,309,793	17,619,598
Total	**47,327,977**	**39,332,214**

NOTE 4: SALES REVENUE	**30-June-26**	**30-June-25**
	$	**$**
Revenue recognised over a period of time from contracts with Australian customers:		
Drilling services and Test Pumping services	55,350,423	48,046,260
Engineering services	33,125,755	25,978,160
Consultancy services	30,504,854	19,444,974
Hire revenue	1,050,194	1,300,945
Joint Venture income	10,889	24,129
Sub-total	**120,042,113**	**94,794,468**
Revenue recognised at a point in time from contracts with Australian customers:		
Sale of goods (consumables)	19,576,953	11,123,038
Mobilisation / demobilisation	442,771	608,703
Sub-total	**20,019,724**	**11,731,741**
Total Revenue	**140,061,837**	**106,526,209**

NOTE 5: OTHER INCOME	**30-June-26**	**30-June-25**
	$	**$**
Interest income	349,635	635,433
Fuel tax rebate	24,429	22,697
Other revenue	111,462	565,952
Net gain on disposal of assets	909,069	71,448
Total	**1,394,595**	**1,295,530**

NOTE 6: EXPENSES

	30-June-26	30-June-25
	$	$
Breakdown of expenses by nature:		
Administration and Corporate Expense		
Office expenses	3,775,698	2,669,879
Corporate costs and compliance	2,756,142	2,695,164
Other expenses	417,536	237,608
Total	**6,949,376**	**5,602,651**
Employee Benefits Expense		
Wages and salaries	44,796,349	33,941,734
Superannuation	5,207,114	3,735,982
Employment related taxes	2,923,291	2,143,840
Other employment related expenses	707,628	668,116
	53,634,382	**40,489,672**
Presented as:		
Cost of sales	41,341,455	29,884,729
Employee benefits expense	12,292,927	10,604,943
Total	**53,634,382**	**40,489,672**
Depreciation and Amortisation Expense		
Plant and equipment depreciation	6,728,777	5,273,630
Right-of-use assets depreciation	995,403	741,732
Intangible assets amortisation	1,216	1,216
Total	**7,725,396**	**6,016,578**
Finance Expense		
Interest - borrowings	63,752	103,984
Interest - leases	117,642	75,797
Bank fees	103,037	102,777
Total	**284,431**	**282,558**

NOTE 7: INCOME TAX EXPENSE

	30-June-26	30-June-25
	$	$
a) Components of income tax expense		
Current tax	4,565,970	2,720,327
Deferred tax	1,524,465	1,548,591
(Over) / under provision in prior period	(301,000)	66,015
Income tax expense	**5,789,435**	**4,334,933**

b) Prima facie tax payable

The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:

	30-June-26	30-June-25
Prima facie income tax payable on profit before income tax at 30% (2025: 30%)	6,272,141	4,508,503
Add / (less) tax effect of:		
Entertainment	42,414	31,200
Plant and equipment	-	72,184
Share based payments	649,008	216,076
Income tax benefit from acquisitions	-	(687,917)
Other non-deductible (income) / expenses	(873,128)	128,872
(Over) / under provision in prior period	(301,000)	66,015
Income tax expense attributable to profit	**5,789,435**	**4,334,933**

c) Current tax liability

Current tax relates to the following:

Current tax liabilities / (assets)

	30-June-26	30-June-25
Opening balance	1,858,167	2,960,110
Income tax	4,565,970	2,581,353
Under / (over) provision in prior period	71,004	13,443
Instalments paid	(5,400,430)	(3,696,739)
	1,094,711	**1,858,167**

	30-June-26	30-June-25
d) Deferred tax	**$**	**$**
Deferred tax relates to the following:		
Deferred tax assets balance comprises:		
Plant and equipment under lease	34,773	22,106
Accruals	537,280	921,925
Provisions - annual and long service leave	1,008,202	827,650
Borrowing costs	5,962	7,604
Capital raising costs	455,822	608,708
Business related costs	186,750	249,000
	2,228,789	**2,636,993**
Deferred tax liabilities balance comprises:		
Prepayments	(88,861)	(128,681)
Accrued income	(2,460,370)	(1,753,411)
Plant and equipment	(5,438,776)	(6,214,175)
Intangible assets	(1,787,824)	(443,599)
Contract fulfillment costs	(670,385)	(1,162,095)
	(10,446,216)	(9,701,961)
Net deferred tax	**(8,217,427)**	**(7,064,968)**

e) Deferred income tax related to items charged or credited directly to equity		
Decrease / (increase) in deferred tax assets	-	758,217
	-	**758,217**
f) Deferred income tax (revenue)/expense included in income tax expense comprises:		
Decrease / (increase) in deferred tax assets	145,408	(269,854)
Increase / (decrease) in deferred tax liabilities	1,379,057	1,818,445
(Over) / under provision in prior period	(301,000)	66,015
	1,223,465	**1,614,606**

NOTE 8: REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by the auditor of the Company:

	30-June-26 $	30-June-25 $
Remuneration of the auditor of the Company (Pitcher Partners BA&A Pty Ltd and its related entities) for:		
Auditing or reviewing the financial reports	100,000	100,000
Non-audit services – tax compliance	31,650	23,500
Total	**131,650**	**123,500**

NOTE 9: EARNINGS PER SHARE	**30-June-26** **$**	**30-June-25** **$**
Earnings per share for profit		
Profit after income tax attributes to the owners of Vysarn Limited	15,111,725	10,693,410
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	527,444,829	501,365,056
Adjustments for the effects of dilutive potential ordinary shares:		
Effect of shares issued on exercise of performance rights	20,000,000	20,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	547,444,829	521,365,056
Basic earnings per share	0.0287	0.0213
Diluted earnings per share	0.0276	0.0205

NOTE 10: CASH AND CASH EQUIVALENTS	30-June-26	30-June-25
	$	$
Cash at bank	12,126,852	12,957,391
Total	**12,126,852**	**12,957,391**

Accounting policy for cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash on hand and deposits held at call with financial institutions with a short maturity period of 90 days or less.

(a) Cash Flow Information	30-June-26	30-June-25
	$	$
Profit after income tax expense for the year	15,111,725	10,693,410
Non-Cash Flows in Result from Continuing Activities:		
Share based payments expense	2,163,361	557,140
Depreciation and amortisation	7,725,396	6,016,578
Fair value gain on movements in financial instruments	(3,015,894)	-
Profit on disposal of plant and equipment	(909,069)	(71,448)
Tax expense	5,789,435	4,334,933
Changes in assets and liabilities:		
(Increase) / decrease in inventories	(3,301,344)	(1,202,510)
(Increase) / decrease in trade and other receivables	(9,923,734)	(5,174,407)
Increase / (decrease) in employee entitlements	1,216,044	2,211,578
Increase / (decrease) in trade and other payables	4,810,500	8,711,805
Increase / (decrease) in other assets and liabilities	(4,744,766)	(8,912,953)
Net cash provided by operating activities	**14,921,654**	**17,164,126**

(b) Reconciliation of Liabilities Arising from Investing Activities

During the year, the Group did not issue any fully paid ordinary shares upon exercise of options or performance rights.

