# RYZON MATERIALS LIMITED

**ABN: 26 115 111 763**

*(Formerly Magnis Energy Technologies Ltd)*

# Annual Financial Report

## For the year ended 30 June 2025

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# DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Ryzon Materials Limited (formerly Magnis Energy Technologies Ltd, referred to hereafter as the 'Company' or 'Parent Entity' or 'Ryzon') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

## DIRECTORS

The following persons were Directors of Ryzon Materials Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

### MR. FRANK POULLAS - EXECUTIVE CHAIRMAN

*Appointed Non-Executive - 10 September 2010. Appointed Executive Chairman - 29 August 2014.*

Mr Poullas has spent over two decades working in the technology, investment banking and engineering industries. During this period, Mr Poullas has been involved with assisting several ASX-Listed entities with funding and strategic direction in the Lithium-ion Battery Materials and Energy sectors.

**Current and former directorships of other listed companies in last 3 years**

None.

**Special responsibilities**

Mr Poullas is a member of the Continuous Disclosure Committee.

### MR. HOSHI DARUWALLA - EXECUTIVE DIRECTOR

*Appointed Non-Executive - 31 December 2021. Appointed Executive - 26 May 2023*

Mr Daruwalla is based in the United States and has a career spanning over three decades where he has started, operated, and grew businesses across a variety of industries globally from start-ups to significant multinationals. He has held global senior management roles at corporations such as Daikin Industries, American Air Filter – McQuay, Hong Leong Group and Purafil. He has operated, seeded, and scaled up businesses in 93+ countries, with successful outcomes including receiving the prestigious U.S. Presidential E- and E-Star awards for Excellence in U.S. Exports awarded by the U.S. Secretary of Commerce. Mr Daruwalla held the role of Executive VP – Strategic Global Expansions; Chairman of the Board, President, and CEO of the North American entity EcoPro Battery. He is a Board Member and CEO Mentor at the State of Georgia District Export Council (U.S. Department of Commerce appointee), and holds a bachelor's degree in manufacturing engineering, Masters in Business Administration, and is an alumnus of the Wharton Business School.

**Current and former directorships of other listed companies in last three years**

None.

**Special responsibilities**

None.

### MR. DAVID WANG - EXECUTIVE DIRECTOR

*Appointed - 17 July 2024*.

Mr Wang has over three decades of experience mainly in the financial services sector and has been involved in several successful businesses both in Australia and overseas. In recent times Mr Wang has been focused on the Lithium-ion Battery sector both in manufacturing and the supply chain.

**Current and former directorships of other listed companies in last three years:**

None.

**Special responsibilities**

None.

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**MR. HENIAN CHEN - INDEPENDENT NON-EXECUTIVE DIRECTOR**

*Appointed – 28 October 2024.*

Mr Chen is an experienced executive with over 25 years of experience in the energy and real estate industries. Mr Chen has been serving as the deputy chairman of Afore New Energy Technology (Shanghai) Co. Ltd for over 15 years. His leadership has been pivotal in navigating that company through market challenges, adhering to global standards and driving continuous innovation, helping Afore position itself as a top global supplier of PV inverters. In addition to his role in the energy sector, Mr Chen has held the position of chairman at Changshu Yuhua Property Co. Ltd since 2003.

**Current and former directorships of other listed companies in last three years:**

Prospect Resources Ltd, (ASX: PSC), appointed 13 November 2017, resigned 23 November 2023.

**Special responsibilities**

Mr Chen is a member of the Continuous Disclosure Committee.

**MS. MENG SUN - ALTERNATE DIRECTOR TO MR. CHEN**

*Appointed – 18 December 2024.*

Ms Sun is an experienced professional with a strong background in financial reporting and stakeholder communication, has a proven track-record in supporting boards and senior executives and has a deep understanding of corporate governance, regulatory compliance, and strategic decision-making. Ms Sun holds a Master of Professional Accounting degree and is a member of CPA Australia.

**Current and former directorships of other listed companies in last three years:**

Prospect Resources Ltd, (ASX: PSC), appointed 22 December 2017, resigned 23 November 2023.

**Special responsibilities**

None.

## COMPANY SECRETARY

**MR. JONATHAN REYNOLDS**

*Appointed – 23 October 2023*

Mr. Reynolds is a chartered accountant with more than 30 years of experience across many sectors. He has held the position of Company Secretary, Finance Director and Chief Financial Officer with several ASX and overseas listed entities. Prior to that Mr. Reynolds was a senior manager with the global accounting firm BDO both locally and overseas. He is a member of Chartered Accountants Australia and New Zealand.

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## FORMER DIRECTORS AND COMPANY SECRETARY DURING 2024 REPORTING PERIOD

Mr. Giles Gunesekera, Non-Executive Director, 28 January 2022 to 5 November 2024
Mr. Peter Tsegas, Non-Executive Director, 16 June 2015 to 30 June 2025

# DIRECTORS' INTERESTS

As at the date of this report, the interests (directly or indirectly held) of the Directors in the shares and options of the Company were:

| Director | Ordinary Fully Paid (OFP) Shares | Unlisted Options over OFP Shares | Performance Rights |
|---|---|---|---|
| Mr. F. Poullas | 20,494,334 | - | 2,000,000 |
| Mr. H. Daruwalla | - | 2,000,000 | - |
| Mr. D. Wang (Appointed 17 July 2024) | 2,000,000 | - | - |
| Mr. H. Chen (Appointed 28 October 2024) | - | - | - |
| Ms. M. Sun (Appointed 18 December 2024) | - | - | - |

# DIRECTORS MEETINGS

The number of Directors meetings held (including meetings of committees of Directors) and the number of meetings attended by each of the Directors of the Company during the financial year are illustrated in the table below:

| | Directors Meeting | |
|---|---|---|
| | A | B |
| F. Poullas | 13 | 13 |
| H. Chen 1 | 7 | 7 |
| H. Daruwalla | 11 | 13 |
| G. Gunesekera 2 | 4 | 4 |
| S. Sun 3 | 2 | 2 |
| D. Wang 4 | 12 | 13 |
| P. Tsegas 5 | 11 | 13 |

The roles of the Audit & Risk, Remuneration and Nomination Committees are performed by the full Board.

**Notes:**

A. Number of meetings attended.
B. Number of meetings held for Directors during the year whilst the director held office.
1: Appointed: 28 October 2024
2: Ceased: 5 November 2024
3: Appointed alternative to Mr Chen: 18 December 2024
4: Appointed: 17 July 2024
5: Ceased: 30 June 2025

# PRINCIPAL ACTIVITIES

The consolidated entity is a vertically integrated lithium-ion battery technology and materials company in the lithium-ion battery supply chain. The Company's vision is to enable, support and accelerate the mass adoption of Electric Mobility and Renewable Energy Storage critical for the green energy transition.

The continuing principal activity of the consolidated entity during the financial year was the evaluation of the wholly owned Nachu Graphite Project in Tanzania; the development of the wholly owned Anode Active Material Project; and the investment in the majority equity owned Imperium3 New York lithium-ion battery manufacturing facility.

# DIVIDENDS

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

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# OPERATING AND FINANCIAL REVIEW

## OPERATING RESULTS FOR THE YEAR

The Group incurred a consolidated operating loss after tax of $15,773,058 (2024: profit $9,024,104) of which:

- exploration and evaluation expenditures were $486,670 (2024: $1,202,897),
- administration expenses were $837,789 (2024: $6,167,631) and
- interest expenses were $3,518,990 (2024: $10,363,674).

Refer to Note 1 of the financial statements for accounting policies used. An operational overview is set out below.

## Nachu Graphite Project (Tanzania)

The Nachu Graphite project is located near Ruangwa, in the south-east of Tanzania. The project is approximately 220 km away from the Tanzanian port of Mtwara and demonstrates significant potential due to its large ore body with very low variation in lithology and mineralisation and a low-cost operational model. The project is founded upon a plan to deliver high quality graphite concentrate through simple, environmentally friendly processes. The Company has two subsidiaries in Tanzania:

- Uranex Tanzania Ltd (UTL)
- Magnis Technologies (Tanzania) Ltd (MTT)

UTL is the company under which the discovery of the extensive graphite mineralization on the tenement (PL9076/2013) was made and which holds the Special Mining License (SML550/2015). UTL will operate the mining operations, tailings dam and water supply facilities. UTL will carry out the initial processing as well. UTL falls under the jurisdiction of the Ministry of Minerals.

MTT will conduct further product processing and achieve the higher levels of purity required by the markets. MTT is the company that holds the Special Economic Zone (SEZ) license for production of advanced graphite products through the production process developed by Ryzon. The original application for the SEZ was made in November 2016 which resulted in the granting of the SEZ license. Following discussions with the Export Processing Zone Authority (EPZA), a revised application with an amendment proposal was made in April 2018 and renewed in May 2021. MTT falls under the jurisdiction of the Ministry of Industry and Trade, and the relevant authority is the EPZA.

**Mineral Resource and Reserve Estimate**

The Nachu Graphite Project Mineral Resource Estimate as of 1 February 2016 comprised 174 Million Tonnes at 5.4% graphitic carbon (Cg) at a 3% Cg cut-off grade, classified as either Measured, Indicated or Inferred resources and reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). The Mineral Resource and Reserve Estimate is summarised below:

**Nachu Mineral Resource Estimate**

| Classification | Tonnes (mt) | Grade (% TGC) | Graphite (mt) |
|---|---|---|---|
| Measured | 63 | 4.7 | 3.0 |
| Indicated | 61 | 5.7 | 3.5 |
| Inferred | 50 | 5.8 | 2.9 |
| **Total mineral resources** | **174** | **5.4** | **9.3** |

**Nachu Ore Reserve Estimate**

| Classification | Tonnes (mt) | Grade (% TGC) | Graphite (mt) |
|---|---|---|---|
| Proved | 50.5 | 4.6 | 2.3 |
| Probable | 25.7 | 5.1 | 1.3 |
| **Total ore reserves** | **76.3** | **4.8** | **3.7** |

Over 82% of the graphite concentrate planned to be produced at the project is above 150 microns which makes the product very coarse. The graphite concentrate below 300 microns is expected to be produced at 99%TGC which is high versus the current industry standard of 94 - 96%TGC.

The principal effort over the current financial year has been directed to progressing bankable off-take agreements and fundraising initiatives aimed at providing the capital to commence mine construction. Financing activities have included discussions and submissions with financiers, EPC contractors and government funding agencies. A financing commitment was reached with Global Corporate Finance (GCF) based in New York to assist with initial works at the Nachu Project.

This is on the back of the BFS which was updated in 2022. A summary of the update is as follows:

- The update optimises process plant design to produce a higher-grade product and protect flake size during processing.
- The project's unique combination of *high-purity-concentrate* and *large-to-jumbo* flake sizes positions it as a leading future supplier.

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- Post-Tax Life of Mine (LOM) project NPV10 of US$1.2bn (A$1.8bn) and Project IRR of 51% with a payback period of 19 months.
- Nachu is the only graphite project to be awarded a Special Economic Zone licence in Tanzania to produce advanced graphite products, including very high purity Jumbo and Super Jumbo Flakes as well as downstream products for Lithium-ion batteries.
- The Nachu project is a coarse flake graphite operation, designed to treat 5 Mt/y run of mine (ROM) ore with an average steady state production feed grade of 5.2% total graphitic carbon (TGC).
- The graphite ore will be hauled from an open pit mine to the concentrator to produce a steady state average of 236,000 t/y of graphite flake concentrate at 98.5% (concentrate over 300 microns) and 99% (concentrate under 300-micron size) TGC grades.

**Key financial highlights of the Nachu Graphite Project BFS update**

| Project metrics | Units | Value |
|---|---|---|
| Project NPV10 LOM (Post Tax) | US$ | $1.2bn |
| Project IRR LOM (Post Tax) | % | 51% |
| Payback Period **1** | Months | 19 |
| Operating Expenditure **2** | US$/t | $639 |
| Initial Project Capital Cost **3** | US$ | $324 million |
| Special Economic Zone Period **4** | Years | 10 |
| Concentrate Total Graphitic Carbon (TGC) **5** | % | 98.5% - 99% |
| Concentrate Basket FOB Mtwara | US$/t | $1,847 |
| Process Plant Capacity | t/year | 5,000,000 |
| Steady State Graphite Production **6** | t/year | ~236,000 |
| Recovery Rate | % | 89.6% |
| Ore Reserve | t | 76 million |
| Mineral Resources | t | 174 million |
| Mine Life | Years | 15.5 |

Notes to the Key financial highlights of the Nachu Graphite Project BFS update:

1. The payback period is at the project (unlevered) level and thus does not consider financing costs.
2. Average Annual Operating Costs during steady state production from Year 2 to Year 12. Operating costs include all mining, processing, product logistics FOB and miscellaneous and general admin. Excludes sustaining capital and industrial mineral royalties of 3%.
3. Additionally, there are contingency costs of US$39.6 million and pre-production mining costs of US$33.7 million.
4. Exemption from corporate tax and royalties for 10 years. This was renewed in May 2021. International arbitration is available for dispute resolution when revenues from product sales may be paid into foreign accounts. Applies to MTT only. MTT will upgrade the graphite concentrate produced by the mine.
5. Jumbo and Super Jumbo Flakes at 98.5% and 99% for large flakes and below. Average TGC 98.8%.
6. Steady state production from Year 2 to Year 12.

During the year, an MOU was entered with AUXIN Mining Services of Hong Kong for mining services and in addition an MOU for the development of the Nachu Project was entered with Xinhai and SMC. Under the agreement, Xinhai will be responsible for developing the processing plant and SMC will be responsible for the civil works on the project. Importantly, both parties will work on securing financing for their services.

Detailed engineering will be completed by Xinhai subsidiary, Yantai Xinhai Mining Research & Design CO., LTD. The design work will include the three main aspects for the development of Nachu:

- Mine Planning will optimise and provide the final open pit design, the layout of the open-pit infrastructure, each mining bench, the initial cutting trench, the access trench, cross-sections of the open pit, the drainage system diagram of the waste dump, and the cross-section of the waste dump.
- Processing Plant configuration diagram will include various operation plants, equipment or units including various major equipment, belt conveyors, centralised lubrication systems and drawings of metal structural parts.
- Tailings Storage Facility will include items like piping, tailings monitoring systems, tank layout, water quality testing and hydrology morphology.

Detailed engineering will also include Electrical Systems, Water Supply and Drainage, Civil Engineering designs and Ventilation Systems. Meetings have been held with several Tier 1 groups involved in the battery and industrial sectors in relation to the offtake of graphite products. In addition, discussions for off-take continue to be progressed with Chinese based end-users of Jumbo and Super Jumbo graphite products.

In May 2025, the Company's subsidiary in Tanzania received a notice of non-compliance from the Mining Commission concerning Special Mining Licence (SML 550/2015). The notice pertains to the subsidiary's failure to commence development activities within the stipulated 18-month period from the licence grant date, as mandated by the Mining Act, Cap 123. The Company responded to the Mining Commission to address this matter and ensure compliance and in June 2025 received confirmation that the default notice had been lifted. Currently, there are no indications of any issues affecting the validity of the licence.

Over the financial year the consolidated entity recognised segment expenses of $9.85 million in relation to the Nachu Graphite project in Tanzania.

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## Anode Active Material Project (USA)

Following the announcement, in February 2023, of the offtake agreement with the leading international EV manufacturer the Company has continued to progress plans to, in due course, establish an Anode Active Material (AAM) manufacturing plant utilising high quality and high purity natural graphite feedstock from its Nachu Graphite project in Tanzania. The Company has been working on North American opportunities to partner with peers who can work together to supply anode materials into the marketplace within a relatively short time frame.

## Imperium3 (USA)

In January 2025, the directors of IM3NY LLC and Imperium3 New York Inc (IM3NY) filed for creditor protection under Chapter 11 of the US Bankruptcy Code. On 31 March 2025 (US time) the Delaware Bankruptcy Court approved the sale of the assets of IM3NY to Musashi Auto Parts Michigan Inc for consideration of US$10 million, with the sale to close on 4 April 2025. At present the Company is not aware of the disposition of the proceeds. It appears unlikely that the Company will obtain a return on its investment through the bankruptcy process. In June 2025, the Delaware Bankruptcy Court ordered the dismissal of the Chapter 11 case and accordingly IM3NY has emerged from Chapter 11 bankruptcy protection. The Company retains its economic interest in IM3NY and reserves its rights.

## SHARE CAPITAL

During the year ended 30 June 2025, no capital raising initiatives were undertaken by the Company.

## BORROWINGS

During the December 2023 quarter, Ryzon procured a $4.6 million secured short term debt from sophisticated and professional investors. During the September 2024 quarter, the debt was assigned to McEvoy Street (Alexandria) Pty Ltd (McEvoy or Secured Lender), and the Company and the Secured Lender entered a side deed with the following material terms in relation to the debt:

- the principal amount owing to the Secured Lender was agreed at $5.5 million
- interest will accrue at 4.5% per month payable on maturity, and
- maturity date of 16 October 2024, subsequently extended to 15 May 2026.

In May 2025, McEvoy advised it intends to continue to provide financial support to the Company in relation to its ongoing operating costs and working capital requirements in an amount of up to $5 million over the next 12 months.

During the June 2025 Quarter, the Secured Lender agreed to increase the Principal Amount from $7.262 million to $8.238 million and subsequent to 30 June 2025, the Secured Lender agreed to increase the Principal Amount from $8.238 million to $8.437 million. All other terms and conditions under the existing secured debt agreement remain..

## ASX SUSPENSION

The Company's shares have been suspended from quotation on the ASX since 8 December 2023 as ASX has determined that it is not satisfied that the Company is currently able to comply with its obligations under Listing Rules 3.1, 12.1 and 12.5. As the Company's securities have been suspended from quotation for a period of more than three months, Ryzon is now considered by the ASX to be a long-term suspended entity.

ASX has determined that "Ryzon must demonstrate to ASX that it is willing and able to comply with these rules, and the Listing Rules generally, before ASX can reinstate Ryzon's securities to quotation. This will include demonstrating that Ryzon has established sufficient continuous disclosure arrangements to ensure that Ryzon can make continuous disclosure announcements to the market about the business currently operated by Imperium3 that will satisfy Ryzon's obligations under Listing Rule 3.1. If Ryzon disposes of some or all of its interest in Imperium3 and complies with all applicable Listing Rules in doing so, ASX will, at that time, undertake further assessment of Ryzon's progress on its Nachu graphite project. The purpose of this assessment will be for Ryzon to demonstrate that its operations are sufficient to satisfy Ryzon's obligations under Listing Rule 12.1 and therefore warrant reinstatement of Ryzon's securities to quotation."

Given it presently appears unlikely that the Company will obtain a return on its investment in IM3NY, the Company will likely refocus on the Nachu Graphite Project as the Company's primary asset.

