PROVARIS ENERGY LTD

APPENDIX 4E - PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

ASX Release 30 August 2022

DETAILS OF THE REPORTING PERIOD

This report details the consolidated results of Provaris Energy Ltd, ABN: 53 109 213 470 ("Provaris" or "the Company") and its controlled entities ("the Group") for the year ended 30 June 2022. Comparatives are for the year ended 30 June 2021.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				2022 $'000	2021 $'000
2.1	Revenue from ordinary activities	–	–	–	–
2.2	Profit/(Loss) from ordinary activities after tax attributable to members	Up	119%	(6,758)	(3,088)
2.3	Net profit/(loss) for the year attributable to members	Up	119%	(6,758)	(3,088)
				Cents	**Cents**
2.4	Net Tangible assets per security – at the end of the year			2.03	1.43

DIVIDENDS

No dividends have been paid or declared since the start of the financial year by the Company. The directors have recommended that no dividend be paid by the Company in respect of the year ended 30 June 2022. The Company does not have a dividend reinvestment plan.

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

The Group did not gain or lose control over any entities during the year.

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

The Group did not have any associates or joint venture entities during the year.

COMMENTARY ON THE RESULTS

Refer to Provaris' full 30 June 2022 Annual Report, which has been attached to this Appendix 4E.

AUDIT OF FINANCIAL STATEMENTS

This report is based on Accounts which have been audited.

We're connecting the world to a clean energy future.

PROVARIS

Annual Report 2022

Contents

Corporate Directory

Directors	**Greg Martin** (Independent Non-Executive Chairman) **Martin Carolan** (Managing Director and Chief Executive Officer) **Garry Triglavcanin** (Executive Director and Chief Development Officer) **Andrew Pickering** (Independent Non-Executive Director) **David Palmer** (Independent Non-Executive Director)
Company Secretary	Norman Marshall
ABN	53 109 213 470
ASX Code	PV1
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Connecting the future of energy

Chairman and Managing Director's Letter

Dear Shareholders

Since the last annual report, Provaris has made significant strides in positioning the company as an early mover in the global transition to cleaner energy sources to address, and endeavour to reverse, climate change. Such progress included the ongoing development of integrated green hydrogen projects, for export to regional markets through the simplicity and efficiency of compressed hydrogen, and significant advancement in the design and approval processes for the company's proprietary 26,000m3 (H2Neo) and 120,000m3 (H2Max) carriers for the marine transportation of compressed hydrogen (GH2 Carriers).

The 2022 financial year witnessed a number of macro events both in Australia and abroad that continue to generate exceptional momentum for the energy transition and decarbonization of global economies and certain industries that are considered hard to abate decarbonization solely through renewable generation of power. This has translated to an increase in the number of countries with hydrogen strategies, as a replacement energy source to fossil fuels such as coal, oil, and natural gas, and an upgrade in hydrogen demand targets for both domestic production and import volumes and accelerated timeframes.

During the period, we have continued to pursue a first-mover strategy and positioning of Provaris to take advantage of this momentum as we move from the concept phase into the detailed development, ship class approvals and completion of several studies demonstrating the suitability of compressed hydrogen as a method for bulk marine transport, both technically and commercially.

We have continued to advance the development of our purpose to become an integrated hydrogen development company, which includes the production of hydrogen followed by the use of proven compression technology to store and ship compressed hydrogen using our proprietary GH2 Carriers.

To better communicate our strategic intent and reasons to prospective customers, governments, potential partners, other stakeholders and the broader market we renamed and rebranded the company to Provaris Energy, following overwhelming shareholder support at the May 2022 extraordinary general meeting. The successful re-positioning has enabled the company to be seen as a credible participant in the hydrogen sector with a clear strategy and strong credentials to take a first mover position in the commercialisation of efficient and competitive hydrogen storage and marine transport solutions.

We are twelve months into executing on the development program whose primary objective is to position Provaris to be a market-leading provider of compressed hydrogen by sea from Australia to the high-demand energy hubs in South-East Asia, and supply sources located within mid-range shipping distance of the major ports in Europe connecting to the key industrial hubs seeking supply to meet their decarbonization goals.

The development of a safe and efficient way to load, store, and transport hydrogen by sea, and to discharge and distribute the hydrogen at the receiving port, is key to connecting low-cost renewable energy resources with growth markets short on domestic supply. We have also observed increased interest from the high demand markets in our solution, in particular Europe where the sailing distances are shorter and the end-markets and supporting infrastructure are more advanced than in other markets.

Recent global geopolitical instability and energy security concerns are accelerating hydrogen adoption, bringing forward large-scale demand, and increasing the need for efficient shipping of hydrogen in gaseous, liquid or chemical form and to delivering hydrogen to customers in a “ready to use" state.

The unique focus of our business model is to use compression, a proven technology, which delivers a simple process that can eliminate the capital and energy intensive requirements of alternatives. Our compression business model is now being recognised in numerous markets and we are seeking to convert techno-economic studies into commercial arrangements in the year ahead.

All of this work and the progress recorded has been achieved through the collective skillset and determination of our engineering, business development and corporate teams, and supported by highly motivated specialist consultants and technical partners.

Appointments made to the Board and to the executive team during the financial year has added to and complimented existing skills enabling Provaris to leverage extensive global experience and success across the development and operation of shipping, ports, logistics, infrastructure, and finance.

Our confidence in the merits and success of our business model continues to grow. We were further encouraged and appreciative of shareholder support for the successful capital raising completed in November 2021, placing the company in a solid financial position.

Thank you for your continued interest and support in Provaris and the delivery of our plans.

A summary of the operations and outcomes for financial year 2022 are presented in the Operations Report that follows.

Greg Martin
Chairman

Martin Carolan
Managing Director

2022 Year in Review

Q1

August
Agreement signed with HyEnergy Export Project to study feasibility of compressed hydrogen export supply chain.

August
Completion of H2Neo ship specification and receipt of Approval In Principle (AIP) from ABS.

September
Secured funding grant from the WA Government for completion of the HyEnergy Export study.

Q2

October
Board restructure with new Non-Executive Director David Palmer appointed and retirement of Chairman, Maurice Brand.

October
Announced the development of Tiwi H2 Export project and completion of Scoping Study supporting 100,000 tonne hydrogen export capacity.

November
Completion of $11 million capital raising via institutional placement.

December
Engineering and approvals of H2Neo underway to secure final Class Approval for Construction in 2022.

December
Commencement of HyExport Feasibility Study with appointments of key consultants.

Q3

January
Appointment of Chief Technical Officer, Per Roed, based in Europe.

February
Appointment of Greg Martin as new Chairman.

March
Permissions granted for on-country studies for Tiwi H2 project and consultants appointed for NT EPA Referral submission and commencement of Concept Design Study.

Q4

May
Completion of change of company name to Provaris Energy Ltd.

May
Agreement with Northern Marine Management signed for technical and operational support of H2Neo.

June
Lodgment of Referral submission to the Northern Territory Environment Protection Authority (NT EPA) for the Tiwi H2 project.

Operations Report For 2022

Green hydrogen: What does that mean?

You will see the term "green hydrogen" referenced throughout this Operations Report. In brief, green hydrogen is an energy source produced from electrolysis (splitting of water into separate hydrogen and oxygen molecules) where the electrolysis process is powered by renewable and sustainable electricity sources, such a wind, solar, or water.

The production and use of green hydrogen generates low, to close to zero, greenhouse gas emissions and in many cases is a technically viable alternative to fuel sources such as coal, oil, and natural gas which are major contributors to greenhouse gas emissions and climate change. As an example, in a hydrogen fuel cell the only emission in generating electrical power is water and warm air (zero air pollutants).

Unlocking regional hydrogen transport with the develop of our proprietary GH2 Carriers: H2Neo and H2Max.

Compression provides a proven, simple and energy efficient supply chain for green hydrogen. To facilitate marine storage and transportation of compressed hydrogen at scale, Provaris is developing two capacity Gaseous Hydrogen (GH2) Carriers with a proprietary cargo containment system that allows for hydrogen to be safely managed at 250 bar pressure and ambient temperatures.

The design of two GH2 Carriers, each with a different capacity of compressed hydrogen (H2Neo at 26,000m3, and the H2Max at 120,000m3) have received Approval in Principle (AIP) from American Bureau of Shipping (ABS); a member of the International Association of Classification Societies. Given receipt of AIP from ABS this unique ship, with its compressed hydrogen tanks integrated into the ship structure, can be designed to meet ABS Class requirements and proven to be as safe as other gas carriers.

The H2Neo, with 26,000m3 capacity containing 430 tonnes of hydrogen at 250 barg, is now at an advanced design stage and under review by ABS, aiming for Design Approval for Construction by year-end 2022. It is anticipated that the first H2Neo ships will be available for operations in 2026.

During 2022, the Company significantly progressed the detailed design of the ship, including a 3D Finite Element Model, along with process engineering and topside manifold systems. Specialist studies related to gas dispersion, fire, and explosion safety were completed, with ABS now in the process of reviewing the advanced engineering design package and planning for a second detailed HAZID analysis and the next Class Approval milestone within 2022.

In parallel with the design of the H2Neo, a two-phase testing program has been developed to confirm the selection of materials to be used to construct the cargo tanks. Materials have been selected with due consideration of hydrogen permeability and embrittlement, and detailed weld procedures have been developed for the applicable materials and thicknesses. The materials and welds are being confirmed in a two phase program that will run through to early 2023, including testing in a specialized (hydrogen) environmental testing laboratory in the second phase.

Utilising compression to manage the loading, discharging and distribution of gaseous hydrogen will limit the need for large-scale port facilities at either end of the hydrogen supply chain, enabling greenfield hydrogen projects to be developed at a scale that corresponds with market demand.

The many benefits of the compression supply chain to provide a first-mover advantage towards commercialising the hydrogen export industry include:

- low environmental and emissions impacts.
- minimal technology risk, noting compression of hydrogen has taken place for more than 100 years.
- load following of the renewable power generation profile.
- a modular approach to balancing supply and demand hubs as they develop.

These benefits are now being recognised as a low CAPEX solution that can fast track the development of demand and supply hubs, and allow for scale delivery of gaseous green hydrogen by end 2026 / early 2027. Green hydrogen is largely what end-users require for the decarbonisation of power, heat and mobility applications and the 2026 / 27 timeline is a stretch target for a number of developers, and Provaris is one of a few (possibly the only) providers of a transport solution that can meet the schedules.

Completed engineering studies continue to reinforce that hydrogen can be compressed through existing, proven technology into the GH2 Carrier and eliminate additional onshore hydrogen processing (e.g. liquefaction) and battery storage required by alternative carriers prior to transport. Similarly, the hydrogen will be delivered to customers directly through simple decompression from the ship's cargo tanks and there will be no need to develop a receiving terminal to store and/or crack the cargo prior to distribution.

Figure 1
Illustration of Provaris' H2Neo 26,000m3 carrier under development

Technical partners will continue to be a focus in order to accelerate the development of the company's commercialization plan and Provaris was delighted to announce a partnership with Northern Marine Group in order to advance the development of the GH2 Carriers. Northern Marine is a member of the Stena AB group and a global leader for technical and ship management services with close to 40 years of operation; managing a fleet of 70 vessels, including liquefied natural gas, chemical, very large crude carriers, product, and passenger ferries.

The agreement and partnership will cover specialist technical and operational services to support Provaris' GH2 Carrier development program through Class and Flag approval, shipbuilding contract negotiations, newbuild supervision, and operations. During the term of the agreement, Northern Marine and Provaris will identify and agree terms on opportunities for Northern Marine to be appointed as Ship Manager for future operational fleets of GH2 carriers, starting with the H2Neo.

Discussions remain ongoing with further technical partners aligned with the development of a supply chain for compressed hydrogen.

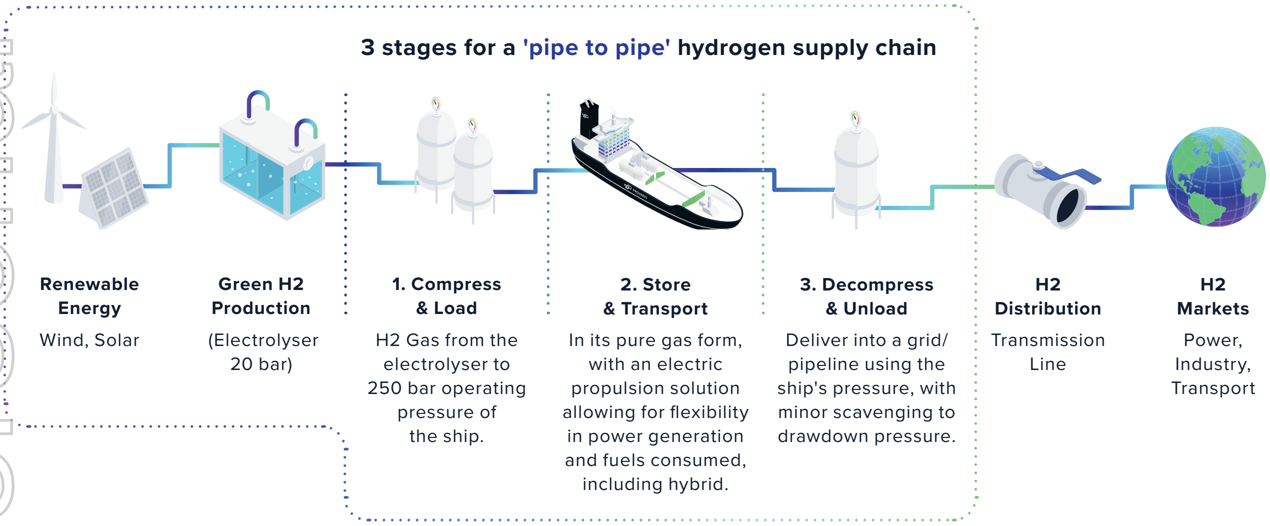
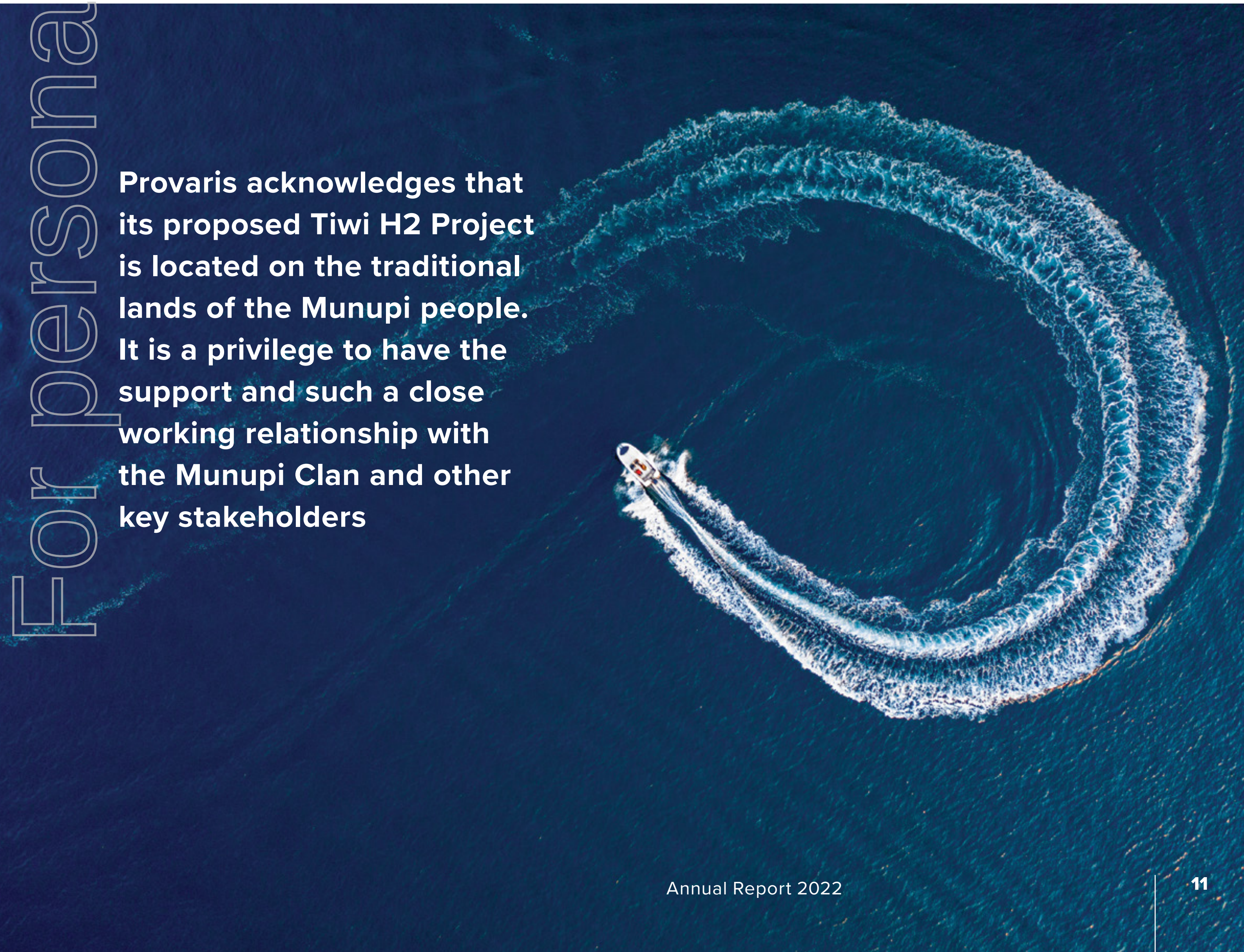


Figure 2
Illustration of Provaris' Compressed Hydrogen Export Supply Chain

Developing a portfolio of integrated compressed hydrogen projects

Provaris is developing a portfolio of integrated green hydrogen projects. The business model is to develop and invest in profitable projects across the hydrogen value chain, integrating the Company's innovative GH2 Carriers with hydrogen supply chains using compression.

