



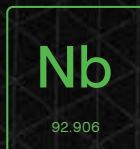
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Annual Report 2025



Titanium



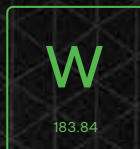
Niobium



Rhenium



Molybdenum



Tungsten



Tantalum

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The highest-quality spherical powders and PM-HIP parts for the most demanding applications

Amaero is a leading U.S. domestic producer of high value refractory and titanium alloy spherical powders & manufacturer of near-net-shape parts for mission critical components across defense, space, aviation, medical and industrials.



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Chairman and Chief Executive Officer's Letter



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Dear shareholders,

Over the 2025 financial year ("FY2025"), we have delivered a defining year of execution, establishing the foundation for Amaero's next phase of commercial expansion.

We have strategically advanced on every front – manufacturing, commercial partnerships, financial structure, leadership, and governance – while navigating short-term federal budget and tariff headwinds, the shift in Trump Administration policy has created a sense of urgency to re-industrialize with unified policies to re-shore, to re-build and to scale domestic sovereign manufacturing and supply chain capabilities that support the defense industrial base and dual-use manufacturing.

Amaero was built to address a fundamental gap in the United States' manufacturing ecosystem – Amaero has moved boldly to commission the largest capacity and the lowest cost domestic production of refractory and titanium alloy spherical powders and to provide pioneering capabilities to manufacture large near-net-shape components as an immediate and viable substitute to long lead time castings and forgings. In FY2025, we progressed from building our core capabilities toward demonstrating commercial traction and operational readiness. We enter FY2026 positioned as a leading U.S.-based supplier of refractory and titanium alloy powders, with the infrastructure and partnerships in place to capitalise on the re-industrialisation and reshoring imperative across the defense, aviation, space, medical and industrial sectors.

Operational Milestones and Technical Advancements

During FY2025, Amaero significantly expanded its manufacturing capabilities through the commissioning of its second Electrode Induction Melting Inert Gas Atomizer ("EIGA Premium") in June 2025. This milestone followed the commissioning of our first EIGA Premium atomizer in June 2024 and now places Amaero at the forefront of U.S. production capacity for C103, refractory and titanium alloy powders.

Our advanced atomizers are custom-designed to produce high quality spherical powders with exceptional yield, purity, and consistency – attributes critical for defense and aerospace-grade additive manufacturing. These assets, co-located at our 9,290 square metre (100,000 sq. ft) facility in McDonald, Tennessee, are core to our competitive edge.



The third atomizer, already ordered, remains on schedule to be commissioned at the end of FY2026. Upon installation, this will further increase Amaero's scalable throughput, ensuring that we remain agile and responsive to the growing demand from U.S. federal agencies, contractors, and commercial partners seeking fully traceable, secure and sustainable supply chains.

Additionally, we completed a significant \$28 million infrastructure improvement project at our Tennessee facility during the year, providing us with world-class production capabilities and a platform for future scaling. We achieved AS9100D accreditation for both metal powder production and Powder Metallurgy Hot Isostatic Pressing ("PM-HIP"), validating our commitment to aerospace-grade quality and operational excellence. This accreditation has already supported customer qualification efforts and underpins our growing commercial pipeline.

Our proprietary PM-HIP capabilities, which allow the manufacture of large, forged-equivalent parts with exceptional mechanical properties, continue to gain traction as a scalable alternative to traditional castings and forgings. With domestic U.S. supply chains for such components under considerable pressure, we see increasing opportunities to provide solutions that are faster, more cost-effective, and strategically aligned.

Commercialisation Progress and Customer Engagement

FY2025 marked Amaero's transition into initial commercial operations. Our June 2025 quarter revenue of \$1.5 million was the highest in our history, underpinned by strong powder sales and increasing PM-HIP orders. 2025 financial year revenue grew to \$3.8 million, reflecting progress in validating our technology with customers and building volume.

The most notable commercial milestone of the year was the execution of a five-year, exclusive supply agreement with Velo3D, a leading U.S. additive manufacturing technology company. Under the agreement, Amaero will be the exclusive supplier of C103 and other refractory alloy powders and a preferred supplier for titanium alloy powders. Velo3D estimates revenue from this agreement is \$35 million, with initial purchase orders including 500 kg of C103 powder to be shipped in Q1 FY2026 and 500 kg of Ti64 (or Ti-6Al-4V) powder to be shipped in Q1 FY2026.

In addition to supplying powder, Velo3D will develop proprietary print parameters for Amaero's materials across its printer suite, enabling deeper technical integration and streamlined qualification processes for end customers. This collaboration reinforces our role in high-performance additive manufacturing supply chains and validates the quality, traceability, and performance of Amaero's powders.

Chairman and Chief Executive Officer Report

continued

We also secured a three-year supply agreement with The Perryman Company for U.S.-melt titanium bar feedstock, ensuring a reliable and scalable source of raw material for our atomization processes. These agreements, along with ongoing discussions with aerospace primes, and defense integrators, provide a strong foundation for commercial scaling.

Amaero now has visibility to approximately 80% of its planned revenue for the first half of FY2026, supported by long-term agreements and executed purchase orders. With our second atomizer commissioned and customer contracts in place, we are entering a new phase of operations with confidence and certainty.

Financial Stewardship and Capital Structure

Amaero's capital position improved substantially during FY2025. We completed a \$22 million two-tranche institutional placement, with strong participation from existing cornerstone investors and a prominent new U.S.-based institutional investor. These proceeds were directed toward capital equipment purchases, working capital, and strategic investments in our Tennessee facility.