Shareholders are cautioned that reinstatement of a long term suspended entity's securities to quotation is not granted automatically on application. ASX must be satisfied that the reasons for the ongoing suspension have been addressed, and that the entity complies with the Listing Rules at the point of reinstatement. ASX may require an entity to satisfy conditions before their securities can be reinstated to quotation, including but not limited to conditions relating to level of activities, financial condition and working capital, and the disclosure of financial or other information relevant to the entity's compliance with the Listing Rules.

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## ASIC CLAIM

In October 2024, the Company filed its defence in which the Company denies that it either failed to comply with its continuous disclosure obligations or engaged in misleading or deceptive conduct. The parties are presently undertaking pre-trial activities in compliance with Court Orders.

## RAMBOLL AMERICAS CLAIM

In August 2025, Ramboll Americas Integrated Solutions, Inc. (Ramboll) lodged a claim in the Broome County Supreme Court against several parties including the Company, Phoenix Endicott, C4V, Imperium3 New York Inc along with current and former directors and employees of IM3NY and the Company. The claim is, inter alia, for compensatory damages of an unspecified amount relating to Ramboll's permitting, engineering, procurement, construction and other services in connection with the development of the Imperium3 battery factory. The Company will review the claim, which it presently intends to defend, in conjunction with its legal advisers.

## GOING CONCERN

Refer to Note 1 to the Financial Statements, Basis of Preparation and Going Concern (Material Uncertainty).

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of the consolidated affairs during the current year are reflected under the operating and financial review above.

## MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2025, McEvoy agreed to increase the principal amount of the secured debt from $8.238 million to $8.437 million.

On 3 July 2025 the Company announced that the Delaware Bankruptcy Court had ordered the dismissal of the Chapter 11 case and accordingly IM3NY has emerged from Chapter 11 bankruptcy protection. The Company retains its economic interest in IM3NY but does not have any representation on the IM3NY board.

On 3 July 2025 the Company released the Group's Half-Year 31 December 2024 financial report.

On 17 July 2025 the Company announced the change of auditor, appointing A D Danieli Audit Pty Ltd to replace Hall Chadwick Melbourne Audit.

On 15 August 2025, the Company held its 2024 annual general meeting and announced results.

In August 2025, the Company's name changed from Magnis Energy Technologies Ltd to Ryzon Materials Limited.

The trustee for its secured debt (Fund) changed from McEvoy Street (Alexandria) Pty Ltd to F.X Funds Management Pty Ltd (FX Funds).

FX Funds as trustee of the Fund has agreed to extend the maturity date of the secured debt to 30 September 2026 and to continue to provide financial support to the Company by way advancing up to a further $7 million of secured debt over the next 12 months to assist Ryzon with its ongoing operating costs and working capital requirements.

The Company entered into an expanded engineering contract valued at A$3.5 million with Yantai Xinhai Mining Research & Design CO., LTD (Xinhai) for the NGP. Xinhai has agreed to receive shares as payment for first 80% ($2.8m) of the contract's value at $0.05 per share with a free option for every two shares issued, subject to shareholder approval which will be sought at the Company's next Annual General Meeting expected in November 2025, with the balance agreed to be settled in cash. The Options shall be exercisable at $0.05 per share and shall expire three years from the date of issue.

$500,000 was received from Xinhai pursuant to a placement at $0.05 per share with a free option for every two shares subscribed, subject to shareholder approval which will be sought at the Company's next Annual General Meeting expected in November 2025. The Options shall be exercisable at $0.05 per share and shall expire three years from the date of issue.

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## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The consolidated entity intends to progress the development of the Nachu Graphite Project as reflected under the operating and financial review above.

## RISKS RELATING TO FUTURE PROSPECTS

The Group operates in the graphite and lithium-ion battery sector. There are many factors, both specific to the Group and to the graphite and lithium-ion battery industry in general, that may individually or in combination affect the future operating and financial performance of the Group, its prospects and/or the value of the Company. Many of the circumstances giving rise to these risks are beyond the control of the Company's Directors and its management. The major risks believed to be associated with investment in the Company are as follows.

***Additional requirements for capital***

The Company expects to require further financing in order to progress development of its business. For the foreseeable future, it is expected that this funding will be obtained from traditional financing sources. Any equity financing undertaken will dilute existing Shareholders. There is a risk that the development schedule for the Company's existing projects, new products or services, or the adoption of new products or services may take longer than expected, delaying the development of new potential revenue streams.

Debt financing agreements or other financing re-arrangements that may be entered into by the Company may contain covenants, undertakings and other such provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay those loans in the event of an acceleration. Enforcement of any security granted by the Company could also result in the loss of assets, the impact of which may have a materially adverse impact on the Company.

There is no guarantee that the Company will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to the Company. If the Company is unable to obtain additional financing as needed or is unable to obtain it on acceptable terms (whether or not due to the Company's circumstances or economic and share market conditions or both), it may be necessary to reduce the scope of the Company's operations and scale back its activities. This could have a material adverse effect on the Company's activities.

***Commodity price volatility and exchange rate risks***

Commodity prices, such as those relating to the production of natural graphite products including anode active material and lithium-ion batteries or its various components and materials, fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base and industrial metals; technological advancements; forward selling activities, and other macro-economic factors such as inflation expectations, interest rates and general global economic conditions.

Further, international prices for various commodities are denominated in United States dollars whereas the income and expenditure of the Company may be undertaken in a number of other currencies. This exposes the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and currencies relevant to the Company's operations.

If the price of commodities fluctuates this could have an adverse effect on the Company's exploration and evaluation activities, development and possible processing, production and battery component manufacturing activities, as well as its ability to fund these activities, which may no longer be profitable.

***Supply risks***

In February 2023, the Company announced that it had entered into a binding agreement with a Tier1 EV manufacturer for the supply of Coated Spherical Purified Graphite (CSPG). The supply of CSPG to the manufacturer is subject to meeting its quality assurance and other contracted time critical requirements. There are risks that the Company does not or cannot meet the manufacturer's requirements, that it does not purchase the CSPG product from the Company (due to market demand or pricing) or that the price offered by the manufacturer is not profitable for the Company.

***Financial risk***

The Company's ability to continue as a going concern is dependent on meeting its cashflow forecasts, raising additional capital as and when required to meet its working capital requirements, finance the construction and development of the Nachu project graphite mine and the AAM facility, and growing the business profitably in the future. The Company and its subsidiaries may be unable to meet its cashflow requirements, raise additional capital as and when required or ever become profitable.

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***Licence risk***

The operations and proposed activities of the Group are subject to Tanzanian prospecting and special mining licence conditions. The licences include conditions and obligations pertaining to, inter alia, expenditures, local content and timing for commencing mining operations. The Group reports to the Tanzanian Mining Commission on activities and believes on a reasonable basis that its licences are presently all in good standing. There can however be no assurance that new operating licencing conditions or stricter enforcement policies, if implemented, will not oblige the Company to incur significant expenses and/or undertake significant investments in compliance, or, feasibly, result in the cancellation of all or some of the Company's licences.

***Delivery and operational risks***

The Company aims to develop a graphite mine in Tanzania and an Anode Active Materials (AAM) facility in the United States. There is a risk that the cost and time estimates for these planned developments may not be met, or that there may be delays and unforeseen costs in delivering the mine and/or risks associated with the processing capacity of the facility. In addition, there is a risk that the mine and/or plant may fail to perform to expectations, resulting in lower rates of production and/or product failing to meet customer specifications. Any prolonged disruptions in the operation of the proposed mine and/or the AAM facility once operational could also affect the Company's financial condition.

***Environmental risk***

The operations and proposed activities of the Company are subject to Australian and foreign (especially US and Tanzanian) State, Territory and Commonwealth laws and regulations concerning the environment. As with most mining, materials processing and anode manufacturing industries, the Company's activities are expected to have an impact on the environment, particularly if development proceeds. Future legislation and regulations, including future amendments governing exploration, development and possible production as well as materials recycling may impose significant environmental obligations on the Company. Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there can be no assurance that new environmental laws, regulations or stricter enforcement policies once implemented will not oblige the Company to incur significant expenses and undertake significant investments in compliance.

***Global pandemic***

Any future pandemic may have a material adverse impact on the operations and financial performance of the Company. Local, national and international events of this nature are not within the control of the Company including impacts of government and regulatory restrictions that have or may be implemented including as to travel, employment, operational matters, imports or goods/services.

***Mineral resource and ore reserve estimates***

Mineral resource and ore reserve estimates are a subjective process based on drilling results, past experience with mining properties and modifying factors, knowledge, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore reserve estimation is an interpretive process based on a limited amount of geological data pursuant to JORC standards and similar applicable regimes and interpretations and thus estimations may prove to be inaccurate.

***Intellectual property risk***

While the Company will implement all reasonable endeavours to protect its intellectual property, there can be no assurance that these measures have been, or will be, sufficient. There is no guarantee that the grant of a patent concerned is valid or that the technology (patented or otherwise) does not infringe the rights of others. In addition, there can be no assurance that competing technologies may be developed by competitors which would circumvent any patents or licences held by the Company, its subsidiaries, or any of its contractual counterparties.

***Climate change risks***

Climate change is a risk the Company has considered, particularly related to its operations in both the mining and materials processing industries. The climate change risks particularly attributable to the Company include:

- the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its results of operations. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no assurance that the Company will not be impacted by these occurrences; and
- climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry industries in which the Company operates.

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***Technology risk***

The development, testing and manufacture of new and innovative technologies involves high risks and there is no guarantee that the Company will be able to successfully commercialise its development projects (including in a profitable sense). Additionally, the Company's business is dependent on technology and is subject to changes in technology and new technological developments. If the Company fails to capitalise upon technological change or anticipate and respond to the demand and industry standards for new or existing products and technologies on a timely and cost-effective basis or fails to adapt to technological advancements and changing standards, it may be unable to compete effectively. The adoption of new technologies or industry practices may require the Company to devote additional resources to improve and adapt its products, and there can be no assurance these investments or the Company's attempt to improve and adapt its products will be successful. If there is insufficient demand for a new product, or customers do not subscribe to new products in a timely manner, new initiatives may be unsuccessful or result in significant losses. Any failure or delay in developing new technology or an inability to exploit technology as successfully or cost-effectively as competitors could result in a decrease in customer demand, which could have a material adverse effect on the Company's business and cash flows, prospects for growth, financial condition and results of its operations.

***Production impacts***

Scheduling for the Company's existing projects may encounter significant delays or overruns. Factors which could create significant delays include adverse weather conditions, construction risks particularly in-ground risks, the securing of water and energy supply for construction and operation and requisite approvals for infrastructure upgrades. There is a risk that such delays or cost overruns will impact the payback capability of the project(s) and reduce the overall cashflows.

***Occupational health and safety***

The Group's operations are subject to a variety of industry-specific health and safety laws and regulations which are formulated to improve and to protect the safety and health of employees. Mining operations are potentially hazardous, and the management of safety and health risks is essential. The Group seeks to implement best practice procedures in occupational health and safety and meet compliance with government regulations. The safety regime in the USA and Tanzania is different to Australia. The occurrence of any industrial accidents, workplace injuries or fatalities may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions.

***Key personnel***

The Group's future success depends on the continued services of its key personnel. The Group could be adversely affected if any of the key management team ceased to actively participate in the management of the Group or ceased employment with the Group. The Company has in place short-term and long-term incentive arrangements aimed at managing this risk.

***Litigation***

As set out above, the Company is presently the subject of an action by ASIC, under which ASIC is seeking declarations and pecuniary penalties against the Company. There can be no assurance that the Company's defense of this action will be successful. As set out above Ramboll Americas Integrated Solutions, Inc. (Ramboll) has lodged a claim in the Broome County Supreme Court against several parties including the Company. The claim is, inter alia, for compensatory damages of an unspecified amount relating to Ramboll's permitting, engineering, procurement, construction and other services in connection with the development of the Imperium3 battery factory. There can be no assurance that the Company's defense of this claim will be successful. The Company is exposed to possible litigation risks including claims, tenure disputes, contractual disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may impact adversely on the Company's operations, financial performance and financial position.

***Information technology risks***

There is a risk that the Company's core systems and technologies could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks, power or telecommunications providers' failures, fire, natural disasters, terrorist acts, war or human error. Cyber-attacks may include computer hacking, data theft, system disruption or security breaches and viruses and malware. These situations might include, among others, a breach of sensitive commercial information, loss of Company assets or negative publicity.

***Insurance risks***

Exploration and evaluation activities, graphite mining and processing activities and anode manufacture and production industries, involve hazards and risks that could result in the Company incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for such development will be reduced and the value and/or title to the Company's assets may be at risk. The Company insures its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with technology is not always available and, where available, the costs can be prohibitive or not adequate to cover all claims.

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# CORPORATE

## CORPORATE INFORMATION

Ryzon Materials Limited is limited by shares and incorporated and domiciled in Australia. The shares are listed on the Australian Securities Exchange ("ASX") under the ASX code RYZ. Unlisted options issued to Directors and employees during the financial year were NIL. The table below lists total shares that have been issued during the financial year from capital raisings and exercise of options.

| Entity | Number of shares issued | Class of shares | Amount paid for shares before fees | Amount unpaid on shares |
|---|---|---|---|---|
| Ryzon Materials Limited | NIL | Ordinary | $NIL | $NIL |

## CAPITAL FUNDS

The Company announced the expiry and cancellation of 33.925 million unlisted options during the financial year ending 30 June 2025, as follows:

- On 25 November 2024, 10,000,000 unlisted options at $0.50 exercise price and 20,000,000 unlisted options at $0.40 exercise price, with 25 November 2024 expiry date, expired.
- On 7 December 2024, 1,300,000 unlisted options at $0.60 exercise price, with 7 December 2024 expiry date, expired.
- On 9 December 2024, unlisted options of 625,000, at $0.80 exercise price and 9 December 2024 expiry date, expired within the Magnis Option Share Trust (MOST).
- On 6 February 2025, unlisted options of 2,000,000, at $0.80 exercise price and 7 December 2025 expiry date, were cancelled within the Magnis Option Share Trust (MOST) due to the resignation of Non-Executive Directors.

### SECURITIES AS AT 30 JUNE 2025

The Company had the following securities on issue as at 30 June 2025:

- 1,199,498,151 Ordinary Fully Paid shares on issue.
- 35,000,000 unlisted options remain issued with a strike price at $0.50 and expiring on 18 May 2026.
- 2,000,000 unlisted options outstanding in the Magnis Option Share Trust ('MOST'), expiring 7 December 2025, at exercise price of $0.80.
- 4,000,000 performance rights held in the Magnis Executive Rights Trust ('MERT').

## EXERCISE OF UNLISTED OPTIONS

There were NIL unlisted options exercised during the period.

## EXERCISE OF LISTED OPTIONS

No listed options exist, and none were exercised.

## CONVERSION OF UNLISTED PERFORMANCE RIGHTS

There were NIL performance rights converted during the period as a result of meeting performance eligibility.

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# REVIEW OF FINANCIAL POSITION

## LIQUIDITY AND CAPITAL RESOURCES

The Group statement of cash flows shows a decrease in cash and cash equivalents for the year ended 30 June 2025 of $12,029 (2024: $15,300,995).

During the year, the Group raised $NIL (2024: $7,700,000) before costs via capital raisings and $NIL proceeds from options exercised (2024: $NIL).

At year end the Group had liquid funds of $77,621 (2024: $89,669) available for future operational and investment use and borrowings of $8,237,593 (2024: 5,303,593). For a breakup of liquidity, refer to Note 7 and Note 15 for borrowings.

## SHARES ISSUED DURING PERIOD

During the year ended 30 June 2025, the Company issued NIL Ordinary Fully Paid shares (2024: 84,166,668) raising $NIL in equity before fees (2024: $7,700,000).

## CAPITAL EXPENDITURE

Capital expenditure by the Group on plant and equipment during the year was $NIL (2024: $880,966).

## GROUP PERFORMANCE

| **Annual Net Income** | | **2025** | **2024** | **2023** | **2022** | **2021** |
|---|---|---|---|---|---|---|
| Consolidated loss/(profit) after tax | ($) | 15,773,056 | (9,024,104) | 72,717,606 | 61,697,819 | 12,032,230 |
| **Shareholder Returns** | | | | | | |
| Share price on ASX at financial year end | ($) | 0.04 | 0.04 | 0.14 | 0.30 | 0.26 |
| Basic loss/(profit) per share | (cents) | 1.31 | (1.29) | 5.12 | 6.38 | 1.41 |
| Diluted loss/(profit) per share | (cents) | 1.31 | (1.29) | 5.12 | 6.38 | 1.41 |

# REMUNERATION REPORT

## REMUNERATION REPORT (AUDITED)

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the Company, in accordance with the requirements of the *Corporations Act 2001 (Cth),* and its Regulations.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional disclosures relating to key management personnel

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## PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

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

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

The Board is responsible for determining and reviewing remuneration arrangements for Directors and executives. The performance of the consolidated entity and Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth and delivering constant or increasing return on assets
- attracts and retains high calibre executives

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive remunerations are separate.

***Non-executive directors' remuneration***

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors.

Non-executive directors receive a fixed fee for time, commitment and responsibilities and may be paid remuneration as the directors determine where the director performs services outside the scope of the ordinary duties of the director. Non-executive directors may also be paid expenses properly incurred in attending meetings or otherwise in connection with the Company's business.

The Company's constitution provides that the non-executive directors as a whole may be paid or provided fees or other remuneration for their services as a director of the Company, the total amount or value of which must not exceed $650,000 per annum or such other maximum amount periodically determined by the Company in a general meeting; having been approved by shareholders at the Company's Annual General Meeting held on 17 November 2017.

Presently, non-executive directors receive annual fees of between $nil to $70,000. An additional $5,000 per annum is paid to directors who chair committees, except for the Audit and Risk Committee, where the chair receives $15,000 per annum. Superannuation is payable under each Director's service agreement and in accordance with the *Superannuation Guarantee Charge Act (Cth)*. A fee per meeting has been set for participation by directors in the M&A Committee as that committee meets sporadically.

The consultancy and personal exertion activities and services in addition to those which are required to satisfy their roles as directors of the board and relevant committees are provided under commercial terms on arm's length basis and on terms better than would be obtained by the Company from independent third parties with the same or similar skill sets to those of the directors providing those activities and services. Fees for non-executive directors are not linked to individual performance.

Given the Company is at an early stage of development and the financial restrictions placed on it, the Company may consider it appropriate to issue individual options and performance rights to non-executive directors, subject to obtaining relevant shareholder approvals.

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***Executive directors remuneration***

The consolidated entity and Company aim to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remuneration.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and adds additional value to the executive.

The short-term incentives (STI) include bonus arrangements as may be approved by the Board.

The long-term incentives (LTI) include long service leave and share-based payments.

Presently the remuneration arrangements of the executive directors are as follows:

- Mr Frank Poullas earns director's fees of $120,000 per annum plus consulting fees at a rate of $1,000 per day. Mr Poullas or the Company can terminate the engagement with one month's notice.
- Mr Hoshi Daruwalla's annual remuneration is US$290,000 net of taxes and superannuation (referred to in the USA as a 401k entitlement). Mr Daruwalla's initial fixed term contract period expired on 30 June 2024, however Mr Daruwalla or the Company can terminate the engagement with one month's notice.
- Mr David Wang receives NIL remuneration. The Company and Mr Wang intend that in due course an executive remuneration package will be agreed. Mr Wang or the Company can terminate the engagement with one month's notice.