Liabilities arising from investing activities are liabilities for which cash flows are, or will be, classified as ‘cash flows from investing activities’ in the statement of cash flows. Changes in the carrying amounts of such liabilities, which comprise CMP’s deferred consideration summarised below:

	Contingent consideration
	$
Carrying amount at 1 July 2024	504,983
Net cash flows during the year	-
Non-cash changes	4,775,763
Carrying amount at 30 June 2025	**5,280,746**
Net cash flows during the year	-
Non-cash changes	(3,015,894)
Carrying amount at 30 June 2026	**2,264,852**

(c) Reconciliation of Liabilities Arising from Financing Activities

Liabilities arising from financing activities are liabilities for which cash flows are, or will be, classified as 'cash flows from financing activities' in the statement of cash flows. Changes in the carrying amounts of such liabilities, which comprise banks loans, deferred consideration for the acquisition of assets and lease liabilities, are summarised below:

	Bank loans	Lease liabilities
	$	$
Carrying amount at 1 July 2024	2,840,194	581,848
Net cash flows during the year	(2,058,758)	(776,312)
Non-cash changes	103,733	2,020,441
Carrying amount at 30 June 2025	**885,169**	**1,825,977**
Net cash flows during the year	4,095,740	(1,070,822)
Non-cash changes	19,091	1,552,101
Carrying amount at 30 June 2026	**5,000,000**	**2,307,256**

NOTE 11: TRADE AND OTHER RECEIVABLES	**30-June-26**	**30-June-25**
	$	**$**
Trade receivables	31,684,534	21,760,800
Total	**31,684,534**	**21,760,800**

For further information regarding trade and other receivables see Note 23.

Impairment and risk exposure

No impairment provision was recorded at 30 June 2026 based on management's assessment.

Information about the impairment of trade receivables and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 23.

NOTE 12: INVENTORIES	**30-June-26**	**30-June-25**
	$	**$**
Consumables and spare parts – at cost	10,821,140	7,519,796
Total	**10,821,140**	**7,519,796**

NOTE 13: OTHER CURRENT ASSETS	**30-June-26**	**30-June-25**
	$	**$**
Contract fulfilment costs	1,398,611	2,793,590
Contract assets	5,801,600	3,209,129
Other current assets	1,987,168	1,917,787
Total	**9,187,379**	**7,920,506**

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NOTE 14: PLANT AND EQUIPMENT	**30-June-26**	**30-June-25**
	$	**$**
Plant and equipment		
Cost	48,572,219	43,070,255
Accumulated depreciation	(18,956,075)	(15,398,794)
Net carrying amount	**29,616,144**	**27,671,461**
Trucks, trailers and light vehicles		
Cost	19,409,368	18,238,978
Accumulated depreciation	(9,640,285)	(8,093,215)
Net carrying amount	**9,769,083**	**10,145,763**
Office equipment		
Cost	1,950,736	1,597,121
Accumulated depreciation	(1,385,188)	(1,129,836)
Net carrying amount	**565,548**	**467,285**
Leasehold improvements		
Cost	180,366	156,080
Accumulated depreciation	(107,989)	(58,776)
Net carrying amount	**72,377**	**97,304**
Assets held not ready for use		
Cost	6,556,848	1,988,154
Net carrying amount	**6,556,848**	**1,988,154**
Total plant and equipment		
Cost	76,669,537	65,050,588
Accumulated depreciation	(30,089,537)	(24,680,621)
Net carrying amount	**46,580,000**	**40,369,967**

Consolidated Group	Plant and equipment	Trucks, trailers and light vehicles	Office Equipment	Leasehold Improvements	Assets Held Not Ready for Use (ii)	Total
	$	$	$	$	$	$
Carrying amount at 30 June 2024	19,960,670	10,341,073	232,086	4,003	3,045,376	33,583,208
Additions	8,266,193	1,547,242	173,927	-	-	9,987,362
Transfers	1,057,222	-	-	-	(1,057,222)	-
Assets acquired on acquisition	1,848,927	126,818	261,550	121,398	-	2,358,693
Disposals	(144,386)	(141,280)	-	-	-	(285,666)
Depreciation expense	(3,317,165)	(1,728,090)	(200,278)	(28,097)	-	(5,273,630)
Balance at 30 June 2025	**27,671,461**	**10,145,763**	**467,285**	**97,304**	**1,988,154**	**40,369,967**
Carrying amount at 30 June 2025	27,671,461	10,145,763	467,285	97,304	1,988,154	40,369,967
Additions	5,358,844	1,783,486	353,777	24,286	6,556,848	14,077,241
Transfers	1,986,304	-	1,850	-	(1,988,154)	-
Disposals (i)	(909,092)	(228,352)	(987)	-	-	(1,138,431)
Depreciation expense	(4,491,373)	(1,931,814)	(256,377)	(49,213)	-	(6,728,777)
Balance at 30 June 2026	**29,616,144**	**9,769,083**	**565,548**	**72,377**	**6,556,848**	**46,580,000**

(i) Several items of plant and equipment were sold during the period resulting in a gain on disposal of assets of $909,069.

(ii) Assets Held Not Ready for Use represent several assets of plant and equipment that are currently in the process of being upgraded or built and are not yet ready for use.

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

NOTE 15: RIGHT-OF-USE ASSETS AND LEASE LIABILITY	**30-June-26**	**30-June-25**
	$	**$**
Right-of-use assets		
Balance at the beginning of the year	1,752,290	549,182
Additions	287,630	1,955,619
Depreciation	(995,403)	(741,732)
Modification to lease terms	1,146,829	(10,779)
Balance at the end of the year	**2,191,345**	**1,752,290**
Lease liability		
Balance at the beginning of the year	1,825,977	581,848
Additions	287,630	1,955,619
Interest expense	117,642	75,797
Modification to lease terms	1,146,829	(10,975)
Lease payments	(1,070,822)	(776,312)
Balance at the end of the year	**2,307,256**	**1,825,977**
Represented as:		
Current lease liability	1,108,097	768,981
Non-current lease liability	1,199,159	1,056,996
	2,307,256	**1,825,977**

Interest expense is recognised within finance costs. Refer to Note 6.

