PROVARIS

APPENDIX 4D – HALF YEAR REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

26 February 2025

DETAILS OF THE REPORTING PERIOD

This report details the consolidated results of Provaris Energy Ltd, ABN: 53 109 213 470 ("Provaris" or "Company") and its controlled entities ("Group") for the half-year ended 31 December 2024. Comparatives are for the half-year ended 31 December 2023.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				2024 $'000	2023 $'000
2.1	Revenue from ordinary activities		0%	—	—
2.2	Profit/(Loss) from ordinary activities after tax attributable to members	Down	65%	(1,311)	(3,754)
2.3	Net profit/(loss) for the year attributable to members	Down	65%	(1,311)	(3,754)
				Cents	**Cents**
2.4	Net Tangible assets per security – at the end of the period			0.14	0.37

OPERATING RESULTS

For commentary on the financial results please refer to the information provided in the Directors Report in the attached interim financial report. The half-year report should be read in conjunction with the most recent annual report.

DIVIDENDS

No dividends have been paid or declared since the start of the financial half-year by the Company. The directors do not propose to pay either a final or interim dividend. The Company does not have a dividend reinvestment plan.

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

The Group did not gain or lose control over any entities during the half-year ended 31 December 2024.

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

The Group did not have any associates or participation in any joint ventures during the half-year ended 31 December 2024.

AUDIT OF FINANCIAL STATEMENTS

This report is based on the attached half-year financial report which has been reviewed by our auditors.

Provaris Energy Ltd

Consolidated Financial Report
for the Half Year ended 31 December 2024

This document should be read in conjunction with the Annual Financial Report of Provaris Energy Ltd for the year ended 30 June 2024

CORPORATE DIRECTORY

DIRECTORS:	Greg Martin (Independent, Non-Executive Chair) Martin Carolan (Managing Director and CEO) Andrew Pickering (Independent, Non-Executive Director) David Palmer (Independent, Non-Executive Director)
COMPANY SECRETARY:	Norman Marshall
ABN:	53 109 213 470
ASX CODE:	PV1
WEBSITE:	https://www.provaris.energy/
REGISTERED OFFICE:	Level 14, 234 George Street Sydney NSW 2000 Tel: +61 (2) 9127 8250
AUDITORS:	Ernst and Young 11 Mounts Bay Road Perth, Western Australia 6000 Tel: +61 (8) 9429 2222
SHARE REGISTRY:	Computershare Investor Services Pty Ltd Level 17, 221 St Georges Terrace Perth, Western Australia 6000 GPO Box D182 Perth, Western Australia 6840 Tel: +61 1300 787 272 Fax: +61 (8) 9323 2033

The directors of Provaris Energy Ltd A.C.N. 109 213 470 ("Provaris" or "Company") present their report including the consolidated financial report of the Company and its controlled entities ("Consolidated Entity" or "Group") for the half-year ended 31 December 2024. The Company is a listed public company limited by shares and incorporated and domiciled in Australia.

DIRECTORS

The names of the directors of the Company who held office during the half-year and up to the date of this report, unless otherwise indicated, are:

Greg Martin	Independent, Non-Executive Chair
Martin Carolan	Managing Director and CEO
Andrew Pickering	Independent, Non-Executive Director
David Palmer	Independent, Non-Executive Director

OPERATING RESULTS

The operating loss for the Consolidated Entity, after income tax, amounted to $1,311,130 (2023: $3,754,190). The improvement in operating loss year on year was due to:

- $267,766 income received for technical services provided on the CO2 project,
- $147,324 grant income, in FY24, this was recognised in H2,
- A reduction in corporate and administrative expenses of $491,073, and
- A reduction in direct project development costs from $1,664,377 in 2023 to $97,779 in 2024 due to the delay in fabrication of the prototype tank.

At 31 December 2024, the Consolidated Entity had cash and cash equivalents of $1,187,387 (30 June 2024 $743,929) plus restricted cash of $219,324.

REVIEW OF OPERATIONS

PROJECT AND BUSINESS DEVELOPMENT ACTIVITY

European Market Focus and Commercialisation of Compressed Hydrogen Solutions

During the half-year to 31 December 2024 Provaris continued its focus on the European market, advancing the commercialisation of its compressed hydrogen storage, shipping and supply chain solutions. In collaboration with supply and offtake partners, Provaris has demonstrated increasing industry acceptance of compressed hydrogen as a viable alternative for bulk-scale hydrogen storage and transport, leveraging its proprietary hydrogen storage barge (H2Leo) and carriers (H2Neo).