***Consolidated entity performance and link to remuneration***

There is no link between the consolidated entity's performance and remuneration.

*Use of remuneration consultants*

During the financial year ended 30 June 2025, the Company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the short-term incentives (STI) and long-term incentives (LTI) programs of the Company and consolidated entity.

*Voting and comments made at the Company's 2024 Annual General Meeting ('AGM')*

At the last AGM, the shareholders voted to adopt the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

## DETAILS OF REMUNERATION

***Amounts of remuneration***

Details of the remuneration of the directors and key management personnel are set out in the following tables. Key management personnel are defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity.

The following were KMP during the financial year:

- Mr Jonathan Reynolds – Company Secretary (from 23 October 2023)
- Mr Jürgen Behrens – Chief Financial Officer (from 1 April 2020)

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## TABLE 1: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2025

| | Salary & Fees | Post Employment Benefits ^ | SBP Options # | Aggregate Total | Paid Total | Unpaid Total |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **Non-Executive Directors** | | | | | | |
| D. Wang (Appointed 17 Jul. 2024) | - | - | - | - | - | - |
| H. Chen (Appointed 28 Oct. 2024) | - | - | - | - | - | - |
| F. Perilli (Ceased: 17 Jul.. 2024) * | - | - | - | - | - | - |
| G. Gunesekera (Ceased: 5 Nov. 2024) | 21,875 | 2,625 | - | 24,500 | - | 24,500 |
| P. Tsegas (Ceased: 30 Jun. 2025) | 65,000 | - | - | 65,000 | - | 65,000 |
| | | | - | | | |
| **Executive Directors** | | | - | | | |
| F. Poullas | 107,623 | 12,377 | - | 120,000 | - | 120,000 |
| F. Poullas - Consultancy Fees * | 216,000 | - | - | 216,000 | - | 216,000 |
| H. Daruwalla * | 672,000 | - | - | 672,000 | - | 672,000 |
| **Key Management Personnel** | | | | | | |
| J. Behrens | 190,000 | 21,850 | - | 211,850 | 176,541 | 35,309 |
| J. Reynolds * | 252,083 | - | - | 252,083 | 183,333 | 68,750 |
| D. Glasgow (Ceased: 6 Aug. 2024) | 110,105 | 2,885 | - | 112,990 | 112,990 | - |
| | **1,634,206** | **40,217** | **-** | **1,674,423** | **472,864** | **1,201,559** |

* Fees paid to related entities.
~ the options associated were forfeited as required under the terms of MOST.
^ Includes superannuation and movements in employee entitlements.
# Share-based Payments (SBP) consist of unlisted options issued/(cancelled) in MOST.

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## TABLE 2: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2024

| | Salary & Fees | Post Employment Benefits ^ | SBP Options # | Aggregate Total | Paid Total | Unpaid Total |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **Non-Executive Directors** | | | | | | |
| P. Tsegas | 65,000 | - | - | 65,000 | - | 65,000 |
| P. Tsegas - Personal Exertion Fees | 103,000 | - | - | 103,000 | 103,000 | - |
| G. Gunesekera | 72,816 | 8,009 | - | 80,825 | 40,275 | 40,550 |
| M. E. Dajani (Ceased: 31 Dec. 2023) | 32,500 | - | - | 32,500 | 32,500 | - |
| C. Bibby (Ceased: 11 Mar. 2024) | 53,845 | 5,923 | - | 59,768 | 42,913 | 16,855 |
| F. Perilli * | 68,833 | - | - | 68,833 | - | 68,833 |
| | | | - | | | |
| **Executive Directors** | | | - | | | |
| F. Poullas | 108,108 | 11,892 | - | 120,000 | - | 120,000 |
| F. Poullas - Consultancy Fees * | 210,800 | | | 210,800 | - | 210,800 |
| H. Daruwalla * | 566,065 | 134,175 | - | 700,240 | 218,002 | 482,238 |
| **Key Management Personnel** | | | | | | |
| R. Chittenden (Ceased: 5 Feb. 2024) | 163,927 | 17,973 | - | 181,900 | 181,900 | - |
| J. Behrens | 165,000 | 18,150 | - | 183,150 | 183,150 | - |
| D. Taylor (Ceased: 1 Dec. 2023) | 187,203 | 11,537 | - | 198,740 | 198,740 | - |
| J. Reynolds (Appointed 23 Oct. 2023) * | 189,986 | - | - | 189,986 | 144,153 | 45,833 |
| D. Glasgow | 275,000 | 27,159 | - | 302,159 | 302,159 | - |
| | **2,262,083** | **234,818** | **-** | **2,496,901** | **1,446,792** | **1,050,109** |

* Fees paid to related entities.
~ the options associated were forfeited as required under the terms of MOST.
^ Includes superannuation and movements in employee entitlements.
# Share-based Payments (SBP) consist of unlisted options issued in MOST

## SHARE-BASED COMPENSATION

### COMPENSATION SHARES AND OPTIONS GRANTED AND VESTED

During the financial year, the following share-based payments were awarded, vested, exercised, or lapsed:

### TABLE 1: OPTIONS AWARDED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Option | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| N\A | N\A | - | - | 0.00 | - |
| | | WEIGHTED AVERAGE FAIR VALUE OF OPTIONS GRANTED: | | | 0.00000 |

### TABLE 2: OPTIONS EXERCISED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Option | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| N\A | N\A | - | - | 0.00 | - |

### TABLE 3: OPTIONS EXPIRED \ LAPSED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Option | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| 9-Dec-2021 | 10-Dec-2024 | 0.094400 | 250,000 | 0.80 | 23,600 |
| 9-Dec-2021 | 10-Dec-2024 | 0.094400 | 250,000 | 0.80 | 23,600 |
| 9-Dec-2021 | 10-Dec-2024 | 0.094400 | 250,000 | 0.80 | 11,800 |
| 7-Dec-2022 | 6-Feb-2025 | 0.084000 | 2,000,000 | 0.80 | 168,000 |
| 26-Nov-2021 | 26-Nov-2024 | 0.189900 | 5,000,000 | 0.50 | 949,500 |
| 26-Nov-2021 | 26-Nov-2024 | 0.189900 | 5,000,000 | 0.50 | 949,500 |
| | | | **12,625,000** | | **2,126,000** |

### COMPENSATION SHARES AND RIGHTS GRANTED AND VESTED

During the financial year, the following rights-based payments were awarded, vested, converted, or lapsed:

### TABLE 4: PERFORMANCE RIGHTS AWARDED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Right | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| N\A | N\A | - | - | 0.00 | - |
| | | WEIGHTED AVERAGE FAIR VALUE OF RIGHTS GRANTED: | | | 0.00000 |

### TABLE 5: PERFORMANCE RIGHTS CONVERTED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Right | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| N\A | N\A | - | - | 0.00 | - |

### TABLE 6: PERFORMANCE RIGHTS LAPSED

| Grant Date and Vesting Date | Expiry Date | Grant Date Fair Value | Number | Original Exercise Price of Right | Fair Value Expense under AASB 2 |
|---|---|---|---|---|---|
| | | $ | | $ | $ |
| N\A | N\A | - | - | 0.00 | - |

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**SHARE OPTION PLAN: MOST**

Ryzon Materials Limited operates an ownership-based scheme for Directors and Employees of the Company. In accordance with the provisions of the Plan, listed Ordinary Fully Paid shares and unlisted options are held on behalf of Plan Participants by the Trustee of the **Magnis Option Share Trust ('MOST').**

During the year, NIL unlisted options (2024: NIL) on similar terms and conditions were allotted to the Trust pursuant to the rules of MOST.

**SHARE PLAN: MEST**

Ryzon Materials Limited operates an ownership-based scheme for Directors and Employees of the consolidated entity. In accordance with the provisions of the Plan, listed Ordinary Fully Paid shares are held on behalf of Plan Participants by the Trustee of the **Magnis Employee Share Trust ('MEST').**

During the year, NIL Ordinary Fully Paid shares (2024: NIL) were issued to the MEST, held on behalf of one Plan Participant pursuant to their employment agreement.

**RIGHTS PLAN: MERT**

Ryzon Materials Limited operates an ownership-based scheme for Directors and Employees of the consolidated entity. In accordance with the provisions of the Plan, unlisted Performance Rights are held on behalf of Plan Participants by the Trustee of the **Magnis Executive Rights Trust ('MERT').**

During the year, NIL unlisted Performance Rights (2024: NIL) were allotted to the Trust under the rights scheme.

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## ADDITIONAL DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

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

| Ordinary shares | Year Start Balance | Granted | Additions | (Disposals) | Year End Balance |
|---|---|---|---|---|---|
| F. Poullas | 20,494,334 | - | - | - | 20,494,334 |
| P. Tsegas (Ceased 30 Jun. 2025) * | 1,270,000 | - | - | - | 1,270,000 |
| D. Wang (Appointed 17 Jul. 2024) ~ | 2,000,000 | - | - | - | 2,000,000 |
| J. Behrens | 900,000 | - | - | - | 900,000 |
| | **24,664,334** | **-** | **-** | **-** | **24,664,334** |

~ Opening balance as at appointment date
* Closing balance as at cease date

## OPTION HOLDING

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

| *Options over ordinary shares* | Year Start Balance | Granted | Additions/ (Disposals) | (Lapsed) | Year End Balance ^ |
|---|---|---|---|---|---|
| G. Gunesekera (Ceased 5 Nov. 2024) * | 2,000,000 | - | - | (2,000,000) | - |
| H. Daruwalla | 2,000,000 | - | - | - | 2,000,000 |
| R. Chittenden (Ceased 5 Feb. 2025) * | 250,000 | - | - | (250,000) | - |
| J. Behrens | 250,000 | - | - | (250,000) | - |
| | **4,500,000** | **-** | **-** | **(2,500,000)** | **2,000,000** |

^ All options vest immediately and are exercisable at anytime
~ Opening balance as at appointment date
* Closing balance as at cease date

## RIGHTS HOLDING

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

| *Ordinary shares* | Year Start Balance | Granted | Additions/ (Disposals) | (Lapsed) | Year End Balance ^ |
|---|---|---|---|---|---|
| F. Poullas | 2,000,000 | - | - | - | 2,000,000 |
| P. Tsegas (Ceased 30 Jun. 2025) * | 2,000,000 | - | - | - | 2,000,000 |
| | **4,000,000** | **-** | **-** | **-** | **4,000,000** |

^ All rights vest immediately and are convertible at anytime
~ Opening balance as at appointment date
* Closing balance as at cease date

### LOANS MADE TO DIRECTORS AND THEIR RELATED PARTIES

As at 1 July 2024, Frank Poullas advanced to the Company a total of $197,500. These funds were provided with no fixed date for repayment, on an interest-free and unsecured basis. This amount was fully repaid by 31 December 2024. There were no other loans or advances made to or provided by directors and their related parties during the financial year ended 30 June 2025.

### OTHER TRANSACTIONS WITH DIRECTORS AND THEIR RELATED PARTIES

During or since the financial year, no Director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of remuneration received or due and receivable by the Directors shown in the consolidated accounts, by reason of a contract entered into by the Company or an entity that the Company controlled or a body corporate that was related to the Company when the contract was made or when the Director received, or became entitled to receive, the benefit with:

- a Director, or
- a firm of which a Director is a member, or
- an entity in which a Director has substantial financial interest except the usual professional fees for their services paid by the Company to:

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| | | | | | | Aggregate Amount | |
|---|---|---|---|---|---|---|---|
| **Identity of Related Party** | **Nature of Relationship** | **Terms & Conditions of Transaction** | **Type of Transaction** | Due and Payable 30-Jun-2025 $ | Total Settled 30-Jun-2025 $ | **Total Invoiced 30-Jun-2025 $** | **Total Invoiced 30-Jun-2024 $** |
| Spectrum IT Pty Ltd | Mr. Poullas is a related party of Spectrum IT Pty Ltd T/A Strong Solutions and Executive Chairman of Ryzon Materials Limited | Normal commercial terms | Consulting fees and | 216,000 | - | 216,000 | 210,800 |
| | | | IT Services | 152,118 | - | 152,118 | 186,102 |
| F Perilli Family Trust (Ceased 17 Jul. 2024) | Mr. Perilli is a related party of F Perilli Family Trust and a Non-executive Director of Ryzon Materials Limited | Normal commercial terms | Director's fees | - | - | - | 68,833 |
| Yatha Enterprises LLC | Mr. Daruwalla is a related party of Yatha Enterprises LLC and an Executive Director of Ryzon Materials Limited | Normal commercial terms | Consulting fees and | 672,000 | - | 672,000 | 700,240 |
| | | | Engineering Services | - | - | - | 254,163 |
| Claire Bibby Pty Ltd (Ceased 11 Mar. 2024) | Ms. Bibby is a related party of Claire Bibby Pty Ltd and a Non-executive Director of Ryzon Materials Limited | Normal commercial terms | Consulting fees | - | - | - | 28,600 |

***This concludes the remuneration report, which has been audited.***

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## SHARES UNDER OPTION

Details of unissued shares under option as at 30 June 2025 in Ryzon Materials Limited are:

| Number of ordinary shares under option | Class of shares | Exercise price of option<br>$ | Expiry date of option |
|---|---|---|---|
| 2,000,000 | Ordinary | 0.80000 | 07/12/2025 |
| 10,000,000 | Ordinary | 0.50000 | 18/05/2026 |
| 25,000,000 | Ordinary | 0.50000 | 18/05/2026 |
| **37,000,000** | **WEIGHTED AVERAGE EXERCISE PRICE** | **0.51600** | |

**WEIGHTED AVERAGE REMAINING LIFE OF OPTIONS: 0.8580 years**

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme. No voting rights are attached to the options.

During the 2025 financial year, NIL shares were issued due to exercising of options (2024: NIL).

## PERFORMANCE RIGHTS

Details of performance rights as at 30 June 2025 in Ryzon Materials Limited are:

| Number of ordinary shares under option | Class of shares | Conversion price of right<br>$ | Expiry date of right |
|---|---|---|---|
| 4,000,000 | Ordinary | 0.00 | n\a |
| **4,000,000** | **WEIGHTED AVERAGE CONVERSION PRICE** | **0.00** | |

**WEIGHTED AVERAGE REMAINING LIFE OF RIGHTS: 5.6968 years**

The holders of these MERT rights do not have the right, by virtue of the MERT right, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme. No voting rights are attached to the MERT right.

During the 2025 financial year, NIL shares were issued due to converting of rights (2024: NIL).

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has indemnified the directors and executives of the Company for costs incurred in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001 (Cth).* The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium. The policy expired on 31 July 2024 and was not renewed.

## INDEMNIFICATION AND INSURANCE OF AUDITOR

To the extent permitted by law, the Company has not agreed to indemnify its auditors, A D Danieli Audit Pty Ltd and/or Hall Chadwick Melbourne Audit, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit.

No payment has been made to indemnify A D Danieli Audit Pty Ltd and/or Hall Chadwick Melbourne Audit during or since the year ended 30 June 2025.

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## PROCEEDINGS ON BEHALF OF THE COMPANY

No person or entity has applied to the Court under Section 237 of the *Corporations Act 2001 (Cth),* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

## ROUNDING OF AMOUNTS

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

## NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor excluding GST\Taxes for non-audit services provided during the financial year by the auditor are outlined below:

Hall Chadwick Melbourne
- Taxation services: $5,000
- Corporate services: $-

A D Danieli Audit Pty Ltd
- Taxation services: $ -
- Corporate services: $ -

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001 (Cth)*.

The Directors are of the opinion that the Auditors' services as disclosed in Note 22 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001 (Cth),* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and

- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing, or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

## OFFICERS OF THE COMPANY WHO ARE FORMER AUDIT DIRECTORS OF A D DANIELI AUDIT PTY LTD

There are no officers of the Company who are former audit directors of A D Danieli Audit Pty Ltd and/or Hall Chadwick Melbourne Audit.

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**AUDITOR INDEPENDENCE**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act, 2001 is set out on page 32.

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

On behalf of the directors

F Poullas

**Executive Chairman**

Sydney, 8 October 2025

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# CORPORATE GOVERNANCE STATEMENT

**YEAR ENDED 30 JUNE 2025**

The Board of Ryzon Materials Limited (Board) is committed to ensuring that the Company's obligations and responsibilities to its various stakeholders are fulfilled through its corporate governance practices. The directors of the Company (Directors, being either Non-Executive Directors or Executive Directors) undertake to perform their duties with honesty, integrity, care, and due diligence, to act in good faith in the best interests of the Company in a manner that reflects the highest standards of corporate governance.

The Company's Board is committed to a high standard of corporate governance practices, ensuring that the Company complies with the *Corporations Act 2001 (Cth)*, ASX Listing Rules, Company Constitution and other applicable laws and regulations.

**Corporate Governance Compliance**

The Company has followed the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations (Principles and Recommendations) where the Board has considered the recommendations to be an appropriate benchmark for its corporate governance practices.

Where after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and reason for adoption of its own practice, in compliance with the "if not, why not" regime.

The 2025 Corporate Governance Statement is dated as at 8 October 2025 and reflects the corporate governance practices in place throughout the year ended 30 June 2025. A description of the Company's current corporate governance practices is set out in the Company's Corporate Governance Manual which can be viewed online at www.ryzon.au.

This statement was approved by the Board on 8 October 2025.