NOTE 16: INTANGIBLE ASSETS	*Notes*	30-June-26	30-June-25
		$	$
Patents		6,081	7,298
Software		392,255	-
Kariyarra Water Scheme (1)		6,935,083	2,454,332
Goodwill – Project Engineering		2,409,334	2,409,334
Goodwill – WWS	25	4,930,001	4,930,001
Goodwill - CMP	26	35,980,922	35,980,922
Total		**50,653,676**	**45,781,887**

[1] The Kariyarra Water Scheme relates to the Company's joint resource agreement as announced to the ASX on 13 May 2024. Costs capitalised represent intellectual property of the Group associated with assessing, managing, controlling and extracting sustainable quantities of water from identified resources on KAC RNTBC country. The recoverable amount of other intangible assets has been determined on a value-in-use basis, using a cash flow forecast covering the expected life of the assets associated and required with the project. Based on this determination, management concluded that there were no indicators for impairment, and no impairment loss was identified.

Goodwill - Project Engineering

The recoverable amount of Project Engineering has been determined on a value-in-use basis, using cash flow forecasts from budgets approved by management covering a 5-year period, extrapolated cash flow projections beyond the 5-year budget period using an average growth rate in revenues and costs of 8% (2025: 8%) that approximates the long term average growth rate for the sector, and a mid-point pre-tax discount rate of 15.9% (2025: 11.3%).

Based on this determination, management concluded that the recoverable amount of Project Engineering was greater than its carrying amount at 30 June 2026 and accordingly no impairment loss was identified.

Goodwill - WWS

The recoverable amount of WWS has been determined on a value-in-use basis, using cash flow forecasts from budgets approved by management covering a 5-year period, extrapolated cash flow projections beyond the 5-year budget period using an average growth rate in revenues and costs of 8% (2025: 10%) that approximates the long term average growth rate for the sector, and a mid-point pre-tax discount rate of 15.9% (2025: 11.3%).

Based on this determination, management concluded that the recoverable amount of WWS was greater than its carrying amount at 30 June 2026 and accordingly no impairment loss was identified.

Goodwill - CMP

The recoverable amount of CMP has been determined on a value-in-use basis, using cash flow forecasts from budgets approved by management covering a 5-year period, extrapolated cash flow projections beyond the 5-year budget period using an average growth rate in revenues and costs of 3% (2025: 7%) that approximates the long term average growth rate for the sector, and a pre-tax discount rate of 15.9% (2025: 11.3%).

Based on this determination, management concluded that the recoverable amount of CMP was greater than its carrying amount at 30 June 2026 and accordingly no impairment loss was identified.

NOTE 17: BORROWINGS	30-June-26	30-June-25
	$	$
CURRENT		
Finance facility drawdown [(a)]	5,000,000	-
Asset finance facilities [(b)] – at amortised cost	-	885,169
Total	**5,000,000**	**885,169**

a) Finance facility drawdown

During the financial year, the Group drew down $5,000,000 under its existing finance facilities with National Australia Bank Limited (NAB) as at 30 June 2026. The additional funding was utilised for general working capital requirements. The facility is a revolving debt facility with a $5,000,000 limit and bears a prevailing interest rate of BBSY plus a variable margin of 1.8% - 2.10%.

The facility is secured by a general security agreement in respect of the Group's existing and future assets and is subject to customary financial covenants. As at 30 June 2026, the Group was in compliance with all covenant requirements and no events of default had occurred under the facility agreement.

b) Asset finance facilities

The asset finance facilities were fully extinguished at 30 June 2026. They beared interest at fixed prevailing market rates ranging from 3.95% to 6.5% and were repayable over 2 to 4 years. The asset finance facilities were secured via a registered GSA over plant and equipment which were purchased under the relevant agreements.

NOTE 18: TRADE AND OTHER PAYABLES	30-June-26	30-June-25
	$	$
Trade payables	19,545,440	14,285,296
GST liability	1,935,468	1,376,115
Accruals	868,412	1,711,193
Deferred revenue	442,531	154,663
Other payables	744,407	1,198,491
Total	**23,536,258**	**18,725,758**

The Group's exposure to liquidity risk related to trade and other payables is disclosed in Note 23 below.

NOTE 19: EMPLOYEE LIABILITIES

	30-June-26	30-June-25
	$	$
CURRENT		
Provision for employee benefits	2,667,255	2,461,161
Superannuation liability	1,477,340	886,560
Payroll liability	69,462	46,034
Sub-total	4,214,057	3,393,755
NON-CURRENT		
Provision for employee benefits	693,416	297,674
Sub-total	693,416	297,674
Total	**4,907,473**	**3,691,429**

NOTE 20: SHARE CAPITAL

	30-June-26	30-June-25
	$	$
(a) Share Capital		
527,444,829 fully paid ordinary shares (30 June 2025: 527,444,829).	61,651,251	61,651,251

Ordinary shares

No ordinary shares were issued during the 12-month period ended 30 June 2026 (30 June 2025: 118,822,300). Ordinary shares issued in the 12-month period ended 30 June 2025 were as follows:

- 10,000,000 options exercised by Mr James Clement.
- 3,333,335 performance rights converted to fully paid ordinary shares and issued to Executive Directors as part of Tranche 3 of the Performance Rights Incentive. These performance rights had been expensed in full in the prior periods.
- 95,488,965 shares issued as part of the Company's capital raising to help fund the WWS and CMP acquisitions.
- 10,000,000 Acquisition Shares and 30,000,000 Deferred (contingent) Consideration Shares issued to the vendors of CMP, as part of the Company's acquisition.

All issued shares are fully paid.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(b) Movement in Issued Capital

	30-June-26	30-June-26	30-June-25	30-June-25
Ordinary Shares	**No.**	**$**	**No.**	**$**
At the beginning of the reporting period	527,444,829	61,651,251	408,622,529	20,024,837
02-Jul-24 Options exercised during the period	-	-	10,000,000	750,000
27-Aug-24 Performance rights vested during the period	-	-	3,333,335	-
19 Sep-24 Capital raising	-	-	95,488,965	38,195,586
01-Dec-24 Issue of Consideration Shares to the vendors of CMP	-	-	10,000,000	4,450,000
Transaction costs	-	-	-	(1,769,172)
Total	**527,444,829**	**61,651,251**	**527,444,829**	**61,651,251**

NOTE 21: RESERVES

	30-June-26	30-June-25
	$	$
(a) Share Based Payment Reserve		
20,000,000 performance rights on issue (30 June 2025: 20,000,000)	2,720,501	557,140
21,111,111 Deferred (contingent) Consideration Shares (30 June 2025: 30,000,000)	1,483,333	5,438,889

Movement in Share Based Payment Reserve	**30-June-26**	**30-June-25**
	$	**$**
At the beginning of the period	5,996,029	799,775
Transfer to retained earnings upon exercise of options and performance rights	-	(799,775)
CMP Deferred Consideration shares (Note 26)	-	5,438,889
CMP Deferred Consideration shares lapsed (Note 26)	(3,955,556)	-
Share based payments	2,163,361	557,140
Total	**4,203,834**	**5,996,029**

The share-based payment reserve is used to record increases in equity arising from equity-settled share-based payment arrangements.