Milestone Term Sheet with Uniper and Norwegian Hydrogen

A significant breakthrough during the period was the execution of a conditional **Term Sheet** under the tri-party Memorandum of Understanding (MOU) with Norwegian Hydrogen AS and Uniper Global Commodities**.** This Agreement outlines the supply and offtake of 42,500 tonnes per year of green hydrogen to Uniper, transported via Provaris' H2Neo compressed hydrogen carriers. Deliveries are scheduled to commence in early 2029, spanning a minimum of 10 years, marking Europe's first large-scale regional hydrogen marine transport project. The Term Sheet serves as the foundation for a binding Hydrogen Sale and Purchase Agreement, targeted for June 2025, and facilitates further discussions with shipyards and shipowners for the construction of Provaris' H2Leo barge and H2Neo carriers.

Provaris and Norwegian Hydrogen are also working on RFNBO compliant hydrogen supply from the Nordics, evaluating preferred sites in Norway and Finland including the FjordH2 Project located in the Alesund region. Additional sites across the Nordics are under assessment for hydrogen production and export to European markets. Meanwhile, Provaris is collaborating with Uniper to optimise shipping schedules and import terminal solutions to ensure efficient delivery.

Expansion of Supply Chain Opportunities and Competitive Advantage

Provaris continues to advance a portfolio of supply chain opportunities, positioning its carriers as a cost-effective alternative to ammonia-based hydrogen transport.

Two additional MOUs were signed in 2024 with major German utilities, progressing towards formal collaborations involving both supply and offtake partners. Workshops with German and Spanish utilities have addressed technical, operational, safety and economic considerations, focused on hydrogen supply from the Nordics and Iberia for industrial clients.

Germany's heavy industries, including steel, cement, metal refineries, chemical refineries, shipping and heavy-duty transportation (trucks), are increasingly reliant on hydrogen transport. This growing demand underscores the importance of Provaris' energy efficient hydrogen transport solutions for Europe. Late in the period interest in compression as a scalable hydrogen supply solution continued to rise, with Provaris identifying new leads and advancing its pipeline of European supply chain opportunities.

Concept Design Study Validates Energy and Cost Benefits of Compression

The **Concept Design Study released in September 2024**, confirmed that Provaris" compressed hydrogen carriers provide superior efficiency and cost benefits compared to ammonia-based transport. Conducted with support from a leading original equipment manufacturer of high-pressure compressor equipment. The study highlighted high technical readiness and economic feasibility.

Analysis of a 540MW renewable, grid connected site, sailing 1,000 Nm, when compared to the ammonia supply chain (delivered as gas), confirms capital and energy efficiency benefits of compression:

50% more gaseous hydrogen
delivered to the customer
(only 2.8% used for compressed, remaining 97% H2 production)

20% reduction in capital intensity
(€/kg H2 delivered)

~20% lower delivered cost
(~€ 1.40/kg discount)

5-10x the value of grid connected site
through higher net-back price received over 20yrs

Rotterdam Import Facility Development

To support the development of critical import infrastructure, Provaris entered into a collaboration agreement with Global Energy Storage (GES) to establish a hydrogen import facility as part of GES' multi-product terminal in the Port of Rotterdam. As the world's largest energy import terminal Rotterdam and GES aim to become a key import hub for hydrogen and connection into NW Europe.

During the period, Provaris and GES advanced the conceptual design of an initial 40,000 tpa compressed hydrogen import project, assessing terminal storage solutions and pipeline connectivity to the Hynetwork Netherlands H2 network.

Optimisation studies on operations and costs and regulatory considerations are ongoing. Workshops with the Port of Rotterdam are scheduled for early 2025 to define the permitting process, with preliminary studies expected to be completed in the March quarter 2025. Joint marketing activities with potential capacity users of the terminal are already underway.