## ASX CORPORATE GOVERNANCE COUNCIL'S PRINCIPLES AND RECOMMENDATIONS

| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 1.0: | Lay solid foundation for management and oversight | | |
| 1.1 | A listed entity should have and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management. | Yes | The Board Charter details the functions and responsibilities of the Board and management, including matters reserved for the Board. The Board Charter is included in the Corporate Governance Manual on the Company's website. |
| 1.2 | A listed entity should:<br>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and<br>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. | Yes | The full Board undertakes the duties that fall to the nomination committee under the Company's Nomination Committee Charter, which is included in the Corporate Governance Manual on the Company's website.<br>The role of the Nomination Committee is to identify and recommend candidates to fill casual vacancies and to determine the appropriateness of director nominees for election to the Board. The Nomination Committee Charter requires the Board to make appropriate background checks prior to recommending a candidate for election or re-election as a director. The Board must identify and recommend candidates only after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after an assessment of how the candidate can contribute to the strategic direction of the Company.<br>The Nomination Committee Charter also requires the Board to ensure appropriate background checks are undertaken for all senior executive candidates.<br>All material information relevant to whether or not to elect or re-elect a director is provided to the Company's shareholders as part of the Notice of Meeting and explanatory memorandum for the relevant meeting of shareholders which addresses the election or re-election of a Director. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 1.3 | A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment. | Yes | The Remuneration Committee Charter, which is included in the Corporate Governance Manual on the Company's website, requires the Company to have a written agreement with each Director and senior executive setting out the terms of their engagement.<br>Each Non-Executive Director has signed a letter of appointment. Each Executive Director has signed an executive service agreement. Each senior executive has signed an employment agreement. |
| 1.4 | The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. | Yes | The Company Secretary is accountable to the Board, through the Chair, on all governance matters and reports directly to the Chair as the representative of the Board. The Company Secretary has primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. |
| 1.5 | A listed entity should:<br>(a) have and disclose a diversity policy;<br>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and<br>(c) disclose in relation to each reporting period:<br>(1) the measurable objectives set for that period to achieve gender diversity;<br>(2) the entity's progress towards achieving those objectives; and<br>(3) either:<br>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or<br>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.<br>If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period. | Does not comply. Refer to "Diversity" in the Corporate Governance Manual | The Company has adopted a Diversity Policy which is included in the Corporate Governance Manual disclosed on the Company's website. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. The Company does not think that it is appropriate to state measurable objectives for achieving gender diversity due to its size and stage of development.<br>The proportion of women employees in the whole organisation is < 10% (excluding directors).<br>There are currently no women in senior executive positions or on the Board. |
| 1.6 | A listed entity should:<br>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and<br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | Yes<br><br>Yes | The process for periodically evaluating the performance of the Board, its committees and individual Directors is included in the Corporate Governance Manual on the Company's website. It requires the Chair to conduct performance reviews on an annual basis.<br>The Chair has conducted a formal evaluation of the performance of the Board, its committees and individual Directors for the year ended 30 June 2025. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 1.7 | A listed entity should:<br>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and<br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | Yes<br><br>Yes | The process for periodically evaluating the performance of the Company's senior executives is included in the Corporate Governance Manual on the Company's website. It requires the Chair to conduct performance reviews on an ongoing basis. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.<br>The Chair has conducted an evaluation of the performance of senior executives for the year ended 30 June 2025. |
| **2.0** | Structure the Board to be effective and add value | | |
| 2.1 | The board of a listed entity should:<br>(a) have a nomination committee which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. | Yes<br><br>No<br><br>No<br><br>Yes<br>Yes<br><br>No<br><br>Yes | The Board has decided that, due to the Company's current stage of development, no efficiencies will be achieved by establishing a separate nomination committee. The Board carries out the duties that would otherwise be undertaken by the nomination committee, in accordance with the Nomination Committee Charter, which is included in the Corporate Governance Manual on the Company's website.<br>The Board has, for the year ended 30 June 2025 formally considered whether the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. |
| 2.2 | A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership. | Yes | The board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership is included in the Corporate Governance Manual on the Company's website. |
| 2.3 | A listed entity should disclose:<br>(a) the names of the Directors considered by the Board to be independent Directors;<br>(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and<br>(c) the length of service of each Director. | Yes<br><br>Yes<br><br>Yes | The names of the Directors considered by the Board to be independent Directors are set out in the Directors Report.<br><br>Taking into account the Company's current stage of development and in an effort to minimize cash remuneration, the Board considers allocations of performance-based remuneration (including options or performance rights) does not of itself lead to a determination that the director is not independent.<br>The details of performance-based remuneration for each director is set out in the Directors Report.<br>The Board considers these benefits are not of sufficient magnitude to affect the relevant directors' ability to discharge his duties with an independent mind.<br>The length of service of each Director is set out in the Directors Report. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 2.4 | A majority of the Board of a listed entity should be independent Directors. | No | Over the year ended 30 June 2025, independent directors have not comprised the majority of the Board. Taking into account the Company's current stage of development, the Board considers the risks resulting from this do not outweigh the potential benefits. The Board is conscious of this imbalance and keeps it under review. |
| 2.5 | The chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity. | No | Mr Frank Poullas fulfills the role of Executive Chairman of the Company. Taking into account the Company's current stage of development, the Board considered the benefits to be obtained from Mr Poullas fulfilling this role outweighs the potential risks. |
| 2.6 | A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. | Yes | Induction and professional development form part of the responsibilities of the Nomination Committee as noted in the Nomination Committee Charter, which is included in the Corporate Governance Manual on the Company's website. The Company Secretary is available to assist with the process of new Directors familiarising themselves with the Company. Professional development requirements are addressed by the Board on at least an annual basis. |
| 3.0 | Instil a culture of acting lawfully, ethically and responsibly | | |
| 3.1 | A listed entity should articulate and disclose its values. | Yes | The Company has formulated a general Code of Conduct and a Code of Conduct for Directors and Executives which all employees and directors are expected, at a minimum, to follow. The Codes are included in the Corporate Governance Manual on the Company's website. |
| 3.2 | A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code. | Yes<br><br>Yes | The Company has formulated a general Code of Conduct and a Code of Conduct for Directors and Executives which all employees and directors are expected, at a minimum, to follow. The Codes are included in the Corporate Governance Manual on the Company's website.<br>The Code of Conduct states that any breach of the Code is to be reported directly to the Chairman or CEO or Audit Committee under the Whistle-blower Policy, as appropriate, with any material breach to be reported to the full Board. |
| 3.3 | A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. | Yes<br><br>Yes | The Company has formulated a Whistle-blower Policy, which is included in the Corporate Governance Manual on the Company's website. The Audit Committee is responsible for carrying out the processes under the policy.<br>The Policy states that the Committee must report the results of any material incidents to the Board. |
| 3.4 | A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy. | Yes<br><br>Yes | The Company has formulated an anti-bribery and corruption policy.<br><br>Any breach of the policy is to be reported directly to the Chair or CEO or Audit Committee or under the Whistle-blower Policy, as appropriate, with any material breach to be reported to the full Board. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 4.0 | Safeguard the integrity of corporate reports | | |
| 4.1 | The board of a listed entity should:<br>(a) have an audit committee which:<br>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and<br>(2) is chaired by an independent director, who is not the chair of the board,<br>and disclose:<br>(3) the charter of the committee.<br>(4) the relevant qualifications and experience of the members of the committee; and<br>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. | Yes<br>No<br><br>No<br><br>Yes<br>Yes<br><br>Yes<br><br>Yes | The Board has decided that, due to the Company's current stage of development, no efficiencies will be achieved by convening a separate audit committee. The Board carries out the duties that would otherwise be undertaken by the audit committee, in accordance with the Audit Committee Charter, which is included in the Corporate Governance Manual on the Company's website.<br><br>The relevant qualifications and experience of the Board is set out in the Directors' Report.<br><br>The Board has, for the year ended 30 June 2025, relied on the declarations made by the Executive Chairman and Chief Financial Officer received in accordance with the requirements of the Corporations Act, and relied on the independent external audit function to verify and safeguard the integrity of its corporate reporting. The processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner is set out in the Policy on Selection, Appointment and Rotation of External Auditors, which is included in the Corporate Governance Manual on the Company's website. |
| 4.2 | The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | Yes | Under the Company's Risk Management Policy, which is included in the Corporate Governance Manual on the Company's website, the Executive Chairman and Chief Financial Officers will provide a written declaration of assurance that in their opinion, the financial records of the Company for the relevant reporting period have been properly maintained, comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and has been formed on the basis of a sound system of risk management and internal control which is operating effectively. |
| 4.3 | A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. | Yes | The Company provides quarterly updates of the Company's progress across all areas of the business, including select financial information. The Board is responsible for all such updates. Individual components are also reviewed by senior management with responsibility for the specific component subject matter. The financial information is compiled by the Chief Financial Officer in accordance with generally accepted accounting practices. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 5.0 | Make timely and balanced disclosure | | |
| 5.1 | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1. | Yes | The Company has adopted a Continuous Disclosure Policy, which is included in the Corporate Governance Manual on the Company's website. The Policy is designed to guide compliance with ASX Listing Rules disclosure requirements, and to ensure all Directors, senior executives and employees of the Company understand their responsibilities under the Policy. |
| 5.2 | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | Yes | The Board Charter, which is included in the Corporate Governance Manual on the Company's website, delegates to the Company Secretary responsibility for ensuring all market announcements are provided to all directors promptly after release. |
| 5.3 | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | Yes | The Company has adopted a Continuous Disclosure Policy, which is included in the Corporate Governance Manual on the Company's website. The Policy stipulates that the Company should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. |
| 6.0 | Respect the rights of security holders | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | Yes | The Company's website provides information about the Company, its projects, its Board and management and governance. It is a platform to disclose ASX announcements of material information and periodic reports, notices and presentations. |
| 6.2 | A listed entity should have an investor relations program that facilitates effective two-way communication with investors. | Yes | The Company has a Shareholder Communication Policy, which is included in the Corporate Governance Manual on the Company's website.<br>The Company website provides a mechanism for shareholders to contact the Company via email. |
| 6.3 | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders. | Yes | The Company has a Shareholder Communication Policy, which is included in the Corporate Governance Manual on the Company's website. The Policy specifically encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals and outlines the various ways in which the Company communicates with shareholders. |
| 6.4 | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. | Yes | In accordance with ASX guidance, all Listing Rule resolutions and all substantive resolutions are decided by a poll rather than by a show of hands. |
| 6.5 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | Yes | Shareholders can register with the Company to receive email notifications when an announcement is made by the Company to ASX, including the release of annual, half-yearly and quarterly reports. Further, the Company provides a facility through its website enabling security holders to email the Company. The share registrar also provides the ability to email the share registrar and to receive documents by email from the share registrar. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 7.0 | Recognise and manage risk | | |
| 7.1 | The board of a listed entity should:<br>(a) have a committee or committees to oversee risk, each of which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee.<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. | No<br><br>Yes | The Board has decided that, due to the Company's current stage of development, no efficiencies will be achieved by convening a separate risk management committee. The Board carries out the duties that would otherwise be undertaken by the risk management committee, in accordance with the Risk Management Committee Charter, which is included in the Corporate Governance Manual on the Company's website.<br><br>The Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at Board meetings and risk management culture is encouraged amongst employees and contractors. |
| 7.2 | The board or a committee of the board should:<br>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and<br>(b) disclose, in relation to each reporting period, whether such a review has taken place. | Yes | The Board determines the Company's 'risk profile' and is responsible for overseeing and approving risk management strategy and policies, internal compliance and non-financial internal control.<br>For the year ended 30 June 2025, the Board has undertaken a review of the entity's risk management framework and has satisfied itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board. |
| 7.3 | A listed entity should disclose:<br>(a) if it has an internal audit function, how the function is structured and what role it performs; or<br>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes | No<br><br>Yes | The Company does not have an internal audit function.<br><br>Under the Company's Risk Management Policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is assumed by the full Board. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| 7.4 | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | Yes | The Company operates, inter alia, in the mineral resources sector and is subject to a variety of environmental and social risks that have the potential to have a material impact on its business. These risks include, but are not limited to:<br>*Environmental risks*<br>As with most resources' projects, the Company's activities have the potential to impact on the environment giving rise to substantial costs for environmental rehabilitation, damage, control and losses. Exploration, development and operational activities are subject to relevant Government laws and regulations concerning the environment. The Company strives to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.<br>*Social risks*<br>Whilst not materially exposed to social risk, the Company has an articulated Sustainability focus, which is included in the ESG Principles on the Company's website, designed to minimise adverse impacts of its operations on host communities. |
| 8.0 | Remunerate fairly and responsibly | | |
| 8.1 | The board of a listed entity should:<br>(a) have a remuneration committee which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. | No<br>No<br>No<br>Yes<br>Yes<br>No<br>Yes | The Board has decided that, due to the Company's current stage of development, no efficiencies will be achieved by convening a separate remuneration committee. The Board carries out the duties that would otherwise be undertaken by the remuneration committee, in accordance with the Remuneration Committee Charter, which is included in the Corporate Governance Manual on the Company's website.<br>The Board recognises its responsibility for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. Performance, duties and responsibilities, market comparisons and independent advice are all considered as part of the remuneration process. |
| 8.2 | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. | Yes | Details of the Company's policies and practices regarding the remuneration of Directors and other senior management is set out in the Remuneration Report as disclosed in the Directors' Report. |
| 8.3 | A listed entity which has an equity-based remuneration scheme should:<br>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and<br>(b) disclose that policy or a summary of it. | Yes | The Company has a Securities Trading Policy, which is included in the Corporate Governance Manual on the Company's website The Company's Securities Trading Policy provides guidance encouraging employees not to engage in margin lending or otherwise leveraging securities without the fully informed consent of the board. |

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| Principle | Recommendation | Conform | Disclosure |
|---|---|---|---|
| **9.0** | Additional recommendations that apply only in certain cases. | | |
| 9.1 | A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents. | Yes | The Board includes Mr Henian Chen a native and resident of China. To ensure that Mr Chen is able to discharge his director's duties appropriately, key documentation, including Board papers, are translated for Mr Chen by either fellow director, Mr David Wang, or Mr Chen's alternate director, Ms Simone Sun. In addition, Mr Chen and Mr Wang attend board meetings from the same physical location and Mr Wang acts as a translator as required in session; or alternatively Mr Chen and Ms Sun attend board meetings telephonically or by video conference in which case Ms Sun acts as translator in session |
| 9.2 | A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time. | Not applicable | |
| 9.3 | A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | Not applicable | |

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# A D Danieli Audit Pty Ltd

Authorised Audit Company
ASIC Registered Number 339233
Audit & Assurance Services

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**Auditor's Independence Declaration**
**Under Section 307c of the Corporations Act 2001**
**To the Directors of Ryzon Materials Ltd (formerly known as Magnis Energy Technologies Ltd)**
**ABN 27 160 885 343**
**And Controlled Entities**

I declare that, to the best of our knowledge and belief, during the year ended 30 June 2025, there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

**A D DANIELI AUDIT PTY LTD**

**Sam Danieli**
**Director**

**Sydney, 08 October 2025**

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# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

**YEAR ENDED 30 JUNE 2025**

| | Notes | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Income** | | | |
| Interest received | | 9,308 | 155,877 |
| Foreign exchange gain | | 16,935 | 21,830 |
| Profit on sale of fixed assets | | - | 36,709 |
| Profit/(Loss) arising from Deconsolidation - iM3NY | 27 | - | 51,813,572 |
| Currency Profit/(Loss) arising from Deconsolidation - iM3NY | | - | 1,902,709 |
| **Total income** | | **26,243** | **53,930,697** |
| | | | |
| **Expenditure** | | | |
| Administration expenses | 31 | 837,789 | 6,167,631 |
| Depreciation expense | | 351,002 | 832,616 |
| Directors' fees | | 240,024 | 513,199 |
| Employee benefits expense | | 933,746 | 3,630,686 |
| Interest expense | 30 | 3,518,990 | 10,363,674 |
| Borrowing & Loan Costs | 33 | - | 3,808,951 |
| Legal and consulting expenses | 32 | 1,297,052 | 7,752,554 |
| Cost of Production expenditure | | - | 7,046,273 |
| Impairment of prepayments | 8 | - | 3,588,112 |
| Impairment of development assets | 10 | 8,134,028 | - |
| Exploration and evaluation expenses | | 486,670 | 1,202,897 |
| **Total expenditure** | | **15,799,301** | **44,906,593** |
| | | | |
| **(Loss)/Profit before income tax expense** | | **(15,773,058)** | **9,024,104** |
| Income tax expense | 6 | **-** | **-** |
| **Net (loss)/profit for the year** | | **(15,773,058)** | **9,024,104** |
| | | | |
| **Net (loss)/profit for the year attributable to** | | | |
| Owners of Ryzon Materials Limited | | (15,773,058) | 15,417,117 |
| Non-controlling Interest | | - | (6,393,013) |
| **Net (loss)/profit for the year** | | **(15,773,058)** | **9,024,104** |
| | | | |
| **Other comprehensive income/(loss)** | | | |
| *Items that will not be reclassified subsequently to profit or (loss)* | | | |
| Change in fair value of financial assets at FVOCI | | - | (15,096,142) |
| | | | |
| *Items that may be reclassified subsequently to profit or (loss)* | | | |
| Exchange differences on iM3NY deconsolidation reclassified to profit and (loss) | | - | (1,902,709) |
| Gain/(loss) on foreign currency translation | | 118,411 | 1,491,359 |
| **Other comprehensive income/(loss) for the year, net of tax** | | **118,411** | **(15,507,492)** |
| | | | |
| **Total comprehensive (loss) for the year, net of tax** | | **(15,654,647)** | **(6,483,388)** |
| | | | |
| **Total comprehensive (loss) for the year attributable to** | | | |
| Owners of parent entity | | (15,654,647) | (90,375) |
| Non-controlling Interest | | - | (6,393,013) |
| **Total comprehensive (loss) for the year attributable to** | | **(15,654,647)** | **(6,483,388)** |
| | | | |
| Basic (loss)/earnings per share (cents per share) | 23 | (1.31) | 1.29 |
| Diluted (loss)/earnings per share (cents per share) | 23 | (1.31) | 1.29 |

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes.

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# STATEMENT OF FINANCIAL POSITION

**AS AT 30 JUNE 2025**

| | Notes | Consolidated 2025 $ | 2024 $ |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | 7, 19 | 77,621 | 89,669 |
| Trade and other receivables | 8 | 269,627 | 771,763 |
| **Total current assets** | | **347,248** | **861,432** |
| **Non-current assets** | | | |
| Right-of-use-assets | 9 | 1,500,150 | 689,681 |
| Development assets | 10 | - | 7,955,173 |
| Plant & equipment | 11 | 15,997 | 53,803 |
| **Total non-current assets** | | **1,516,147** | **8,698,657** |
| **TOTAL ASSETS** | | **1,863,395** | **9,560,089** |
| **Current liabilities** | | | |
| Trade and other payables | 12 | 13,698,171 | 9,251,623 |
| Lease Liability | 13 | 315,347 | 274,250 |
| Provisions | 14 | 322,342 | 585,116 |
| Borrowings | 15 | 8,237,593 | 5,303,593 |
| **Total current liabilities** | | **22,573,453** | **15,414,582** |
| **Non-current liabilities** | | | |
| Lease Liability | 13 | 1,258,693 | 459,611 |
| **Total non-current liabilities** | | **1,258,693** | **459,611** |
| **TOTAL LIABILITIES** | | **23,832,146** | **15,874,193** |
| **NET ASSETS** | | **(21,968,751)** | **(6,314,104)** |
| **Equity** | | | |
| Contributed equity | 16 | 241,876,346 | 241,876,346 |
| Reserves | 17 | 6,561,204 | 8,574,807 |
| Accumulated Profits/(Losses) | | (270,412,315) | (256,765,257) |
| **Parent Interest - Capital and Reserves** | | **(21,968,751)** | **(6,314,104)** |
| **TOTAL EQUITY** | | **(21,968,751)** | **(6,314,104)** |

The above Statement of Financial Position should be read in conjunction with the accompanying Notes.