Refer to Note 22 below which outlines the movement in the current period's share-based payment expense.

(b) Translation Reserve	**30-June-26**	**30-June-25**
	$	**$**
Foreign exchange translation reserve	(1,542)	-

Movement in Translation Reserve	**30-June-26**	**30-June-25**
	$	**$**
At the beginning of the period	-	-
Exchange rate differences in translating the net assets of foreign operations	(1,542)	-
Total	**(1,542)**	**-**

The foreign currency translation reserve comprises exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies differ from the Group's presentation currency.

During the year, the Group established a New Zealand operation with a New Zealand dollar functional currency. As a result, exchange differences arising on the translation of the New Zealand branch's assets, liabilities, income and expenses into Australian dollars have been recognised in the foreign currency translation reserve through other comprehensive income.

NOTE 22: SHARE BASED PAYMENTS

During the year ended 30 June 2026 no new share-based payment transactions were into.

The Company recorded the following share-based payments:

Options

No new options were issued during the year ended 30 June 2026 (2025: Nil).

In the prior financial year, Mr James Clement exercised his 10,000,000 Managing Director Options (exercisable at $0.075 per option provided Mr James Clement is as an employee of the Company through to their expiry on 5 July 2024) through the use of the Director Loan, as approved by shareholders at the 2023 Annual General Meeting. On 28 March 2025, shareholders approved to vary the terms of the Director Loan, which was then finalised and signed by Mr James Clement.

The Company provided Mr James Clement with an interest free loan (“Loan”) of $750,000 (“Loan Funded Shares”) for the purpose of funding the exercise of the Managing Director Options.

Mr James Clement must repay the Loan Balance to the company within 10 business days of the earlier of:

- three (3) years after the date on which Mr James Clement (and/or his nominee(s)) is issued the Loan Funded Shares on exercise of the Managing Director Options (Maturity Date);
- the date on which Mr James Clement ceases to be employed or engaged by the Group; or
- where the Board has determined (in its absolute discretion) that Mr James Clement engaged in serious misconduct; or
- the date on which the last Loan Funded Shares held by Mr James Clement are sold.

The Loan is interest free and repayable in 3 years from the date Mr James Clement was issued the Loan Funded Shares (i.e. 2 July 2027). The receivable balance has therefore been recognised at amortised cost, utilising an interest rate of 8.7% per annum. This rate was determined by management to be comparable to similar equity funding arrangements available from other finance providers. During the period, an interest free loan benefit of $56,796 (2025: $55,127) was recognised as remuneration to Mr James Clement pertaining to this arrangement. As at 30 June 2026, the carrying amount of the Loan receivable was $698,810 (2025: $642,014).

Options over equity instruments

There were no options outstanding at the beginning or end of the financial year ended 30 June 2026.

30 June 2025

Key Management Personnel	Opening balance	Vested during the year	Granted as compensation	Exercised	Closing balance
Peter Hutchinson	-	-	-	-	-
Sheldon Burt	-	-	-	-	-
James Clement	10,000,000	10,000,000	-	(10,000,000)	-
Shane McSweeney	-	-	-	-	-
Steve Dropulich	-	-	-	-	-
Total	**10,000,000**	**10,000,000**	**-**	**(10,000,000)**	**-**

The weighted average share price in relation to the above options exercised as at the date they were exercised, was $0.28 per share.

Performance Rights

As at 30 June 2026, 20,000,000 performance rights were on issue and outstanding (2025: 20,000,000). Each performance right will convert on a 1:1 basis to fully paid ordinary shares upon achievement of their relevant vesting conditions for $Nil consideration and nil exercise price (refer below).

Vesting of the performance rights is subject to achievement of vesting conditions as follows:

Tranche	Number of Performance Rights on Issue	Grant Date	Condition Test Date	Vesting Condition for each respective Tranche
1	6,666,667	28-Mar-25	30 June 2027	Employment condition, and meeting either of the;
2	6,666,667	28-Mar-25	30 June 2028	• Cumulative EPS condition; or
3	6,666,666	28-Mar-25	30 June 2029	• Volume weighted average price of shares condition

Where the:

- Employment condition – means the holder of the rights remains employed by the Company at the condition test date;
- Cumulative EPS condition – means the average annualised earnings per share (EPS) of the Company over the three periods ending on the Condition Test Date is at least A$0.0251 for Tranche 1, at least $0.0289 for Tranche 2 and at least $0.0332 for Tranche 3; and
- Volume weighted average price of shares condition - The volume weighted average price of Shares trading on the ASX in the ordinary course of trade (VWAP) of at least (“Barrier Price”) $0.51 for Tranche 1, $0.59 for Tranche 2 and $0.67 for Tranche 3 over 5 consecutive trading days (on which Shares have actually traded) at any time during the 90-day period commencing on the day immediately after the Condition Test Date.

At 30 June 2026, the unissued ordinary shares of the Company under performance rights are as follows:

Tranche	Number Under Performance Rights	Value at Grant Date ($)	Date of Vesting	Management Probability Assessment 30-June-26	Fair Value ($)
1	6,666,667	2,252,000	30-Jun-27	100%	2,252,000
2	6,666,667	2,154,000	30-Jun-28	100%	2,154,000
3	6,666,667	2,152,000	30-Jun-29	100%	2,152,000
Total	**20,000,000**	**6,558,000**	-	-	**6,558,000**

Movements in performance rights

The movement during the reporting period in the number of performance rights in the Company held, directly, indirectly or beneficially, by each key management personnel, including their related parties, is as follows:

	Opening balance	Granted as compensation	Vested and exercised during the year	Closing balance	Unvested and not exercisable at the end of the year
30 June 2026	**No.**	**No.**	**No.**	**No.**	**No.**
Peter Hutchinson	-	-	-	-	-
Sheldon Burt	-	-	-	-	-
James Clement	6,000,000	-	-	6,000,000	6,000,000
Shane McSweeney	6,000,000	-	-	6,000,000	6,000,000
Steve Dropulich	6,000,000	-	-	6,000,000	6,000,000
Other Executive	2,000,000	-	-	2,000,000	2,000,000
Total	**20,000,000**	**-**	**-**	**20,000,000**	**20,000,000**

	Opening balance	Granted as compensation	Vested and exercised during the year	Closing balance	Unvested and not exercisable at the end of the year
30 June 2025	**No.**	**No.**	**No.**	**No.**	**No.**
Peter Hutchinson	-	-	-	-	-
Sheldon Burt	1,666,667	-	(1,666,667)	-	-
James Clement	1,666,668	6,000,000	(1,666,668)	6,000,000	6,000,000
Shane McSweeney	-	6,000,000	-	6,000,000	6,000,000
Steve Dropulich	-	6,000,000	-	6,000,000	6,000,000
Other Executive	-	2,000,000	-	2,000,000	2,000,000
Total	**3,333,335**	**20,000,000**	**(3,333,335)**	**20,000,000**	**20,000,000**

During the year ended 30 June 2025, 3,333,335 performance rights vested and were exercised for $Nil consideration, resulting in the issue of 3,333,335 fully paid ordinary shares.