A portfolio of development projects are now advancing into detailed feasibility studies, including Provaris' Tiwi H2 project in Northern Australia, targeting production of green hydrogen in Asian markets and assisting large renewable energy developers in Europe to move hydrogen to ports which are being connected to hydrogen pipeline networks (some already under development).



Provaris acknowledges that its proposed Tiwi H2 Project is located on the traditional lands of the Munupi people. It is a privilege to have the support and such a close working relationship with the Munupi Clan and other key stakeholders

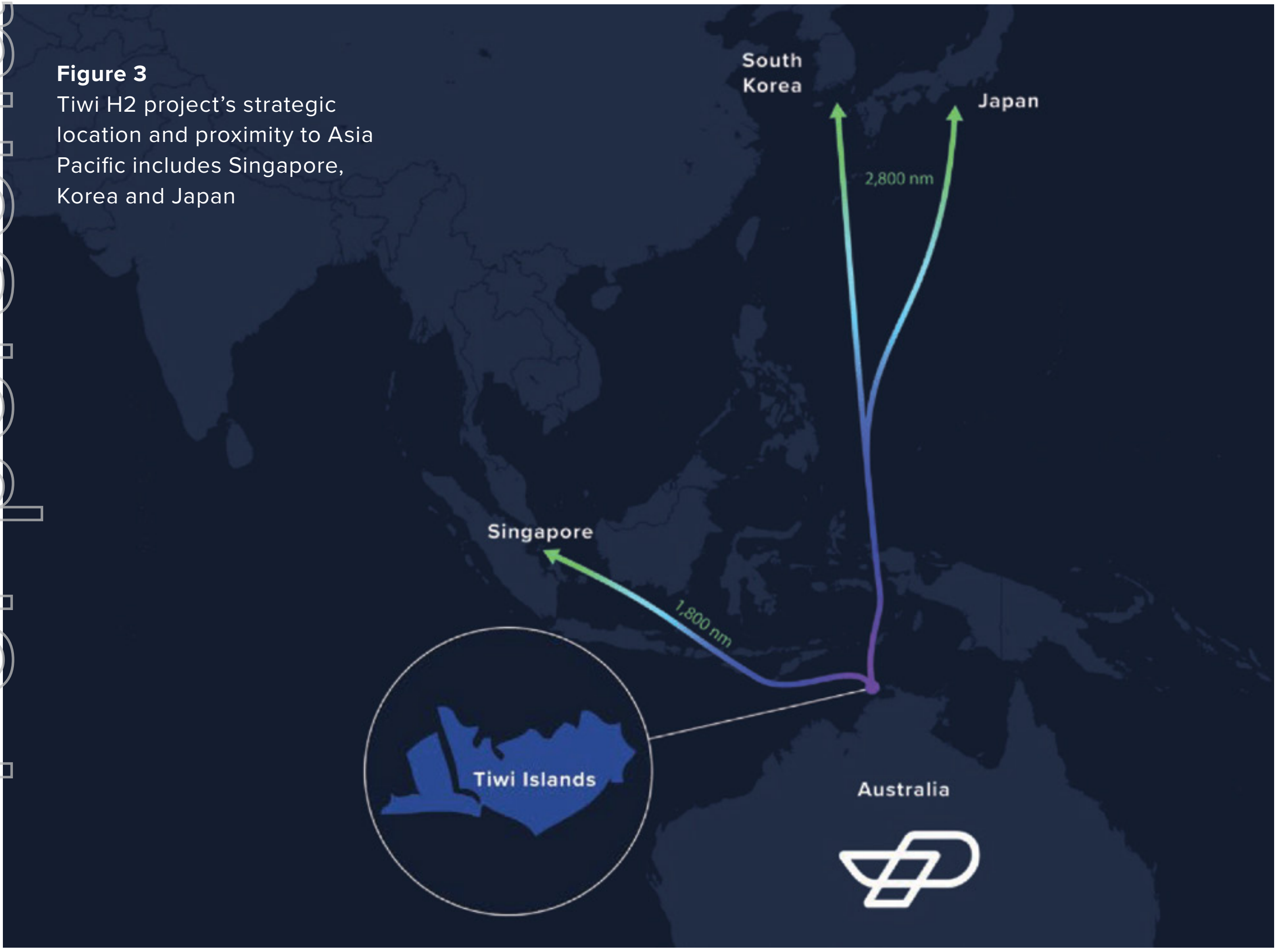
Tiwi H2 project, Tiwi Islands, Northern Territory

During 2022, the Company continued to advance the development of it's 100% owned green hydrogen export project. Located on the Tiwi Islands, Northern Territory, the Tiwi H2 project will develop an integrated compressed hydrogen export supply chain for 100,000 tonnes per annum, avoiding up to ~1 million tonnes of CO2 emissions annually, with first export targeted for early 2027.

Being primarily located on existing plantation land and within the established Port Melville industrial area, the Tiwi H2 project aims to minimise environmental impacts (compared to the selection of a greenfield site) and development time and costs, as well as provide proximity and access to the future demand markets in the Asia-Pacific region.

Figure 4 below provides an overview of the key project components and locations for the development of the Tiwi H2 project. The Tiwi Islands is located approximately 100km from Darwin, a region that has successfully developed and commissioned large-scale export energy projects and is now being targeted by the Federal Government as a major export hub.

Figure 3
Tiwi H2 project's strategic location and proximity to Asia Pacific includes Singapore, Korea and Japan



Advantages of the Tiwi Islands for development of a Compressed H2 export project include:

- **Proximity to market** with the Tiwi Islands being located less than 1,000 nm from Indonesia, ~1,800 nm from Singapore (export market assumed in Study), and less than 3,000 nm from South Korea and Japan.
- **Solar generation** with the proposed solar site being located in a region of high solar intensity.
- **Defined process for land access** as the Munupi Clan are the traditional and legal landowners.
- **Social and economic** benefits to the Tiwi Islands landowners including sustainable employment and regional benefits.
- **Land availability** with the proposed solar site to be built on existing plantation land, previously cleared of native vegetation, and currently used for commercial plantation. There is 32,000 ha of existing plantation area on Melville Island (being the largest of the Tiwi Islands).
- **Access to water** using seawater for small-scale desalination for de-mineralised water supply to the electrolysers.
- **Port availability** and potential access to the operational industrial precinct at Port Melville (currently owned by AusGroup Limited), capable of berthing Provaris' H2Neo carriers. Alternatives and options to fixed berthing could also be considered.

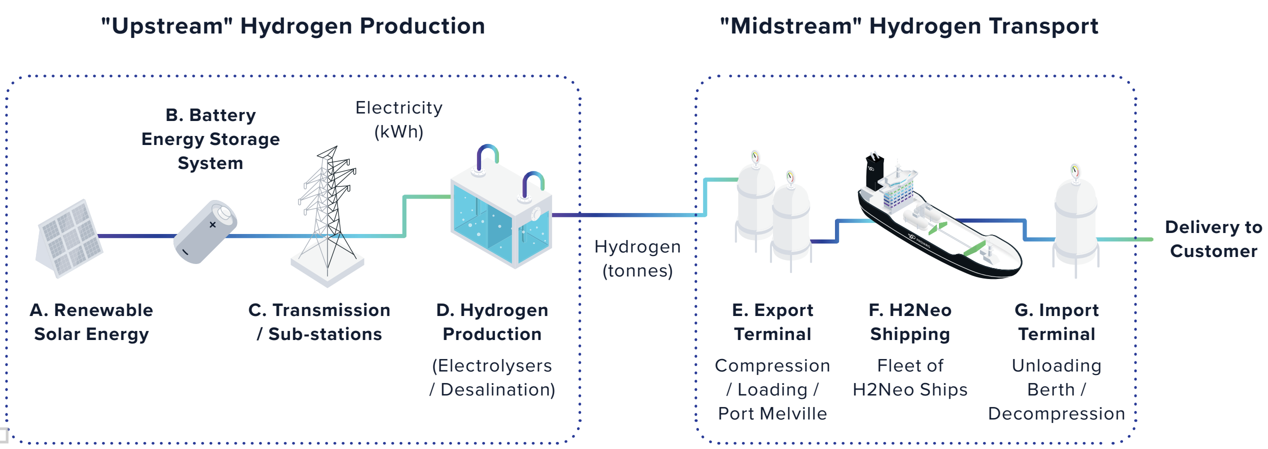


Figure 4
Illustration of the Tiwi H2 Project Export Supply Chain

During the year, a successful Scoping Study was completed. This was followed up with a Concept Design Study initiated to further define the key precincts for the Tiwi H2 project which are provided in Figure 5.

Subsequent to the 2022 financial year, completion of the Concept Design Study reinforced several observations and outcomes from the Compressed Hydrogen Chain Scoping Study undertaken in early 2021, underpinned the technical feasibility of the Tiwi H2 project and supports Provaris' continuing progression of the Tiwi H2 project.

Major Project Status was also awarded by the NT Government to the Tiwi H2 project for recognition as having significance, strategic impact and potential benefits to the NT. The benefits of Major Project Status include whole of government support, coordination and facilitation, assistance in identifying and mapping regulatory approvals, a dedicated project case manager and facilitation of engagement with the Australian Government.

Key to the development of an understanding of the complexity, environmental impact and overall project timeline, included the completion and lodgement of the project's Referral submission to the Northern Territory Environment Protection Authority (NT EPA) on 30 June 2022. The Referral submission is the first stage of the NT EPA assessment process, with a decision on assessment level expected in October 2022.

Figure 5
Outline of the proposed Tiwi H2 Project

The Tiwi H2 project's precinct areas, illustrated in figure 5, provide an outline of the proposal, which are detailed in the project's NT EPA Referral submission.

- **Solar Precinct:** solar farm (of sufficient capacity for 100,000 tpa hydrogen export) to be developed on existing, poor performing, plantation land, together with a battery energy storage system and a step-up substation.
- **HV Transmission Line:** 30 km, dual circuit, 275kV transmission line, adjacent to an existing road, to deliver electricity from the Solar Precinct to the existing Port Melville.
- **H2 Production Precinct:** comprising of step-down substation, electrolyser facility and option for additional battery energy storage system (if required).
- **H2 Export Precinct:** comprising of desalination plant (supply of demineralised water to the electrolyser facility), compression and hydrogen loading facilities to facilitate Provaris' H2Neo carriers.
- **H2 Shipping:** transport of gaseous compressed hydrogen to South-East Asian energy markets via a fleet of Provaris' proprietary H2Neo carriers with a capacity of 26,000m3. The required H2 Import Terminal was included in the Study scope (comprising of unloading berth and facilities; and scavenging compression to accommodate the unloading of Provaris' H2Neo carriers).

It is the intention of Provaris to remain as the developer of the project, however the project will require development partners as we de-risk and advance the definition. The Company has received preliminary interest and will undertake a detailed partner process to seek interested groups in the areas of investment, offtake, construction and operational support to jointly develop the project; in particular the upstream components that include solar generation, transmission and electrolysis.

Figure 6

Figure 6: Management site trip to Port Melville Precinct, aerial view of plantation areas proposed for solar farm.

HyEnergy Export Feasibility

In August 2021, Provaris entered into a memorandum of understanding with proponents of the HyEnergy Project to undertake a feasibility study to evaluate the technical and commercial feasibility of exporting hydrogen from the HyEnergy Project, utilising Provaris' proprietary compressed gaseous hydrogen shipping supply chain, including a fleet of Provaris H2Neo GH2 Carriers. The proponents include Provinces Resources Ltd and Total Eren.

The HyEnergy Project is a proposed green hydrogen production project being codeveloped by Province Resources Ltd and Total Eren. The project is located in Western Australia's Gascoyne Region, Carnarvon and involves installing a wind and solar farm with a proposed renewable energy capacity of at least 8 GW over a land area of circa 370,000ha. The project is envisaged to be developed in two stages, each with a 2.6 GW electrolyser facility (5.2 GW total), producing up to 550,000 tpa of renewable green hydrogen.

The objective of the HyExport Feasibility Study is to demonstrate the technical and commercial advantages of compression for export to Asia-Pacific, with the markets of Singapore and Taiwan being evaluated. Scope includes export solution for Phase 1 of the HyEnergy Project, with the solution suitable for a capacity of 200,000 tpa of hydrogen.

In September 2021, Provaris was awarded a $300,000 funding grant from the WA Government as part of the Western Australian Government's Renewable Hydrogen Strategy.

The compressed hydrogen supply chain and Feasibility Study battery limits includes compression, pipeline and shore crossing to a single point mooring for loading, fleet of H2Neo carriers and unloading terminal in Singapore. The relationship between each work package delivered is shown on an overall site plan in Figure 7.

Provaris has sufficiently progressed the key technical and commercial analysis to remain confident that compression is ideally suited for the HyEnergy Project given the scale production within Phase 1 operations and exports targeted by 2030, proximity to Asia-Pacific markets (i.e. 1,800nm to Singapore), and the optionality compression enables via an offshore loading solution vs the alternative which is to approve and build new traditional port berthing.

A draft Feasibility Study report has been delivered to the HyEnergy Project partners, and issued to the WA Government for review. A public Knowledge Sharing Report with a summary of study outcomes will be drafted for release by the WA Government.

Provaris will review the outcomes of the study with the HyEnergy Project partners to integrate with the upstream project feasibility being undertaken and determine the next steps of our involvement in the overall project feasibility and project development timetable.

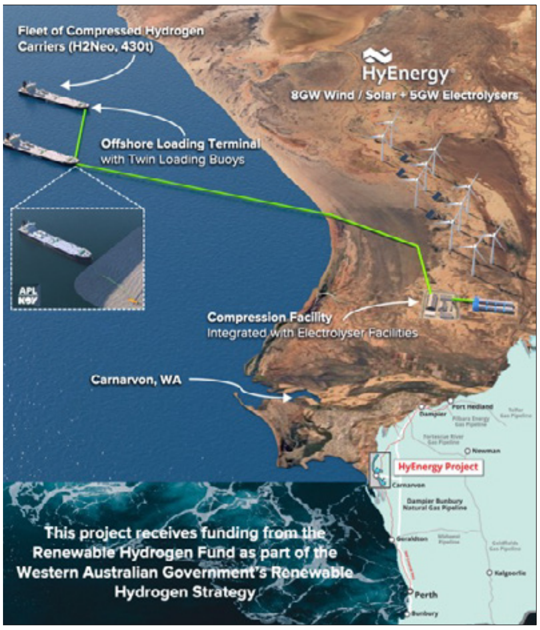


Figure 7
HyEnergy Project Overview with Compressed Hydrogen Export (Conceptual)

Development of a Provaris team and business opportunities in Europe

The Company's development of compressed hydrogen solutions for marine transport are also applicable in the European market and Provaris continues to focus business development resources in order to advance project opportunities for the commercialisation of a compressed hydrogen supply chain. To support this activity the Company appointed a new Chief Technical Officer, Per Roed, in early 2022 and has also secured the services of a senior business development executive to assist with the cultivation of commercial opportunities.

In alignment with expanding the executive management team in Europe, the Company has registered a new corporate entity in Norway, Provaris Norway AS. The Company has secured a corporate office in Oslo, with CTO Per Roed relocated.