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# STATEMENT OF CHANGES IN EQUITY

## YEAR ENDED 30 JUNE 2025

| | Notes | Issued Capital $ | FVOCI Reserve $ | Share Based Payment Reserves $ | Foreign Currency Translation Reserve $ | Accumulated (Losses) $ | Non controlling interests $ | Total Equity $ |
|---|---|---|---|---|---|---|---|---|
| **At 30 June 2024** | | **241,876,346** | **-** | **2,878,930** | **5,695,877** | **(256,765,257)** | **-** | **(6,314,104)** |
| Profit/(Loss) for the period | | - | - | - | - | (15,773,058) | - | **(15,773,058)** |
| Other comprehensive Income /(loss) for the year, net of tax | | - | - | - | 118,411 | - | - | **118,411** |
| **Total comprehensive income /(loss) for current year** | | **-** | - | **-** | **118,411** | **(15,773,058)** | - | **(15,654,647)** |
| **Transactions with owners:** | | | | | | | | |
| Contributions of equity, net of transaction costs | | - | - | - | - | - | - | **-** |
| Share-based payment (SBP) | 29(a) | - | - | - | - | - | - | **-** |
| SBP (Forfeited) | 29(a) | - | - | (2,126,000) | - | 2,126,000 | - | **-** |
| Other | | - | - | - | - | - | - | **-** |
| **At 30 June 2025** | | **241,876,346** | **-** | **752,930** | **5,814,288** | **(270,412,315)** | **-** | **(21,968,751)** |

## YEAR ENDED 30 JUNE 2024

| | Notes | Issued Capital $ | FVOCI Reserve $ | Share Based Payment Reserves $ | Foreign Currency Translation Reserve $ | Accumulated (Losses) $ | Non controlling interests $ | Total Equity $ |
|---|---|---|---|---|---|---|---|---|
| **At 30 June 2023** | | **259,137,517** | **5,076,057** | **3,841,692** | **6,107,227** | **(287,398,720)** | **12,072,494** | **(1,163,733)** |
| Profit/(Loss) for the period | | - | - | - | - | 15,417,117 | (6,393,013) | **9,024,104** |
| Other comprehensive Income /(loss) for the year, net of tax | | - | (15,096,142) | - | (411,350) | - | - | **(15,507,492)** |
| **Total comprehensive income /(loss) for current year** | | **-** | (15,096,142) | **-** | **(**411,350) | 15,417,117 | (6,393,013) | **(6,483,388)** |
| **Transactions with owners:** | | | | | | | | |
| Contributions of equity, net of transaction costs | | 7,193,177 | - | - | - | - | - | **7,193,177** |
| Deconsolidation of iM3NY | | (24,454,348) | - | - | - | 24,454,348 | - | **-** |
| Derecognition of non-controlling on loss of control of iM3NY | | - | - | - | **-** | - | (5,679,481) | **(5,679,481)** |
| Share-based payment (SBP) | 29(a) | - | - | - | - | - | - | **-** |
| SBP (Forfeited) | 29(a) | - | - | (962,762) | - | 962,762 | - | **-** |
| Other | | - | - | - | - | (180,679) | - | **(180,679)** |
| Reclassification from reserve | | - | 10,020,085 | - | - | (10,020,085) | **-** | **-** |
| **At 30 June 2024** | | **241,876,346** | **-** | **2,878,930** | **5,695,877** | **(256,765,257)** | **-** | **(6,314,104)** |

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

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# STATEMENT OF CASH FLOWS

## YEAR ENDED 30 JUNE 2025

| | Notes | 2025 $ | 2024 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Payments to suppliers and employees | | (2,096,836) | (2,818,930) |
| Payment of exploration expenditure | | (454,961) | (2,030,642) |
| Recovery of/(Payment for) development assets | | - | 93,311 |
| Payments to production | | - | (7,046,273) |
| Interest and other costs of finance paid | | (400,000) | (8,531,744) |
| Interest received | | 5,768 | 153,364 |
| Other income received | | - | - |
| **Net cash (used in)/from operating activities** | 19 | **(2,946,029)** | **(20,180,914)** |
| **Cash flows from investing activities** | | | |
| Acquisition of plant & equipment | | - | (880,966) |
| Proceeds from sale of property, plant, and equipment | | - | 1,834,117 |
| **Net cash flows (used in)/from investing activities** | | **-** | **953,151** |
| **Cash flows from financing activities** | | | |
| Proceeds from issues of ordinary shares and options | | - | 7,700,000 |
| Proceeds from issues/sale of ordinary shares - iM3NY | | - | 762,998 |
| Capital raising expenses | | - | (506,823) |
| Proceeds from borrowings | | 3,642,593 | 7,341,593 |
| Repayment of borrowings | | (708,593) | (6,638,000) |
| Transaction costs related to loans and borrowings | | - | (4,733,000) |
| **Net cash flows (used in)/from financing activities** | | **2,934,000** | **3,926,768** |
| **Net increase/(decrease) in cash and cash equivalents** | | **(12,029)** | **(15,300,995)** |
| Net foreign exchange differences | | (19) | 282,730 |
| Less cash in iM3NY subsidiary as at date of deconsolidation | | - | (7,029,671) |
| Add opening cash and cash equivalents | | 89,669 | 22,137,605 |
| **Closing cash and cash equivalents** | 7, 19 | **77,621** | **89,669** |

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes.

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# Notes to the Financial Statements – Year Ended 30 June 2025

## 1. GENERAL INFORMATION

The financial statements cover Ryzon Materials Limited as a consolidated entity consisting of Ryzon Materials Limited and its controlled entities described in Note 28 ('the Group'). Ryzon Materials Limited is a company, limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange ('ASX'). Its registered office and principal place of business is:

Suite 11.01, 1 Castlereagh Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**Going Concern (Material Uncertainty)**

For the year ended **30 June 2025**, the Group reported a **net loss of $15,773,058** and **net operating cash outflows of $2,946,029**. At that date the Group held **cash of $77,621** and had **net current liabilities of $22,226,205**. The Directors considered whether the financial report should be prepared on a **liquidation basis** and concluded that preparation on a **going-concern basis** remains appropriate. The financial statements **do not include adjustments** that would be required if the Group were unable to continue as a going concern.

The Group has prepared cash-flow forecasts for at least twelve months from the date of this report. These forecasts indicate the Group can meet obligations subject to the following principal assumptions:

- **Borrowings**: No **contracted** principal repayments and **no cash interest payments are required** within the forecast horizon **under executed waivers/amendments**; interest will accrue in accordance with those terms (see **Borrowings**).
- **Secured lender support**: Present intention to provide **up to $7.0 million** of funding for operating costs and working capital over the next twelve months; this support remains **at lender discretion** and **subject to facility terms** (including where commitments are made by an **agent/trustee**).
- **Equity facility (GCF)**: Access is conditional on **ASX re-quotation**, an **ASX trading price ≥ $0.04**, meeting **liquidity tests** and **capital-call limits**. These conditions are **not wholly within the Group's control**.Access to equity financing under the agreement with Global Corporate Finance (GCF), which provides a total commitment amount of $10 million, with an option to increase by a further $5 million subject to mutual agreement. The agreement is contractually effective once the Company's shares are re-quoted on the ASX.
- **Operational profile**: Reduced expenditure consistent with the forecasts and **continued supply/deferral arrangements** with key trade creditors.
- **Contingent liabilities**: **Assumes no cash outflows** from contingent liabilities within the forecast period; if such outflows arise (including from **ASIC proceedings**), **additional funding would be required** (see **Contingent liabilities**).

The Directors have also considered **severe-but-plausible downside scenarios**, including: (i) delay or failure of ASX re-quotation preventing access to the GCF facility; (ii) a trading price below **$0.04** restricting capital calls; (iii) inability to draw despite re-quotation due to **liquidity/call limits**; (iv) withdrawal or reduction of **secured lender support**; and (v) **cash outflows from litigation**, noting legal advisers are presently unable to **reliably quantify** potential financial effects (see **Contingent liabilities**).

The Directors have **no present intention** to appoint an administrator or to wind up the Group **within twelve months** from the date of this report. Nevertheless, creditors retain their **statutory and contractual rights**, including to demand repayment or initiate external administration independently of Directors' intent. The Group's ability to continue as a going concern is therefore **dependent on** securing the funding and financial support described above, much of which is **outside the Group's control** (see **Capital management/GCF, Borrowings, Contingent liabilities** and **Events after**). **Accordingly, a material uncertainty exists** that **may cast significant doubt** on the Group's ability to continue as a going concern.

**As at 30 June 2025, the Group's borrowings are classified as current because the Group did not have an unconditional right to defer settlement for at least twelve months at balance date. After balance date, the secured lender indicated an intention to extend the maturity to 30 September 2026; this is a non-adjusting subsequent event and does not remove the material uncertainty (see Events after).Basis of preparation**

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001 (Cth),* Australian Accounting Standards and interpretations and complies with other requirements of the law.

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Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements are for the Group consisting of Ryzon Materials Limited and its subsidiaries.

The financial report is prepared in Australian dollars, $.

**Historical cost convention**

The financial statements have been prepared on an accrual basis under the historical cost convention, as modified by the revaluation of selected non-current assets, financial assets, and financial liabilities for which the fair value basis of accounting has been applied.

**Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

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**New or amended Accounting Policies Adopted by the Group**

The Australian Accounting Standards and AASB interpretations adopted are consistent with those of the previous year except as follows:

- *AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non-current*
  The Group adopted *AASB 2020-1* which amends AASB 101 to clarify whether a liability should be presented as current or non-current. The adoption of the amendment did not have a material impact on the financial statements.

- *AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*
  The Group adopted *AASB 2022-6* which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure. The adoption of the amendment did not have a material impact on the financial statements.

The Group has adopted all amendments required for the year ended 30 June 2025. The adoption of these amendments did not have a material impact on the financial statements.

**New or amended Accounting Policies Not Yet Adopted by the Group**

New and amended Australian Accounting Standards and AASB interpretations not yet adopted are expected to have a material effect on the entity and will be adopted as required. No new and amended Australian Accounting Standards and AASB interpretations are yet to be adopted by the Group.

**Statement of Compliance**

The financial report was authorised for issue, in accordance with a resolution of directors, on 30 September 2025. The directors have the power to amend and reissue the financial statements. The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report comprising the financial statements and notes thereto complies with International Financial Reporting Standards (IFRS).

**Parent entity information**

In accordance with the *Corporations Act 2001 (Cth),* these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 26.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the consolidated Group in the preparation of the financial statements. The accounting policies have been consistently applied to all years presented, unless otherwise stated.

### Exploration and evaluation costs

Exploration and evaluation expenditure is expensed directly to profit or loss when incurred. Accounting policies for the Group's development assets are outlined in Note 10 'Development Assets'.

### 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, annual leave, and long service leave when it is probable that settlement will be required.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled including related on-costs, such as workers compensation and payroll tax.

### Revenue recognition

Interest revenue is recognised as interest accrues using the effective interest method.

### Contributed equity

Ordinary shares are classified as equity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

### Restatement of comparatives

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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## Goods and services tax (GST) and/or value added tax (VAT)

Revenues, expenses, and assets are recognised net of the amount of GST/VAT except:

- where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT 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/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the taxation authority.

## Fair value measurement

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

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

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

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

## Foreign currency translation

### Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

### Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are re-translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in profit or loss.

### Financial statements of foreign operations

The financial results and position of foreign operations whose functional currency is not Australian dollars, the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- income and expenses are translated at average exchange rates for each month during the period.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in other comprehensive income. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

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## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements.

Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, that management believes to be reasonable under the circumstances.

The resulting accounting judgements and estimates will seldom equal the related actual results. The estimate, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective Notes) within the next financial year are discussed below.

**Share-based payment transactions**

The Group measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using a binomial option pricing model that uses the assumptions detailed in Note 29(g).

**Indirect tax receivables and liabilities**

The Group is subject to indirect taxes in Australia and the jurisdiction where it has foreign operations. Significant judgement is required in determining the amounts recorded as receivables for recovery of such taxes and payables for payment of such taxes. The Group is subject to an audit by a tax authority in the jurisdiction in which it operates.

The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The Group has adequately recorded receivables and payables for the amounts it believes will ultimately be payable. Where the final outcome of any matter is different from amounts recorded, such differences will impact the indirect tax receivables or provision in the period in which such determination is made.

**Fair value estimates of financial instruments**

The Group is required to classify all assets and liabilities, measured at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as Level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

## 4. SEGMENT INFORMATION

**Identification of reportable segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM, which is the Board of Directors, is responsible for the allocation of resources to operating segments and assessing their performance.

The Group has determined its reportable segments for the financial year ended 30 June 2025 as follows:

- lithium-ion battery investments
- graphite exploration and development
- head-office support

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| Segment financial information | Deconsolidated Lithium-ion Battery Plant Investment USA | Graphite Exploration and Development Tanzania | Head-Office Support Australia | Consolidated |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **30 June 2025** | | | | |
| Segment income | - | - | 26,243 | **26,243** |
| Segment profit/(loss) before tax | - | (9,850,260) | (5,922,798) | **(15,773,058)** |
| Segment current assets | - | 21,638 | 325,610 | **347,248** |
| Segment non-current assets | - | 133,251 | 1,382,896 | **1,516,147** |
| Segment liabilities | - | (1,988,567) | (21,843,579) | **(23,832,146)** |

| Segment financial information | Deconsolidated Lithium-ion Battery Plant Investment USA | Graphite Exploration and Development Tanzania | Head-Office Support Australia | Consolidated |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **30 June 2024** | | | | |
| Segment income | 53,897,504 | - | 33,193 | **53,930,697** |
| Segment profit/(loss) before tax | (24,616,918) | (1,352,300) | 34,993,322 | **9,024,104** |
| Segment current assets | - | 476,858 | 384,574 | **861,432** |
| Segment non-current assets | - | 8,163,759 | 534,898 | **8,698,657** |
| Segment liabilities | - | (1,418,232) | (14,455,961) | **(15,874,193)** |

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**Accounting policies**

The Group applies AASB 8 Operating Segments and determines its operating segments to be based on its geographical location and also by operational type. Lithium-ion battery investment refers to the Group's ownership in operating or planned battery factories. Graphite exploration and development refers to the pre-development Nachu Graphite Project in Tanzania. The financial performance of these segments is reported to the Board on a periodical basis. The accounting standards adopted in preparing internal reports to the Board are consistent with those adopted in preparing this annual report. Operating segments are subject to risks and returns that are different to those of segments operating in other economic environments.

**Inter-segment transactions**

To avoid asymmetrical allocation within segments which management believe would be inconsistent policy, if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to segments.

**Segment assets and liabilities**

Segment assets include all assets used by a segment and consist primarily of cash and cash equivalents, development assets, plant and equipment, right of use assets and trade and other receivables. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets are used jointly by segments are not allocated. Segment liabilities consist primarily of trade and other creditors, borrowings, lease liabilities and employee benefits. Segment assets and liabilities do not include deferred income taxes.

## 5. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends were paid or declared since the start of the financial year.
No recommendation for payment of dividends has been made.

## 6. INCOME TAX

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Current income tax credit/(expense) | 748,785 | (850,429) |
| Tax losses not recognised as not probable | (1,622,750) | 2,956,867 |
| **(Under)/over provision in prior year** | **(873,965)** | **2,106,438** |
| | | |
| **Deferred income tax** | | |
| Relating to origination and reversal of temporary differences | **873,965** | **(2,106,438)** |
| Tax losses brought to account to offset net deferred tax liability | **-** | **-** |
| **Income tax credit/(expense) reported in the Statement of Comprehensive Income** | **-** | **-** |

**(a) Statement of Changes in Equity**

| **Deferred income tax related to items charged or credited directly to equity** | **2025** | **2024** |
|---|---|---|
| | **$** | **$** |
| Amortised share issue costs | (423,720) | (456,811) |
| Deferred tax offset | 423,720 | 456,811 |
| Income tax benefit reported in Equity | **-** | **-** |

**(b) Tax Reconciliation**

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows

| | **2025** | **2024** |
|---|---|---|
| | **$** | **$** |
| **Accounting (loss)/profit before tax** | **(15,773,058)** | **9,024,104** |
| | | |
| At the Group's statutory 30% tax rate (2024: 30%) | 4,731,917 | (2,707,232) |
| Share-based payment expense | - | - |
| Movement in temporary differences | (18,142) | 437,142 |
| Exploration Expense Write Off | (2,586,209) | - |
| Deductible option issue costs | 454,130 | 456,811 |
| Other adjustments | (958,946) | (1,143,588) |
| Tax losses not brought to account | (1,622,750) | 2,956,867 |
| Loss recoupment | - | - |
| **Income tax (expense) reported in the Statement of Comprehensive Income** | - | - |

The benefit of these losses and temporary differences will only be obtained if:

- the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.
- the Group continues to comply with the condition of deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deduction for the loss.

At the reporting date, the Group has estimated tax losses of (refer below) available to offset against future taxable income subject to continuing to meet relevant statutory tests.

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To the extent that it does not offset a deferred tax liability, a deferred tax asset has not been recognised for these losses because it is not probable that future taxable income will be available to use against such losses.

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Group tax losses | 58,173,874 | 54,879,886 |
| Transferred tax losses | 26,706,090 | 26,706,090 |
| Tax losses in foreign companies | 150,891,961 | 152,597,831 |
| **Total tax losses** | **235,771,925** | **234,183,807** |

**Accounting policies**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred income tax is provided on all temporary differences at the reporting 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 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; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures and the timing of the reversal of the temporary difference 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 difference, and the carry-forward of unused tax assets and unused tax losses can be used, 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
- when the deductible temporary differences are associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be applied.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 reporting date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of financial position.

**Tax consolidated Group**

The Company and its wholly owned Australian subsidiaries have elected to form a tax consolidated Group from 1 July 2015, with Ryzon Materials Limited being the head entity within that Group. These entities are taxed as a single entity.

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## 7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Cash on hand | 20,769 | 4,506 |
| Cash at bank | 56,852 | 85,163 |
| | **77,621** | **89,669** |

**Accounting policies**

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value, and bank overdrafts.

## 8. TRADE AND OTHER RECEIVABLES

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Accrued interest | 7,182 | 8,007 |
| GST/VAT recoverable | 38,300 | 522,544 |
| Prepayments and other receivables | 22,055 | 32,857 |
| Security deposit | 202,090 | 208,355 |
| | **269,627** | **771,763** |

**Accounting policies**

Other receivables are recognised and measured at amortised cost, less any allowance for expected credit losses.

**Impairment**

At each reporting date, the Group reviews the carrying values of trade and other receivables to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value, has less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## 9. RIGHT OF USE ASSET (RoU)

| | Consolidated | |
|---|---|---|
| **Non-current assets** | 2025 | 2024 |
| | $ | $ |
| **Carrying amount at start of period** | **689,681** | **31,049,975** |
| Additions | 1,120,066 | 47,501 |
| iM3NY RoU asset carrying value at time of deconsolidation | - | (29,768,181) |
| Depreciation expense | (312,475) | (682,602) |
| Currency translation | 2,878 | 42,988 |
| **Carrying amount of Right-of-use assets** | **1,500,150** | **689,681** |

**Accounting policies**

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost, less accumulated depreciation, and impairment losses.

