Norwood Systems Limited

ABN 15 062 959 540

and its controlled entities

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PRELIMINARY FINAL REPORT

30 June 2025

Corporate directory

Current Directors

Dr John Tarrant	*Non-executive Chairman*
Mr Paul Ostergaard	*Chief Executive Officer and Executive Director*
Mr Philip Marsland	*Non-executive Director*
Mr Philip Otley	*Non-executive Director*

Company Secretary

Mr Stuart Usher

Registered Office & Principal Place of Business

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	Nedlands, WA 6009
Telephone:	+61 (0)8 9200 3500
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Website:	www.norwoodsystems.com

Auditors

Hall Chadwick WA Audit Pty Ltd

Street:	283 Rokeby Road
	Subiaco WA 6008
Telephone:	+61 (0)8 9426 0666

Share Registry

Automic Pty Ltd

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	Sydney NSW 2000
Postal:	GPO Box 5193
	Sydney NSW 2001
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Website:	https://investor.automic.com.au

Securities Exchange

Australian Securities Exchange

Street:	Level 40, Central Park
	152-158 St Georges Terrace
	Perth WA 6000
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Company Update

1. Operational review

During the 2025 financial year (FY2025) *Norwood made tangible progress against its strategic objectives, converting Tier-1 engagements into contracted programs, advancing our technology platform, and expanding our commercial footprint.*

Throughout the year, Norwood strengthened relationships with prominent Tier-1 Communication Service Providers (CSPs) and leading Hyperscalers, highlighted by the execution of a **5-year Voicemail Platform Supply Contract with Singtel Optus** and steady growth in our New Zealand CSP services, alongside continued momentum in our global sales pipeline.

a. *Strengthening Key CSP Relationships*

Over the year, we deepened relationships with key CSPs in the Asia-Pacific region. On **18 March 2025**, following the successful completion of earlier PoCs with Optus, Norwood executed a **five-year supply contract** with an **estimated value of approximately $2.98 million (ex-GST)** to replace Optus's legacy voicemail platform with Norwood's AI-enabled CogVoice solution.

Program execution on the Optus contract accelerated in Q4 FY2025. On **14 April 2025**, we announced achievement of key early milestones and reported strong customer receipts. On **11 June 2025**, we reported achievement of the **third contract milestone**, with software and licence keys delivered and demonstrated in staging ahead of customer lab deployment; we also noted approximately **$455k** in receipts in the prior 30 days. These milestones mark steady progress toward production deployment.

Our relationship with Spark NZ continued to perform pleasingly, with recurring revenue contribution during the period.

In parallel, we maintained focused business development in Europe and North America, advancing targeted Tier-1 discussions supported by our strengthening execution credentials with Optus and Spark NZ.

b. *Strengthening Hyperscaler Relationships*

The Company advanced its alignment with hyperscaler partners in FY2025 with the **launch of CogVoice OpenSpan on Microsoft Azure** (17 December 2024), extending our integration with **Azure OpenAI** and **Azure Speech** services and positioning OpenSpan as an AI-native enablement layer for telecom workloads. We also continued our collaboration with AWS to support secure, scalable deployments for Tier-1 CSPs.

c. *Driving Innovation throughout FY2025*

Innovation remained central to our progress this year. We **evolved the CogVoice Open Services Media Gateway (OSMG) into the OpenSpan application server platform**, broadening our media-control and agentic-interfacing capabilities. Development of our **CogVoice Application Stack** continued, aimed at next-generation call handling and routing, call fraud detection, and micro-contact centre, 'front-of-office call receptionist' use cases. Collectively, OpenSpan and CogVoice provide answers to operators looking to accelerate their deployment robust, carrier-grade AI voice services for their consumer, SME and enterprise customers.

2. Operational and Financial Performance

Financially, the FY2025 showed improving performance, with recognised revenue increasing by 66.5% from FY2024, reaching $1.90 million. From a cash-flow perspective, the business recorded a 48.2% year-on-year increase in banked customer receipts, totalling $1.97 million, driven by cash inflows from Optus in Australia and growing income from Spark NZ. The Group successfully accelerated the submission of the current year's R&D application, resulting in the recognition of an additional claim during the reporting period.