Europe is a vital region for Provaris and the Company expects this to remain the case long term. Provaris is excited to be opening a European headquarters, and Oslo, being an established hub for gas-carrier companies, with ship owners, engineering companies, equipment suppliers, and a strong capital market for shipping, will allow the Company to leverage local knowledge and expertise as it grows in the coming 12 months.

The early success of these appointments includes Provaris entering a collaboration to assess the technical and economic feasibility of using compression to move volumes of green hydrogen to an existing port location in Europe to be connected to the proposed hydrogen backbone.

The awareness and qualified interest in Provaris' proprietary integrated hydrogen supply-chain solution using compression continues to grow, for both hydrogen suppliers and future buyers of hydrogen. The energy crisis in Europe has seen hydrogen targets and strategies be reset, with green hydrogen imports essential for reaching targets set under the EU's "Fit for 55" legislative package and REPowerEU by 2030. This includes an increase to 20 million tonnes per annum total demand, which will require 10 million tonnes per annum of hydrogen imports.

The Company will continue to update shareholders as new project opportunities move to an agreement level required for public disclosure.

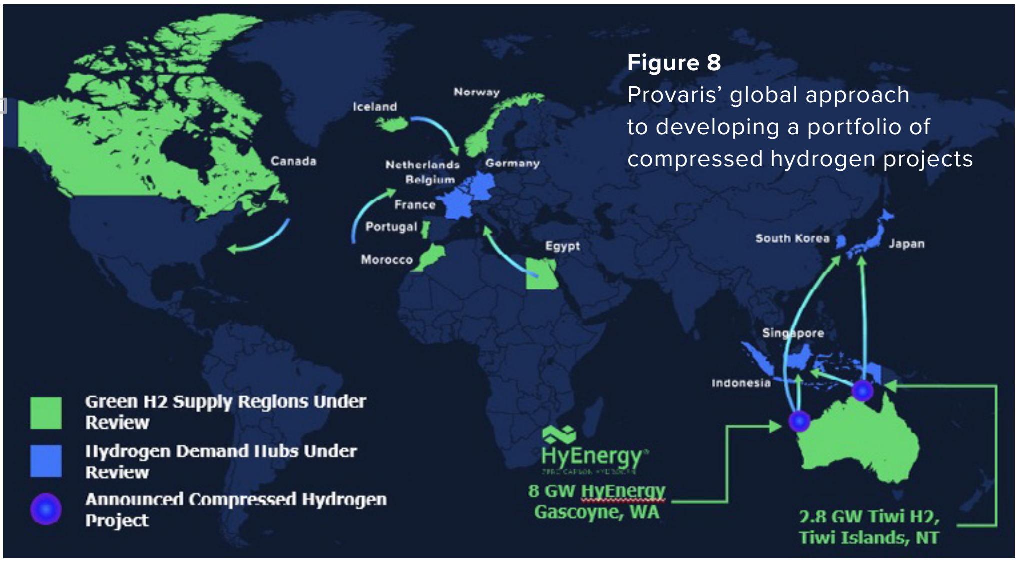


Figure 8
Provaris' global approach to developing a portfolio of compressed hydrogen projects

Outlook

Climate change and the adverse impact of greenhouse gas emissions remains one of the major challenges facing the world. In aggregate governments across the globe are committing billions of dollars to address the issue, of which a significant portion has been allocated to green hydrogen production and use, as an alternative to high greenhouse gas emission energy sources such as coal, oil, and natural gas.

Provaris is proud to be an early mover in the hydrogen sector and in addressing climate change, to ensure the sustainability of our planet for this generation and future generations. As such, Provaris is highly focused on building on its achievements during the 2022 financial year and progressing its direct involvement across the hydrogen production and export value chain through its participation in export project development and advancing the approval processes for its GH2 Carriers, as a viable means to transport compressed hydrogen into high use energy markets such as Asia-Pacific and Europe.

The Company has made excellent progress on the development of its proprietary H2Neo compressed hydrogen carrier and remains on track to achieve key approval milestones in calendar year 2022.

With two projects in Australia and detailed studies nearing completion, Provaris continues to refine the detailed engineering and economics of our integrated compressed hydrogen solution.

We are also excited to be establishing a European office in Norway to be closer to the new commercial opportunities under review, with Oslo being an established hub for gas-carrier companies, including ship owners, engineering companies and equipment suppliers.

We expect the year ahead to generate value for the Company with the continued development of our unique proprietary GH2 Carrier technology, including advancement through key approvals, and in parallel, demonstrate which regional markets are moving to commercial agreements for the implementation of compressed hydrogen transport by sea as a commercially and technically viable transport solution.

Directors' Report

The directors of Provaris Energy Ltd A.C.N. 109 213 470 ("Provaris" or "the Company") present their report including the consolidated financial report of Provaris and its controlled entities ("Consolidated Entity" or "Group") for the year ended 30 June 2022.

Directors

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

Greg Martin	Non-Executive Chairman (appointed 1 February 2022)
Martin Carolan	Managing Director and Chief Executive Officer
Garry Triglavcanin	Executive Director and Chief Development Officer
Andrew Pickering	Non-Executive Director
David Palmer	Non-Executive Director (appointed 1 November 2021)
Fletcher Maurice Brand	Former Non-Executive Director (resigned 25 November 2021)

Principal Activities

The principal activities of Provaris during the year focussed on the ongoing progression of (i) Provaris' direct involvement in the development of hydrogen production and export projects, including its 100% owned Tiwi Islands Hydrogen Export project in the Northern Territory, Australia, and (ii) the approval processes for its proprietary 26,000m3 (H2Neo) and 120,000m3 (H2Max) carriers for the marine transportation of compressed hydrogen (GH2 Carriers). Provaris will continue to assess other opportunities to develop and commercialise intellectual property for the storage and transport of compressed gas, including its legacy compressed natural gas solution.

Operating Results and Financial Position

The operating loss for the Consolidated Entity, after income tax, amounted to $6,757,611 (2021: loss of $3,088,132). The operating loss for the year includes direct project development costs of $2,381,135 (2021: $543,367), in addition to staff costs and operational overheads.

At 30 June 2022, the Consolidated Entity had cash and cash equivalents of $11,616,888 (2021: $6,563,716), intellectual property assets of $5,386,186 (2021: $5,800,508), and no debt (2021: Nil).

Review of Operations

Refer to the Operations Report for further information.

Corporate

On 25 November 2021 Provaris' annual general meeting was held as a virtual meeting. All resolutions considered at the meeting were passed and Provaris accepted the resignation of Maurice Brand, who retired as Chairman following the annual general meeting.

Board of Directors

On 1 November 2021, Provaris appointed David Palmer as an independent Non-Executive Director. Mr Palmer has a wealth of shipping experience, which covers ship marketing, operations and logistics, fleet development, vessel financing, and onshore and offshore terminal development and operations.

On 1 February 2022, Provaris appointed Greg Martin as its independent Non-Executive Chairman. Mr Martin is an experienced chairman and non-executive director and joins the board with over 40 years' experience in energy, utilities, resources and financial services in Australia, New Zealand and internationally.

Significant Changes in the State of Affairs

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

- **On 9 August 2021,** 1,051,644 shares were issued in lieu of a cash payment, for the provision of digital media consulting and investor relations services;
- **On 11 November 2021,** Provaris successfully completed a placement for the issue of 80,000,000 ordinary shares at an issue price of $0.125 per share, to raise $10 million (before costs);
- **On 21 December 2021,** Provaris successfully completed a Share Purchase Plan for the issue of 4,310,000 ordinary shares at an issue price of $0.125 per share, to raise $538,750 (before costs); and
- **During the financial year,** 8,500,000 ordinary shares were issued under the Employee Share Plan and 12,500,000 Performance Rights were issued under Provaris' Performance Rights Plan to directors and employees.

Significant Events Subsequent to Balance Date

On 2 August 2022, Provaris announced that it had completed a Concept Design Study for its proposed Tiwi H2 Project on the Tiwi Islands, Northern Territory. Completion of the positive Tiwi H2 Project Concept Design Study establishes a clear pathway for Provaris to progress the project forward to Pre-FEED and FEED level technical, commercial and economic studies and consideration of potential partnership and financing options. The study reinforced several observations and outcomes from the 2021 Compressed Hydrogen Chain Scoping Study undertaken by Provaris.

On 9 August 2022, Provaris announced the establishment of its subsidiary Provaris Norway AS and its European headquarters in Oslo, Norway. Oslo is an established hub for gas-carrier companies, with access to ship owners, engineering companies and equipment suppliers.

On 16 August 2022, Provaris announced the a draft Feasibility Study report (HyExport Study) was delivered to the HyEnergy® Project partners, Province Resources (ASX:PRL) and Total Eren, and issued to the WA Government for review. A public Knowledge Sharing Report with a summary of study outcomes is being drafted for future release by the WA Government. The HyExport Study analysed the export of 200,000 tonnes per annum of green hydrogen from the HyEnergy Project into Asia-Pacific, with a focus on delivery into Singapore.

On 23 August 2022, Provaris announced the Tiwi H2 project had been awarded Major Project Status by the Northern Territory Government. Major Project Status is awarded by the Northern Territory Government to projects that it recognises as having significance, strategic impact and potential benefits to the Territory. The benefits of Major Project Status include whole of government support, coordination and facilitation, assistance in identifying and mapping regulatory approvals, a dedicated project case manager and facilitation of engagement with the Australian Government.

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

Likely Developments and Expected Results

Provaris will continue to pursue and direct its funds to progression of:

- Direct involvement in the development of hydrogen production and export projects, across the entire value chain and with a current focus on Australia, Asia-Pacific, and Europe;
- Provaris' 100% owned Tiwi H2 export project in the Northern Territory, Australia, with a targeted production and export capacity of 100,000 tpa (~6,000,000m3) of compressed hydrogen; and
- The approval processes for Provaris' proprietary 26,000m3 (H2Neo) and 120,000m3 (H2Max) GH2 Carriers for the marine transportation of compressed hydrogen.

Where there are clear commercial advantages, Provaris may also assess other opportunities that arise where its compressed gas marine transportation intellectual property has application, such as compressed natural gas.

The likely outcomes of these activities depend on a range of technical, economic, industry, geographic, environmental, regulatory, and other activity specific factors many of which are outside Provaris' direct control. As a consequence, the directors consider it is not possible or appropriate to make a prediction on the future results of Provaris' activities, nor the future course of domestic and international markets for hydrogen.

Environmental & Cultural Heritage Regulations and Performance

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

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

With respect to Provaris' Tiwi Island Hydrogen Export project, Provaris acknowledges the project's location on the traditional lands of the Munupi people. It is a privilege to have the support and such a close working relationship with the Munupi Clan and other key stakeholders on the Tiwi Islands.

Environmental, Social and Governance

Environmental, Social & Governance – ready to measure impact

Over the 2022 financial year, Provaris continued to progress the adoption of an Environmental, Social and Governance (ESG) framework created by the World Economic Forum (WEF)[1]. The WEF framework includes an impact measurement plan for each sustainability area. This commitment to ESG reporting was conducted across the WEF's sustainability pillars of governance, planet, people and prosperity. This report outlines our progress on these key reporting metrics. It is important to note that these measures and outcomes fall in line with Provaris' early-stage development of a hydrogen project. Notwithstanding this, Provaris' strategy remains the same – to create value for all stakeholders and become an impact investment opportunity, one which will drive social change.

As our business matures, we move closer towards creating inherent value and impact

Provaris is well positioned to play a significant role in accelerating the production and delivery of new supplies of green hydrogen across regional markets. On the 13 May 2022 a significant step took place in our mission, the change of company name from Global Energy Ventures Ltd to Provaris Energy Ltd.

"Provaris represents a dedicated pursuit towards a new era of sustainable, renewable, clean energy that connects the globe and preserves it."
Martin Carolan, Managing Director & CEO

Our new name is derived from a combination of latin and greek words that give rise to the 'pursuit of the original or universal energy', with hydrogen being the original or first element created. The Provaris branding reflects our aim to be the market leader in compressed hydrogen supply chains.

[1] *www.weforum.org/stakeholdercapitalism/our-metrics*

Our Purpose, and mission

Provaris is focused on becoming the leading developer of integrated compressed, green hydrogen projects for export to regional markets. Our purpose is to develop green hydrogen supply chains that are simple and efficient to enable the development of regional markets for green hydrogen.

We look at how the lightweight gas known as Hydrogen – the first element on the periodic table – can be stored and transported across the seas in a competitive and efficient way. Our focus is to develop the design of two proprietary gaseous hydrogen gas (GH2) carriers, integrated in a portfolio of projects.

As Provaris moves towards producing and delivering green renewable energy for worldwide consumption – our value creation will support and act as drivers for long-term economic growth to allow for the decarbonisation of hard-to-abate sectors.

Leadership & Governance – the right minds matter

Provaris believes in good governance factors of decision-making, independence, diversity and social inclusion. Ensuring the Board of Provaris leads by example, demonstrating a depth of expertise and capability, for Provaris to achieve initial production by 2026 is important – the right minds really do matter. Provaris acknowledges the importance and benefits that come with an independent, diverse and socially inclusive Board.

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

Planet – managing climate change and biodiversity for future generations

Protecting the planet and ensuring our operations do not cause harm to the environment and biodiversity on Tiwi Island is a priority for Provaris. As we look to become the leading developer of integrated compressed, green hydrogen projects for export to regional markets – we are looking to identify and understand the impact our production will have on the environment. Over the 2022 financial year, Provaris engaged external consultants to help quantify the level of impact in the areas of GHG emissions, financial cost of climate change on our business (TCFD), EPA studies and water consumption.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
Planet	PL-01-A	GHG emissions		●	
	PL-01-B	TCFD implementation			●
	PL-02-A	Land use and ecology sensitivity		●	
	PL-03-A	Water Consumption		●	

People – human capital and social license to operate

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

Our future development for the Tiwi H2 Project will be on the traditional lands of the Munupi people. Provaris is honoured to have a strong working relationship with the traditional owners and key government bodies, and we look forward to developing these relationships as our project matures, providing future employment opportunities, training and economic prosperity.

Provaris wishes to acknowledge and thank the project's stakeholders for their time and insights into how they view the impact – both social and economic - that the Tiwi H2 Project will have on local Tiwi communities. Specifically, Provaris thanks the Munupi Landowners, Tiwi Land Council, Tiwi Plantation Corporation, NT Government, Office of Township Leasing and NT Port and Marine.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
People	PE-01-C1	People – Diversity & Inclusion		●	
	PE-02-C1	Health & Safety		●	
	PE-03-01	Training provided		●	
	PE-01-C2	People – Pay equality		●	
	PE-01-C3	Wage level		●	
	PE-01-C4	Child, forced or compulsory	●		

Prosperity – contributing to societal, environmental development and economic development

Provaris' focus to deliver clean energy will by the very nature of our mission bring societal, environmental, and economic development to the local people of Tiwi Islands, the broader Australian economy and improve the prosperity of the planet.

Reporting Pillar	WEF Item	Corporate Action	Reported	Underway	To be Addressed
Prosperity	PR-01-C1	People – Diversity & Inclusion		●	
	PR-02-C1	Health & Safety	●		
	PR-03-01	Training provided	●		
	PR-01-C2	People – Pay equality	●		
	PR-01-C3	Wage level	●		

We're making the future of green hydrogen accessible – and we're happy to report it

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

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

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


PROVARIS

Information on Directors and Company Secretary

Greg Martin
Independent, Non-Executive Chairman

Appointed: 1 February 2022

Qualifications and Experience:

Mr Martin holds a Bachelor of Economics and a Bachelor of Laws degrees conferred by the University of Sydney and University of Technology Sydney respectively, and is a Member of the Australian Institute of Company Directors.

Mr Martin has over 40 years' experience in the mining, utilities, financial services, energy and energy related infrastructure sectors in Australia, New Zealand and internationally. Mr Martin held the position of Managing Director and Chief Executive Officer of The Australian Gas Light Company (AGL) for five years. After AGL, he joined Challenger Financial Services Group as Chief Executive, Infrastructure, and subsequently Mr Martin was Managing Director of Murchison Metals Limited.

Mr Martin is currently Chairman of Nasdaq listed Mawson Infrastructure Group Inc. (MIGI:NASDAQ); Deputy Chairman of The Electricity Networks Corporation (trading as, Western Power), Chairman of Sierra Rutile Holdings Limited, Chairman of Hunter Water Corporation, Chairman of East Coast Rail, and a Non-Executive Director of Power & Water Corporation.