RED II Compliance for Compressed Hydrogen Shipping

Provaris achieved a key milestone in verifying compliance with the European Union's Renewable Energy Directive II (RED II) emissions standards for bulk hydrogen shipping. A preliminary study confirmed that the H2Neo carrier on a round-trip between Norway and Germany achieves a carbon intensity of 7.6 g CO_2e/MJ H_2, significantly below the 28.2 g CO_2e/MJ H_2 threshold required for RED II compliance.

This analysis supported by Wärtsilä, a global leader in innovative technologies and lifecycle solutions for the marine and energy markets, with a proposal for alternative propulsion plant configurations (available today), together with Provaris' own analysis on fuel consumption and carbon emissions - over a range of sailing speeds and fuel types.

These results enhance Provaris' ability to secure term sheets with offtake parties that require strict compliance with RFNBO regulations.

H2Neo Class Approvals and Prototype Tank Restart in Norway

Provaris has made significant progress towards restarting and completing the Prototype Tank program, a crucial step in securing final Class Approvals for the H2Neo carrier. The company advanced an Asset Purchase Agreement with secured lenders to acquire the installed Prototype Tank and production cell at the Fiskå Facility in Norway. This acquisition includes essential robotic and laser welding equipment and steel materials to complete fabrication. A lease agreement for the Fiska facility has been progressed with the new owner of the Fiskå Facility contingent on sale of the facility to the new owners which was completed in early January 2025. Detailed planning, staffing and budgets have been prepared.

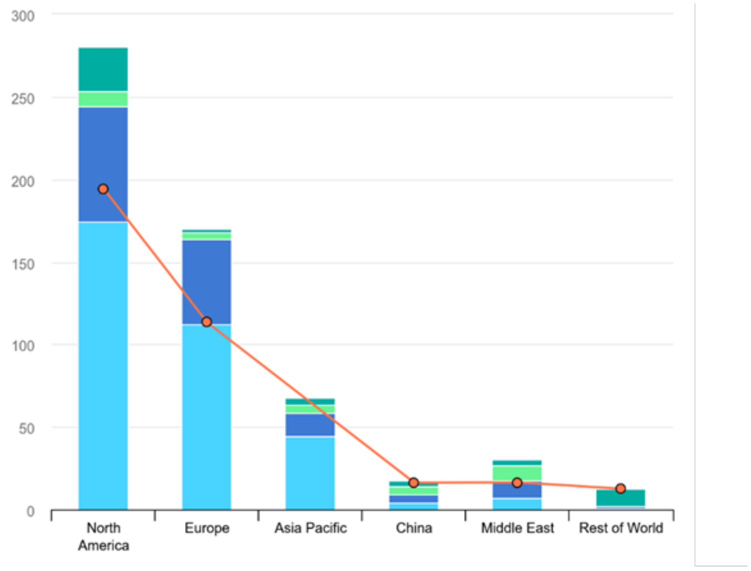
Joint Development with Yinson Production for CO2 Storage and Transport

In October 2024, Provaris entered a binding Joint Development Agreement (Collaboration) with Yinson Production to develop advanced storage tank solutions for the bulk storage and marine transportation of liquid carbon dioxide (CO_2). This collaboration addresses the need for larger volume tanks, optimising cost and transport efficiency beyond current industry standard of 7,500 cbm.

Yinson, a global leader in FPSO operations, brings extensive experience in marine project execution and sustainability. The partnership allows Provaris to explore commercialisation pathways for its tank technology, leveraging Yinson's expertise. The market for cost-competitive CO_2 storage and transport infrastructure is expanding rapidly, driven by the need for scalable carbon capture solutions. Provaris and Yinson are well-positioned to capitalize on this emerging opportunity.an initial USD 200,000 payment to Provaris from Yinson for Technology Service Fees and Yinson also meeting external costs related to the initial phase of development, which runs into early 2025.

Yinson has identified a large market opportunity for a new tank design given there is no current storage and ship transport of CO2 at low pressure and temperature range suitable for long sailing distances and large cargo volumes. Cost-competitive storage and transport infrastructure is crucial for the widespread deployment of carbon capture, which is a critical pillar in meeting global emission targets.

Status of CO2 storage infrastructure in development vs. planned capture capacity by region, 2023, $MtCO_2$/year
(Source: IEA, 2024)



Tiwi H2 Project, Northern Territory

No activity was undertaken on the Tiwi H2 Project during the period, aligned with the Board's strategy to prioritise on the European market opportunities. Two major hurdles remain unresolved (i) the development of a viable offtake market for hydrogen in South-East Asia and (ii) slow engagement with the Tiwi Land Council's newly appointed leadership team on outstanding draft project agreements. The project will be reassessed by the Board in early 2025.