The executive performance rights were valued using a Parisian Barrier in parallel with a Monte Carlo Simulation, utilising the following inputs:

Valuation Inputs	Tranche 1	Tranche 2	Tranche 3
Valuation Date	28-Mar-25	28-Mar-25	28-Mar-25
Spot Price	$0.49	$0.49	$0.49
Barrier Price	$0.51	$0.59	$0.67
Parisian Barrier Price	$0.56	$0.64	$0.73
Condition Test Date	30-Jun-27	30-Jun-28	30-Jun-29
Vesting Period (Yrs)	2.26	3.26	4.26
Expiry Date	28-Mar-30	28-Mar-30	28-Mar-30
Expected Volatility *	40%	40%	40%
Risk Free Rate	3.94%	3.94%	3.94%
Dividend Yield	Nil	Nil	Nil
Value per executive performance right	**0.3378**	**0.3231**	**0.3228**
Number of executive performance rights issued per tranche	6,666,667	6,666,667	6,666,667
Valuation	$2,252,000	$2,154,000	$2,152,000

* Volatility was determined with reference to the Company's historical volatility for a comparative vesting period prior to the valuation date.

The executive performance rights will be brought to account over the expected vesting period to which they relate. As a result, $2,163,361 in share-based payments was recorded as an expense in the statement of profit or loss and other comprehensive income during the year ended 30 June 2026 in relation to performance rights (30 June 2025: $557,140).

Share Based Payments Expense

Share based payment expense is comprised as follows:

	30-June-26	30-June-25
	$	$
Options	-	-
Performance rights	2,163,361	557,140
Total share-based payments expense	**2,163,361**	**557,140**

NOTE 23: FINANCIAL INSTRUMENTS & FAIR VALUE MEASUREMENT

Fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the Notes specific to that asset or liability.

(i) Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments approximate their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

(ii) Fair value hierarchy

Financial instruments carried at fair value are determined by valuation level, as determined in accordance with the relevant accounting standard. The different levels have been defined as:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between levels during the current or prior year.

With respect to specific financial assets and liabilities, the following valuation methods have been used:

- Contingent consideration payable is carried at fair value and has been determined by discounting the cash flows, at market rates of similar borrowings, to their present value. The probability weighted pay-out method has been utilised by Management to determine the best estimate of expected cashflows arising as a result of the arrangement.

All financial assets and liabilities carried at fair value are level 3 within the fair value hierarchy. Other assets and other liabilities approximate their carrying value. The carrying amount of all financial assets and financial liabilities approximate their fair value at reporting date.

The table below illustrates the impact on profit before tax based upon expected volatility of the Company's share price on the fair value of CMP's deferred consideration.

	30-June-26	**30-June-25**
+/- 5% share price movement	**$**	**$**
Impact on profit after tax	(113,243)	(264,037)
Impact on equity	(113,243)	(264,037)

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

This Note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

Risk management framework

The Board recognises that effective risk management is critical to the achievement of the Group strategic objectives and the creation of sustainable shareholder value.

The Group maintains an enterprise-wide risk management framework designed to identify, assess, monitor and manage risks and opportunities across all areas of the business. The framework is embedded within the Group's governance, strategic planning and operational decision-making processes.

The Board is responsible for overseeing the Group's risk management framework and determining the nature and extent of risk that the Group is willing to accept in pursuit of its strategic objectives. The enterprise-wide risk management framework is based on the principles of ISO 31000. General Managers are responsible for identifying, assessing and managing risks and opportunities for their business units, with the enterprise risk profile reviewed regularly by Executive and overseen by the Board.

The Board reviews Board monitored risks and emerging risks at each board meeting and undertakes an annual review of the enterprise-wide risk management register.

The Group's risk management processes include:

- Identification of risks and opportunities that may impact the achievement of strategic, operational, financial and compliance objectives.
- Assessment of the likelihood and potential impact of identified risks and opportunities.
- Implementation of controls and mitigation strategies to manage risks within the Group's approved risk appetite.
- Ongoing monitoring, review and reporting of risks, controls and emerging risk trends.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The Group is exposed to currency risk on administration costs, purchases of spare parts and plant and equipment that are denominated in New Zealand dollars (NZD) and US dollars (USD).

The Group does not use currency hedging for administration expenses as the receipts in NZD and USD are used to meet the liability obligations of the Group entities denominated in NZD and USD. The use of currency hedging for exposures relating to spare parts and plant and equipment purchases are assessed on a case-by-case basis.

During the financial year ended 30 June 2026, the Group did not enter into any forward foreign currency contracts.

The Group's exposure to foreign currency risk and the resulting impact on the consolidated financial statements is considered immaterial and no quantitative sensitivity analysis has been performed.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

The financial instruments which primarily expose the Group to interest rate risk are borrowings and cash and cash equivalents. The Group manages its exposure to changes in interest rates on borrowings by using a mix of fixed and floating rate debt. The Group is exposed to movements in market interest rates on short term deposits. The Directors monitor the Group's cash position relative to the expected cash requirements. Where appropriate, surplus funds are placed on deposit earning higher interest.

The Group's only exposure to interest rate risk is in relation to deposits and borrowings held. Deposits and borrowings are held with reputable banking financial institutions.

Profile

At the reporting date the interest rate profile of the Group's variable interest-bearing financial instruments was:

	Carrying Amount	
Variable rate instruments	**30-June-26**	**30-June-25**
	$	**$**
Financial assets		
Cash at bank	12,126,852	12,957,391
Financial liabilities		
Borrowings	(5,000,000)	-
Total	**7,126,852**	**12,957,391**

The table below illustrates the impact on profit before tax based upon expected volatility of interest rates using market date and analysis forecasts.

	30-June-26	**30-June-25**
+/- 50 basis points	**$**	**$**
Impact on profit after tax	35,634	64,787
Impact on equity	35,634	64,787

Capital management

The Board's policy is to maintain adequate capital so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group's debt and capital structure includes ordinary share capital and loans and borrowings. The Group is not subject to externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risk and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

The Group's debt-to-adjusted capital ratio at the end of the reporting period was as follows:

Capital Management	**30-June-26**	**30-June-25**
	$	**$**
Total liabilities	47,327,977	39,332,214
Less: cash and cash equivalents	(12,126,852)	(12,957,391)
Net debt	**35,201,125**	**26,374,823**
Total capital	116,646,973	99,373,429
Debt-to-capital ratio at the end of the period	**0.30**	**0.27**

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

Management has established a credit policy under which each new customer and counterparties to transactions are analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes the use of external ratings, when available. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating at least "A-". The Group's exposure to credit risk is influenced mainly by the individual credit characteristics of each customer. 100% of revenue is attributable to Australian entities.