Mr Martins prior directorships include the Sydney Desalination Plant, Prostar Capital, Everest Financial Group, NGC Holdings Limited (NZ), Empresa de Gas de la V Region S.A. (Chile) and Kyungnam Energy Co. Ltd (South Korea).

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

Chairman of Iluka Resources Limited (ASX:ILU) from January 2013 to April 2022 and Non-Executive Director of Spark Infrastructure RE (ASX:SKI) from January 2017 to December 2021.

Martin Carolan
Managing Director And Chief Executive Officer

Appointed: 2 April 2019

Qualifications and Experience:

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

Mr Carolan was appointed as an Executive Director and Chief Financial Officer in 2019 and Managing Director and Chief Executive Officer in June 2021. Mr Carolan has been involved in Provaris since the Company's inception in 2016, firstly as an advisor and founding shareholder, before joining the Board as an Executive Director in 2019, responsible for corporate strategy and finance. More recently Martin has been leading Provaris' hydrogen development strategy and business model. Martin brings extensive capital markets and corporate strategy experience having worked in the Australian capital markets for over 15 years.

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

None

Garry Triglavcanin
Executive Director And Chief Development Officer

Appointed: 24 November 2016

Qualifications and Experience:

Mr Triglavcanin holds a Bachelor of Engineering (Mechanical) and Master of Business Administration (MBA). He has over 25 years' experience in the international energy industry across commercial, technical and legal aspects of project development, negotiation and delivery. He spent 12 years with ASX listed Liquefied Natural Gas Limited as Group Commercial Manager, developing a range of projects, including the Australian Fisherman's Landing LNG Project, Magnolia United States LNG Project and the Middle East Qeshm Island LNG Project (as Project Director for 3 years).

He joined Woodside Petroleum in 2001 as Senior Commercial Advisor, working on a portfolio of renewable energy projects, as well as several merger and acquisition opportunities until 2004. As Business Development Manager of Energy Equity Corporation from October 1992 to March 2001, he was responsible for the assessment and development of energy projects in Australia and Indonesia.

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

None

Andrew Pickering
Independent, Non-Executive Director

Appointed: 1 February 2021

Qualifications and Experience:

Mr Pickering has 40 years' experience in shipping and logistics, including a distinguished career with Stolt-Nielson Limited and the founding CEO of Avenir LNG Limited, both listed in Norway. Stolt-Nielsen Limited has a market capitalisation of circa 1 billion USD (SNI:NO), that provides transportation, storage, and distribution solutions for chemicals and other bulk-liquid products worldwide.

More recently, Mr Pickering led the development of an integrated global energy supply business as CEO of Avenir LNG Limited, located in London. Avenir LNG was established as a Joint Venture between Stolt-Nielsen; Golar LNG and Hoegh LNG, before becoming a publicly listed company on the OTC exchange in Norway. Avenir LNG provides LNG supply solutions for off-grid industry, power generation, marine bunkering and the transport industry, including the construction of 6 new small-scale LNG vessels and an LNG terminal.

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

None

David Palmer
Independent, Non-Executive Director

Appointed: 1 November 2021

Qualifications and Experience:

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

Mr Palmer has held many senior positions in the shipping industry including John Swire and Sons, Stolt-Nielsen Inc, and more recently was CEO of Pareto Securities Asia, CEO of Wah Kwong Holdings (HK) Ltd and COO and CFO of Britoil Offshore Services Pte Ltd. Mr Palmer brings extensive shipping, capital markets, corporate strategy, M&A and management experience having worked in these markets for 45 years.

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

None

Fletcher Maurice Brand
Former Non-Executive Chairman

Resigned: 25 November 2021

Qualifications and Experience:

Mr Brand is a fellow of the Australian Institute of Management and of the Australian Institute of Company Directors. He has over 30 years' experience in the international energy industry having founded ASX listed Liquefied Natural Gas Limited in 2002 and Energy Equity Corporation Limited in 1985 (now known as ASX listed Energy World Corporation Ltd). He was the founder of both companies and served as Managing Director and Chief Executive Officer with LNG Limited being admitted to the ASX 200 in September 2014 with a market capitalisation of A$2.5 billion. Maurice retired from LNG Limited in 2016.

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

None

Norman Marshall
Company Secretary

Appointed: 15 March 2021

Qualifications & Experience

Mr Marshall has a Master of Applied Finance from Macquarie University Sydney. He had over 20 years managerial and executive experience in project and corporate financing and a similar period in Company Secretary, Chief Financial Officer, and Executive Director positions in listed public companies.
Prior to his appointment as Company Secretary and Commercial Manager of Provaris Energy Ltd, Mr Marshall was a consultant to the Company on all commercial agreements and had a key role in Provaris' 2017 acquisition of the SeaNG Group and its compressed gas marine transportation technology.

Meetings of Directors

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

Directors' meetings	**12**
Greg Martin (note 1)	4
Martin Carolan	12
Garry Triglavcanin	12
Andrew Pickering	12
David Palmer (note 2)	8
Fletcher Maurice Brand (note 3)	6

1. Mr Martin was appointed as a director on 1 February 2022 and attended 4 of the 4 meetings that were held since his appointment as a director.
2. Mr Palmer was appointed as a director on 1 November 2021 and attended 8 of the 8 meetings that were held since his appointment as a director.
3. Mr Brand resigned as a director on 25 November 2021 and attended 6 of the 6 meetings that were held during his appointment as a director.

Directors' Interests in Shares and Share Based Instruments of Provaris

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

	Ordinary Shares	Performance Rights	Listed Options
Greg Martin	2,000,000	–	–
Martin Carolan	13,500,000	10,000,000	9,930,783
Garry Triglavcanin	12,440,036	8,750,000	3,866,066
Andrew Pickering	2,800,000	–	–
David Palmer	2,800,000	–	–
	33,540,036	18,750,000	13,796,849

Remuneration Report (Audited)

The information provided in this remuneration report has been audited as required by Section 300A of the Corporations Act 2001. The prior year Remuneration Report was approved at the 2021 Annual General Meeting with the votes against the resolution being less than 25 per cent.

Key Management Personnel

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

Independent Directors:

Gregory Martin	Non-Executive Chairman (appointed 1 February 2022)
Andrew Pickering	Non-Executive Director
David Palmer	Non-Executive Director (appointed 1 November 2021)

Executive Directors:

Martin Carolan	Managing Director and Chief Executive Officer
Garry Triglavcanin	Executive Director and Chief Development Officer

Former Director:

Fletcher Maurice Brand	Former Non-Executive Chairman (resigned 25 November 2021)

Remuneration Objective

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

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

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

No remuneration consultants were engaged during the financial year.

Executive Directors

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

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

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

PV1AM Performance Rights, issued under Provaris' Performance Rights Plan, were granted to Executive Directors during the financial year (2021: no share-based payments). Refer to page 44 for the performance rights held by key management personnel, including the terms and conditions.

Non-Executive Directors

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

In accordance with the provisions of Listing Rule 10.11 of the Australian Securities Exchange, a meeting of shareholders held on 22 November 2019 approved the sum of $500,000 per annum to be the total aggregate annual fees payable to Non-Executive Directors of Provaris. The current total of Non-Executive Director fees is $182,500.

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

Refer to page 43 for shares issued under Provaris' Employee Share Plan to Non-Executive Directors during the financial year.

No Provaris performance rights were issued to Non-Executive Directors during the financial year.

Service Agreements

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

Martin Carolan (Managing Director & Chief Executive Officer)

Provaris has executed an Employee Service Agreement with Mr Martin Carolan, as Chief Executive Officer, which commenced on 1 July 2021 and terminates on 30 June 2024, unless terminated earlier. The base salary is $300,000 per annum, plus statutory superannuation contributions.

Provaris may terminate the agreement, without cause, subject to 6 months prior written notice and immediately with cause. Mr Carolan may terminate the agreement for any reason subject to 3 months prior written notice. The agreement does not include any special termination payment or benefit. Previous remuneration was $250,000 per year including superannuation contributions, as Executive Director, Corporate & Finance, under a prior Employee Service Agreement dated 2 April 2019.

Garry Triglavcanin (Executive Director & Chief Development Officer)

Provaris has executed an Employment Agreement with Mr Garry Triglavcanin, as Chief Development Officer, which commenced on 1 August 2021 and terminates on 31 July 2024, unless terminated earlier. The base salary is $280,000 per annum, plus statutory superannuation contributions.

Provaris may terminate the agreement, without cause, subject to 6 months prior written notice and immediately with cause. Mr Triglavcanin may terminate the agreement for any reason subject to 3 months prior written notice. The agreement does not include any special termination payment or benefit. Previous remuneration was $250,000 per year, under a consulting arrangement with his related entity Moonlighting Ventures Pty Ltd.

There are no other employment contracts for any of the key management personnel and no termination benefits are payable for any of the key management personnel.

There were no loans to key management personnel during the financial year (2021: Nil).

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

	Short-Term			Post-Employment	Share-Based Payments			
2022	Salary and Fees ($)	Annual Leave Accrued ($)	Bonus ($)	Super-annuation ($)	Performance Rights ($)	Ordinary Shares ($)	Total ($)	Performance related (%)
Executive Directors								
Martin Carolan	300,000	23,077	–	30,000	111,681[2]	–	464,758	24%
Garry Triglavcanin	282,214	21,709	–	25,670	111,681[2]	–	441,274	25%
	582,214	**44,786**	**–**	**55,670**	**223,362**	**–**	**906,032**	**25%**
Non-Executive Directors								
Greg Martin	37,500	–	–	3,750	–	178,000[1]	219,250	0%
Andrew Pickering	67,500[3]	–	–	–	–	124,000[4]	191,500	0%
David Palmer	40,000	–	–	–	–	250,000[5]	290,000	0%
Fletcher Maurice Brand[6]	37,500[6]	–	–	–	–	–	37,500	0%
	182,500	**–**	**–**	**3,750**	**–**	**552,000**	**738,250**	**0%**
Total Key Management Personnel	**764,714**	**44,786**	**–**	**59,420**	**223,362**	**552,000**	**1,644,282**	**14%**

	Short-Term			Post-Employment	Share-Based Payments			
2021	**Salary and Fees ($)**	**Annual Leave Accrued ($)**	**Bonus ($)**	**Super-annuation ($)**	**Performance Rights ($)**	**Ordinary Shares ($)**	**Total ($)**	**Performance related (%)**
Executive Directors								
Fletcher Maurice Brand[6]	250,000[6]	–	–	–	–	–	250,000	0%
Martin Carolan*	228,310	17,562	–	21,690	–	–	267,562	0%
Garry Triglavcanin	250,000	–	–	–	–	–	250,000	0%
	728,310	**17,562**	**–**	**21,690**	**–**	**–**	**767,562**	**0%**
Non-Executive Directors								
Andrew Pickering	25,000	–	–	–	–	–	25,000	0%
Paul Garner	26,250	–	–	–	–	–	26,250	0%
Thomas Soderberg	26,250	–	–	–	–	–	26,250	0%
	77,500	**–**	**–**	**–**	**–**	**–**	**77,500**	**0%**
Total Key Management Personnel	**805,810**	**17,562**	**–**	**21,690**	**–**	**–**	**845,062**	**0%**

**Comparative information restated to include annual leave amounts.*

Notes to the Remuneration Report Tables:

1. On 9 May 2022, Provaris issued 2,000,000 fully paid ordinary shares to Greg Martin, as approved by Provaris' shareholders at the May 2022 General Meeting. The shares are subject to trading restrictions whereby 1,000,000 shares cannot be traded until 9 May 2023 and 1,000,000 until 9 May 2024. No performance conditions have been applied as the Company considers that Mr Martin's industry experience and global contacts will be beneficial to the Company's project development activities and the overall remuneration is reasonable and aligns his interests to those of the Company and its Shareholders.
2. On 6 August 2021, Provaris issued 5,000,000 PV1AM Performance Rights to Martin Carolan and 5,000,000 PV1AM Performance Rights to Garry Triglavcanin under Provaris' Performance Rights Plan. Refer to page 45 for the terms and conditions of the rights granted.
3. In the current financial year, Andrew Pickering's director's fees included additional fees for the role of Chairman between Fletcher Maurice Brand's resignation and Greg Martin's appointment.
4. On 29 July 2021, Provaris issued 2,000,000 ordinary shares to Andrew Pickering, as approved by Provaris' shareholders at the July 2021 General Meeting. The shares are subject to trading restrictions whereby 1,000,000 shares could not be traded until 28 July 2022 and 1,000,000 cannot be traded until 28 July 2023. No performance conditions have been applied as the Company considers that Mr Pickering's industry experience and global contacts will be beneficial to the Company's project development activities and the overall remuneration is reasonable and aligns his interests to those of the Company and its Shareholders.
5. On 30 November 2021, Provaris issued 2,000,000 ordinary shares to David Palmer, as approved by Provaris' shareholders at the November 2021 Annual General Meeting. The shares are subject to trading restrictions whereby 1,000,000 shares cannot be traded until 30 November 2022 and 1,000,000 until 30 November 2023. No performance conditions have been applied as the Company considers that Mr Palmer's industry experience and global contacts will be beneficial to the Company's project development activities and the overall remuneration is reasonable and aligns his interests to those of the Company and its Shareholders.
6. During the prior financial year, Mr Brand's director's fees were earned in his previous capacity as Executive Chairman and Managing Director. His director's fees in the current financial year represented payments for his role as Non-Executive Chairman, until his resignation on 25 November 2021.

Shares Held by Key Management Personnel

	Number of Ordinary Shares				
Year Ended 30 June 2022	1 July 2021	Conversion Perf Rights	Issued as Remuneration	Net Change Other	30 June 2022
Greg Martin	–	–	2,000,000[2]	–	2,000,000
Martin Carolan	12,758,498	–	–	741,502[3]	13,500,000
Garry Triglavcanin	11,940,036	–	–	500,000[3]	12,440,036
Andrew Pickering	–	–	2,000,000[2]	800,000[3]	2,800,000
David Palmer	–	–	2,000,000[2]	800,000[3]	2,800,000
Fletcher Maurice Brand	22,550,000[1]	–	–	(1,500,000)[3]	21,050,000[1]
	47,248,534	**–**	**6,000,000**	**1,341,502**	**54,590,036**

- **Note 1:** This was the number of shares held by Mr Brand on the date that he ceased to be key management personnel (25 November 2021).
- **Note 2:** Shares were issued under Provaris' Employee Share Plan, to align directors' interests to those of Provaris' shareholders.
- **Note 3:** Shares purchased/(sold) on market.

Performance Rights Held by Key Management Personnel

	Number of Performance Rights			
Year Ended 30 June 2022	**1 July 2021**	**Granted as Remuneration**	**Converted to Ordinary Shares**	**Unvested 30 June 2022**
Greg Martin	–	–	–	–
Martin Carolan	5,000,000	5,000,000[5]	–	10,000,000
Garry Triglavcanin	3,750,000	5,000,000[5]	–	8,750,000
Andrew Pickering	–	–	–	–
David Palmer	–	–	–	–
Fletcher Maurice Brand	5,000,000[4]	–	–	5,000,000[4]
	13,750,000	**10,000,000**	**–**	**23,750,000**

- **Note 4:** This was the number of performance rights held by Mr Brand on the date that he ceased to be a key management personnel (25 November 2021).
- **Note 5:** PV1AM Performance Rights, issued under Provaris' Performance Rights Plan (Expiry: 6 August 2024).

No performance rights have vested or are exercisable in the current or prior year. In the current financial year, the impact of performance rights on compensation was $223,362 (2021: nil, due to the application of the probability of vesting to the fair value of the rights).

Terms and conditions of Performance Rights:

E & F Performance Rights

All E & F Performance Rights expire on 30 November 2022 and on vesting each Performance Right entitles the holder to one fully paid ordinary share in Provaris.

Class E Performance Rights will vest when either:

(a) a notice to proceed for a contract for the construction of CNG Ship(s) for the first project for the marine transportation of compressed natural gas in which Provaris has an interest and which is reliant on SeaNG Technology is given (Notice to Proceed Date); or

(b) both the 30-day VWAP of Provaris' shares exceeds A$0.45 at any time subsequent to the acquisition of Sea NG Corporation (now renamed GEV Canada Corporation) (SeaNG) and either Provaris obtains ABS Full Approval for construction of an Optimum CNG Ship with net design gas storage capacity exceeding 250 MMscf or a contract for the construction of a CNG Ship for a project is executed (Contract Date).