CORPORATE ACTIONS

Shareholder and Capital Management Activities

In November 2024 the Company's annual general meeting was held virtually. All resolutions considered at the meeting were passed.

With respect to ongoing funding for development and R&D, a partially underwritten Share Purchase Plan, announced in May and finalised in July 2024.

A placement to sophisticated institutional investors was completed in November 2024 welcoming Regal Funds Management as a new substantial shareholder. Directors subscribed for $125,000, pending shareholder approval at a General Meeting scheduled for 26 February 2025.

A convertible bond facility (Facility) with Macquarie Bank Ltd remains available with $2.5 million undrawn. A first tranche of $500,000 Convertible Bonds was drawn as part of the Facility agreements, with a two-year term to maturity. As at the date of this report the face value of the outstanding first tranche convertible bonds is currently $235,000.

Operational costs remained steady, while project expenses were reduced due to the temporary halt of the Prototype Tank program. A comprehensive cost review led to reductions in non-core activities, including the closure of the Perth head office and consolidation of corporate operations in Sydney, where we benefit from a shared office facility.

Share Capital Movements

Date	Details
11 July 2024	Issued 25,000,000 fully paid ordinary shares pursuant to the Company's share purchase plan
12 July 2024	Issued 2,158,216 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds
30 July 2024	Issued 1,136,363 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds
23 August 2024	Issued 10,600 fully paid ordinary shares on conversion of options
6 September 2024	Issued 2,045,454 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds
17 October 2024	Issued 1,136,363 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds
18 October 2024	Issued 1,181,474 fully paid ordinary shares to Macquarie Bank Limited's nominee on conversion of convertible bonds
13 November 2024	Issued 53,598,485 fully paid ordinary shares pursuant to the Company's November 2024 placement

EVENTS SUBSEQUENT TO BALANCE DATE

In January 2025, Provaris, Uniper Global Commodities SE (Uniper) and Norwegian Hydrogen AS announced the execution of a conditional Term Sheet for the supply, transport and offtake of RFNBO compliant hydrogen. The Term Sheet provides the basis of negotiating a binding Hydrogen Sale and Purchase Agreement (Hydrogen SPA).

In February, Provaris announced an update to its commercialisation model to maximise early cash flow while minimising capital outlay by the Company. This approach will leverage Technology License Fees and Origination Fees to generate revenue.

In February 2025, a General Meeting of shareholders was held with all resolutions passed.

No other matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

AUDITORS INDEPENDENCE DECLARATION

In accordance with the Corporations Act 2001 section 307C the auditors of the Company have provided a signed auditors independence declaration to the directors in relation to the review for the half-year ended 31 December 2024. This declaration is set out on page 19.

Signed in accordance with a resolution of the directors.

Martin Carolan
Managing Director and CEO

26 February 2025
Perth, Western Australia

The directors of Provaris Energy Ltd ("Company") declare that:

a) in their opinion the accompanying financial statements and notes of the Consolidated Entity;

   i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

   ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and

b) in their opinion, subject to the matters set out in Note 1 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Martin Carolan
Managing Director and CEO

26 February 2025
Perth, Western Australia

Consolidated statement of Profit Or Loss and Other Comprehensive Income for the Half-Year Ended 31 December 2024

	Note	Half-Year to 31 December 2024 $	Half-Year to 31 December 2023 $
Income from non-operating activities	2	426,109	68,570
Corporate and administrative expenses		(1,635,904)	(2,126,977)
Project development		(97,779)	(1,664,377)
Share based payments	2	(3,556)	(31,406)
Loss before income tax		(1,311,130)	(3,754,190)
Income tax		-	-
Loss after income tax		(1,311,130)	(3,754,190)
Net Loss for the period		(1,311,130)	(3,754,190)
Other comprehensive loss			
Items that may be reclassified to profit and loss			
Exchange differences on translating foreign operations		(1,161)	(9,703)
Other comprehensive loss after income tax		(1,161)	(9,703)
Total Comprehensive loss for the period		(1,312,291)	(3,763,893)
Basic loss per share (cents per share)		(0.20)	(0.68)
Diluted loss per share (cents per share)		(0.20)	(0.68)