Prudent financial management, combined with the continued backing of major shareholders, has enabled ongoing investment in R&D and the expansion of Norwood's global presence, positioning the Company for future growth opportunities.

3. .Financial Review

a. *Profit and loss measures*

	Movement (increased/ decreased)	Movement $	2025 $	2024 $
Revenues from ordinary activities	*Increased*	759,498	1,901,935	1,142,437
Loss from ordinary activities after tax	*Decreased*	1,984,434	(599,721)	(2,584,155)
EBITDA Loss	*Decreased*	2,141,176	(295,678)	(2,436,854)

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Company Update

b. *Balance sheet measures*

In respect to:	Movement (increased/ decreased)	Movement $	2025 $	2024 $
Group assets				
Cash and cash equivalents	*Increased*	68,781	137,765	68,984
Trade and other receivables	*Increased*	776,763	1,071,523	294,760
Net liabilities	*Decreased*	480,210	(746,915)	(1,227,125)
Working capital deficit	*Decreased*	433,556	(911,492)	(1,345,048)
Group liabilities and equity				
Trade and other payables	*Increased*	185,987	856,563	670,576
Issued capital	*Increased*	696,326	36,220,598	35,524,272

Refer to the *Operational review* above for additional business segment performance.

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

The Group incurred a loss for the year of $599,721 (2024: $2,584,155 loss) and a net cash out-flow from operating activities of $653,220 (2024: $2,003,928 out-flow). As at 30 June 2025, the Company had a working capital deficit of $911,492 (2024: $1,345,048 working capital deficit).

4. Corporate

a. *Capital Raising*

During the period 250,000 Options were converted into fully paid ordinary shares at 5 cents per share raising a total of $12,500 in cash for the Company, 93,750 Options were converted into fully paid ordinary shares at 8 cents per share raising a total of $7,500 and 1,375,001 Director Options were converted into fully paid ordinary shares at 2.4 cents per share raising a total of $33,000 in cash for the Company. On 8 February 2025, 12,124,999 NORAY Options expired without being converted.

In December 2024, Norwood successfully raised $505,000 from the issuance of unsecured Convertible Notes carrying a 10% annual interest rate and a maturity date of 31 December 2025. The Notes are convertible at $0.03 per share, with free attaching unquoted options exercisable at $0.03 per option, expiring 31 December 2026. Proceeds from the Note issue would be funding continuing R&D efforts and working capital needs. Directors John Tarrant and Phil Marsland each contributed $50,000 to the offering. Shareholder approval will be required for the Director Note conversions and the issue of the Note Options. During the period the Company received convertible note conversions that resulted in the conversion into 12,166,666 fully paid ordinary shares at 3 cents per share. The balance of the convertible notes is $125,000, which includes $100,000 of noted held by directors.

Norwood completed a heavily oversubscribed equity placement, raising $500,000 before costs in May 2025. The capital raise was via issue of 26.3 million fully paid ordinary shares at $0.019 per share. The Company was supported by sophisticated and professional investors, strengthening the balance sheet. This provided Norwood with the necessary resources to fund Norwood's market presence, accelerate product development, enhance customer experience, improve operational efficiency, partially repay debt, and support strategic partnership initiatives.

Red Leaf Securities Pty Ltd was engaged by the Company as lead manager to the equity raising.

b. *Loan funding*

On 30 March 2024, a further working capital drawdown facility of up to $300,000 was provided by Balmain Resources Pty Ltd (**Balmain**), with repayment by 31 December 2024. The funds have been utilised to fund the Company's R&D and go-to-market programs during 2024 whilst the company continues to expand its revenue base.

In October 2024, Norwood agreed an increase to its Cash Draw Down Facility with Balmain, originally commenced in April 2024 with a capital amount of $300,000, providing access to an additional $150,000 under the existing Loan Agreement to $580,000.

Company Update

In November 2024, the facility was increased again by $60,000, bringing total availability under the facility to $640,000 with the facility principal now reset to include all accrued interest and fees up to 31 December 2024 to total $699,603

In March 2025, the facility was increased again by $75,000, bringing total availability under the facility to $715,000 with the facility principal now reset to include all accrued interest and fees up to 31 March 2025 to total $856,736

Following the reset of the Balmain loan facility at $856,074 on 31 March 2025, the Company successfully repaid $550,000 during the June 2025 quarter, significantly reducing the outstanding principal and interest balance to $318,342 as at 30 June 2025.