Details with respect to credit risk of trade and other receivables are provided below. Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed below.

Impairment of financial assets

The Group hold trade receivables that are subject to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the AASB 9 simplified approach to measuring the expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected credit losses have been grouped based on shared credit risk characteristics and the days past due.

The historical loss rates are adjusted to reflect current and forward- looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 30 June 2026 was determined as follows for trade receivables:

30-June-25	**Current**	***< 30***	***31 - 60***	***61 - 120***	***> 120***	**Total $**
Expected loss rate	0%	0%	0%	0%	1%	
Gross carrying amount - trade receivables	19,553,091	16,850,987	2,702,104	2,207,709	-	**21,760,800**
Loss allowance	-	-	-	-	-	-
30-June-26	**Current**	***< 30***	***31 - 60***	***61 - 120***	***> 120***	**Total $**
Expected loss rate	0%	0%	0%	0%	1%	
Gross carrying amount - trade receivables	31,556,699	30,645,898	910,801	113,686	14,149	**31,684,534**
Loss allowance	-	-	-	-	-	-

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. The Group has not recognised any impairment losses in the statement of profit or loss as at 30 June 2026 arising from contracts with customers. The Group's receivables primarily consist of Tier 1/Tier 2 Mining companies, utilities and government water authorities on 30-day net terms with no noted debtor payment issues to date since commencement of current activities.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The credit risk on liquid funds is limited because the counterparties are banks with a minimum credit rating of AA assigned by reputable credit rating agencies. The Group's maximum exposure to credit risk at the reporting date was:

Exposure to credit risk	**30-June-26**	**30 -June-25**
	$	**$**
Cash and cash equivalents - AA Rated	12,126,852	12,957,391
Trade receivables	31,684,534	21,760,800
Total	**43,811,386**	**34,718,191**

Liquidity risk

Liquidity risks arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligation related to financial liabilities. Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and continuously monitoring actual and forecast cash flows.

Remaining contractual maturities

The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	1 year or less	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total Remaining contractual cash flows**
30 June 2026	**$**	**$**	**$**	**$**	**$**
Non-derivatives					
Interest bearing					
Borrowings	5,000,000	-	-	-	5,000,000
Lease liability	1,257,516	886,808	373,276	-	2,517,600
Non-interest bearing					
Trade and other payables	23,536,258	-	-	-	23,536,258
Contingent consideration	426,162	1,838,690	-	-	2,264,852
Total non-derivatives	**30,219,936**	**2,725,498**	**373,276**	**-**	**33,318,710**
30 June 2025					
Non-derivatives					
Interest bearing					
Borrowings	904,260	-	-	-	904,260
Lease liability	785,468	1,091,202	91,061	-	1,967,731
Non-interest bearing					
Trade and other payables	18,725,758	-	-	-	18,725,758
Contingent consideration	-	2,855,098	2,425,648	-	5,280,746
Total non-derivatives	**20,415,486**	**3,946,300**	**2,516,709**	**-**	**26,878,495**

NOTE 24: RELATED PARTY TRANSACTIONS

(a) Individual Directors and executives compensation disclosures

Information regarding individual Directors and executives' compensation and some equity instruments disclosures as permitted by Corporations Regulations 2M.3.03 is provided in the remuneration report section of the Directors' Report. Apart from the details disclosed in this Note and Note 22 regarding share-based payment arrangements and loan arrangements, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

Details of the remuneration of key management personnel of the Company are set out in the following table.

	30-June-26	30-June-25
	$	$
Short-term employee benefits	1,956,871	1,254,038
Post-employment benefits	102,973	67,308
Share-based payments	1,947,024	501,426
Total	**4,006,868**	**1,822,772**

(b) Subsidiaries

All inter-company loans are eliminated on consolidation and are interest free with no set repayment terms.

(c) Other key management personnel and director transactions

Purchases from and sales to related parties are made on terms equivalent to those that prevail in arm's length transactions.

Some Directors, or former Directors of the Company, hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Mr Sheldon Burt is currently the Chairman of Metzke Pty Ltd, a developer and manufacturer of drilling technology. Metzke Pty Ltd invoiced Pentium Hydro $142,921 (2025: $46,436) during the period for drilling consumables.

There were no other purchases from or sales to related parties during the year (2025: Nil).

NOTE 25: ACQUISITION OF WASTE WATER SERVICES PTY LTD

Summary of Business Combination

As referred to in the prior year financial report, on 30 August 2024 the Company entered into a binding Share Sale Agreement for the acquisition of 100% of the issued capital of Waste Water Services Pty Ltd ("WWS").

Under the terms of the acquisition, the Company acquired 100% of the issued shares in WWS for cash consideration of $7,500,000, adjusted for post working capital adjustments.

The Company assumed control of the trading activities of Waste Water Services with effect from 1 September 2024.

Details of the purchase consideration and fair value of assets and liabilities acquired are as follows:

	30-Jun-25 $
a) Purchase Consideration	
Cash paid (net of working capital adjustments)	6,602,916
Total consideration paid	**6,602,916**
b) Fair Value of Net Tangible Assets	
Trade receivables	1,164,786
Other current assets	599,026
Plant and equipment	1,975,745
Other non-current assets	507,266
Trade and other payables	(1,025,922)
Other current liabilities	(950,749)
Provisions	(256,587)
Deferred tax liability	(340,650)
Total	**1,672,915**
c) Goodwill	
Excess of consideration over fair value of net assets acquired	**4,930,001**

NOTE 26: ACQUISITION OF CMP CONSULTING GROUP PTY LTD

Summary of Business Combination

As referred to in the prior year financial report, on 13 September 2024 the Company entered into a binding Share Sale Agreement for the acquisition of 100% of the issued capital of CMP Consulting Group Pty Ltd ("CMP").

Under the terms of the acquisition, the Company acquired 100% of the issued shares in CMP for an upfront consideration of $24,000,000 cash and 10,000,000 Vysarn shares, adjusted for post working capital and net debt adjustments ("CMP Transaction"). Further, deferred consideration of up to 30,000,000 Vysarn shares over three years subject to the achievement of EBITDA performance metrics.

The Company assumed control of the trading activities of CMP with effect from 1 December 2024.