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 $	30 June 2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,187,387	743,929
Security deposit		219,324	209,200
Prepayments		93,312	223,629
Other current assets		204,584	50,536
TOTAL CURRENT ASSETS		1,704,607	1,227,294
TOTAL ASSETS		1,704,607	1,227,294
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	314,734	571,113
Provision for annual leave		168,176	128,813
Unearned income		80,024	-
Convertible bonds		179,560	286,804
Convertible options		5,439	12,000
TOTAL CURRENT LIABILITIES		747,933	998,730
TOTAL LIABILITIES		747,933	998,730
NET ASSETS		956,674	228,564
EQUITY			
Issued capital	5	23,114,784	21,077,939
Reserves	6	3,965,416	3,963,021
Accumulated losses		(26,123,526)	(24,812,396)
TOTAL EQUITY		956,674	228,564

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Half-Year to 31 December 2024 $	Half-Year to 31 December 2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Other receipts		347,790	-
Payments to suppliers & employees		(1,594,057)	(2,135,224)
Interest received		10,245	48,637
Project development		(139,613)	(2,162,420)
NET CASH USED IN OPERATING ACTIVITIES		(1,375,635)	(4,249,007)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in security deposit		(9,350)	-
NET CASH USED IN INVESTING ACTIVITIES		(9,350)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issues		2,072,765	1,670,000
Capital raising costs		(235,625)	(22,317)
Interest paid		(8,697)	-
NET CASH FROM FINANCING ACTIVITIES		1,828,443	1,647,683
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		443,458	(2,601,324)
Net foreign exchange differences		-	19,933
Cash and cash equivalents at beginning of period		743,929	5,069,836
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3	1,187,387	2,488,445

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Issued Capital $	Share-Based Payments Reserve $	Currency Translation Reserve $	Accumulated Losses $	Total Equity $
At 1 July 2024	21,077,939	4,003,236	(40,215)	(24,812,396)	228,564
Other comprehensive loss	-	-	(1,161)	-	(1,161)
Loss for period	-	-	-	(1,311,130)	(1,311,130)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	-	-	(1,161)	(1,311,130)	(1,312,291)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Issue of shares under purchase plan	1,000,000	-	-	-	1,000,000
Issue of shares under placement	1,071,970	-	-	-	1,071,970
Issue of shares – conversion of options	795	-	-	-	795
Issue of shares – conversion of bonds	203,714	-	-	-	203,714
Issue of performance rights	-	3,556	-	-	3,556
Issue costs of share purchase plan	(166,547)				(166,547)
Issue costs of share placement	(73,087)	-	-	-	(73,087)
AT 31 DECEMBER 2024	23,114,784	4,006,792	(41,376)	(26,123,526)	956,674
AT 1 JULY 2023	85,901,440	3,871,570	(15,169)	(85,426,156)	4,331,685
Other comprehensive loss	-	-	(9,703)	-	(9,703)
Loss for period	-	-	-	(3,754,190)	(3,754,190)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	-	-	(9,703)	(3,754,190)	(3,763,893)
Reduction in Issued Capital	(66,748,312)	-	-	66,748,312	-
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Issue of shares - consultant	31,406	-	-	-	31,406
Issue of shares under placement	1,670,000	-	-	-	1,670,000
Issue costs of share placement	(90,214)	-	-	-	(90,214)
At 31 December 2023	20,764,320	3,871,570	(24,872)	(22,432,034)	2,178,984

The accompanying notes form part of this financial report

NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This interim condensed financial report for the interim half-year reporting period ended 31 December 2024 has been prepared in accordance with requirements of the Corporations Act 2001 (Cth) and Australian Accounting Standard AASB 134: Interim Financial Reporting ("AASB 134") and was authorised for issue in accordance with a resolution of the directors on 26 February 2025.