The Draw down facility repayment date has been extended to 31 August 2025 (eleventh deed of variation) (ASX Announcement, dated 1 August 2025).

5. Outlook

Looking ahead, our disciplined cost management, progress with Tier-1 programs, and sustained Hyperscaler alignment provide a solid foundation for Norwood's next phase. **Near-term priorities are a) Execution and acceptance on the Optus program**, translating milestones into production deployment and cash collection; and **b) Developing our Tier 1 CSP pipeline**, aiming to close Proof-of-Concept and follow on Deployment deals with selected Tier 1 Operators in North America, Europe the Middle East, and the APAC region over FY2026. We will remain tightly focused on operating efficiency and capital discipline while converting contracted programs into stable cashflows.

6. Future Developments, Prospects and Business Strategies

Likely developments in the operations of the Group have been disclosed in the *Operational Financial* section of this Company Update. Other likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations, not otherwise disclosed in this report, have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

PAUL OSTERGAARD
Managing Director

Dated this Friday, 29 August 2025

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APPENDIX 4E (RULE 4.3A)

Preliminary Financial Report Results for Announcement to the Market

for the year ended 30 June 2025

1. Reporting period (item 1)

- Report for the financial year ended: 30 June 2025
- Previous corresponding period is the year ended: 30 June 2024

2. Results for announcement to the market

	Movement	Percentage %		Amount $
Increase in revenues from ordinary activities (item 2.1)	↑	66.48	to	1,901,935
Decrease in loss from ordinary activities after tax attributable to members (item 2.2)	↓	76.79	to	(599,721)
Decrease in loss after tax attributable to members (item 2.3)	↓	76.79	to	(599,721)

2.1. Dividends (item 2.4)

	Amount per Security ¢	Franked amount per security %
Interim dividend	nil	n/a
Final dividend	nil	n/a

- Record date for determining entitlements to the dividend (item 2.5) n/a

2.2. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):

a. Refer to *Company Update* on page 1.

3. Preliminary Final Report

3.1. Statement of comprehensive income (item 3):
Refer to Consolidated statement of profit or loss and other comprehensive income on page 6.

3.2. Statement of financial position (item 4):
Refer to Consolidated statement of financial position on page 7.

3.3. Statement of cash flows (item 5):
Refer to Consolidated statement of cash flows on page 9.

3.4. Statement of changes in equity (item 6):
Refer to Consolidated statement of changes in equity on page 8.

4. Dividends (item 7) and Returns to shareholders including distributions and buy backs (item 14.2)

Nil.

4.1. Details of dividend or distribution reinvestment plans in operation are described below (item 8):
Not applicable

5. Ratios

	Current Period $	Previous corresponding Period $
5.1. Financial Information relating to 5.2 and 5.3:		
Earnings for the period attributable to owners of the parent	(599,721)	(2,584,155)
Net assets	(746,915)	(1,227,125)
Less: Intangible assets (including net deferred tax balances)	-	-
Net tangible asset deficit	(746,915)	(1,227,125)

APPENDIX 4E (RULE 4.3A)

Preliminary Financial Report Results for Announcement to the Market

for the year ended 30 June 2025

5 Ratios (cont.)

	Current Period No.	Previous corresponding Period No.
Fully paid ordinary shares	515,927,627	474,980,951
Weighted average number of ordinary shares outstanding during the period used in calculation of basic earnings per share (**EPS**)	482,546,980	446,206,171
	¢	¢
5.2. Net tangible assets backing per share (item 9):	(0.152)	(0.281)
5.3. Earnings per share attributable to owners of the parent (item 14.1):	(0.120)	(0.580)

As at 30 June 2025, the Group has 99,383,333 unissued shares under options (2024: 197,764,414) and 15,463,389 performance shares on issue (30 June 2024: 15,708,859). No performance rights have vested. Unvested options and performance rights are not considered to be dilutive. In addition, the Group does not report diluted earnings per share on losses generated by the Group. During the 2025 financial year, the Group's unissued shares under option and performance shares were anti-dilutive.