Class F Performance Rights will vest when either:

(a) the Notice to Proceed Date occurs; or

(b) both the 30-day VWAP of Provaris' shares exceeds A$0.55 at any time subsequent to the acquisition of SeaNG and the Contract Date occurs.

Any E & F Performance Rights not vested before their expiry date will lapse. The issue of the E & F Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No E & F Performance Rights were exercised (as vesting conditions were not satisfied) or cancelled during the period.

PV1AM Performance Rights

A total of 12,500,000 PV1AM Performance Rights are on issue (10,000,000 of these were granted to key management personnel). Vesting conditions and fair values of PV1AM Performance Rights are as follows:

(a) 3,500,000 will vest when Provaris' share price reaches $0.20, based on the volume weighted average market price of shares over 20 consecutive days on which Provaris' securities have traded (fair value $0.047 per right);

(b) 4,000,000 will vest when Provaris' share price reaches $0.30, based on the volume weighted average market price of shares over 20 consecutive days on which Provaris' securities have traded (fair value $0.040 per right); and

(c) 5,000,000 will vest when Provaris' share price reaches $0.40, based on the volume weighted average market price of shares over 20 consecutive days on which Provaris' securities have traded (fair value $0.032 per right).

While there are no service period vesting conditions attached to the above PV1AM Performance Rights:

- Any shares issued on the relevant vesting condition being satisfied are subject to a 14 month trading restriction period from the date the PV1AM Performance Rights were issued;
- Unless otherwise determined by the Board the PV1AM Performance Rights lapse after 30 days of a holder ceasing to be employed by Provaris; and
- PV1AM Performance Rights expire 3 years from their relevant date of issue.

The Board considered that market conditions (Provaris share price) best aligned the PV1AM Performance Rights holders interests to those of Provaris' shareholders.

No PV1AM Performance Rights have vested at 30 June 2022. Any PV1AM Performance Rights not vested before their expiry date (6 August 2024) will lapse. The PV1AM Performance Rights were issued pursuant to Provaris' Performance Rights Plan, which was approved at the general meeting of shareholders held on 22 July 2021. No PV1AM Performance Rights were exercised (as vesting conditions were not met) or cancelled during the period.

The maximum amount of PV1AM Performance Rights that could be recognised in future financial periods is $211,486.

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

Loyalty Options (Not Compensation) Held by Key Management Personnel

Year Ended 30 June 2022	Number of Loyalty Options				
	1 July 2021	Converted to Ordinary Shares	Issued as Remuneration	Net Change Other	30 June 2022
Greg Martin	–	–	–	–	–
Martin Carolan	9,360,407	–	–	570,376[7]	9,930,783
Garry Triglavcanin	5,866,066	–	–	(2,000,000)[7]	3,866,066
Andrew Pickering	–	–	–	–	–
David Palmer	–	–	–	–	–
Fletcher Maurice Brand	–[6]	–	–	–	–
	15,226,473	**–**	**–**	**–**	**13,796,849**

- **Note 6:** This was the number of loyalty options held by Mr Brand on the date that he ceased to be a key management personnel (25 November 2021).
- **Note 7:** Loyalty options bought/(sold) on market.

The loyalty options were offered to all shareholders in a non-renounceable entitlement issue. They were issued at $0.005, exercisable at $0.12 each and expire on 26 May 2023. On exercise, each Loyalty Option entitles the holder to one fully paid ordinary share in Provaris. Any Loyalty Options not exercised before their expiry date will lapse. Refer to note 7b).

Performance Shares Held by Key Management Personnel

No performance shares are held by any key management personnel (2021: Nil).

Loans to Key Management Personnel

There were no loans made to key management personnel during the financial year (2021: Nil loans).

Other Transactions and Balances with Key Management Personnel

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

Overview of Provaris' Performance

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

	2022	2021	2020	2019	2018
Net loss after tax ($)	(6,757,611)	(3,088,132)	(2,881,583)	(8,883,857)	(5,964,442)
Loss per share (cents)	(1.32)	(0.74)	(0.73)	(2.62)	(2.09)
Share price (cents) 30-Jun	4.3	6.7	6.1	18.5	21.5

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

End of Remuneration Report

Instruments Over Unissued Shares – Exercised, Granted or Expired

On 6 August 2021, Provaris issued 12,500,000 performance rights under its Performance Rights Plan approved at a General Meeting of Shareholders on 22 July 2021.

On 18 November 2021, Provaris issued 9,000,000 unlisted options over ordinary shares as part-payment for share issue costs under the November 2021 Share Placement.

On 15 December 2021, 598 loyalty options were exercised for $0.12 per option.

During and subsequent to the year ended 30 June 2022, no other options or performance rights over unissued shares were granted, exercised or expired.

Instruments Over Unissued Shares Outstanding

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

96,681,458 loyalty options, issued at $0.005, exercisable at $0.12 each and expiring on 26 May 2023.

6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights (together "EF Performance Rights"). All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting each Performance Right entitles the holder to one fully paid ordinary share in Provaris.

Class E Performance Rights will vest when either:

(a) a notice to proceed for a contract for the construction of CNG Ship(s) for the first project for the marine transportation of compressed natural gas in which Provaris has an interest and which is reliant on SeaNG Technology is given (Notice to Proceed Date); or

(b) both the 30-day VWAP of Provaris' Shares exceeds A$0.45 at any time subsequent to the acquisition of Sea NG Corporation (now renamed GEV Canada Corporation) (SeaNG) and either Provaris obtains ABS Full Approval for construction of an Optimum CNG Ship with net design gas storage capacity exceeding 250 MMscf or a contract for the construction of a CNG Ship for the project is executed (Contract Date).

Class F Performance Rights will vest when either:

(a) the Notice to Proceed Date occurs; or

(b) both the 30-day VWAP of Provaris' exceeds A$0.55 at any time subsequent to the acquisition of SeaNG and the Contract Date occurs.

Any EF Performance Rights not vested before their expiry date will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period.

12,500,000 PV1AM Performance Rights, issued on 6 August 2021, all remained on issue at the end of the year. All PV1AM Performance Rights expire on 6 August 2024 and on vesting each Performance Right entitles the holder to one fully paid ordinary share in Provaris.

Vesting conditions of PV1AM Performance Rights are as follows:

(a) 3,500,000 will vest when Provaris' share price reaches $0.20, based on the volume weighted average market price of shares over 20 consecutive trading days on which Provaris' securities have traded;

(b) 4,000,000 will vest when Provaris' share price reaches $0.30, based on the volume weighted average market price of shares over 20 consecutive trading days on which Provaris' securities have traded; and

(c) 5,000,000 will vest when Provaris' share price reaches $0.40, based on the volume weighted average market price of shares over 20 consecutive trading days on which Provaris' securities have traded.

Any PV1AM Performance Rights not vested before their expiry date (6 August 2024) will lapse. The PV1AM Performance Rights were issued pursuant to the Performance Rights Plan, which was approved at the general meeting of shareholders held on 22 July 2021. No PV1AM Performance Rights were exercised or cancelled during the period. None of the PV1AM Performance Rights had their vesting conditions met during the period.

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

Indemnification and Insurance of Directors and Officers

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

Furthermore, during the financial year, Provaris paid premiums of $79,125 for Directors and Officers liability insurance. The policy insures the directors and officers against any liabilities and expenses that may arise because of work performed in their respective capacities, provided that the liability does not arise out of conduct involving:

(i) A wilful breach of duty; or

(ii) A contravention of sections 182 or 183 of the Corporations Act 2001, as permitted by section 199B of the Corporations Act 2001.

Dividends

No dividends have been paid or declared since the start of the financial year by Provaris. The directors have recommended that no dividend be paid by Provaris in respect of the year ended 30 June 2022.

Proceedings on Behalf of Provaris

No person has applied for leave of Court to bring proceedings on behalf of Provaris or intervene in any proceedings to which Provaris is a party for the purpose of taking responsibility on behalf of Provaris for all or any part of those proceedings. Provaris was/is not a party to any such proceedings during or since the end of the 2022 financial year.

Auditor Independence and Non-Audit Services

Provaris' auditor is Ernst & Young Australia. In accordance with the Corporations Act 2001 section 307C a signed Auditor's Independence Declaration to the directors in relation to the year ended 30 June 2022 has been provided to Provaris. This declaration has been included on page 101.

Indemnification of Auditors

To the extent permitted by law, Provaris has agreed to indemnify its auditors, as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit. No payments have been made to indemnify Ernst & Young Australia during or since the 2022 financial year.

Non-Audit Fees

Fees for non-audit services charged by the auditors to the Group were tax compliance costs of $27,233. The directors are satisfied that the provision of these non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of these non-audit services means that auditor independence was not compromised.

Signed in accordance with a resolution of the directors.

Martin Carolan
Managing Director and
Chief Executive Officer

30 August 2022

Sydney, New South Wales

Corporate Governance Statement

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

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

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

www.provaris.energy/contact

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year Ended 30 June 2022

	Note	Consolidated Entity 2022 ($)	2021 ($)
Income	2	367,057	239,262
Corporate and administrative		(3,215,697)	(2,284,353)
Project development		(2,381,135)	(543,367)
Amortisation of intangible asset	5	(414,322)	(414,322)
Share based payments	14	(1,113,514)	(42,500)
Other expenses		–	(42,852)
Loss before income tax expense		**(6,757,611)**	**(3,088,132)**
Income tax expense	3	–	–
Loss after related income tax expense		**(6,757,611)**	**(3,088,132)**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translating foreign operations	8	(425)	(4,985)
Other comprehensive loss after income tax		(425)	(4,985)
Total comprehensive loss for the year		**(6,758,036)**	**(3,093,117)**
Basic (loss) per share (cents per share)	**4**	**(1.32)**	**(0.74)**
Diluted (loss) per share (cents per share)	**4**	**(1.32)**	**(0.74)**

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

As At 30 June 2022

	Note	Consolidated Entity 2022 ($)	2021 ($)
Current assets			
Cash and cash equivalents	10	11,616,888	6,563,716
Other assets		342,615	105,423
Total current assets		**11,959,503**	**6,669,139**
Non current assets			
Plant and equipment		1,110	2,649
Intangible asset	5	5,386,186	5,800,508
Total non current assets		**5,387,296**	**5,803,157**
Total assets		**17,346,799**	**12,472,296**
Current liabilities			
Trade and other payables	6	771,453	190,799
Provisions		61,522	28,637
Total current liabilities		**832,975**	**219,436**
Total liabilities		**832,975**	**219,436**
Net assets		**16,513,824**	**12,252,860**
Equity			
Issued capital	7	85,811,930	75,727,744
Reserves	8	3,720,710	146,730
Accumulated losses		(73,018,816)	(63,621,614)
Total equity		**16,513,824**	**12,252,860**

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

Year Ended 30 June 2022

	Note	Consolidated Entity 2022 ($)	Consolidated Entity 2021 ($)
Cash flows from operating activities			
Receipts from tax authorities (COVID-19 stimulus)		–	67,500
Payments to suppliers and employees		(3,110,378)	(2,319,156)
Project development		(1,910,413)	(474,871)
Interest received		22,634	706
Interest paid for lease liabilities		–	(1,737)
Research and development tax concession rebate		45,775	171,059
WA Renewable Hydrogen Fund grant		145,500	–
Net cash outflow used in operating activities	**10**	**(4,806,882)**	**(2,556,499)**
Cash flows from investing activities			
Proceeds on disposal of plant and equipment		–	3,500
Net cash outflow from investing activities		**–**	**3,500**
Cash flows from financing activities			
Proceeds from equity issues		10,538,750	6,300,000
Exercise of loyalty options		72	–
Capital raising costs		(716,416)	(216,795)
Lease liability principal repayments		–	(64,708)
Net cash inflow from financing activities		**9,822,406**	**6,018,497**
Net increase in cash held		5,015,524	3,465,498
Net foreign exchange differences		37,648	(39,353)
Cash and cash equivalents at beginning of year		6,563,716	3,137,571
Cash and cash equivalents at end of year	**10**	**11,616,888**	**6,563,716**

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

Year Ended 30 June 2022

	Consolidated Entity					
Attributable to Members of the Company	Issued Capital ($)	Share Based Payments Reserve ($)	Currency Translation Reserve ($)	Fair Value Reserve ($)	Accumulated Losses ($)	Total Equity ($)
At 1 July 2021	**75,727,744**	**2,791,992**	**(5,671)**	**(2,639,591)**	**(63,621,614)**	**12,252,860**
Comprehensive loss						
Currency translation	–	–	(425)	–	–	(425)
Loss for year	–	–	–	–	(6,757,611)	(6,757,611)
Total comprehensive loss for the year	**–**	**–**	**(425)**	**–**	**(6,757,611)**	**(6,758,036)**
Transactions with owners, in their capacity as owners						
Share placement	10,000,000	–	–	–	–	10,000,000
Share Purchase Plan	538,750	–	–	–	–	538,750
Capital raising costs: cash	(716,416)	–	–	–	–	(716,416)
Capital raising costs: non-cash	(661,800)	661,800	–	–	–	–
Shares issued under plan	840,500	–	–	–	–	840,500
Shares issued to consultant	83,080	–	–	–	–	83,080
Issue of performance rights	–	273,014	–	–	–	273,014
Loyalty options exercised	72	–	–	–	–	72
Transfer to accumulated losses	–	–	–	2,639,591	(2,639,591)	–
At 30 June 2022	**85,811,930**	**3,726,806**	**(6,096)**	**–**	**(73,018,816)**	**16,513,824**

Attributable to Members of the Company	Issued Capital ($)	Share Based Payments Reserve ($)	Currency Translation Reserve ($)	Fair Value Reserve ($)	Accumulated Losses ($)	Total Equity ($)
			Consolidated Entity			
At 1 July 2020	69,602,039	2,791,992	(686)	(2,639,591)	(60,533,482)	9,220,272
Comprehensive loss						
Currency translation	–	–	(4,985)	–	–	(4,985)
Loss for year (restated)	–	–	–	–	(3,088,132)	(3,088,132)
Total comprehensive loss for the year	**–**	**–**	**(4,985)**	**–**	**(3,088,132)**	**(3,093,117)**
Transactions with owners, in their capacity as owners						
Share placement	6,300,000	–	–	–	–	6,300,000
Equity raising costs	(405,795)	–	–	–	–	(405,795)
Shares issued as part-payment of capital-raising costs	189,000	–	–	–	–	189,000
Shares issued under plan	42,500	–	–	–	–	42,500
At 30 June 2021	**75,727,744**	**2,791,992**	**(5,671)**	**(2,639,591)**	**(63,621,614)**	**12,252,860**

The accompanying notes form part of these financial statements

Notes to the Financial Statements

Note 1. Significant Accounting Policies

The consolidated financial statements of Provaris Energy Ltd (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors on 30 August 2022. The Company is a listed public company limited by shares, incorporated and domiciled in Australia. The registered office is located at 19/40 St Quentin Avenue, Claremont WA 6010.

The Group is principally involved in the development of hydrogen production and export projects, including its 100% owned Tiwi Islands Hydrogen Export project in the Northern Territory, Australia, and (ii) the approval and development processes for its proprietary 26,000m3 (H2Neo) and 120,000m3 (H2Max) carriers for the marine transportation of compressed hydrogen (GH2 Carriers).

Basis of Preparation of Accounts

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

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets which are measured at fair value through other comprehensive income. The presentation currency used in this financial report is Australian Dollars.

New or Amended Accounting Standards or Interpretations Adopted

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

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early, and are not expected to have a material impact on the Group.

Summary of Significant Accounting Policies

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

a) Basis of consolidation

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

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

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

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

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

b) *Foreign currency translation*

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

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

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

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

c) Taxes

Income Tax

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

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

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

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

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

d) *Employee Benefits*

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

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

e) *Cash and cash equivalents*

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

f) *Interest income*

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

g) *Goods and Services Tax (GST)*

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

h) *Impairment of assets*

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In assessing the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, then an appropriate valuation model is used.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

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

i) Leases – Group as lessee

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (ie. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the useful life of the asset.

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

j) *Issued capital*

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

k) *Property, Plant and Equipment*

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

Plant and equipment – over 1 to 15 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

l) *Other receivables*

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

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

m) *Trade and other payables*

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

n) *Financial assets*

Initial recognition and measurement

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

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

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

Financial assets designated at fair value through other comprehensive income (OCI) with no recycling

- Financial assets fair value through OCI are subsequently measured using appropriate valuation techniques. The Group's financial assets at fair value through OCI previously included their equity investment in Meridian Holdings Company. This investment was written down to $0 fair value at 30 June 2019. At 31 December 2021, this investment was forfeited and the $2,639,591 fair value reserve balance was transferred to accumulated losses.