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## 10. DEVELOPMENT ASSETS

| Non-current assets | Consolidated 2025 $ | 2024 $ |
|---|---|---|
| **Development – Nachu Graphite Project ('NGP')** | **-** | **7,955,173** |

The Company's subsidiary in Tanzania received a notice of non-compliance from the Mining Commission concerning Special Mining License (SML 550/2015) in May 2025. The notice pertains to the subsidiary's failure to commence development activities within the stipulated 18-month period from the license grant date, as mandated by the Mining Act, Cap 123.

The company has responded to the Mining Commission to address this matter and ensure compliance and in June 2025 received confirmation that the default notice had been lifted. Currently, there are no indications of issues affecting the validity of the license.

**Accounting policies**

Development assets are stated at cost less accumulated amortisation and impairment losses. Cost represents the accumulation of all the compensation and resettlement expenditure incurred by, or on behalf of, the entity in relation to areas of interest in which construction or development has commenced. Compensation and resettlement expenditures are capitalised as development assets.

Development costs, in which the Group has an interest are amortised over the life of the area of interest to which the costs relate to on a units of production basis over the estimated proven and probable ore-reserves and a proportion of other measured and indicated mineral resources where there is a high degree of confidence that they can be extracted economically. Changes in the life of the area of interest, ore reserves, and/or other mineral resources are accounted for prospectively.

As at 30 June 2025, the depreciation in development asset has not commenced yet because the exploitation of the mine has not begun.

**Impairment**

At each reporting date, the Group assesses development assets for indicators of impairment. For the **Nachu Graphite Project (NGP)**, the Directors identified indicators at **30 June 2025** including funding uncertainty, the early-stage nature of the project, and the absence of current independent valuation evidence compliant with **AASB 136**. The **cash-generating unit (CGU)** is the NGP.

The **recoverable amount** of the CGU at **30 June 2025** was determined as the **higher of** value-in-use (VIU) and fair value less costs of disposal (FVLCD). VIU was not supportable because the project is not yet generating independent cash inflows and near-term cash flows are contingent on external funding. FVLCD could not be evidenced because there were no binding market transactions or third-party offers at the reporting date; previously prepared technical/economic studies did **not** constitute an AASB 136 recoverable-amount model or an **AASB 13** fair-value measurement.

Accordingly, the Group determined the recoverable amount to be **$nil** and recognised an **impairment loss of $8,134,028** in **profit or loss** for the year ended 30 June 2025 (2024: nil).

Key judgements include: (i) **tenure** (a non-compliance notice issued in May-2025 was lifted in June-2025 and there are currently no indications affecting licence validity); (ii) the timing and availability of project funding; and (iii) the Group's ability to progress to commercialisation. Any future **reversal of impairment** would require objective evidence that the recoverable amount has increased (e.g., independently supportable valuation or observable market transactions). See also **Note 1 Going concern**.

| **Movements in development assets are as follows:** | Consolidated 2025 $ | 2024 $ |
|---|---|---|
| **Carrying amount at start of period** | **7,955,173** | **8,029,704** |
| Development costs capitalised/(recovered) during the year | - | (93,311) |
| Impairment | (8,134,028) | - |
| Currency translation difference | 178,855 | 18,780 |
| **Carrying value of Development assets** | **-** | **7,955,173** |

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## 11. PLANT AND EQUIPMENT

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| **Plant and Equipment** | 15,997 | 53,803 |
| | **15,997** | **53,803** |

**Accounting policies**

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

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

***Depreciation***

Depreciation is provided on plant and equipment, motor vehicles, office equipment, furniture, and fittings, and is calculated on a straight-line basis, commencing from the time the asset is first used, so as to write off the net costs of each asset over its expected useful life.

The following useful lives are used in the calculation of depreciation:

- Plant & equipment 2 to 5 years
- Vehicles 2 to 5 years
- Office equipment, furniture & fittings 2 to 20 years

The residual value and useful life of assets are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal(s), if any, are determined by comparing the proceeds with the carrying amount. These are included in profit or loss.

***Impairment***

At each reporting date, the Group reviews the carrying values of its plant & equipment assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's Fair Value less Costs to sell and Value In Use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As at 30 June 2025, no impairment to the carrying value of its plant & equipment assets has been deemed necessary.

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## 11. PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the financial year:

| | Consolidated Group | | | | | |
|---|---|---|---|---|---|---|
| **YEAR ENDED 30 JUNE 2025** | **Plant and equipment** | **Office equipment** | **Office furniture and fittings** | **Office improvements** | **Motor vehicles** | **Total** |
| | **$** | **$** | **$** | **$** | **$** | **$** |
| **Balance at 1 July 2024 net of accumulated depreciation** | **9,167** | **42,850** | **1,786** | **-** | **-** | **53,803** |
| Additions | - | - | - | - | - | - |
| (Disposals) | - | - | - | - | - | - |
| Currency translation differences | 2,391 | (1,714) | 45 | - | - | 722 |
| Depreciation charge for the year | (11,558) | (25,139) | (1,831) | - | - | (38,528) |
| **Balance at 30 June 2025 net of accumulated depreciation** | **-** | **15,997** | **-** | **-** | **-** | **15,997** |
| **At 30 June 2025** | | | | | | |
| Cost | 481,275 | 209,997 | 24,592 | 69,031 | 37,894 | 822,789 |
| Accumulated depreciation and impairment | (481,275) | (194,000) | (24,592) | (69,031) | (37,894) | (806,792) |
| **Net carrying amount** | **-** | **15,997** | **-** | **-** | **-** | **15,997** |
| **YEAR ENDED 30 JUNE 2024** | | | | | | |
| **Balance at 1 July 2023 net of accumulated depreciation** | **29,164** | **72,385** | **5,599** | **-** | **-** | **107,148** |
| Additions | - | 5,835 | - | - | - | 5,835 |
| (Disposals) | (6,430) | - | (975) | - | - | (7,405) |
| Currency translation differences | (108) | (281) | (23) | - | - | (412) |
| Depreciation charge for the year | (13,459) | (35,089) | (2,815) | - | - | (51,363) |
| **Balance at 30 June 2024 net of accumulated depreciation** | **9,167** | **42,850** | **1,786** | **-** | **-** | **53,803** |
| **At 30 June 2024** | | | | | | |
| Cost | 477,592 | 208,902 | 24,342 | 69,031 | 37,894 | 817,761 |
| Accumulated depreciation and impairment | (468,425) | (166,052) | (22,556) | (69,031) | (37,894) | (763,958) |
| **Net carrying amount** | **9,167** | **42,850** | **1,786** | **-** | **-** | **53,803** |

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## 12. TRADE AND OTHER PAYABLES

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| **Current** | $ | $ |
| Trade payables | 5,041,918 | 6,662,383 |
| Other payables and accruals | 8,656,253 | 2,589,240 |
| | **13,698,171** | **9,251,623** |

**Accounting policies**

Trade and other payables are recognised when the Group becomes obliged to make further payments from the purchase of goods and services and are measured at amortised cost using the effective interest method, less any impairment losses.

## 13. LEASE LIABILITIES

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| **Current** | $ | $ |
| Lease Liabilities | **315,347** | **274,250** |
| **Non-current** | | |
| Lease Liabilities | **1,258,693** | **459,611** |

**Accounting policies**

The lease liability is measured at the present value of the fixed and variable lease payments, net of cash lease incentives, that are not paid at the balance date. Lease payments are apportioned between finance charges and a reduction of the lease liability using the incremental borrowing rate implicit in the lease where available, or an assumed Group incremental borrowing rate, to achieve a constant rate of interest on the remaining balance of the liability.

## 14. PROVISIONS

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| **Current** | $ | $ |
| Employee benefits provision | **322,342** | **585,116** |

**Annual Leave and Long Service Leave**

An estimate of annual leave and long service leave is provided after reviewing relevant workplace agreements and industrial awards for respective employees and determining entitlement at the reporting date. The cost includes an account of indirect employment costs.

The significant assumptions applied in the measurement of this provision include devising probabilities for employees complying with the legislative requirements (years of service) and the computed employment costs, discounted by using RBA bond rates applied for the respective years of service.

**Accounting policies**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

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## 15. BORROWINGS

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| **Current** | **$** | **$** |
| Unsecured debt | - | 703,593 |
| Secured debt | 8,237,593 | 4,600,000 |
| | **8,237,593** | **5,303,593** |

Borrowings are classified as current at 30 June 2025 because the Group did not have an unconditional right to defer settlement for ≥12 months at that date; any post-year-end extension is a non-adjusting event and does not change classification.

**Unsecured debt**

There were no unsecured loans or advances made to or provided during the financial year ended 30 June 2025 (FY2024: $703,593). All funds were provided with no fixed date for repayment, on an interest-free and unsecured basis. All unsecured amounts were fully repaid by 31 December 2024.

**Secured debt**

During the December 2023 quarter, Ryzon procured a $4.6 million secured debt from sophisticated and professional investors. In July 2024, the debt was assigned to McEvoy Street (Alexandria) Pty Ltd.

The debt is secured by a general security deed executed by the Company, a share pledge in respect of each of its subsidiaries and a debenture deed issued by each of its Tanzanian subsidiaries, with the following material terms in relation to the debt:

- the principal amount owing to the Secured Lender was agreed at $5.5 million.
- interest will accrue at 4.5% per month payable on maturity, and
- maturity date of 16 October 2024, subsequently extended to 15 May 2026.

In May 2025, McEvoy advised it intends to continue to provide financial support to the Company in relation to its ongoing operating costs and working capital requirements in an amount of up to $5 million over the next 12 months.

During the June 2025 Quarter, the Secured Lender agreed to increase the Principal Amount from $7.262 million to $8.238 million. All other terms and conditions under the existing secured debt agreement remain.

**Accounting policies**

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

The component of secured notes that exhibits characteristics of debt is recognised as a liability in the Statement of Financial Position, net of transaction costs.

On issue of secured notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds is allocated to the equity component and is recognised in shareholders' equity. The carrying amount of the equity component is not remeasured in subsequent years.

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## 16. CONTRIBUTED EQUITY

| a) Issued capital | Number of shares | 2025 $ |
|---|---|---|
| Ordinary Fully Paid shares | **1,199,498,151** | **241,876,346** |

Ordinary Fully Paid shares carry a vote per share and carry a right to dividends.

| b) Movements in fully paid shares | Number of shares | 2025 $ |
|---|---|---|
| **At 30 June 2024** | **1,199,498,151** | **241,876,346** |
| Shares issued | - | - |
| Transaction costs | - | - |
| **At 30 June 2025** | **1,199,498,151** | **241,876,346** |

During the year the Company raised funds from equity as follows:

a. $NIL (2024: $7,700,000) from share placements of NIL (2024: 84,166,668) ordinary fully paid shares. Transaction costs amounted to $NIL (2024: $506,823).
b. $NIL (2024: NIL) from the exercise of unlisted options, issuing NIL (2024: NIL) Ordinary Fully Paid shares.

**c) Capital management**

Management's prime objective when managing the Group's capital is to ensure the entity continues as a going concern as well as ensuring that funds are appropriately expended. The capital structure is intended to provide the lowest cost of capital available to the Group considering its present phase of operations.

*Capital risk management.*

In order to maintain or adjust the capital structure, the consolidated entity may return capital to shareholders, issue new shares or sell assets to reduce debt.

## 17. RESERVES

**a) Reserves**

| | Consolidated | |
|---|---|---|
| | 2025 $ | 2024 $ |
| Foreign currency translation | 5,808,274 | 5,695,877 |
| Share-based payment | 752,930 | 2,878,930 |
| | **6,561,204** | **8,574,807** |

**b) Nature and purpose of reserves**

i. **Foreign currency translation reserve:** Exchange differences arising on translation of foreign controlled entities are taken to the foreign currency translation reserve, as described in Note 2.

The reserve is recognised in profit or loss when the net investment is disposed of.

ii. **Share-based payment reserve:** The share-based payment reserve is used to recognise the fair value of options and performance rights issued to Directors, employees, and contractors.

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## 18. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2025, the Group has the following has the following contingent liabilities:

- In August 2025, Ramboll Americas Integrated Solutions, Inc. (Ramboll) lodged a claim in the Broome County Supreme Court against several parties including the Company, Phoenix Endicott, C4V, Imperium3 New York Inc along with current and former directors and employees of IM3NY and the Company. The claim is, inter alia, for compensatory damages of an unspecified amount relating to Ramboll's permitting, engineering, procurement, construction and other services in connection with the development of the Imperium3 battery factory. The Company will review the claim, which it presently intends to defend, in conjunction with its legal advisers.
- In April 2024, the Australian Securities and Investments Commission (ASIC) instituted civil penalty proceedings in the Federal Court against the Company and its Executive Chairman, Mr Poullas, alleging, among other claims, that the Company breached its continuous disclosure obligations and engaged in misleading or deceptive conduct.

  In October 2024, the Company filed its defence denying the allegations that it failed to comply with its continuous disclosure obligations or engaged in misleading or deceptive conduct. The parties are currently engaged in pre-trial procedures in accordance with court orders (such as discovery, pleadings, interlocutory motions and case management hearings). Court proceedings are presently scheduled for February 2026.

  The Company's legal advisers are presently reviewing the relevant pleadings, factual material, and the likely legal arguments, but have not been able to quantify any potential financial cost or liability to the Company, or to its directors, arising from the ASIC proceedings, as at the date of this report, in the event the Court finds in ASIC's favour. The possible outcomes from an adverse finding include declarations, pecuniary penalties, costs, and possibly disqualification orders, among other remedies sought by ASIC, but the magnitude of any such outcomes is subject to significant uncertainty, in the event the Court finds in ASIC's favour.

  Given the nature of the proceedings, including factual, legal and procedural uncertainties and the absence of an admission of liability, management is unable to make a reliable estimate of any contingent liability (if any) at this time, and no provision has been made in the financial statements in respect of these proceedings.
- There are no other contingent liabilities or assets as at 30 June 2025.

## 19. STATEMENT OF CASH FLOWS

### a) Reconciliation of the net profit/(loss) after income tax to the net cash flows from operating activities

| Operating activities | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| **Net profit/(loss)** | **(15,773,058)** | **(126,462,976)** |
| **Non-cash and non-operating items** | | |
| Depreciation of non-current assets | 38,528 | 51,363 |
| Amortisation of borrowing costs | - | 3,543,905 |
| Employee and other share-based remuneration | 123,514 | (658,701) |
| Profit/(loss) on non-recoverable assets/investments | - | 84,470,729 |
| Net foreign currency translation gain/(loss) | (127,249) | 1,776,354 |
| **Reclassification of receipt to other activities** | | |
| Non-refundable deposit | 888,849 | - |
| **Changes in assets and liabilities** | | |
| (Increase)/decrease in trade and other receivables | 487,554 | 7,152,226 |
| (Increase)/decrease in prepayments | (788) | 112,606 |
| (Increase)/decrease in security bonds | 17,427 | 110,113 |
| (Increase)/decrease in development assets | 8,133,916 | 93,311 |
| Increase/(decrease) in trade and other payables | 3,512,339 | 9,858,895 |
| Increase/(decrease) in provisions | (247,061) | (228,739) |
| **Net cash outflow from operating activities** | **(2,946,029)** | **(20,180,914)** |

### b) Reconciliation of cash and cash equivalents

| | | |
|---|---|---|
| Cash at bank and in hand | **77,621** | **89,669** |

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## 20. COMMITMENTS

**Exploration and Equipment commitments**

The Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets in which it has an interest as well as acquiring new equipment. Exploration expenditure commitments beyond twelve months could not be reliably determined because the annual commitment was set at the anniversary date for each tenement. Note 1 outlines the Group's future funding options to meet its commitments. Outstanding commitments are as follows:

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Not later than one year - Exploration | 94,496 | 93,441 |
| Not later than one year - Engineering Contract | 3,500,000 | - |
| After one year but no more than five years - AAM Equipment | 3,125,671 | 2,910,000 |
| | **6,720,167** | **3,003,441** |

## 21. EVENTS AFTER REPORTING PERIOD

Subsequent to 30 June 2025 and prior to authorisation of these financial statements on 8 October 2025, the following non-adjusting events occurred:

- The secured debt **principal increased** from **$8.238 million to $8.437 million**. This change does not affect the classification of borrowings at 30 June 2025, which reflects conditions existing at that date.
- The Company received **$500,000 from Xinhai** via a share placement at **$0.05** per share with options attached and subject to shareholder approval.
- In **August 2025, Ramboll Americas** filed the claim described in **Note 18 Contingent liabilities**.

These matters are **non-adjusting subsequent events** and do **not** affect the amounts recognised at 30 June 2025. They have been considered in the Group's **going-concern assessment** (see Note 1).

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## 22. AUDITORS' REMUNERATION

The auditor of Ryzon Materials Limited commencing effective 30 June 2025 is A D Danieli Audit Pty Ltd who was appointed in July 2025, replacing Hall Chadwick Melbourne Audit.

**a. Amounts due and payable to related practices of Hall Chadwick Melbourne Audit for:**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| An audit or review of the financial report of the entity and consolidated Group | 62,318 | 130,961 |
| Other services in relation of the entity and any other entity in the consolidated Group: | | |
| • Taxation services | 5,000 | 19,219 |
| • Corporate services | - | 44,366 |
| | **67,318** | **194,546** |

**b. Amounts due and payable to related practices of A D Danieli Audit Pty Ltd for:**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| An audit or review of the financial report of the entity and consolidated Group | - | - |
| Other services in relation of the entity and any other entity in the consolidated Group: | | |
| • Taxation services | - | - |
| • Corporate services | - | - |
| | **-** | **-** |

## 23. EARNINGS/(LOSS) PER SHARE

**a. Reconciliation of earnings to profit or loss:**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Net (loss)/profit used in calculating basic loss per share | (15,773,058) | 15,417,117 |

b. **Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share:**

| | **2025** | **2024** |
|---|---|---|
| | **Shares** | **Shares** |
| Weighted average ordinary share number used in calculating basic loss per share | 1,199,498,151 | 1,199,498,151 |
| Basic earnings/(loss) per share (cents per share) | (1.31) | 1.29 |

**Accounting policies**

Basic earnings per share is calculated as the profit/(loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares during the year.