6. Details of entities over which control has been gained or lost during the period (item 10):

6.1. Control gained over entities

- Name of entities (item 10.1) — Nil
- Date(s) of gain of control (item 10.2) — N/A

6.2. Loss of control of entities

- Name of entities (item 10.1) — Nil
- Date(s) of loss of control (item 10.2) — N/A

6.3. Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 10.3). — N/A

6.4. Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 10.3) — Nil

7. Details of associates and joint venture (item 11):

- Name of entities (item 11.1) — Nil
- Percentage holding in each of these entities (item 11.2) — N/A

	Current period $	Previous corresponding Period $
Aggregate share of profits (losses) of these entities (item 11.3)	N/A	N/A

8. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position (item 12):

Refer to *Company Update* on page 1 of the accompanying Preliminary Final Report.

9. The financial information provided in the Appendix 4E is based on the preliminary final report (attached), which has been prepared in accordance with Australian Accounting Standards (item 13)

10. A commentary on the results for the period (item 14):

Refer to *Company Update* on page 1 of the accompanying Preliminary Final Report.

11. The Preliminary Final Report has been prepared based on the 30 June 2025 accounts which are in the process of being audited by an independent audit firm in accordance with the requirements of s.302 of the *Corporations Act 2001* (Cth). (item 15)

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Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2025

	Note	2025 $	2024 $
Continuing operations			
Revenue	1.1	1,901,935	1,142,437
Other income	1.2	1,483,181	602,540
Accountancy, audit, and legal fees		(186,377)	(174,735)
Administration expenses		(173,923)	(186,083)
ASX and share registry fees		(76,604)	(95,646)
Consultancy and subcontractor fees		(30,902)	(265,661)
Depreciation		(84,985)	(86,756)
Employee and director benefits expense	2.1	(2,218,387)	(1,988,687)
Finance costs		(221,434)	(60,842)
Information technology infrastructure cost		(423,301)	(387,087)
Patents, research, and development		(103,520)	(28,013)
Sales and marketing		(244,985)	(313,692)
Share-based payment expense	7	(69,093)	(406,835)
Travel and entertainment		(82,289)	(269,470)
Other expenses		(69,037)	(65,625)
Loss before tax		(599,721)	(2,584,155)
Income tax expense		-	-
Net loss for the year		(599,721)	(2,584,155)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income attributable to members of the parent entity		(599,721)	(2,584,155)
Earnings per share:		¢	¢
Basic loss per share (cents per share)	6.4	(0.12)	(0.58)
Diluted loss per share (cents per share)	6.4	N/A	N/A

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

as at 30 June 2025

	Note	2025 $	2024 $
Current assets			
Cash and cash equivalents	3.1	137,765	68,984
Trade and other receivables	3.2	1,071,523	294,760
Total current assets		1,209,288	363,744
Non-current assets			
Plant and equipment	4.1	37,794	50,298
Other financial assets – Bank guarantee		149,244	-
Right-of-use assets	4.2	36,566	108,866
Total non-current assets		223,604	159,164
Total assets		1,432,892	522,908
Current liabilities			
Trade and other payables	3.3	856,563	670,576
Lease liabilities	4.2	46,508	116,108
Borrowings	3.4	903,940	651,123
Provisions	4.3	313,769	270,985
Total current liabilities		2,120,780	1,708,792
Non-current liabilities			
Provisions	4.3	59,027	41,241
Total non-current liabilities		59,027	41,241
Total liabilities		2,179,807	1,750,033
Net liabilities		(746,915)	(1,227,125)
Equity			
Issued capital	5.1	36,220,598	35,524,272
Reserves	5.2	1,054,663	987,503
Accumulated losses		(38,022,176)	(37,738,900)
Total equity		(746,915)	(1,227,125)