Details of the purchase consideration and fair value of assets and liabilities acquired are as follows:

	30-June-25
	$
a) Purchase Consideration	
Cash paid (net of working capital adjustments)	23,059,013
*Acquisition Shares	4,450,000
*Deferred (contingent) Consideration Shares (v)	9,236,302
*Additional Deferred (contingent) Consideration Shares (v)	1,483,333
Fair value consideration	**38,228,648**
b) Fair Value of Net Tangible Assets	
Trade receivables	1,858,630
Other current assets	3,626,047
Plant and equipment	382,948
Deferred tax assets	473,860
Trade and other payables	(765,994)
Other current liabilities	(2,028,656)
Provisions	(1,299,109)
Total	**2,247,726**
c) Goodwill	
Excess of consideration over fair value of net assets acquired	**35,980,922**

* The fair value of ordinary shares issued as consideration has been determined with reference to the Company's share price as at the effective date of control of CMP.

NOTE 26: ACQUISITION OF CMP CONSULTING GROUP PTY LTD (CONTINUED)

As consideration for the acquisition of CMP, the Company agreed to issue up to 30,000,000 Shares (Deferred Consideration Shares) to the Vendors of CMP. The Deferred Consideration Shares will be issued upon achievement of the following Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA") targets for each respective period ("Earn Out Period").

Earn Out Period	EBITDA Target	Shares to be issued
The period commencing on the Completion Date and ending on the 12-month anniversary date following the Completion Date ("Year 1")	$5,500,000	8,888,889
The period commencing on the day following the First Anniversary Date and ending on the 24-month anniversary date following the Completion Date (Second Anniversary Date) ("Year 2") *	$6,000,000	8,888,889
The period commencing on the day following the Second Anniversary Date and ending on the 36-month anniversary date following the Completion Date ("Year 3") *	$6,500,000	8,888,889
Cumulative EBITDA for CMP for Year 1, Year 2 and Year 3 is equal to or greater than $18,000,000	$18,000,000	3,333,333

* If the EBITDA Target is not reached for Year 2 or Year 3, but the EBITDA for CMP for each of Year 2 and Year 3 is equal to or greater than $5,000,000 and the cumulative EBITDA for CMP for Year 2 and Year 3 is equal to or greater than $12,500,000, the Company will issue the Deferred Consideration Shares that were not issued for Year 2 or Year 3 because the EBITDA Target for that year was not reached.

Australian Accounting Standards require the Group to assess whether the Deferred Consideration Shares meet the definition of a financial liability or are accounted for as equity arrangements. The Group has assessed and determined that the Year 2 and Year 3 Earn Out Periods collectively constitute a financial liability, as a result of the variable number of shares to be issued under the arrangement.

As such, the Group recorded a Contingent consideration payable liability of $5,280,746 at 31 December 2024 in relation to the Year 2 and Year 3 Earn Out Periods. The Group initially recognised this liability at fair value and will remeasure its fair value at each reporting period with changes recognised in the Statement of Profit or Loss.

The contingent consideration associated with Year 1 and the Cumulative EBITDA Earn Out Period was accounted for as an equity transaction. $5,438,889 was recognised within the Share Based Payment Reserve in relation to these shares granted.

As the Year 1 Earn-Out Period EBITDA hurdle was not achieved as at 30 June 2026, the Company transferred the Year 1 Share-Based Payment Reserve balance of $3,955,556 to Retained Earnings.

Noting the Year 1 hurdle was not met, Management reassessed the likelihood of achieving the Year 2 and Year 3 Earn-Out Period performance conditions at 5% and 25%, respectively (30 June 2025: 100% Year 2 and 100% Year 3). Based on this updated assessment, and the Company's share price at 30 June 2026, the fair value of the Contingent Consideration Payable was remeasured to $2,264,852. The resulting change in fair value of $3,015,894 was recognised in the Statement of Profit or Loss for the year ended 30 June 2026.

Earn Out Period	EBITDA Target ($)	Value at Grant Date ($)	Value at 30-Jun-2025 ($)	Date of Vesting	Management Probability Assessment 30 June 2026	Fair Value Liability ($)
Year 2	6,000,000	2,855,098	2,855,098	1-Dec-26	5%	426,162
Year 3	6,500,000	2,425,648	2,425,648	1-Dec-27	25%	1,838,690
Total	**-**	**5,280,746**	**5,280,746**	-	-	**2,264,852**

NOTE 27: PARENT ENTITY DISCLOSURES

Financial Position	30 June 2026 ($)	30 June 2025 ($)
Assets		
Current assets	19,991,366	22,071,939
Non-current assets	44,629,734	44,358,831
Total Assets	**64,621,100**	**66,430,770**
Liabilities		
Current liabilities	7,139,732	4,529,565
Non-current liabilities	10,707,585	12,856,500
Total Liabilities	**17,847,317**	**17,386,065**
Net Assets	**46,773,783**	**49,044,705**
Equity		
Share capital	61,651,251	61,651,251
Reserves	4,203,834	5,996,029
Retained losses	(19,081,302)	(18,602,575)
Total Equity	**46,773,783**	**49,044,705**

Financial Performance	30 June 2026 ($)	30 June 2025 ($)
Loss for the year (before tax)	(2,610,589)	(3,679,685)
Other comprehensive income	-	-
Total comprehensive (loss)	**(2,610,589)**	**(3,679,685)**

Guarantees provided in relation to subsidiaries

The Company provides a parent-company guarantee in respect to finance facilities established by the Company's operating entities.

NOTE 28: CONTROLLED ENTITIES

The ultimate legal parent entity of the Group is Vysarn Limited, incorporated and domiciled in Australia. The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies described above.

Controlled Entities	Country of Incorporation	Percentage Owned	
		30-Jun-26	30-Jun-25
Pentium Hydro Pty Ltd	Australia	100%	100%
Pentium Test Pumping Pty Ltd	Australia	100%	100%
Pentium Water Pty Ltd	Australia	100%	100%
Project Engineering (WA) Pty Ltd	Australia	100%	100%
Vysarn Asset Management Pty Ltd	Australia	100%	100%
Waste Water Services Pty Ltd	Australia	100%	100%
CMP Consulting Group Pty Ltd	Australia	100%	100%

NOTE 29: COMMITMENTS AND CONTINGENCIES

The Directors are not aware of any other commitments or any contingent liabilities that may arise from the Group's operations as at 30 June 2026.

NOTE 30: EVENTS SUBSEQUENT AFTER THE REPORTING DATE

The Company released the following material ASX announcement post 30 June 2026:

- As announced to the ASX on 28 July 2026, the Company announced it entered into a binding share sale agreement to acquire Welltech, a water and sewerage management business delivering water solutions across the civil, utility, government and resources sectors.
- As announced to the ASX on 28 July 2026, as part of the Welltech acquisition, the Company completed a capital raising to raise $65.3 million and issued the capital raising shares on 6 August 2026.

There were no other matters or circumstance that has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Company's state of affairs in future financial years.

Vysarn Limited is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the company and its controlled entities (the "Group").

In accordance with subsection 295(3A) of the Corporations Act 2001, this consolidated entity disclosure statement provides information about each entity that was part of the Group at the end of the financial year.