Derecognition

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

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

Impairment

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

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

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

o) *Significant accounting judgements, estimates and assumptions*

Significant accounting estimates and assumptions

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

Key estimates – Impairment of Intangible Assets

The Group assesses impairment for intangible assets at each reporting date or when an impairment indicator exists, by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include technical, economic and political environments, and future expectations. If an impairment indicator exists, the recoverable amount of the asset is determined. For further information on intangible assets refer to note 5.

Recovery of deferred tax assets

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

Share-based payment transactions

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

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

p) *Share-based payment transactions*

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

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black-Scholes option pricing model or a binomial model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ('market conditions'). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

i. the extent to which the vesting period has expired; and

ii. the number of awards that, in the opinion of the directors of the Group, will ultimately vest.

This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

q) *Earnings/(loss) per share*

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

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

r) *Intangible assets*

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

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

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

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

s) Government grants

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

t) Research and development expenditure

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

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

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

Note 2. Income and Expenses

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

	Consolidated Entity	
	2022 ($)	**2021 ($)**
Interest received	22,634	703
Unrealised exchange gains	37,648	–
Research and development tax concession rebate	45,775	171,059
Other income: COVID-19 stimulus from tax authorities	–	67,500
Other income: WA State Government Renewable Hydrogen Fund	261,000	–
Total Income	**367,057**	**239,262**
Expenses include:		
Employee benefits and consultants' expenses	2,203,429	1,662,979
Depreciation expense	1,539	64,191
Unrealised exchange loss	–	39,353

Note 3. Income Tax

	Consolidated Entity	
	2022 ($)	2021 ($)
Income tax benefit	–	–
Numerical reconciliation between tax expense and pre-tax net loss:		
Loss before income tax benefit	(6,757,611)	(3,088,132)
Income tax using the Company's domestic tax rate of 25% (2021: 26%)	(1,689,403)	(802,914)
Share-based payments	306,216	11,688
Deferred tax asset not recognised	1,383,187	791,226
Income tax benefit (expense) attributable to entity	–	–

Estimated Australian unused tax losses of $34,944,426 (2021: $28,186,815) and estimated Canadian tax losses of C$18,421,312 (2021: C$17,714,471) have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the relevant regulatory authorities in each of the jurisdictions in which the Company operates. The benefit of deferred tax assets not brought to account will only be brought to account if its recovery is considered probable and future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised and the conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

Note 4. Earnings Per Share

	Consolidated Entity	
	2022 ($)	2021 ($)
Basic loss per share (cents per share)	(1.32)	(0.74)
Diluted loss per share (cents per share)	(1.32)	(0.74)
(Loss) used in the calculation of basic EPS	(6,757,611)	(3,088,132)

	2022 Shares	2021 Shares
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	512,860,714	417,338,799

Basic and diluted earnings per share for all periods prior to the share issuance on 11 November 2021 have been restated by an adjustment factor of 1.01 to account for the bonus element in the share issue. Details of shares issued are outlined in note 7.

During the year ended 30 June 2022 12,500,000 Performance Rights and 9,000,000 unlisted options were issued and 598 Loyalty Options were exercised. No further options, Performance Rights or Performance Shares were issued, exercised, converted or expired. 14,000,000 Performance Shares, 16,500,000 E & F Performance Rights, 12,500,000 PV1AM Performance Rights, 9,000,000 unlisted options and 96,681,458 Loyalty Options, with rights to convert to fully paid ordinary shares (on vesting conditions being satisfied or exercise price paid, as applicable) remained outstanding at 30 June 2022. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

During the year ended 30 June 2021, no options, Performance Rights or Performance Shares were issued, exercised, converted or expired. 14,000,000 Performance Shares, 16,500,000 Performance Rights and 96,682,056 Loyalty Options, with rights to convert to fully paid ordinary shares (on vesting conditions being satisfied or exercise price paid, as applicable) remained outstanding at 30 June 2021. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not decrease the net profit from continuing operations per share nor increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

Note 5. Intangible Asset

	Consolidated Entity	
	2022 ($)	2021 ($)
Intellectual property at cost	6,214,830	6,214,830
Less: Accumulated amortisation	(828,644)	(414,322)
	5,386,186	5,800,508

Intellectual property comprises compressed natural gas (CNG) marine transport design technology and associated patents, derived from the acquisition on 7 December 2017 of 100% of Sea NG Corporation (SeaNG), a Calgary based company. SeaNG has since changed its name to GEV Canada Corporation.

At 1 July 2020, a decision was made to begin to amortise the Intellectual Property as it satisfied the criteria of being available for use at that date. The Intellectual Property is being amortised on a straight-line basis over a period of 15 years, being the estimated useful life of the asset. The amortisation expense for the period was $414,322 (2021: $414,322).

The Company considered whether any impairment indicators existed at 30 June 2022 which would require an impairment test to be undertaken. No impairment indicators were identified and hence no impairment test was performed. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2022 the market capitalisation of the Company was well in excess of the book value of the Group's net assets.

Note 6. Trade and Other Payables (Current)

	Consolidated Entity	
	2022 ($)	2021 ($)
Trade creditors	554,802	127,786
Sundry creditors and accrued expenses	216,651	63,013
	771,453	190,799

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

Note 7. Issued Capital

	Consolidated Entity	
	2022 ($)	2021 ($)
Ordinary shares		
547,780,465 (2021: 452,118,223) Fully paid ordinary shares – Note 7 (a)	85,402,294	75,318,109
Loyalty options		
96,681,458 (2021: 96,682,056) Loyalty options – Note 7 (b)	409,636	409,636
	85,811,930	**75,727,745**

a) Movements in Ordinary Shares

	Date	Number of Shares	$
Opening balance	**01-Jul-20**	**386,728,223**	**69,192,403**
Shares issued pursuant to Employee Share Plan	3-Aug-20	250,000	15,000
Share Placement at $0.10 per share	22-Feb-21	63,000,000	6,300,000
Less: Issue costs of share placement	22-Feb-21	–	(405,794)
Shares issued as part-payment of capital raising costs	22-Feb-21	1,890,000	189,000
Shares issued pursuant to Employee Share Plan	22-Feb-21	250,000	27,500
Balance at 30 June 2021		**452,118,223**	**75,318,109**
Shares issued pursuant to Employee Share Plan	29-Jul-21	4,000,000	248,000
Shares issued to consultant	11-Aug-21	1,051,644	83,080
Share Placement at $0.125 per share	11-Nov-21	80,000,000	10,000,000
Less: Issue costs of share placement	11-Nov-21	–	(1,378,217)
Shares issued pursuant to Employee Share Plan	18-Nov-21	500,000	62,500
Shares issued pursuant to Employee Share Plan	30-Nov-21	2,000,000	250,000
Exercise of loyalty entitlement options at $0.12	15-Dec-21	598	72
Share Purchase Plan at $0.125 per share	21-Dec-21	4,310,000	538,750
Shares issued pursuant to Employee Share Plan	7-Feb-22	500,000	50,000
Shares issued pursuant to Employee Share Plan	9-May-22	2,000,000	178,000
Shares issued pursuant to Employee Share Plan	20-Jun-22	1,300,000	52,000
At the end of the financial year	**30-Jun-22**	**547,780,465**	**85,402,294**

Terms and Conditions of Contributed Equity

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

b) Movements in loyalty options on issue

	Date	Number of Options	$
Opening balance	**01-Jul-20**	**96,682,056**	**409,636**
Prior year closing balance	30-Jun-21	96,682,056	409,636
Exercise of loyalty options at $0.12	15-Dec-21	(598)	–
At the end of the financial year	**30-Jun-22**	**96,681,458**	**409,636**

Terms and Conditions of Loyalty Options

On 25 June 2020, the Company issued 96,682,056 listed options to existing shareholders in a non-renounceable entitlement issue (“Loyalty Options”), at an issue price of $0.005. 598 Loyalty Options were exercised on 15 December 2021, all other Loyalty Options remained on issue at the end of the year. Loyalty Options have an exercise price of $0.12 and expire on 26 May 2023. On exercise, each Loyalty Option entitles the holder to one fully paid ordinary share in the Company. Any Loyalty Options not exercised before their expiry date will lapse.

c) Movements in unlisted options on issue

	Date	Number of Options	$
Opening balance	**01-Jul-20**	**–**	**–**
Prior year closing balance	30-Jun-21	–	–
Issued during the year	18-Nov-21	9,000,000	–
Outstanding/exercisable at the end of the financial year	**30-Jun-22**	**9,000,000**	**–**

Terms and Conditions of Unlisted Options

On 18 November 2021, the Company issued 9,000,000 unlisted options over ordinary shares as part-payment for share issue costs under the November 2021 Share Placement, at an issue price of $nil. All Unlisted Options remained on issue at the end of the year. Unlisted Options have an exercise price of $0.1875 and expire on 18 November 2024. On exercise, each Unlisted Option entitles the holder to one fully paid ordinary share in the Company. Any Unlisted Options not exercised before their expiry date will lapse.

Refer to note 14 for further details of the unlisted options.

d) Movements in EF Performance Rights

	Date	Number of Perf Rights
Opening balance	**01-Jul-20**	**16,500,000**
Prior year closing balance	30-Jun-21	16,500,000
At the end of the financial year	**30-Jun-22**	**16,500,000**

Terms and Conditions of EF Performance Rights

At 30 June 2022:

There were 16,500,000 unissued ordinary shares for which rights were outstanding, comprising:

6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights

The Class E Performance Rights and Class F Performance Rights (together "EF Performance Rights") have the following terms and conditions. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting each Performance Right entitles the holder to one fully paid ordinary share in the Company.

Class E Performance Rights will vest when either:

(a) a notice to proceed for a contract for the construction of CNG Ship(s) for the first project for the marine transportation of compressed natural gas in which the Company has an interest and which is reliant on SeaNG Technology is given (Notice to Proceed Date); or

(b) both the 30-day VWAP of the Company's Shares exceeds A$0.45 at any time subsequent to the acquisition of Sea NG Corporation (now renamed GEV Canada Corporation) (SeaNG) and either the Company obtains ABS Full Approval for construction of an Optimum CNG Ship with net design gas storage capacity exceeding 250 MMscf or a contract for the construction of a CNG Ship for the project is executed (Contract Date).

Class F Performance Rights will vest when either:

(a) the Notice to Proceed Date occurs; or

(b) both the 30-day VWAP of the Company's Shares exceeds A$0.55 at any time subsequent to the acquisition of SeaNG and the Contract Date occurs.

Any EF Performance Rights not vested before their expiry date will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period.

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

At 30 June 2021:

There were 6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights outstanding at 30 June 2021.

e) Movements in PV1AM Performance Rights

	Date	Number of Perf Rights
Opening balance	**01-Jul-20**	**–**
Prior year closing balance	30-Jun-21	–
Issued under the Performance Rights Plan	6-Aug-21	12,500,000
At the end of the financial year	**30-Jun-22**	**12,500,000**

Terms and Conditions of PV1AM Performance Rights

At 30 June 2022:

12,500,000 PV1AM Performance Rights, issued on 6 August 2021, all remained on issue at the end of the year. All PV1AM Performance Rights expire on 6 August 2024 and on vesting, each Performance Right entitles the holder to one fully paid ordinary share in the Company.

Vesting of PV1AM Performance Rights is as follows:

(a) 3,500,000 will vest when the Company's share price reaches $0.20, based on the volume weighted average market price of shares over 20 consecutive trading days on which the Company's securities have traded;

(b) 4,000,000 will vest when the Company's share price reaches $0.30, based on the volume weighted average market price of shares over 20 consecutive trading days on which the Company's securities have traded; and

(c) 5,000,000 will vest when the Company's share price reaches $0.40, based on the volume weighted average market price of shares over 20 consecutive trading days on which the Company's securities have traded.

Any PV1AM Performance Rights not vested before their expiry date will lapse. The PV1AM Performance Rights were issued pursuant to the Performance Rights Plan, which was approved at the general meeting of shareholders held on 22 July 2021. No PV1AM Performance Rights were exercised or cancelled during the period. None of the PV1AM Performance Rights had their vesting conditions met during the period.

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

At 30 June 2021:

There were no PV1AM Performance Rights outstanding at 30 June 2021.

f) Movements in Performance Shares

	Date	Number of Perf Shares
Opening balance	**01-Jul-20**	**14,000,000**
Prior year closing balance	30-Jun-21	14,000,000
At the end of the financial year	**30-Jun-22**	**14,000,000**

Terms and Conditions of Performance Shares

On 7 December 2017, Provaris Energy Ltd issued 1,850,000 Class A Performance Shares, 2,200,000 Class B Performance Shares, 2,350,000 Class C Performance Shares, 6,250,000 Class D Performance Shares and 3,200,000 Class E Performance Shares (together “Performance Shares”). 1,850,000 Class A Performance Shares were converted to fully paid ordinary shares during the 2020 financial year, as the performance hurdles had been met. All other Performance Shares remained on issue at the end of the year.

All remaining Performance Shares expire on 6 December 2022 (Expiry Date). On achievement of the relevant milestone for each Class of Performance Share, each Performance Share of that class will convert into one fully paid ordinary share in the Company.

Class B Performance Shares will convert when either:

a. A notice to proceed for a contract for the construction of CNG ship(s) for the first project for the marine transportation of compressed natural gas in which the Company has an interest and which is reliant on Sea NG Corporation Technology (Project) is given (Notice to Proceed Date); or

b. when:

   i. the 30-day VWAP of the Company’s Shares exceeds A$0.45 at any time subsequent to 6 December 2017 (Effective Date); and

   ii. either the Company obtains ABS Full Approval for construction of an Optimum CNG Ship with net design gas storage capacity exceeding 250 MMscf or a contract for the construction of a CNG Ship for the project is executed (Contract Date); and

   iii. a period of 30 months or more has elapsed since the Effective Date.

Class C Performance Shares will convert when either:

a. the Notice to Proceed Date occurs; or

b. when:

   i. the 30-day VWAP of the Company's Shares exceeds A$0.55 at any time subsequent to the Effective Date; and

   ii. the Contract Date occurs; and

   iii. a period of 36 months or more has elapsed since the Effective Date.

Class D Performance Shares will convert when the Notice to Proceed Date occurs.

Class E Performance Shares will convert when a notice to proceed for a contract for the construction of CNG Ship(s) for the first project for the marine transportation of compressed natural gas in which the Company has an interest and which is reliant on SeaNG Coselle Technology is given.

If the relevant milestones above are not achieved by the Expiry Date, then each Performance Share in the relevant class will be automatically redeemed by the Company for the sum of A$0.00001 within 14 days of the Expiry Date. The issue of the Performance Shares was approved at the general meeting of shareholders held on 30 November 2017.

None of the remaining Performance Shares on issue were converted or cancelled during the period. None of the Performance Shares had their vesting conditions met during the period. These Performance Shares have not been recognised for accounting purposes and will not be recognised until there is greater certainty (>50%) in relation to the non-market vesting conditions being met.

Capital Management

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

Note 8. Reserves

	Consolidated Entity	
	2022 ($)	2021 ($)
Share based payments reserve	3,726,806	2,791,992
Currency translation reserve	(6,096)	(5,671)
Fair value reserve	–	(2,639,591)
	3,720,710	**146,730**

	Consolidated Entity	
	2022 ($)	2021 ($)
Movements in Share Based Payments Reserve		
At the beginning of the financial year	2,791,992	2,791,992
Issue of unlisted options as part-payment of capital raising costs	661,800	–
Issue of PV1AM Performance Rights to employees	273,014	–
At the end of the financial year	**3,726,806**	**2,791,992**

	Consolidated Entity	
	2022 ($)	2021 ($)
Movements in Currency Translation Reserve		
At the beginning of the financial year	(5,671)	(686)
Movement for the year	(425)	(4,985)
At the end of the financial year	**(6,096)**	**(5,671)**

	Consolidated Entity	
	2022 ($)	2021 ($)
Movements in Fair Value Reserve		
At the beginning of the financial year	(2,639,591)	(2,639,591)
Transfer to accumulated losses	2,639,591	–
At the end of the financial year	**–**	**(2,639,591)**

The investment in Meridian Holdings Co. was written down to nil in 2019, and investment holdings were forfeited on 2 December 2021. Upon forfeiture, any revaluation relating to the forfeited asset was transferred to accumulated losses.