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2025

	Note	Issued capital $	Share-based payment Reserve $	Convertible note equity reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2023		33,818,296	240,174	-	(35,154,745)	(1,096,275)
Loss for the year attributable to owners of the parent		-	-	-	(2,584,155)	(2,584,155)
Other comprehensive income for the year attributable to owners of the parent		-	-	-	-	-
Total comprehensive income for the year attributable to owners of the parent		-	-	-	(2,584,155)	(2,584,155)
Transaction with owners, directly in equity						
Equity issued during the year (net of costs)	5.1	1,696,352	248,118	-	-	1,944,470
Share-based payments	7.1	(26,850)	425,225	-	-	398,375
Performance rights granted during the year	5.4	-	110,460	-	-	110,460
Conversion of performance rights	5.4	26,108	(26,108)	-	-	-
Expiry of options, recognised in capital raising costs	5.1	10,366	(10,366)	-	-	-
Balance at 30 June 2024		35,524,272	987,503	-	(37,738,900)	(1,227,125)
Balance at 1 July 2024		35,524,272	987,503	-	(37,738,900)	(1,227,125)
Loss for the year attributable to owners of the parent		-	-	-	(599,721)	(599,721)
Other comprehensive income for the year attributable to owners of the parent		-	-	-	-	-
Total comprehensive income for the year attributable to owners of the parent		-	-	-	(599,721)	(599,721)
Transaction with owners, directly in equity						
Equity issued during the year (net of costs)	5.1	452,600	-	-	-	452,600
Equity component of convertible notes	7.1	-	-	24,048	-	24,048
Conversion of notes	5.1	170,852	-	(18,095)	-	152,757
Share-based payments	7.1	-	397,526	-	-	397,526
Conversion of performance rights	5.4	11,783	(11,783)	-	-	-
Exercise of options		61,091	(8,091)	-	-	53,000
Expiry of options	5.3	-	(316,445)	-	316,445	-
Balance at 30 June 2025		36,220,598	1,048,710	5,953	(38,022,176)	(746,915)

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

for the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers		1,967,142	1,327,608
Government grants received		694,131	602,243
Payments to suppliers and employees		(3,313,989)	(3,930,254)
Net interest (paid) / received		(504)	(3,525)
Net cash used in operating activities		(653,220)	(2,003,928)
Cash flows from investing activities			
Purchase of plant and equipment		-	(2,672)
Funds provided for bank guarantee		(149,244)	-
Net cash used in investing activities		(149,244)	(2,672)
Cash flows from financing activities			
Proceeds from issue of equity, net of costs	5.1	463,700	1,567,628
Proceeds of borrowings		1,439,898	725,841
Repayment of borrowings		(962,753)	(527,267)
Payments for the principal portion of lease liabilities		(69,600)	(70,760)
Net cash provided by financing activities		871,245	1,695,442
Net increase / (decrease) in cash and cash equivalents held		68,781	(311,158)
Cash and cash equivalents at the beginning of the year		68,984	380,142
Cash and cash equivalents at the end of the year	3.1	137,765	68,984

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

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Notes to Appendix 4E Preliminary Final Report

for the year ended 30 June 2025

Note 1. Revenue and other income	2025 $	2024 $
1.1 Revenue		
Project revenues	-	190,000
World Apps stores revenue	154,210	174,417
Spark Voicemail revenue	746,141	687,880
Optus Voicemail revenue	975,684	-
Other revenue	25,900	90,140
	1,901,935	1,142,437
1.2 Other Income		
Net interest income or (expense)	2,376	297
Government grant income: prior year returns	694,131	602,243
current year return (accrued)	786,674	-
	1,483,181	602,540

Note 2 Loss before income tax	2025 $	2024 $
2.1 Employment costs		
Directors' fees and salaries	308,832	287,998
Employee wages	1,700,051	1,506,986
Superannuation	209,504	193,703
	2,218,387	1,988,687

Note 3 Financial assets and financial liabilities

3.1 Cash and cash equivalents	2025 $	2024 $
Cash at bank	137,765	68,984
	137,765	68,984

3.2 Trade and other receivables	2025 $	2024 $
3.2.1 Current		
Trade receivables	284,762	294,755
Accrued grant income receivable	786,674	-
Other receivables	87	33,106
Provision of loan receivable	-	(33,101)
	1,071,523	294,760

3.3 Trade and other payables	2025 $	2024 $
3.3.1 Current		
Unsecured		
Trade payables	168,954	99,283
Accruals and other payables	408,661	350,830
Contract liabilities	220,776	220,463
Accrued director fees and salaries	58,172	-
	856,563	670,576

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Notes to Appendix 4E Preliminary Final Report
for the year ended 30 June 2025

Note 3 Financial assets and financial liabilities (cont.)