**c. Dilutive earnings per share**

For the purpose of calculating diluted earnings per share, the Company shall adjust profit/(loss) attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares, For the year ended 30 June 2025 and for the comparative period, there are no dilutive ordinary shares.

| | **2025** | **2024** |
|---|---|---|
| | **cps** | **cps** |
| Diluted earnings/(loss) per share (cents per share) | (1.31) | 1.29 |

**Accounting policies**

Diluted EPS adjusts the figures used in the determination of basic EPS to consider after income tax effect of interest and other financing costs associated with dilutive, ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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## 24. KEY MANAGEMENT PERSONNEL

**a. Compensation**

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

| Consolidated | 2025 | 2024 |
|---|---|---|
| | $ | $ |
| Short-term employee benefits | 1,634,206 | 2,262,083 |
| Post-employment benefits | 40,217 | 234,818 |
| | **1,674,423** | **2,496,901** |

**b. Outstanding balances arise from purchases of goods and services at the reporting date in relation to other transactions with key management personnel.**

| Consolidated | 2025 | 2024 |
|---|---|---|
| | $ | $ |
| Trade and other payables | - | 155,000 |
| | **-** | **155,000** |

**c. Other transactions and balances with key management personnel and their related parties**

| Identity of Related Party | Nature of Relationship | Terms and Conditions | Type of Transaction | Settled Amount 2025 | Settled Amount 2024 |
|---|---|---|---|---|---|
| Spectrum IT Pty Ltd | Frank Poullas is a related party of Spectrum IT Pty Ltd trading as Strong Solutions Pty Ltd, and Executive Chairman of Ryzon Materials Limited | Normal commercial terms | Consulting fees | - | - |
| | | | and IT Services | - | - |
| Claire Bibby Pty Ltd | Claire Bibby is a related party of Claire Bibby Pty Ltd and a Non-executive Director of Ryzon Materials Limited | Normal commercial terms | Consulting fees | - | 28,600 |
| | | | and Legal Services | - | - |
| Yatha Enterprises LLC | Hoshi Daruwalla is a related party of Yatha Enterprises LLC and an Executive Director of Ryzon Materials Limited | Normal commercial terms | Consulting Fees | - | 218,002 |
| | | | and Other Services | - | 99,163 |

## 25. RELATED PARTY DISCLOSURES

**Parent entity**

Ryzon Materials Limited is the ultimate Australian parent entity of the consolidated entity. Its interests in controlled entities are set out in Note 28.

**Wholly owned Group transactions**

Controlled entities made payments on behalf of and received funds from Ryzon Materials Limited and other controlled entities by way of inter-company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand. However, demand for repayment is not expected in the next twelve months. Transactions and balances between the Company and its controlled entities were eliminated in the preparation and consolidation of the financial statements Group.

**Key management personnel**

Details relating to key management personnel, including remuneration paid, are included in Note 24 and the Remuneration Report within the Directors' Report.

**Transactions with related parties**

As at 1 July 2024, Frank Poullas advanced to the Company a total of $197,500. These funds were provided with no fixed date for repayment, on an interest-free and unsecured basis. By 31 December 2024 this amount was fully repaid. There were no other loans or advances made to or provided by directors and their related parties during the financial year ended 30 June 2025.

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## 26. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

| | Parent | |
|---|---|---|
| | 2025 | 2024 |
| **Statement of profit or (loss) and other comprehensive income** | $ | $ |
| Profit or (Loss) after income tax | (6,543,182) | (102,960,992) |
| **Total comprehensive (loss) \ income** | **(6,543,182)** | **(102,960,992)** |
| **Statement of financial position** | | |
| Total current assets | 213,721 | 257,984 |
| Total non-current assets | 504,992 | 748,323 |
| **Total assets** | **718,713** | **1,006,307** |
| Total current liabilities | 20,187,125 | 13,697,944 |
| Total non-current liabilities | 320,649 | 554,243 |
| **Total liabilities** | **20,507,774** | **14,252,187** |
| **Total Net assets/(liabilities)** | **(19,789,061)** | **(13,245,880)** |
| **Equity** | | |
| Issued capital | 241,876,346 | 241,876,346 |
| Equity settled employee benefits reserve | 752,930 | 2,878,930 |
| Retained profits/(losses) | (262,418,337) | (258,001,156) |
| **Total Equity** | **(19,789,061)** | **(13,245,880)** |

**Commitments - AAM Equipment**
Refer to Note 20 for parent entity's commitment to acquire AAM equipment.

**Contingent assets and liabilities**
Refer to Note 18 for parent entity's contingent liabilities.

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## 27. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARY

During the year ended 30 June 2024, the Company announced that Imperium3 New York, Inc. ('Inc.' or 'the Borrower'), and others, including iM3NY LLC ('LLC') and C4V, were served with a default notice by ACP Post Oak Credit I LLC ('ACP' or 'the Lender').

The default notice was issued by the Lender with respect to the US$100 million Senior Secured Term Loan Credit Agreement ('Credit Facility'), alleging that various events of default had occurred under and/or in relation to the Credit Facility.

The Lender further stated that it may seek to enforce the security it has over the assets of the Borrower (and others, including LLC and C4V, who provided its patented BMLMP technology as security), unless the matter can be resolved.

The Lender exercised its rights and appointed two directors to the board of Inc. and removed all the directors except for C4V Chairman Dr. S. Upreti. Ryzon resolved that it would deconsolidate its subsidiaries LLC and Inc. from the Group with effect from 30 November 2023.

# Notes to the Financial Statements – Year Ended 30 June 2025

The below table sets out the Statement of Financial position of the Imperium3 New York Group as at 30 November 2023, as well as the fair value of that Group's net liabilities and gain arising on deconsolidation attributable to the shareholders of Ryzon.

| Imperium 3 New York Group<br>Statement of Financial Position as at date of deconsolidation | 30/11/2023 |
|---|---|
| **Current Assets** | **A$** |
| Cash at bank | 2,104,877 |
| Receivables | 13,668,264 |
| Inventory | 11,260,141 |
| **Total Current Assets** | **27,033,282** |
| | |
| **Non-Current assets** | |
| Cash at bank, restricted | 4,924,794 |
| Receivables | 1,912,714 |
| Plant and equipment | 90,692,389 |
| Right of use property plant and equipment | 29,693,505 |
| **Total Non-Current Assets** | **127,223,402** |
| **Total Assets** | **154,256,684** |
| | |
| **Current Liabilities** | |
| Trade and other payables | 17,267,917 |
| Borrowings, current portion | 2,073,767 |
| **Total Current Liabilities** | **19,341,684** |
| | |
| **Non-Current Liabilities** | |
| Borrowings | 181,049,091 |
| **Total Non-Current Liabilities** | **181,049,091** |
| **Total Liabilities** | **200,390,775** |
| | |
| **Net Liabilities** | **(46,134,091)** |
| | |
| **Equity** | |
| Share capital at beginning of year | 97,069,787 |
| Share capital issued during the period 1 July to date of deconsolidation | 14,469,013 |
| Capital fund raising expenses | (9,326,113) |
| Accumulated deficit at beginning of year | (124,294,046) |
| Loss on operations for period 1 July to date of deconsolidation | (24,052,732) |
| **Total Equity** | **(46,134,091)** |

| | |
|---|---|
| **Net Liabilities** | **(46,134,091)** |
| Fair value of iM3NY net assets following deconsolidation | - |
| Carrying amount of non-controlling interests in former subsidiary | (5,679,481) |
| **(Profit)/Loss arising on deconsolidation attributable to shareholders of Ryzon** | **(51,813,572)** |

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## 28. INTERESTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in Note 1:

| Name | Country of incorporation | Ownership Direct (D) Indirect (I) | Class of shares | Equity Holding [1] 2025 | Equity Holding [1] 2024 |
|---|---|---|---|---|---|
| Uranex (Tanzania) Limited [2] | Tanzania | D and I | Ordinary | 100.00% | 100.00% |
| Magnis Technologies (Tanzania) Limited [3] | Tanzania | D and I | Ordinary | 100.00% | 100.00% |
| Uranex ESIP Pty Ltd | Australia | D | Ordinary | 100.00% | 100.00% |
| Imperium3 Pty Ltd [4] | Australia | D | Ordinary | 66.67% | 66.67% |
| Imperium3 Townsville Pty Ltd | Australia | I | Ordinary | 66.67% | 66.67% |
| Patriot Energy Holdings Inc | USA | D | Common | 100.00% | 100.00% |
| Magnis AAM LLC. [5] | USA | D | Common | 100.00% | 100.00% |

[1] *percentage in proportion to ownership (direct and indirect).*

[2] ***Uranex (Tanzania) Limited** is 67.00% directly owned by the parent entity and 33.00% directly owned by Uranex ESIP Pty Ltd.*

[3] ***Magnis Technologies (Tanzania) Limited** is 99.00% directly owned by the parent entity and 1.00% directly owned by Uranex ESIP Pty Ltd.*

[4] ***Imperium 3 Pty Ltd** was incorporated in NSW, Australia on 27June 2017, which wholly owns iM3 Townsville Pty Ltd. 66.67% is owned directly by Ryzon (2023: 66.67 %).*

[5] ***Magnis AAM LLC** was incorporated in Delaware USA on 3 January 2023. 100.0% is owned directly by Ryzon (2023: 100.00%).*

**Accounting policies:**

**Principles of consolidation**

The consolidated financial statements are those of the consolidated entity, comprising Ryzon Materials Limited (the parent entity), special purpose entities and all entities which Ryzon Materials Limited controlled from time to time during the year and at reporting date. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee, if and only if the Group has the power over the investee; the exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns. When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other holders of the investee, rights arising from other contractual arrangements and the Group's rights and potential rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income 'OCI' are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full, on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary.
- de-recognises the carrying amount of any non-controlling interests.
- de-recognises 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.
- reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Ryzon resolved to deconsolidate its subsidiaries iM3NY LLC and Imperium3 New York Inc. from the Group during FY2024, with effect from 30 November 2023.

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**Business Combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired.

The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred.
- liabilities incurred to the former owners of the acquired business.
- equity interests issued by the Group.
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.
The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where an acquisition does not meet the definition of a business in AASB 3 Business Combinations, the transaction is accounted for as an asset acquisition. Acquired assets are measured at their proportionate share of the transaction consideration, and no goodwill or bargain purchase is recognised.

Dividends 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 or 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.

## 29. SHARE-BASED PAYMENT PLANS

### (a) Recognised share-based payment expenses

The expense recognised for employees and non-employees received during the year is shown below:

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Expense arising from the issue/(cancellation) of MOST options (employees) | (227,000) | (962,762) |
| Expense arising from the issue/(cancellation) of DIRECT options (non-employee) | (1,899,000) | - |
| **Total equity-settled transactions** | **(2,126,000)** | **(962,762)** |

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**(b) Types of share-based payment plans:**

**OPTION SHARE PLAN: MOST - ('EMPLOYEES')**

Ryzon Materials Limited operates an ownership-based scheme for Directors, Key Management Personnel (KMP) employees and other employees of the consolidated entity.

The **Magnis Option Share Trust ('MOST')** is designed to align participants' interests with those of shareholders. In accordance with the provisions of the Plan, listed Ordinary Fully Paid shares and unlisted options are held on behalf of Plan Participants by the Trustee of the MOST.

Under the MOST, the exercise price of the options is set by the Board on the date of grant. The life of options granted to participants is for 3 years, but these must be exercised within 3 months of the option holder ceasing employment with Ryzon Materials Limited. There are no cash settlement alternatives.

**RIGHTS PLAN: MERT - ('EMPLOYEES')**

Ryzon Materials Limited operates an ownership-based scheme for Directors and Employees of the consolidated entity.

In accordance with the provisions of the Plan, unlisted performance share rights are held on behalf of Plan Participants by the Trustee of the **Magnis Executive Rights Trust ('MERT').**

Under MERT, the Executive Rights are divided into five tranches and conversion of each tranche is dependent on satisfaction of performance milestones and service conditions applicable to each tranche, including the relevant person being a director at the time the respective performance milestone tranche is satisfied.

Although no specific expiry date exists for each tranche, it has been accepted under AASB2 that the life of the Executive Rights granted to participants are for 10 years, but they will immediately lapse when the Executive Rights holder ceases employment with Ryzon Materials Limited. There are no cash settlement alternatives.

**(c) Share-based payment plans for non-employee ('Consultant option'):**

Share options are granted to selected non-employees from time to time in consideration for the services of the consultant as a share-based incentive ('Consultant options').

Each Consultant Option is granted for NIL consideration for services provided by unrelated parties to the Company, the terms are subject to the same terms of the Company's existing unlisted options.

No funds are raised from the issue of the Consultant Options, as they are issued to the consultant in consideration for assistance with the Company's progress and success. There are no cash settlement alternatives.

**(d) Summary of options and rights granted under share-based payment**

**Options granted under share-based payment.**

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, MOST share options issued during the year.

| | 2025 No. | 2025 WAEP | 2024 No. | 2024 WAEP |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 4,625,000 | 0.80 | 13,125,000 | 0.75 |
| Granted during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| (Expired/Lapsed) during the year | (2,625,000) | 0.58 | (8,500,000) | 0.85 |
| **Outstanding at the end of the year** | **2,000,000** | 0.80 | **4,625,000** | 0.80 |
| **Exercisable at the end of the year** | **2,000,000** | 0.80 | **4,625,000** | 0.80 |

The range of exercise prices for options outstanding at the end of the year was $0.80 (2024:$0.40 and $0.80).

**Rights granted under share-based payment.**

The table below shows the number of, and movements in, MERT performance share rights issued during the year.

| | 2025 No. | 2025 WAEP | 2024 No. | 2024 WAEP |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 4,000,000 | - | 4,000,000 | - |
| Granted during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Lapsed during the year | - | - | - | - |
| **Outstanding at the end of the year** | **4,000,000** | **-** | **4,000,000** | **-** |
| **Exercisable at the end of the year** | **4,000,000** | **-** | **4,000,000** | **-** |

During 2025, NIL ordinary fully paid shares (2024: NIL) were issued as a result of converting performance rights.

**(e) Weighted average remaining estimated life.**

The weighted average remaining estimated life outstanding as at 30 June 2025 is:

- Share options - MOST: 0.44 years (2024:1.30 years)
- Share rights - MERT: 5.47 years (2024:9.00 years)

**(f) Weighted average fair value.**

The weighted average fair value granted during the year to 30 June 2025 is:

- Share options - MOST: $0.08400 (2024: $0.08541)
- Share rights - MERT: $0.00923 (2024: $0.00923)

**(g) Option pricing model Equity-settled transactions**

The fair value of the equity-settled share options granted under the share-based payment is estimated as at the date of grant using a Binomial Model, considering the terms and conditions upon which the options were granted.

The following table lists the inputs to the models used for the year ended 30 June 2025:

| | |
|---|---|
| Dividend yield (%) | NIL |
| Expected volatility (%) | 70 - 86 |
| Risk-free interest rate (%) | 2.997 - 3.003 |
| Expected life of option (years) | 3.0 - 3.0 |
| Option exercise price (cents) | 50 - 80 |
| Weighted average share price at measurement dates (cents) | 19.5 - 36.0 |
| Exercise price multiple | 2 |
| Model used | Binomial |

The effects of early exercise have been incorporated into calculations by using an expected life for the option that is shorter than the estimated life based on historical exercise behaviour, which is not necessarily indicative of exercise patterns that may occur in the future.

The expected volatility was determined using a historical sample of Company share prices. The resulting expected volatility therefore reflects the assumption that the historical volatility is indicative of future trends which may also not necessarily be the actual outcome.

The option holders were assumed to exercise prior to expiry date when the price is twice that of the exercise price. This reflects the restrictions to trading of directors and employees outlined in the Company's share trading policy.

During the financial year, the Magnis Option Share Trust ('MOST') scheme was issued with NIL (2024: NIL) options on varying terms and conditions for allotment to Directors and employees.

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**Accounting policies**

The Group provides benefits to employees (including directors) of, and consultants to, the Group in the form of share-based payment transactions, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions').

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value of options and performance rights with market-based performance criteria is determined by an external valuer using a binomial option pricing model. The fair value of performance plan rights with non- market performance criteria is determined by reference to the Company's share price at date of grant.

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 in the date on which the recipient becomes fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the directors, based on the best available information at reporting date will ultimately vest.

No adjustment is made for the likelihood of market conditions being met as the effect of these conditions is included in the determination of fair value at the grant date. The charge or credit for the period represents the movement in cumulative expense recognised as at the beginning and end of the period. Where awards vest immediately, the expense is also recognised in profit or loss.

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 the terms of an equity-settled award are cancelled, it is treated as if it had been 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 the 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.

## 30. INTEREST EXPENSES

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Interest Expense | 3,379,650 | 2,794,787 |
| Interest on Lease Liability | 139,340 | 57,179 |
| **Interest Expense** | **3,518,990** | **2,851,966** |
| Interest expenses - iM3NY # | - | 7,511,708 |
| | **3,518,990** | **10,363,674** |

*# On 30 November 2023, the Imperium3 New York Inc. and iM3NY LLC subsidiaries were deconsolidated from the Ryzon Group.*

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## 31. ADMINISTRATION EXPENSES

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Audit Fees | 96,080 | 176,450 |
| Insurance | 8,601 | 487,696 |
| Rental expenses | 92,310 | - |
| Travel costs | 9,036 | 188,728 |
| C4V Service Supply Fees | - | 73,881 |
| Other expenses | 631,762 | 1,611,529 |
| **Administration expenses** | **837,789** | **2,538,284** |
| Audit Fees - iM3NY | - | 296,499 |
| Insurance - iM3NY | - | 120,530 |
| Rental expenses - iM3NY | - | 1,269,396 |
| Travel costs - iM3NY | - | 18,524 |
| Other expenses - iM3NY | - | 1,924,398 |
| **Administration expenses - iM3NY #** | **-** | **3,629,347** |
| | **837,789** | **6,167,631** |

*# On 30 November 2023, the Imperium3 New York Inc. and iM3NY LLC subsidiaries were deconsolidated from the Ryzon Group.*

## 32. LEGAL AND CONSULTANCY EXPENSES

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Legal | (305,292) | 1,832,898 |
| Consultants | 1,631,769 | 5,492,600 |
| Marketing | (29,425) | 175,071 |
| **Legal and consulting expenses** | **1,297,052** | **7,500,569** |
| Legal - iM3NY | - | 231,012 |
| Marketing - iM3NY | - | 20,973 |
| **Legal and consulting expenses - iM3NY #** | **-** | **251,985** |
| | **1,297,052** | **7,752,554** |

*# On 30 November 2023, the Imperium3 New York Inc. and iM3NY LLC subsidiaries were deconsolidated from the Ryzon Group.*

## 33. BORROWING COSTS AND LOAN AMORTISATION

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Loan Amortization - iM3NY | - | 3,543,905 |
| Borrowing Costs - iM3NY **#** | - | 265,046 |
| **Borrowing Costs and Loan Amortization – iM3NY #** | **-** | **3,808,951** |

*# On 30 November 2023, the Imperium3 New York Inc. and iM3NY LLC subsidiaries were deconsolidated from the Ryzon Group.*

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## 34. FINANCIAL INSTRUMENTS

### (a) Financial risk management objectives and policies

The Group's principal financial instruments consist of short-term deposits, receivables, and payables. These activities expose the Group to a variety of financial risks: market risk, (i.e., interest rate risk and foreign exchange risks), credit risk and liquidity risk.

The overall objective of the Group's financial risk management policies is to meet its financial targets whilst protecting future financial security.

The Board fulfils its corporate governance and oversight responsibilities by monitoring and reviewing the integrity of financial statements, the effectiveness of internal financial control and the policies on risk oversight and management. Management is charged with implementing the policies.