Name of entity	**Type of entity**	**Place formed or incorporated**	**Percentage of share capital held (if applicable)**	**Australian tax resident or foreign tax resident**	**Foreign tax jurisdiction (if applicable)**
Vysarn Limited	Body corporate	Australia	N/A	Australian	N/A
Pentium Hydro Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Pentium Test Pumping Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Pentium Water Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Project Engineering (WA) Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Vysarn Asset Management Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Waste Water Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
CMP Consulting Group Pty Ltd	Body corporate	Australia	100%	Australian	N/A

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

In the opinion of the Directors of Vysarn Limited:

1. The financial statements and Notes thereto are in accordance with the *Corporations Act 2001*, including:
   (a) Giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
   (b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations), International Financial Reporting Standards and the Corporations Regulations 2001.
2. The consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* is true and correct.
3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
4. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2026.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

James Clement
Managing Director and Chief Executive Officer
Dated 25 August 2026

PITCHER PARTNERS

VYSARN LIMITED
ABN 41 124 212 175

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Vysarn Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other 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 APES 110 Code of Ethics for Professional Accountants (*including Independence Standards*) issued by the Accounting Professional and Ethical Standards Board ("the Code") 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.

Pitcher Partners BA&A Pty Ltd
An independent Western Australian Company ABN 76 601 361 095.
Level 11, 12-14 The Esplanade, Perth WA 6000
Registered Audit Company Number 467435.

VYSARN LIMITED
ABN 41 124 212 175

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition *Refer to Note 2(p), Note 4 and Note 13 of the Financial Report*	
For the year ended 30 June 2026, the Group had revenue of $140,061,837 from contracts with customers for its hydrogeological drilling, test pumping, reinjection water services, water consultancy and waste water business activities and contract assets of $3,089,676 goods/services yet to be invoiced (accrued revenue). In addition, the Group tracks a number of costs associated with contracts with customers through its contract fulfillment costs. As at 30 June 2026, contract fulfillment costs amounted to $2,234,616. The determination of revenue recognition requires Management judgements in accounting for revenue, obligations, discounts, incentives and rebates in accordance with the Group's identified performance obligations as part of the transaction, as required under *AASB 15 Revenue from contracts with customers* ("AASB 15").	Our procedures included, amongst others: Understanding and evaluating the design and implementation of the relevant controls associated with the treatment of revenue, contract assets, and contract fulfillment costs, including, but not limited to, those relating to identification of performance obligations, discounts, incentives and rebates. Testing the operating effectiveness of relevant controls around revenue, contract fulfillment costs, such as the review and approval of progress claims and invoices by customers. Reviewing contracts for each revenue stream to understand their terms and conditions, including specified performance obligations included within and whether Managements' assessment for recognition of revenue, contract assets, and contract fulfilment costs under these contract terms, is in accordance with AASB 15, including cut-off procedures to assess whether revenue has been recognised in the correct period. Separately, testing a sample of transactions across each revenue stream, by sighting evidence of signed contracts, related invoices and comparing the revenue, contract asset, and contract fulfilment cost amount recognised to the timing of when the Group satisfies performance obligations associated with the transaction in accordance with AASB 15. Considering the adequacy of the disclosures included within the financial report.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of Non-current assets *Refer to Note 2(g) - 2(j), Note 14-16, Note 25 and Note 26 of the financial report*	
Included in the consolidated statement of financial position as at 30 June 2026 is an amount of $100,155,045 relating to non-current assets. This amount represents 61% of total assets. $50,653,676 of this amount relates to intangible assets, including goodwill acquired in business combinations. AASB 136 *Impairment of Assets* ("AASB 136") requires an entity to test non-current assets where there are indicators of impairment and to test goodwill acquired in a business combination for impairment annually. The evaluation of the recoverable amount of the Group's cash generating units ('CGUs) requires significant Management judgement in determining the key assumptions and estimates, including but not limited to: ▪ growth rate assumptions; and ▪ discount factors supporting the expected future cash flows of the business and the utilisation of the relevant assets. Due to the significance to the Group's financial report and the level of Management judgment involved in assessing the recoverable amount of the Group's CGUs, we consider this to be a key audit matter	Our procedures included, amongst others: Understanding and evaluating the design and implementation of the relevant controls associated with the recognition of non-current assets including capitalisation of expenditure and the identification of the CGUs. Reviewing management's evaluation and judgement as to whether the costs capitalised to intangibles are in development phase where probable future economic benefits could be determined. Assessing Management's determination of the Group's CGUs based on our understanding of the nature of the Group's businesses and how independent cash flows are derived. Evaluating and assessing the Group's assessment for impairment indicators associated with its non-current assets for each of it's CGUs. Critically evaluating and challenging the methodology and key assumptions around revenue and cost projections of management in their preparation of forecast models of the CGU encompassing goodwill and other intangible assets at 30 June 2026, including assessing the reasonableness of growth assumptions against historical performance. Checking the mathematical accuracy of forecast models and agreeing what has been provided to the latest Board approved forecasts and performing sensitivity analysis around discount rate and growth rate. Assessing the Group's accounting policy and disclosures within the financial report.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Key Audit Matter	How our audit addressed the key audit matter
Share-based Payments *Refer to Note 2(t) and 22 of the Financial Report*	
At 30 June 2026, a share-based payment expense of $2,163,361 has been recorded. Share-based payments involve significant Management estimates and judgement in their determination. Share-based payments must be recorded at fair value of the service provided, or in the absence of such, at the fair value of the underlying equity instrument granted. In calculating the fair value there are a number of management judgements including but not limited to: • Assessing the probability of achieving key performance milestones in relation to vesting conditions; and • Assessing the fair value of the share price on grant date, estimate of expected future share price volatility, expected dividend yield and risk-free rate of interest.	Our procedures included, amongst others: Understanding and evaluating the design and implementation of the relevant controls associated with the preparation of the valuation model used to assess the fair value of share-based payments, including in relation to volatility of the underlying security and the appropriateness of the model used for valuation. Critically evaluating and challenging the methodology and assumptions of management in their preparation of valuation model, including management's assessment of likelihood of vesting, agreeing inputs to internal and external sources of information as appropriate. Assessing the appropriateness of share-based payment expensed during the year pursuant to the requirements of Australian Accounting Standards AASB 2 *Share-based Payment ("AASB 2")*, including their consistency with the relevant valuations undertaken at grant date within the prior accounting year Assessing the Group's accounting policy and disclosures within the financial report.

VYSARN LIMITED
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the director's 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated 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.

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VYSARN LIMITED
ABN 41 124 212 175

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VYSARN LIMITED

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 24 of the directors' report for the year ended 30 June 2026. In our opinion, the Remuneration Report of Vysarn 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.

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MICHAEL LIPRINO
Executive Director
Perth, 25 August 2026