3.4 Borrowings	Note	2025 $	2024 $
3.4.1 Current			
Research and Development (**R&D**) loan facility		506,976	326,460
Cash Drawdown facility – Balmain Resources Pty Ltd		318,342	274,663
Loan from employee		-	50,000
Convertible notes		125,000	-
Less: Unexpired borrowing costs transaction costs		(46,378)	-
Net convertible notes		78,622	-
		903,940	651,123

Note 4 Non-financial assets and financial liabilities

4.1 Property, plant, and equipment	2025 $	2024 $
Office equipment – at cost	183,119	182,938
Accumulated depreciation	(154,469)	(142,533)
	28,650	40,405
Leasehold improvements – at cost	81,592	81,592
Accumulated amortisation	(72,448)	(71,699)
	9,144	9,893
Total property, plant, and equipment	37,794	50,298

4.2 Leases	2025 $	2024 $
4.2.1 Right of use assets		
Right of use asset - Buildings	461,006	283,685
Accumulated amortisation	(424,440)	(174,819)
	36,566	108,866
4.2.2 Lease liabilities		
Current	46,508	116,108
Non-current	-	-
	46,508	116,108

4.3 Provisions	2025 $	2024 $
4.3.1 Current		
Employee entitlements	313,769	270,985
	313,769	270,985
4.3.2 Non-current		
Employee entitlements	59,027	41,241
	59,027	41,241

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Notes to Appendix 4E Preliminary Final Report

for the year ended 30 June 2025

Note 5 Equity

5.1 Issued capital

	2025 No.	2024 No.	2025 $	2024 $
Fully paid ordinary shares at no par value	515,927,627	474,980,951	36,220,598	35,524,272

5.1.1 Ordinary shares		2025 No.	2024 No.	2025 $	2024 $
At the beginning of the year		474,980,951	413,577,781	35,524,272	33,818,296
Shares issued during the year:					
07.2023 *Options exercised at $0.024*		-	350,000	-	8,400
08.2023 *Options exercised at $0.024 and $0.08*		-	605,000	-	14,800
11.2023 *ESOP rights converted*		-	791,141	-	26,108
11.2023 *Placement*		-	12,250,000	-	490,000
11.2023 *Options exercised at $0.024*		-	638,165	-	15,316
12.2023 *Options exercised at $0.024*		-	36,369,601	-	872,859
12.2023 *Director placement*		-	5,500,000	-	220,000
01.2024 *Options exercised at $0.024*		-	3,399,263	-	81,582
06.2024 *Options exercised at $0.024*		-	1,500,000	-	36,000
07.2024 *ESOP rights converted*	5.4.1	245,470	-	11,783	-
09.2024 *Options exercised at $0.024*	5.3.1	916,667	-	27,244	-
10.2024 *Options exercised at $0.05*	5.3.1	250,000	-	12,500	-
10.2024 *Options exercised at $0.08*	5.3.1	93,750	-	7,725	-
12.2024 *Options exercised at $0.024*	5.3.1	458,334	-	13,622	-
03.2025 *Gross conversion of notes*		10,000,000	-	314,286	-
03.2025 *Gross conversion of notes*		500,000	-	15,714	-
04.2025 *Gross conversion of notes*		2,166,666	-	68,095	-
05.2025 *Placement*		26,315,789	-	500,000	-
Transaction costs relating to share issues					
Cash-based		-	-	(36,300)	(42,605)
Equity-based		-	-	(238,343)	(26,850)
Equity-based – option *expiry*		-	-	-	10,366
At end of the year		515,927,627	474,980,951	36,220,598	35,524,272

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Notes to Appendix 4E Preliminary Final Report

for the year ended 30 June 2025

Note 5 Equity (cont.)