Nature and Purpose of Reserves

Share-Based Payments Reserve

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

Currency Translation Reserve

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

Fair Value Reserve

This fair value reserve was used to record any movement in the fair value of investments. The Group's financial assets at fair value through OCI included the previous equity investment in Meridian Holdings Company. This investment was written down to $0 fair value as of 30 June 2019, resulting in the ($2,639,591) reserve balance, and investment holdings were forfeited on 2 December 2021. Upon forfeiture, any revaluation relating to the forfeited asset was transferred to accumulated losses.

Note 9. Parent Entity

Financial Information on the Parent Entity as at the End of the Financial Year:

	Company	
	2022 ($)	2021 ($)
Current assets		
Cash and cash equivalents	11,597,775	6,548,465
Other assets	341,986	80,243
Total current assets	**11,939,761**	**6,628,708**
Non current assets		
Plant and equipment	1,110	2,649
Investments	5,017,425	5,431,747
Total non current assets	**5,018,535**	**5,434,396**
Total assets	**16,958,296**	**12,063,104**
Current liabilities		
Trade and other payables	763,866	131,542
Provisions	61,522	28,637
Total current liabilities	**825,388**	**160,179**
Total liabilities	**825,388**	**160,179**
Net assets	**16,132,908**	**11,902,925**
Equity		
Issued capital	85,811,930	75,727,744
Reserves	3,726,806	2,791,992
Accumulated losses	(73,405,828)	(66,616,811)
Total equity	**16,132,908**	**11,902,925**

Financial Information on the Parent Entity for the Financial Year:

	Company	
	2022 ($)	2021 ($)
(Loss) after related income tax expense	(6,374,695)	(2,658,883)
Other comprehensive income	–	–
Total Comprehensive Income	**(6,374,695)**	**(2,658,883)**

There are no contingent liabilities (2021: Nil) of the Parent Entity as at the reporting date.

Note 10. Cash Flow Information

Reconciliation of Cash Flow From Operations with Loss After Income Tax

	Consolidated Entity	
	2022 ($)	2021 ($)
Loss after tax	**(6,757,611)**	**(3,088,132)**
Non cash flows in loss		
Cost of share-based payments	1,113,514	42,500
Foreign exchange loss/(profit)	(38,073)	37,869
Depreciation of plant and equipment	1,539	64,191
Amortisation of intellectual property	414,322	414,322
Shares issued - consultant	83,080	-
Changes in assets and liabilities		
(Increase) in receivables	(237,192)	(52,018)
Increase in creditors and accruals	580,654	26,731
Increase/(decrease) in provisions	32,885	(1,962)
Net cash used in operating activities	**(4,806,882)**	**(2,556,499)**

Reconciliation of Cash and Cash Equivalents

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

	Consolidated Entity	
	2022 ($)	2021 ($)
Cash	1,316,888	1,863,716
Term deposits	10,300,000	4,700,000
Cash and cash equivalents at the end of the financial year	**11,616,888**	**6,563,716**

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

Non-Cash Financing and Investing Activities

There were no non-cash financing and investing activities during the year (2021: None).

Financing Facilities

There were no financing facilities in place for the Company at 30 June 2022 or 30 June 2021.

Note 11. Auditor's Remuneration

	Consolidated Entity	
	2022 ($)	2021 ($)
Remuneration of the auditor for:		
Auditing or reviewing the financial reports	47,726	53,649
Tax compliance services	27,233	63,410
	74,959	**117,059**

Note 12. Expenditure Commitments

	Consolidated Entity	
	2022 ($)	**2021 ($)**
Non Cancellable leases contracted for but not capitalised in the statement of financial position:		
Payable		
not later than one year	4,500	19,500
later than 1 year but not later than 5 years	–	–
Aggregate expenditure contracted for at reporting date	**4,500**	**19,500**

The property leases included above are non-cancellable leases with rent payable monthly in advance. In the current financial year, the main operating lease for office space is less than 12 months so the Company has applied the short-term leases exemption under AASB 16.

Note 13. Key Management Personnel

	Consolidated Entity	
	2022 ($)	**2021 ($)**
Remuneration Of Key Management Personnel		
Short term employee benefits	809,500	823,373
Post-employment benefits	59,420	21,689
Share based payment benefits	775,362	–
	1,644,282	**845,062**

Note 14. Share Based Payments

Performance Rights

The Company issued 12,500,000 PV1AM Performance Rights as share based payments during the financial year (2021: nil). Refer to Note 7(e) for an explanation of the terms and conditions applicable to the rights.

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

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

No PV1AM Performance Rights were forfeited, exercised or expired during the financial year (2021: nil). The remaining contractual life of all PV1AM Performance Rights outstanding at 30 June 2022 is 2.10 years.

Company Shares

The Company issued the following ordinary shares during the financial year, pursuant to the Company's Employee Share Plan: 4,000,000 (29 July 2021), 500,000 (18 November 2021), 2,000,000 (30 November 2021), 500,000 (7 February 2022), 2,000,000 (9 May 2022) and 1,300,000 (20 June 2022), which were accounted for using the fair value (share price) at issue date.

On 11 August 2021, the Company issued 1,051,644 ordinary shares issued in lieu of a cash payment, for the provision of digital media consulting and investor relations service. These shares were issued at the market value of services provided.

Unlisted Options

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

	Date	Number of Options	Weighted Avge Ex Price	Fair Value at Grant Date
Opening balance	01-Jul-20	–	–	–
Prior year closing balance	30-Jun-21	–	–	–
Granted during the year	11-Nov-21	6,000,000	$0.1875	$0.748
Granted during the year	16-Nov-21	3,000,000	$0.1875	$0.710
Outstanding/exercisable at the end of the financial year	**30-Jun-22**	**9,000,000**	**$0.1875**	**–**

Terms and Conditions of Unlisted Options

On 11 November 2021, the Company issued 6,000,000 unlisted options over ordinary shares, and on 16 November 2021 the Company issued 3,000,000 unlisted options over ordinary shares, as part-payment for share issue costs under the November 2021 Share Placement, at an issue price of $nil. The Unlisted Options were issued at the market value of services provided, and have been included in share issue costs. All Unlisted Options remained on issue at the end of the year. Unlisted Options have an exercise price of $0.1875 and expire on 18 November 2024. On exercise, each Unlisted Option entitles the holder to one fully paid ordinary share in the Company. Any Unlisted Options not exercised before their expiry date will lapse.

No unlisted options were forfeited, exercised or expired during the financial year (2021: nil).

The remaining contractual life of all options outstanding at 30 June 2022 is 2.39 years.

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

	11 Nov 2021 Options	16 Nov 2021 Options
Fair value	$0.748	$0.710
Weighted average share price	$0.145	$0.14
Exercise price	$0.1875	$0.1875
Expected volatility	91-99%	91-100%
Option life	3 years	3 years
Risk-free rate	1.02%	1.03%

Total share-based payment expense of $1,113,514 is included in profit or loss for the year ended 30 June 2022 (2021: $42,500).

Note 15. Segment Information

The Group has two operating segments, being the development of hydrogen production and export projects and development of compressed hydrogen shipping solutions.

Note 16. Controlled Entities

	% Owned	
	2022	2021
Parent Entity		
Provaris Energy Ltd		
Entities controlled by Provaris Energy Ltd		
GEV Canada Corporation (b)	100%	100%
GEV USA Inc (a)	0%	100%
TTE Royalties LLC (a)	0%	100%
GEV International Pty Ltd	100%	100%
Global Gas Ventures Pty Ltd	100%	100%
Global Shipping Ventures Pty Ltd	100%	100%
Global Infrastructure Ventures Pty Ltd	100%	100%
GEV Technologies Pty Ltd	100%	100%
Entities controlled by GEV USA Inc		
GEV USA LLC (a)	0%	100%
TTE Operating LLC (a)	0%	100%

(a) GEV USA Inc, GEV USA LLC, TTE Operating LLC, and TTE Royalties LLC were registered in the State of Delaware in the United States of America. On 27 June 2022, the directors of these entities resolved to wind-up the entities, and they were subsequently dissolved/cancelled with the State of Delaware. These entities were dormant prior to the dissolution, so there has been no effect on the financial statements.

(b) GEV Canada Corporation is incorporated pursuant to the provisions of the Business Corporations Act (Alberta) in Canada.

Note 17. Contingent Liabilities

There are no significant contingent liabilities as at 30 June 2022 (2021: Nil).

Note 18. Financial Instruments

Financial Risk Management Policies

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

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

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

Interest Rate Risk

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

Sensitivity analysis:

At 30 June 2022 the effect on profit and equity of the Group as a result of reasonably possible changes in the interest rate, with all other variables remaining constant would be as follows:

	Post-Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
	2022 $	2021 $	2022 $	2021 $
Increase in interest rate by 0.5% (2021: 0.5%)	58,084	43,977	58,084	43,977
Decrease in interest rate by 0.00% (2021: 0.17%)	–	–	–	–

Foreign Currency Risk

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

Liquidity Risk

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

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any allowance for expected credit losses, as disclosed in the balance sheet and notes to the financial statements. There are no other material amounts of collateral held as security at 30 June 2022 or at 30 June 2021.

Credit risk is managed on a Group basis and reviewed by the Board. It arises from exposures to customers and through deposits with financial institutions. The Board monitors credit risk by actively assessing the quality and liquidity of counter parties, consequently only creditworthy banks are utilised for deposits. The Group's cash and term deposits held with one A+ rated Australian financial institution. The counterparties included in other receivables at 30 June 2022 and at 30 June 2021 are not rated, however given the amount and nature of these financial instruments, the Board is satisfied that they represent a low credit risk.

Financial Instrument Composition and Liquidity Analysis

The tables below reflect the settlement period for financial instruments:

	Consolidated Entity	
	2022 ($)	2021 ($)
Trade and Other Payables:		
Less than 6 months	771,453	190,799
	771,453	**190,799**

Fair Values

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

Note 19. Related Party Transactions

The Company is not controlled by any other entity.

Sasigas Nominees Pty Ltd as trustee for the Fletcher M Brand Family Trust received benefits from the Company for services performed by Mr Fletcher Maurice Brand, in his former capacity as a director of the Company. The remuneration received by Sasigas Nominees Pty Ltd for the services of Mr Brand as a director of the Company of $37,500 (2021: $250,000) is included in the remuneration of Mr Brand in the Remuneration Report, which is within the Directors' Report.

Moonlighting Ventures Pty Ltd as trustee for the Triglavcanin Investment Trust received benefits from the Company for services performed by Mr Garry Triglavcanin, as a director of the Company. The remuneration received by Moonlighting Ventures Pty Ltd for the services of Mr Triglavcanin as a director of the Company of $25,550 (2021: $250,000) is included in the remuneration of Mr Triglavcanin in the Remuneration Report which is within the Directors' Report. The remaining remuneration of Mr Triglavcanin in the Remuneration Report was paid as salary.

Winslow Vale Pty Ltd received benefits from the Company for services performed by Mr Pickering as a director of the Company. The remuneration received by Winslow Vale Pty Ltd for the services of Mr Pickering as a director of the Company of $25,000 is included in the remuneration of Mr Pickering in the Remuneration Report which is within the Directors' Report.

At 30 June 2022, directors and their related entities held directly, indirectly or beneficially 54,490,036 ordinary shares in the Company (2021: 47,248,534), 13,796,849 options over ordinary shares in the Company (2021: 15,226,473) and 23,750,000 performance rights over ordinary shares in the Company (2021: 13,750,000).

Note 20. Dividends

No dividends have been paid or proposed during the year (2021: Nil).

Note 21. Events Subsequent to Balance Date

On 5 July 2022, the Company issued 500,000 ordinary shares for no cash consideration under the Company's Employee Share Plan.

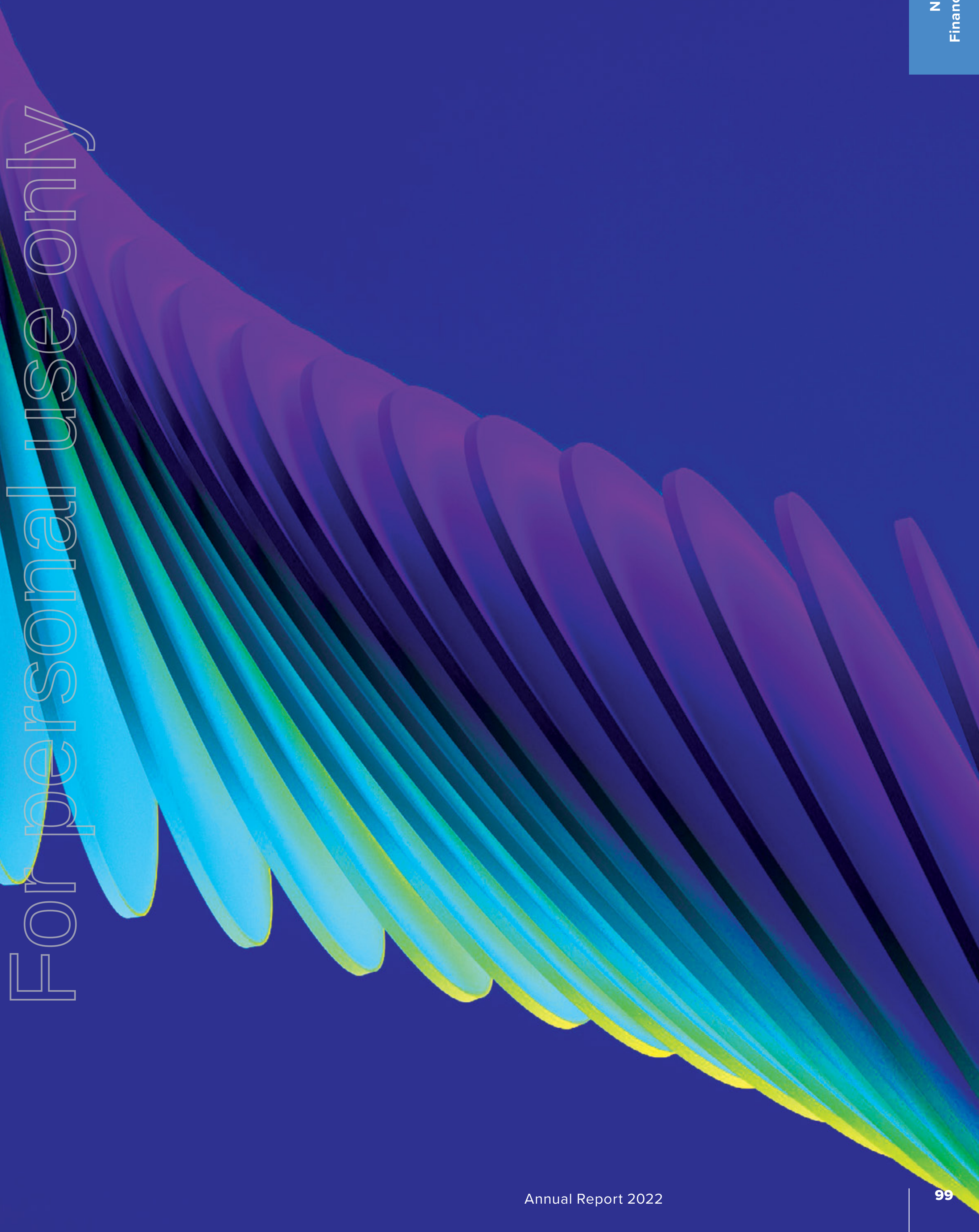
On 2 August 2022, the Company announced that it had completed a Concept Design Study for its proposed Tiwi H2 Project on the Tiwi Islands, Northern Territory. Completion of the positive Tiwi H2 Project Concept Design Study establishes a clear pathway for Provaris to progress the project forward to Pre-FEED and FEED level technical, commercial and economic studies and consideration of potential financing options. The study reinforced several observations and outcomes from the 2021 Compressed Hydrogen Chain Scoping Study undertaken by the Company.

On 9 August 2022, the Company announced the establishment of its subsidiary Provaris Norway AS and its European headquarters in Oslo, Norway. Oslo is an established hub for gas-carrier companies, with access to ship owners, engineering companies and equipment suppliers.

On 16 August 2022, Provaris announced that a draft Feasibility Study report (HyExport Study) was delivered to the HyEnergy® Project partners, Province Resources (ASX:PRL) and Total Eren, and issued to the WA Government for review (in preparation for Milestone 5). A public Knowledge Sharing Report with a summary of study outcomes is being drafted for future release by WA Government. The HyExport Study analysed the export of 200,000 tonnes per annum of green hydrogen from the HyEnergy Project into Asia-Pacific, with a focus on delivery into Singapore.