The management manages the different types of risks to which the Group is exposed by considering risk and monitoring levels of exposure to interest risk and by being aware of market forecasts for interest rates.

Liquidity risk is monitored through general business budgets and forecasts. The Board reviews and agrees on policies for managing these risks.

### (b) Market Risk

***Foreign currency risk***

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's national currency. The risk is measured using sensitivity analysis and cash flow forecasting. The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

| Consolidated | Assets US$ | | Liabilities US$ | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| US dollars | 288,613 | 5,766,943 | 1,237,582 | 932,699 |

At reporting date, the Group had net assets (assets less liabilities) denominated in foreign currencies of US$ (948,969) (2024: US$ 4,834,244).

Based on this exposure, had the Australian dollar weakened or strengthened by 5% against these foreign currencies with all other variables held constant, the consolidated entity's **loss before tax** for the year would have been $39,866 higher/$36,069 lower, while the consolidated entity's **net assets \ equity** would have been $76,253 higher/$53,749 lower.

The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date.

The actual foreign exchange loss realised at reporting date was $65,919 (2024: $21,830 gain)

***Interest rate risk***

The Group is exposed to movements in market interest rates on short-term deposits. Management ensures a balance is maintained between the liquidity of cash assets and the interest rate return. Presently, the Group has no variable rate, interest-bearing liabilities.

At reporting date, the Group had the following cash and cash equivalents exposed mostly to Australian variable interest rates and are unhedged.

| | Consolidated | |
|---|---|---|
| | 2025 $ | 2024 $ |
| Cash and cash equivalents | 77,621 | 89,669 |

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In accordance with the Group policy of reviewing this risk, the following sensitivity analysis based on interest rate exposure at reporting date where the interest rate movement varies, and other variables remain constant, post-tax loss and equity would have been affected as shown.

| | | Interest Rate Risk -1% | | Interest Rate Risk +1% | |
|---|---|---|---|---|---|
| **Consolidated Entity Financial asset** | **Carrying Amount** | **Net Loss $** | **Equity $** | **Net Loss $** | **Equity $** |
| **30 June 2025** | | | | | |
| Cash and cash equivalents | 77,621 | (776) | (776) | 776 | 776 |
| **30 June 2024** | | | | | |
| Cash and cash equivalents | 89,669 | (897) | (897) | 897 | 897 |

**(c) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and Notes to the financial statements. The Group does not hold any collateral. The Group has adopted a simplified lifetime expected loss allowance in estimating expected credit losses to trade and other receivables. The Group has no significant concentrations of credit risk. The maximum exposure to credit risk at reporting date is the carrying amount (net of expected credit loss) of those assets as disclosed in the statement of financial position and Notes to the financial statements.

**(d) Liquidity risk**

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The Group's objective is to maintain a balance between continuity of funding and flexibility as to its source. The Directors receive cash flow reports periodically and increase the frequency of review when the safety margin is or is nearly breached. The Board formulates plans to replenish its cash resources when required and implements cost reduction programmes to reduce cash expenditure. The table below reflects all contractually fixed payoffs, repayments, and interest from recognised financial liabilities. For these obligations the undiscounted cash flows for the respective upcoming financial years are presented.

Cash flows for financial assets and liabilities without fixed timing or amount are based on the conditions existing at the reporting date. The remaining contractual maturities of the Group entity's financial liabilities consisting of trade and other payables are:

| | Consolidated | |
|---|---|---|
| | **2025 $** | **2024 $** |
| On demand | - | - |
| Less than 1 year | 13,698,171 | 9,251,623 |
| | **13,698,171** | **9,251,623** |

**(e) Net Fair Values**

The carrying amounts of financial assets and liabilities as shown in the statement of financial position approximate their fair value.

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# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

**YEAR ENDED 30 JUNE 2025**

Set out below is a list of entities that are consolidated in this set of Consolidated financial statements at the end of the financial year.

| Name of entity [1] | Type of entity | Trustee, partner or participant in joint venture [2] | Percentage of share capital held | Country of incorporation | Australian resident or foreign resident | Foreign tax jurisdiction(s) of foreign residents |
|---|---|---|---|---|---|---|
| Uranex (Tanzania) Limited | Body corporate | N/A | 100.00% | Tanzania | Foreign | Tanzania |
| Magnis Technologies (Tanzania) Limited | Body corporate | N/A | 100.00% | Tanzania | Foreign | Tanzania |
| Uranex ESIP Pty Ltd | Body corporate | N/A | 100.00% | Australia | Australian | N/A |
| Imperium 3 Pty Ltd | Body corporate | N/A | 66.67% | Australia | Australian | N/A |
| Imperium 3 Townsville Pty Ltd | Body corporate | N/A | 66.67% | Australia | Australian | N/A |
| Patriot Energy Holdings Inc | Body corporate | N/A | 100.00% | USA | Foreign | USA |
| Magnis AAM LLC | Body corporate | N/A | 100.00% | USA | Foreign | USA |

1 Entities listed here are those that are part of the consolidated entity at the end of the financial year. Entities disposed of during the year, or where the entity has lost control by the reporting date, are not included here. This means that entities listed could be different to the 'Interests in subsidiaries' note contained in the notes to the financial statements.

2 This means whether, at that time, the entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

**Basis of Preparation**

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001 (Cth).* The CEDS includes certain information for each entity that was part of the consolidated entity as at 30 June 2025 and has regard to the Australian Taxation Office's Practical Compliance Guidance 2018/9.

**Determination of Tax Residency**

Section 295(3A) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgment as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

**Australian tax residency**

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Australian Taxation Office's public guidance in Tax Ruling TR 2018/5.

**Foreign tax residency**

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

**Partnerships and Trusts in Australia**

Additional disclosures on the tax status of partnerships and trusts have been provided where relevant. Australian tax law generally does not contain corresponding residency tests for partnerships and trusts, and these entities are typically taxed on a flow-through basis.

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# DIRECTORS' DECLARATION

30 June 2025

1. In the opinion of the directors of Ryzon Materials Limited (the 'Company'):

   a) the financial report and the Remuneration Report included in the Directors' Report, designated as audited, of the consolidated entity are in accordance with the *Corporations Act 2001 (Cth)*, including:
      i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
      ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements; and

   b) the Consolidated Entity Disclosure Statement is true and correct as at 30 June 2025; and

   c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

2. The financial statements and notes comply with International Financial Reporting Standards, as discussed in Note 1; and

3. This declaration has been made after receiving the declarations required by section 295A of the *Corporations Act 2001 (Cth),* from the chief executive officer and chief financial officer for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001 (Cth).* This declaration is made in accordance with a resolution of the directors.

On behalf of the board

F Poullas

**Executive Chairman**

Sydney, 8 October 2025

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# A D Danieli Audit Pty Ltd

Authorised Audit Company
ASIC Registered Number 339233
Audit & Assurance Services

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**Independent Auditor's Audit Report**
**To the Members of Ryzon Materials Ltd**
**(formerly known as Magnis Energy Technologies Ltd)**
**ABN 27 160 885 343**
**And Controlled Entities**

**Report on the audit of the Financial Report**

**Opinion**

We have audited the consolidated financial report of Ryzon Materials Ltd and controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including 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:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
(ii) 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 (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 confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Material Uncertainty Related to Going Concern**

Without modifying our opinion, we draw attention to Note 1 Going concern which describes events and conditions indicating the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. These include low cash holdings, a net current liability position with borrowings classified as current at 30 June 2025, negative operating cash flows, reliance on the secured lender (McEvoy Street Pty Ltd) and key trade creditors, and conditional funding not wholly within the Group's control (including ASX re-quotation, a $0.04 minimum trading price, liquidity tests and capital-call limits). Note 18 also refers to ASIC proceedings (VID336/2024) for which the potential financial effects cannot presently be reliably quantified. As stated in Note 1, the financial report has been prepared on a going-concern basis and does not include adjustments that would be required if the Group were unable to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

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

| Key Audit Matter | How our Audit Addressed the Key Audit Matter |
|---|---|
| *Going Concern and Creditor Support*<br><br>The Group's operations are materially dependent on continued support from key creditors, including McEvoy Street Pty Ltd (secured lender) and major trade creditors. The Group incurred a net loss of $15,773,058 after full impairment of Development assets of $8,134,028 and a negative operating cash flow of $2,946,030 during the year. As at 30 June 2025, the Group had cash of $77,621, current liabilities of $2,2573,435 and net deficits of 21,968,751. The financial statements have been prepared on a going concern basis, which is highly sensitive to creditor support as disclosed in Note 1. | Our procedures included:<br><br>- Evaluating management's cashflow forecasts and assumptions under multiple scenarios, including ASX approval being delayed or the share price fall below $0.04.<br>- Obtaining written confirmations from key creditors regarding their awareness of the Group's financial position and willingness to continue support.<br>- Inspecting executed agreements and direct confirmations from principal lenders and creditors regarding waivers, extensions, and deferrals through to at least September 2026.<br>- Assessing the reasonableness of key assumptions, including revenue, working capital movements, creditor arrears deferral, and timing of borrowings.<br>- Considering the severe but plausible downside scenarios and the reverse stress test prepared by management, including the impact of delays in lender funding or loss of a key supplier.<br>- Reviewing external legal correspondence regarding ASIC proceedings and their potential impact on the Group.<br>- Assessing subsequent events up to the date of this report, including capital.<br>- reconstruction and post-year-end financing arrangements.<br>- Reviewing board documentation on governance continuity and succession planning in case of key director disqualification; |

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| | |
|---|---|
| | - Applying heightened professional scepticism to management estimates, journal entries, and related party transactions;<br>- Evaluating the adequacy of disclosures relating to going concern and material uncertainties in the financial statements.<br><br>We have determined that there are material uncertainties that may cast significant doubt on the group's ability to continue as a going concern. Our concerns and reference to managements responses are proposed actions in regard to Going Concern are included in the above 'Material Uncertainty Related to Going Concern'. |
| *ASIC litigation & contingent liabilities – refer to Note 18 Contingent assets and liabilities*<br><br>The Group is subject to ongoing ASIC civil proceedings (VID336/2024). Outcomes and timing are inherently uncertain; potential consequences include civil penalties, possible director disqualification and other governance impacts. These uncertainties may affect liquidity and going concern and require careful assessment under AASB 137. As disclosed, the financial effects cannot presently be reliably quantified. | Our procedures included:<br><br>- External legal corroboration: Obtained direct legal confirmations from external solicitors; read pleadings, Court orders and the hearing timetable; discussed status, potential outcomes and whether any sanctions could affect the Company and/or directors.<br>- AASB 137 assessment: Evaluated management's judgement on provision vs. contingent liability, including completeness of matters considered, the probability and measurement of outflows, and whether any cash outflows are probable within the going-concern horizon.<br>- Challenge of "no cash outflows expected" assertion: Challenged management's assertion via severe-but-plausible scenarios and reverse stress testing consistent with the going-concern model.<br>- Implications for going concern & funding: Considered the effect of the proceedings on lender/creditor support and conditional funding (e.g., ASX re-quotation, price floor, liquidity/call limits), and checked consistency with Note 1 Going concern and the MURGC paragraph.<br>- Subsequent events to report date: Performed subsequent-events procedures up to the auditor's report date (including updated legal correspondence, Court/registry updates, ASX announcements and Board minutes) to identify any developments requiring a provision, revised estimates or enhanced disclosure.<br>- Governance continuity: Considered risks arising from potential director disqualification and any resulting governance/continuity implications for financial reporting. |

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- Unrecorded liabilities & bias indicators: Performed targeted journal-entry testing, reviewed legal expense ledgers and inquired about side agreements, indemnities or insurance recoveries to address the risk of unrecorded liabilities or management bias.
- Disclosure adequacy & cross-references: Assessed the adequacy, neutrality and internal consistency of disclosures across Contingent liabilities, Going concern and Events after, ensuring inclusion of the proceeding ID, status/timetable, that effects cannot be reliably quantified (if still the case), and clear cross-references to going-concern disclosures.
- Written representations: Obtained management representations confirming completeness of legal information provided, consistency of forecasts with disclosures, and that no information has been withheld that would contradict the disclosures.

The procedures above provided sufficient appropriate audit evidence to support the presentation as a contingent liability with enhanced disclosures and the MURGC in respect of going concern; however, the outcome of the proceedings remains inherently uncertain.

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*Impairment of development assets – refer to Note 10 Development assets*

At 30 June 2025 the Group had capitalised development assets of $8,134,028. Assessing recoverability involves significant judgement because the assets are early-stage and not yet generating independent cash inflows. The information available (including prior technical/"BFS" material) did not constitute an AASB 136 recoverable-amount model or an AASB 13 fair-value measurement. Following audit challenge, management recognised a full impairment to nil at the reporting date. The magnitude of the balance, the estimation uncertainty and reliance on judgemental assumptions and specialist technical information, together with the potential for future reversal should objective evidence of recoverable amount emerge, made this area a key audit matter.

Our procedures included:

- Risk assessment & framework: Applied ASA 315 (identifying/assessing risks) and ASA 540 (auditing accounting estimates); considered evidential requirements under ASA 500. Evaluated the accounting policy against AASB 6 (exploration & evaluation) and the impairment requirements of AASB 136.
- Impairment indicators & recoverable amount: Challenged management's assessment of indicators and the decision to fully impair. Tested whether a supportable VIU model existed (none, as the assets are not generating independent cash inflows) and whether FVLCD could be evidenced by observable market data/transactions or third-party offers (none at reporting date). Concluded recoverable amount was $nil.
- Rights to tenure & conditions: Inspected licence/permit documentation and recent correspondence (including any non-compliance notices and their resolution) to confirm legal rights to the areas of interest at balance date.

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- Capitalisation vs expense: Tested a sample of current-year exploration/development costs to source documents for occurrence, classification under AASB 6, and consistency with the Group's policy (including cut-off).
- Forward-looking plans & dependencies: Considered the Group's stated intentions for the project, dependencies on future funding/capital raising and operating funding, and the interaction with the going-concern assessment (addressed separately).
- Subsequent events: Performed procedures to the report date for developments that could affect recoverable amount (e.g., licence status changes, market-participant interest, binding offers) or require enhanced disclosure.
- Journal entries & related parties: Applied heightened professional scepticism to journal entries and related-party transactions affecting capitalised balances to address the risk of management bias.
- Disclosures: Assessed the adequacy and neutrality of Note 10 disclosures—identification of the CGU, basis for impairment, statement that recoverable amount = nil, key judgements/estimation uncertainty, and the potential for reversal if objective evidence of recoverable amount emerges—together with cross-references to Note 1 Going concern.
- Written representations: Obtained ASA 580 representations that (i) all information relevant to the impairment assessment (including legal/tenure status and technical studies) has been provided, (ii) management's plans and intentions are as disclosed, and (iii) nothing has been withheld that would contradict the impairment conclusion.

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**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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- 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, related safeguards.

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

**Report on the Remuneration Report**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included on pages 12 to 19 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Ryzon Materials Ltd for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

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

**A D Danieli Audit Pty Ltd**

**Sam Danieli**
**Director**
**Sydney, 8 October 2025**

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# Additional Securities Exchange information
**As at 29 August 2025**

## Distribution of securities
Analysis of number of security holders by size of holding:

| | Ordinary shares | % of class | Options | % of class | Performance rights | % of class |
|---|---|---|---|---|---|---|
| 1 – 1,000 | 1,083 | 0.06 | - | - | - | - |
| 1,001 – 5,000 | 6,699 | 1.53 | - | - | - | - |
| 5,001 – 10,000 | 3,382 | 2.26 | - | - | - | - |
| 10,001 – 100,000 | 6,697 | 18.93 | - | - | - | - |
| 100,001 and over | 1,578 | 77.22 | 4 | 100.00 | 2 | 100.00 |
| Total | 19,439 | 100.00 | 4 | 100.00 | 2 | 100.00 |

## Equity security holders
The names of the twenty largest security holders of Ordinary Shares listed on the share register are:

| Name | Units | % of Units |
|---|---|---|
| Citicorp Nominees Pty Limited | 84,164,354 | 7.02 |
| Mazzdel Pty Limited | 30,438,781 | 2.54 |
| Mr Matthew Boysen | 23,202,320 | 1.93 |
| Mazzdel Pty Limited <Olivia Super Fund A/C> | 21,633,678 | 1.80 |
| Evolution Capital Pty Ltd <MNS SEF A/C> | 20,000,000 | 1.67 |
| BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client> | 17,641,128 | 1.47 |
| Mr Frank Poullas | 13,129,580 | 1.09 |
| HSBC Custody Nominees (Australia) Limited | 7,940,797 | 0.66 |
| Kingsland Developments Australia Pty Ltd | 7,932,406 | 0.66 |
| BNP Paribas Nominees Pty Ltd ACF Clearstream | 7,668,916 | 0.64 |
| Mr John Saunig | 6,982,672 | 0.58 |
| HSBC Custody Nominees (Australia) Limited - A/C 2 | 6,589,786 | 0.55 |
| Mr Tian Yong Liu and Mrs Wei Ying Jiang | 6,221,498 | 0.52 |
| Finclear Pty Ltd <Superhero Securities A/C> | 5,587,689 | 0.47 |
| Mr Marlon Pather | 5,000,000 | 0.42 |
| Greenhill Road Investments Pty Ltd | 4,500,000 | 0.38 |
| Comsec Nominees Pty Limited | 4,462,707 | 0.37 |
| Mr Frank Poullas <Uhorseman Super Fund A/C> | 4,350,000 | 0.36 |
| Miss Hazel Darcy | 4,097,699 | 0.34 |
| KMJ Consulting Pty Ltd | 3,921,387 | 0.33 |

*Unquoted equity securities*
The Company has the following unquoted equity securities on issue: 25,000,000 options issued to funding providers, including 14,189,189 options held by L1 Capital; 10,000,000 options issued to financial advisors; 2,000,000 options in the Magnis Option Share Trust (‘MOST’); and 4,000,000 performance rights held in the Magnis Executive Rights Trust (‘MERT’).

*Unmarketable parcels*
There are 11,670 holders holding less than a marketable parcel of the entity’s quoted equity securities.

*On-Market Buyback*
There is no current on-market buyback.

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**Substantial Holders**
There are no substantial holders in the Company.

**Voting rights**
The voting rights attached to ordinary shares are set out below:

*Ordinary shares*
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Options over ordinary shares*
There are no voting rights attached to the options over ordinary shares.

*Performance rights*
There are no voting rights attached to the performance rights.

There are no other classes of equity securities.

**Restricted securities**
There are no restricted securities.

**Tenements**
Licences held by Uranex in Tanzania are as follows:

- SML 550/2015 - the Special Mining Licence of 29.77 km2 that covers the Nachu Graphite Project; and

- PL10929/2106 - the prospecting licence that surrounds the SML and is the licence that contains the various graphite mineralised discovered and reported from 2012 to 2015.

**Resources and reserves**
Resources and reserves are disclosed in the Directors' Report.

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