5.2 Reserves

	Note	2025 $	2024 $
5.2.1 Summary reserves:			
Performance equity	5.4	220,824	189,352
Options	5.3	827,886	798,151
Convertible note equity reserve		5,953	-
		1,054,663	987,503

5.3 Options

	2025 No.	2024 No.	2025 $	2024 $
Options	99,383,333	197,764,414	827,886	798,151

5.3.1 Options		2025 No.	2024 No.	2025 $	2024 $
At the beginning of the period		197,764,414	88,905,763	798,151	135,174
Options movement during the period:					
07.2023 *Entitlement issue*		-	41,112,778	-	82,226
07.2023 *$0.024 options exercised*		-	(350,000)	-	-
07.2023 *Offer prospectus*		-	66,356,636	-	175,892
07.2023 *Director remuneration*		-	7,500,000	-	150,000
07.2023 *Incentive options vesting*		-	5,000,000	25,838	69,500
08.2023 *$0.024 & $0.08 options exercised*		-	(605,000)	-	-
11.2023 *Placement options*		-	12,250,000	-	-
11.2023 *Advisor options*		-	1,500,000	-	26,850
11.2023 *$0.024 options exercised*		-	(638,165)	-	-
12.2023 *$0.024 options exercised*		-	(36,369,601)	-	-
12.2023 *Directors placement options issued*		-	5,500,000	-	-
12.2023 *Performance options*		-	15,000,000	-	178,875
12.2023 *Expiration of options*		-	(2,498,734)	-	(20,366)
01.2024 *$0.024 options exercised*		-	(3,399,263)	-	-
06.2024 *$0.024 options exercised*		-	(1,500,000)	-	-
09.2024 *$0.024 options exercised*	5.1.1	(916,667)	-	(5,244)	-
10.2024 *$0.05 options exercised*	5.1.1	(250,000)	-	-	-
10.2024 *$0.08 options exercised*	5.1.1	(93,750)	-	(225)	-
12.2024 *$0.024 options exercised*	5.1.1	(458,334)	-	(2,622)	-
12.2024 *CN Holder options*		16,833,333	-	269,333	-
12.2024 *Alto Capital options*		3,000,000	-	48,000	-
12.2024 *Expiry of NOROD*		(107,370,664)	-	(257,881)	-
02.2025 *Expiry of NOROY*		(12,124,999)	-	(58,564)	-
05.2025 *Red Leaf options*		3,000,000	-	11,100	-
At end of the year		99,383,333	197,764,414	827,886	798,151

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Notes to Appendix 4E Preliminary Final Report

for the year ended 30 June 2025

Note 5 Equity (cont.)

5.4 Performance equity

	2025 No.	2024 No.	2025 $	2024 $
Performance equity	15,463,389	15,708,859	220,824	189,352

5.4.1 Performance equity movement		2025 No.	2024 No.	2025 $	2024 $
At the beginning of the year		15,708,859	10,000,000	189,352	105,000
Performance equity changes during the period:					
Issue and vesting of rights		-	6,500,000	43,255	110,460
Conversions of rights		-	(791,141)	-	(26,108)
Conversions of rights	5.1.1	(245,470)	-	(11,783)	-
At end of the year		15,463,389	15,708,859	220,824	189,352

Note 6 Earnings per share (EPS)

	Note	2025 $	2024 $
6.1 Reconciliation of earnings to profit or loss			
Loss for the year		(599,721)	(2,584,155)
Less: loss attributable to non-controlling equity interest		-	-
Loss used in the calculation of basic and diluted EPS		(599,721)	(2,584,155)

		2025 No.	2024 No.
6.2 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		482,546,980	446,206,171
Weighted average number of dilutive equity instruments outstanding	6.5	N/A	N/A
6.3 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		482,546,980	446,206,171

6.4 Earnings per share		2025 ¢	2024 ¢
Basic EPS (cents per share)	6.5	(0.12)	(0.58)
Diluted EPS (cents per share)	6.5	N/A	N/A

6.5 As at 30 June 2025 the Group has 99,383,333 unissued shares under option (2024: 197,764,414) and 15,463,389 performance right (2024: 15,708,859).The Group does not report diluted earnings per share on losses generated by the Group. During the year, the Group's unissued shares under option and partly-paid shares were anti- dilutive.

Note 7 Share-based payments

		Note	2025 $	2024 $
7.1 Share-based payments:				
Recognised in profit and loss:	*Options (expensed)*		69,093	406,835
	Share-settled (expensed)		-	102,000
Recognised on convertible notes issued:	*Borrowing costs (expensed)*		83,721	-
	Equity (transaction costs)		194,015	-
Recognised in equity *(transaction costs)*			11,100	26,850
Gross share-based payments			357,929	535,685

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