The Company is a listed public company limited by shares, incorporated and domiciled in Australia. The registered office is located at Level 14, 234 George Street, Sydney NSW 2000. The Group is principally involved in (i) the development of hydrogen production and export projects in Europe, with a focus on local collaborations in Norway; (ii) the design, engineering activities required to attain final Class Approval processes for its proprietary H2Neo Carrier and H2Leo Storage Barge for the marine storage and transportation of compressed hydrogen; and (iii) the early stage development of new hydrogen storage tanks required for industrial and maritime sectors, with a hydrogen capacity range of 1 to 5 tonnes.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2024, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and in the corresponding interim reporting period, except those accounting policies which have changed as a result of the adoption of new and revised accounting standards and interpretations as described below.

<u>Going concern basis for preparation of financial statements</u>

The Group incurred a loss after tax of $1,311,130 (2023: $3,754,190) and had cash outflows from operations of $1,375,635 (2023: $4,249,007) for the half year ended 31 December 2024. The Group held cash and cash equivalents at 31 December 2024 of $1,187,387 (30 June 2024: $743,929).

The Group's cashflow forecast for the period ended 28 February 2026 reflects that the Group will require additional working capital during this period to enable it to continue to meet its ongoing operational and project expenditure commitments. The directors are satisfied that the Group will be able to secure additional working capital as required through raising additional equity. Accordingly, the Directors consider it appropriate to prepare the consolidated financial statements on a going concern basis.

In the event the Group is unable to raise additional working capital to meet its ongoing operational and project expenditure commitments as and when required, there is material uncertainty as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern and, therefore whether it will be able to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

No adjustments have been made relating to the recoverability and classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

<u>Comparative information</u>

Certain comparative information in the consolidated statement of profit or loss and other comprehensive income has been reclassified to ensure consistency with current year presentation. These reclassifications have no effect on the reported results of operations.

New or amended Accounting Standards or Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period and are relevant to the Group. The adoption of the new and amended accounting standards and interpretations had no material impact on the Group. Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

NOTE 2. INCOME AND EXPENSES

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

	Half-Year to 31 December 2024 $	Half-Year to 31 December 2023 $
NON-OPERATING ACTIVITIES		
Technical service fee [a]	267,766	-
Interest received	11,019	48,637
Unrealised exchange gains	-	19,933
Grant income	147,324	-
TOTAL INCOME FROM NON-OPERATING ACTIVITIES	426,109	68,570

(a) During the period the Group provided certain technical services, income from which has been recognised in accordance with AASB 15: Revenue from Contracts with Customers

	Half-Year to 31 December 2024 $	Half-Year to 31 December 2023 $
CORPORATE AND ADMINISTRATIVE EXPENSES INCLUDE:		
Employee benefits and consultants' expenses	977,146	1,343,629
Share based payments expense	3,556	31,406

NOTE 3. CASH AND CASH EQUIVALENTS

	31 December 2024 $	30 June 2024 $
Cash at bank	1,187,387	743,929
	1,187,387	743,929

NOTE 4. TRADE AND OTHER PAYABLES

	31 December 2024 $	30 June 2024 $
Trade creditors	174,119	425,765
Sundry creditors and accrued expenses	140,615	145,348
	314,734	571,113

NOTE 5. ISSUED CAPITAL	31 December 2024 $	30 June 2024 $
ORDINARY SHARES		
686,883,658 (30 June 2024: 600,616,703) fully paid ordinary shares *(a)*	23,114,784	21,077,939
	23,114,784	21,077,939

MOVEMENTS IN ORDINARY SHARES	Date	Number of Shares	$
Opening balance	01-Jul-23	549,280,552	85,491,804
Expired Loyalty Options	1-Jul-23	-	409,636
Shares issued to consultant	10-Aug-23	448,656	31,406
Reduction of share capitals*(a)*	30-Nov-23	-	(66,748,312)
Share placement at $0.04 per share	8-Dec-23	41,750,000	1,670,000
Less: Issue costs of share placement	8-Dec-23	-	(90,214)
Balance at 31 December 2023		591,479,208	20,764,320
Shares issued to consultant	28-Feb-24	708,814	24,809
Share placement at $0.04 per share	29-Feb-24	5,750,000	230,000
Less: Issue costs of share placement	29-Feb-24	-	(34,588)
Shares issued on conversion of bonds	24-May-24	1,672,240	65,218
Shares issued on conversion of bonds	26-Jun-24	1,006,441	28,180
Balance at 30 June 2024		600,616,703	21,077,939
Share purchase plan at $0.04 per share	11-Jul-24	25,000,000	1,000,000
Less: Issue costs of share purchase plan	12-Jul-24	-	(166,547)
Shares issued on conversion of bonds	12-Jul-24	2,158,216	66,905
Shares issued on conversion of bonds	30-Jul-24	1,136,363	28,409
Shares issued on conversion of options	23-Aug-24	10,600	795
Shares issued on conversion of bonds	6-Sept-24	2,045,454	47,045
Shares issued on conversion of bonds	17-Oct-24	1,136,363	31,818
Shares issued on conversion of bonds	18-Oct-24	1,181,474	29,537
Share placement at $0.02 per share	13-Nov-24	53,598,485	1,071,970
Less: Issue costs of share placement	13-Nov-24	-	(73,087)
AT THE END OF THE FINANCIAL PERIOD	31-Dec-24	686,883,658	23,114,784