On 23 August 2022, Provaris announced that its Tiwi H2 project had been awarded Major Project Status by the Northern Territory Government. Major Project Status is awarded to projects that the Northern Territory Government recognises as having significance, strategic impact and potential benefits to the Territory. The benefits of Major Project Status include whole of government support, coordination and facilitation, assistance in identifying and mapping regulatory approvals, a dedicated project case manager and facilitation of engagement with the Australian Government. As part of the Major Project Status award, Provaris and the NT Government have entered into a Project Facilitation Agreement (PFA) to work in a spirit of co-operation to seek to achieve the timely, efficient and effective development of the Tiwi H2 project and to maximise the economic and community benefits for the Northern Territory.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.



Directors' Declaration

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

In the opinion of the directors:

1. the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001* including:
   a. complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   b. giving a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Consolidated Entity; and
   c. the remuneration report disclosures set out on pages 36 to 48 of the directors' report (as part of the Remuneration Report), for the year ended 30 June 2022, comply with section 300A of the *Corporations Act 2001*.
2. As required by section 295A of the *Corporations Act 2001*, the Chief Executive Officer, Mr Martin Carolan, and Chief Financial Officer, Mrs Emma Connor, have each declared in writing that:
   a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
   b. the financial statements and notes for the financial year comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board; and
   c. the financial statements and notes for the financial year give a true and fair view.
3. in the director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors.

Martin Carolan
Managing Director and Chief Executive Officer

30 August 2022

Sydney, New South Wales

Auditor's Independence Declaration

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

As lead auditor for the audit of the financial report of Provaris Energy Ltd for the financial year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
30 August 2022

Auditor's Report

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

Opinion

We have audited the financial report of Provaris Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

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

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

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

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Carrying value and amortisation of intangible asset

Why significant	How our audit addressed the key audit matter
Included in the consolidated statement of financial position of the Group at 30 June 2022 and in note 5 of the financial report is an intangible asset, being acquired intellectual property, carried at $5,386,186. This intangible asset represented 31% of the Group's total assets at 30 June 2022. The Group commenced amortisation of the intangible asset from the beginning of the prior financial year as management determined it was available for use from that date. Management have assessed the intangible asset's useful life to be 15 years, which has resulted in amortisation of $414,322 being charged to the consolidated statement of profit or loss and other comprehensive income this year. In addition, the carrying value of finite-lived intangible assets must be assessed for impairment when facts and circumstances indicate that the carrying value exceeds its recoverable amount. Following an assessment of a number of internal and external factors, the directors determined that there were no impairment indicators present at 30 June 2022. This was considered to be a key audit matter because: ► the intangible asset is the largest non-financial asset on the consolidated statement of financial position, and ► of the judgement involved in assessing whether any indicators of impairment were present and in estimating the expected useful life of the intangible asset for amortisation purposes.	Our audit procedures included the following: We challenged the appropriateness of the Group's assessment and conclusion that there were no impairment indicators present as at 30 June 2022. In assessing whether any impairment indicators were present, we examined the patents granted and considered internal and external impairment factors. We assessed the appropriateness of the estimated useful life of the intangible asset determined by management having regard to the patent life, expected usage and anticipated contract terms. We tested the mathematical accuracy of the resultant amortisation charge recognised for the year. We reviewed the adequacy of the disclosures in note 5 of the financial report relating to the amortisation and impairment assessment of the intangible asset.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2022 annual report, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Provaris Energy Ltd for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

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

Ernst & Young

Pierre Dreyer
Partner
Perth
30 August 2022

Additional Information as at 15 August 2022

Analysis of holdings of shares, rights and options in the company

	Quote Ordinary Shares		Quoted Options expiring 26 May 2023	
	Number of holders	% of shares held	Number of holders	% of options held
1 — 1,000	40	0.01%	40	0.01%
1,001 — 5,000	53	0.51%	53	0.15%
5,001 — 10,000	24	1.79%	24	0.19%
10,001 — 100,000	141	18.25%	141	5.98%
100,001 — and over	102	79.43%	102	93.68%
Total number of holders	**5,596**	**100%**	**360**	
Holdings of less than a marketable parcel	**1,505**			

	Class E Performance Rights		Class F Performance Rights	
	Number of holders	% of rights held	Number of holders	% of rights held
1 — 1,000	0	0%	0	0%
1,001 — 5,000	0	0%	0	0%
5,001 — 10,000	0	0%	0	0%
10,001 — 100,000	0	0%	0	0%
100,001 — and over	6	100%	6	100%
Total number of holders	**6**	**100%**	**6**	**100%**

	Class B Performance Shares		Class C Performance Shares	
	Number of holders	% of shares held	Number of holders	% of shares held
1 — 1,000	0	0%	0	0%
1,001 — 5,000	0	0%	0	0%
5,001 — 10,000	0	0%	0	0%
10,001 — 100,000	0	0%	0	0%
100,001 — and over	3	100%	3	100%
Total number of holders	**3**	**100%**	**3**	**100%**

	Class D Performance Shares		Class E Performance Shares	
	Number of holders	% of rights held	Number of holders	% of rights held
1 — 1,000	0	0%	0	0%
1,001 — 5,000	0	0%	0	0%
5,001 — 10,000	0	0%	0	0%
10,001 — 100,000	0	0%	0	0%
100,001 — and over	3	100%	1	100%
Total number of holders	**3**	**100%**	**1**	**100%**

Registered Office of the Company

19/40 St Quentin Avenue
Claremont
Western Australia 6010

Tel: +61 (8) 9322 6955

Legal Entity Identifier: 2138003ILL8P2E7ZIF22

Stock Exchange Listing

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

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

Share Registry

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

Computershare Registry Services Pty Ltd
Level 11
172 St Georges Terrace
Perth, Western Australia 6000

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

Company Secretary

The name of the Company Secretary is Norman Marshall.

Taxation Status

Provaris Energy Ltd is taxed as a public company.

Voting Rights

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

Total Number of Securities On Issue

Security Description	Number on issue
Quoted Ordinary Shares	542,280,465
Quoted Options expiring 26 May 2023	96,681,458
Class E Performance Rights	6,600,000
Class F Performance Rights	9,900,000
Class B Performance Shares	2,200,000
Class C Performance Shares	2,350,000
Class D Performance Shares	6,250,000
Class E Performance Shares	3,200,000
Performance Rights Plan	12,500,000
Unlisted Options expiring 17 November 2024	9,000,000

Twenty Largest Holders of Ordinary Shares	Number on Shares	Percentage of Total
HSBC Custody Nominees (Australia) Limited	24,257,621	4.42%
National Nominees Limited	21,600,000	3.94%
Citicorp Nominees Pty Limited	16,847,669	3.07%
BNP Paribas Nominees Pty Ltd Acf Clearstream	15,085,986	2.75%
SPO Equities Pty Limited <March Street Equity A/C>	14,922,213	2.72%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	10,500,000	1.92%
Sasigas Nominees Pty Ltd	10,000,000	1.82%
BNP Paribas Noms Pty Ltd <Drp>	8,985,675	1.64%
Prospect Custodian Limited	8,000,000	1.46%
BNP Paribas Nominees Pty Ltd <Ib Au Noms Retailclient Drp>	7,675,794	1.40%
Mrs Cerina Leanne Triglavcanin	7,000,000	1.28%
Mr Robert Francis Davies + Mrs Yronne Elizabeth Davies <The Davies Minyama S/F A/C>	6,180,000	1.13%
JP Morgan Nominees Australia Pty Limited	5,934,704	1.08%
Enbridge Inc	5,572,854	1.02%
BT Portfolio Services Limited <Beardsley Super Fund A/C>	5,048,333	0.92%
Copulos Superannuation Pty Ltd <Copulos Provident Fund A/C>	4,185,200	0.76%
CS Fourth Nominees Pty Limited <Hsbc Cust Nom Au Ltd 11 A/C>	3,532,971	0.64%
Mrs Lily Mah <Mj A/C>	3,450,000	0.63%
Mr Garry John Frank Triglavcanin	3,440,036	0.63%
Mr Cristian Merli	3,403,351	0.62%
	185,622,407	**33.86%**

Twenty Largest Holders of Options Expiring on 26 May 2023 Exercisable at $0.12	Number of Options	Percentage of Total
Mr Bilal Ahmad	7,325,000	7.58%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	7,000,000	7.24%
Mr Robert Francis Davies + Mrs Yronne Elizabeth Davies <The Davies Minyama S/F A/C>	5,400,466	5.59%
Mr Sufian Ahmad	5,100,000	5.28%
BRSB Super Fund Pty Ltd <Brsb Super Fund A/C>	4,100,000	4.24%
SPO Equities Pty Limited <March Street Equity A/C>	3,730,554	3.86%
Prospect Custodian Limited	3,682,898	3.81%
Full Circle Strategy Pty Ltd <Endless Powder S/F A/C>	2,930,783	3.03%
Mrs Cerina Leanne Triglavcanin	2,631,056	2.72%
Feezal Pty Ltd <B & K Dellar Super Fund A/C>	2,311,447	2.39%
Flue Holdings Pty Ltd	2,000,000	2.07%
Vestigo Pty Ltd	1,791,751	1.85%
Mr Robert Francis Davies	1,780,434	1.84%
HSBC Custody Nominees (Australia) Limited	1,769,046	1.83%
Mr Robert Gregory Calnon	1,755,000	1.82%
Mrs Kathryn Valerie Van Der Zwan <Harleston Family A/C>	1,641,099	1.70%
BT Portfolio Services Limited <Beardsley Super Fund A/C>	1,594,584	1.65%
DPGW Pty Ltd <The Wilson S/F A/C>	1,500,000	1.55%
Flue Holdings Pty Ltd <Bromley Superannuation A/C>	1,497,500	1.55%
Havenranch Pty Limited <Racklyeft Ret Fund Account>	1,400,000	1.45%
	60,941,618	**63.033%**

Holders of Class E Performance Rights Expiring 30 November 2022 With a Holding of 20% or More	Number of Right	Percentage of Total
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	2,000,000	30.30%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	2,000,000	30.30%
Mr Garry John Frank Triglavcanin	1,500,000	22.73%
	5,500,000	**83.33%**

Holders of Class F Performance Rights Expiring 30 November 2022 With a Holding of 20% or More	Number of Right	Percentage of Total
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	3,000,000	30.30%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	3,000,000	30.30%
Mr Garry John Frank Triglavcanin	2,250,000	22.73%
	8,250,000	**83.33%**

Class E Performance Rights and Class F Performance Rights (together "EF Performance Rights") expire on the earlier of vesting or 30 November 2022 (Expiry Date). On vesting each Performance Right entitles the holder to one fully paid ordinary share in the Company at no issue price.

Class E Performance Rights will vest when either (a) a notice to proceed is issued (Notice to Proceed Date) under a contract for the construction of CNG Ship(s) for the first project, based on the marine transportation of compressed natural gas, in which the Company has an interest and which is reliant on Sea NG Corporation technology (Optimum Technology) or (b) both the 30-day VWAP of the Company's shares exceeds A$0.45, at any time after the acquisition by the Company of Sea NG Corporation (which acquisition was consummated and the company renamed GEV Canada Corporation) and either (i) the Company obtains ABS Full Approval for construction of an Optimum Technology CNG Ship with net design gas storage capacity exceeding 250 MMscf or (ii) a contract for the construction of a CNG Ship for the Project is executed (Contract Date).

Class F Performance Rights will vest when either (i) the Notice to Proceed date occurs or (ii) both the 30-day VWAP of the Company's Shares exceeds A$0.55 at any time after the acquisition by the Company of Sea NG Corporation (which acquisition was consummated) and the Contract Date occurs.

Any EF Performance Rights not vested before their Expiry Date, will automatically lapse.

Holders of Class B Performance Shares with a Holding of 20% or More	Number of Shares	Percentage of Total
John Fitzpatrick	990,000	45.00%
David G Stenning	990,000	45.00%
	1,980,000	**90%**

Holders of Class C Performance Shares with a Holding of 20% or More	Number of Shares	Percentage of Total
John Fitzpatrick	1,057,500	45.00%
David G Stenning	1,057,500	45.00%
	2,115,000	**90%**

Holders of Class D Performance Shares with a Holding of 20% or More	Number of Shares	Percentage of Total
John Fitzpatrick	2,812,500	45.00%
David G Stenning	2,812,500	45.00%
	5,625,000	**90%**

Holders of Class E Performance Shares with a Holding of 20% or More	Number of Shares	Percentage of Total
James A Cran	3,200,000	100%
	3,200,000	**100%**

Class B Performance Shares, Class C Performance Shares, Class D Performance Shares and Class E Performance Shares (together “Performance Shares”) expire on the earlier of vesting or 6 December 2022 (Expiry Date). If vested each Performance Share of the respective class will convert into one fully paid ordinary share in the Company, at no issue price.

Class B Performance Shares will convert when either (a) a notice to proceed is issued (Notice to Proceed Date) under a contract for the construction of CNG Ship(s) for the first project, based on the marine transportation of compressed natural gas (Project), in which the Company has an interest and which is reliant on Sea NG Corporation technology (Optimum Technology); or (b) when the 30-day VWAP of the Company’s shares exceeds A$0.45 at any after 6 December 2017 (Effective Date) and either (i) the Company obtains ABS Full Approval for construction of a CNG Ship reliant on the Optimum Technology with net design gas storage capacity exceeding 250 MMscf or (ii) a contract for the construction of a CNG Ship for the Project is executed (Contract Date); and in each case a period of 30 months or more has elapsed since the Effective Date.

Class C Performance Shares will convert when either (a) the Notice to Proceed date occurs; or (b) the 30-day VWAP of the Company’s Shares exceeds A$0.55 at any time after the Effective Date; (ii) the Contract Date occurs; and (iii) a period of 36 months or more has elapsed since the Effective Date.

Class D Performance Shares will convert when the Notice to Proceed Date occurs.

Class E Performance Shares will convert when a notice to proceed is issued under a contract for the construction of CNG Ship(s) for the first project, based on the marine transportation of compressed natural gas, in which the Company has an interest and which is reliant on SeaNG Coselle Technology. If the relevant milestone above is not achieved by the Expiry Date, then each Performance Share in the relevant class will be automatically redeemed by the Company for the sum of A$0.00001 within 14 days of the Expiry Date.

The issue of the Performance Shares was approved at the general meeting of shareholders held on 30 November 2017.

Holders of Performance Rights, Under the Performance Rights Plan, with a Holding of 20% or More	Number of Shares	Percentage of Total
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	5,000,000	40.00%
Mr Garry John Frank Triglavcanin	5,000,000	40.00%
Vestigo Pty Ltd	2,500,000	20.00%
	12,500,000	**100%**

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

Any shares issued on the relevant vesting condition being satisfied are subject to a 14 month trading restriction period from the date the PV1AM Performance Rights were issued.

Vesting condition to be met	Number of Performance Rights that will vest
The Company's Share price reaching $0.20 based on the volume weighted average market price of Shares over 20 consecutive trading days on which the Company's securities have actually traded.	3,500,000
The Company's Share price reaching $0.30 based on the volume weighted average market price of Shares over 20 consecutive trading days on which the Company's securities have actually traded.	4,000,000
The Company's Share price reaching $0.40 based on the volume weighted average market price of Shares over 20 consecutive trading days on which the Company's securities have actually traded.	5,000,000

Holders of Performance Rights, Under the Performance Rights Plan, with a Holding of 20% or More	Number of Unlisted Options	Percentage of Total
Canaccord Genuity (Australia) Limited	6,000,000	66.66%
Evolution Capital Pty Ltd	3,000,000	33.34%
	9,000,000	**100.00%**

Each option is convertible to one fully paid ordinary share in the Company on payment of the option exercise price of $0.1875 per option. The term of the options is 3 years from their date of issue (Expiry Date) and any option not exercised by the Expiry Date will automatically lapse.

Substantial Shareholders		
Date Announced	Name	Number of Shares
–	–	–

There are no shareholders holding >5% of the voting shares in the Company.

Shares Subject to Voluntary Escrow	
Description	Number of Shares
Ordinary Shares subject to voluntary escrow until 28 July 2023	1,000,000
Ordinary Shares subject to voluntary escrow until 30 November 2022	1,000,000
Ordinary Shares subject to voluntary escrow until 30 November 2023	1,000,000
Ordinary Shares subject to voluntary escrow until 9 May 2023	1,000,000
Ordinary Shares subject to voluntary escrow until 9 May 2024	1,000,000

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