(a) Reduction of Share Capital

On 30 November 2023, the Company reduced its share capital by $66,748,312 in accordance with section 258F of the *Corporations Act 2001*, reducing accumulated losses relating to activities no longer undertaken, therefore deemed to be of a permanent nature, by the same amount.

There is no impact on shareholders from the capital reduction as no shares were cancelled or rights varied, and there was no change in the net asset position of the Company. There was also no impact on the availability of the Company's tax losses from this capital reduction.

PERFORMANCE SHARES

There are no unvested performance shares at 31 December 2024 (31 December 2023 Nil).

	31 December 2024 $	30 June 2024 $
NOTE 6. RESERVES		
Share based payments reserve	4,006,792	4,003,236
Currency translation reserve	(41,376)	(40,215)
	3,965,416	3,963,021
MOVEMENTS IN SHARE BASED PAYMENTS RESERVE		
At the beginning of the financial period	4,003,236	3,871,570
Issue of unlisted options attached to convertible bonds	-	84,000
Issue of PV1AM Performance Rights to employees	3,556	47,666
AT THE END OF THE PERIOD	4,006,792	4,003,236
MOVEMENTS IN CURRENCY TRANSLATION RESERVE		
At the beginning of the financial period	(40,215)	(15,169)
Consolidation of foreign currency subsidiaries	(1,161)	(25,046)
AT THE END OF THE PERIOD	(41,376)	(40,215)

Note 7. Financial Instruments

(a) Overview of Financial Instruments

Set out below is an overview of the financial instruments held by the Group as at 31 December 2024:

	31 December 2024 $	30 June 2024 $
CASH AND RECEIVABLES		
Cash and cash equivalents	1,187,387	743,929
Security deposit	219,324	209,200
Other current assets	204,584	50,536
	1,611,295	1,003,665

TRADE AND OTHER PAYABLES

Trade creditors	174,119	425,765
Sundry creditors and accruals	140,615	145,348
Convertible bonds	179,560	286,804
	494,294	857,917

(b) Fair values

Due to the short-term nature of the financial assets and liabilities, the carrying amounts approximate fair value.

NOTE 8. SEGMENT INFORMATION

The Group has only one operating segment, being the development of compressed shipping solutions.

NOTE 9. CONTINGENT LIABILITIES-

There have been no significant changes in contingent liabilities since the last annual reporting date (30 June 2024: None).

NOTE 10. EVENTS SUBSEQUENT TO BALANCE DATE

In January 2025, Provaris, Uniper Global Commodities SE (Uniper) and Norwegian Hydrogen AS announced the execution of a conditional Term Sheet for the supply, transport and offtake of RFNBO compliant hydrogen. The Term Sheet provides the basis of negotiating a binding Hydrogen Sale and Purchase Agreement (Hydrogen SPA).

In February, Provaris announced an update to its commercialisation model to maximise early cash flow while minimising capital outlay by the Company. This approach will leverage Technology License Fees and Origination Fees to generate revenue.

In February 2025, a General Meeting of shareholders was held with all resolutions passed.

No other matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

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

As lead auditor for the review of the half-year financial report of Provaris Energy Ltd for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

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

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

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

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

Ernst & Young

Ernst & Young

Sarang Halai
Partner
26 February 2025

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Independent auditor's review report to the members of Provaris Energy Ltd

Conclusion

We have reviewed the accompanying half-year financial report of Provaris Energy Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which describes the events or conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Sarang Halai
Partner
Perth
26 February 2025