Critically, we executed a US\$22.8 million (\$35 million) equipment financing loan with the Export-Import Bank of the United States ("EXIM") – a strategic endorsement of our mission and our contribution to U.S. sovereign industrial capability. This facility is the first EXIM loan approved under the Make More In America initiative for the advanced materials and additive manufacturing sector. The loan offers attractive terms, including a fixed 5.43% interest rate, and provides funding for approximately 75% of our capital equipment requirements.



We completed the first draw of \$5.4 million during the June quarter and expect to draw an additional \$25.2 million during FY2026. The remaining draw will align with the delivery and commissioning schedule of our third atomizer and related manufacturing infrastructure.

Amaero ended the 2025 financial year with \$19.2 million in cash and \$50.7 million in tangible assets, including inventory and equipment. We are fully funded for the remainder of our three-year capital plan through FY2026 and remain disciplined in our use of capital.

Leadership, Governance and Team

FY2025 saw further strengthening of our leadership team and governance structure to support our transition into full-scale commercial operations.

In February 2025, Michael "Mick" Maher, a former senior leader at the Defense Advanced Research Projects Agency ("DARPA"), was promoted to Chief Strategy and Commercial Officer. Mick's insights and relationships are instrumental as we engage with U.S. government customers and defense contractors. His leadership is already driving progress across strategic partnerships, contract negotiations, and commercialisation planning.

We also welcomed Brett Paduch as Chief Financial Officer in July 2025. Brett brings strong credentials in financial planning, capital markets, and operational execution, with prior experience at private equity-backed businesses and large publicly listed companies. His appointment reflects our commitment to financial discipline and transparent capital allocation.

During the period, we further enhanced the Board with the appointment of Alistair Cray as Non-Executive Director, bringing additional depth in strategy, governance, and capital markets.

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Alistair's appointment followed the retirement of Lucy Robb Vujcic at the 2024 Annual General Meeting, and we thank Lucy for her contribution during a foundational period of Amaero's journey.

Outlook

Amaero is uniquely positioned at the intersection of sovereign manufacturing, advanced materials innovation, and geopolitical realignment. The macro environment, including increased defense spending, geopolitical risks, and onshoring initiatives, has created a tailwind for high quality, U.S.-based production of advanced materials and critical additive manufacturing inputs.

Our strategy remains clear – to scale manufacturing capacity, deepen customer integration, and transition from early-stage production into a reliable, commercial supply of powders and additive manufacturing components. We will continue to invest in quality systems, technical partnerships, and customer support as we expand across new programs and industries.

As stated in our June 2025 Quarterly Activities Report and reaffirmed in the 13 August 2025 Financial and Commercial Update, the Company expects a significant step-up in revenue in FY2026, driven by strong contracted positions, and remains on track to achieve positive EBITDA in FY2027. We began the fiscal year with contracted revenue from long-term agreements and purchase orders equal to approximately 80% of planned revenue for 1H FY2026. Q1 FY2026 revenue is estimated at approximately A\$5.5 million, representing a 550% increase over the prior-year period.

On the commercial front, we are pleased to share that Amaero has continued to advance numerous commercial opportunities.

Amaero received contracts from a U.S. Department of Defense Prime Contractor ("**Defense Prime Contractor**") and collaborated closely over the past year. As culmination of the initial contracts, we expect to deliver First Article parts in September or October. First Article Qualification is an important step toward receiving a contract for production parts. The ongoing collaboration with the Defense Prime Contractor and the production of First Article parts further establishes PM-HIP manufacturing as a mature technology that's an immediate and viable substitute for large castings and forgings.

The Company has recently commenced a development collaboration with The Boeing Company ("**Boeing**"). The collaboration leverages Amaero's pioneering experience in PM-HIP manufacturing of large near-net-shape parts and Boeing's vast manufacturing and materials experience.

As it relates to Amaero's refractory and titanium powder business, we are pleased to share that we have orders from 14 different customers that will ship in Q1 FY2026. The orders include Niobium C103, pure Niobium, Tungsten (WHA), TZM and Titanium (Ti64).

We have built a business two years ahead of where the industry is now headed. From our headquarters in Tennessee U.S., we are ideally situated to serve the nation's accelerating demand for high-purity powders and advanced manufacturing solutions. Our vision – to create a resilient, secure, and scalable materials supply chain for defense, space and aviation sectors – is no longer aspirational, it is underway.

As Amaero executes on its strategy, we are also considering other ways to improve Amaero's ability to win new contracts in the United States and to benefit from the important connections our business has with the United States. As part of that, Amaero has begun considering the addition of a potential direct listing in the United States (as a foreign private issuer and without an accompanying capital raising) and is undertaking preparatory work with a view to achieving this within the next 12 months.

In closing, I want to thank our shareholders, partners, and employees. Your ongoing support has enabled us to build something with real and enduring value – an enterprise that contributes to national capability, innovation, and economic security.

The Amaero of today is vastly different than just 12 months ago. We have grown in capability, visibility, and momentum. As we enter FY2026, we do so not as a company aspiring to manufacture at scale, but as one that is already delivering – commissioning equipment, delivering product, and fulfilling contracts that directly support the future of U.S. industry and innovation.

We are proud of what we've achieved. We are excited for what comes next. And we remain firmly committed to delivering exceptional value for our customers, our country, and our shareholders.



Hank J. Holland
**Chairman and Chief
Executive Officer**

Date: 18 August 2025

Board of Directors



Hank J. Holland
Chairman and Chief
Executive Officer

Mr. Holland serves as Managing Partner of Pegasus Growth Capital ("Pegasus"), a U.S.-based private equity firm, where he oversees deal origination, transaction structure and investment execution, and leads the strategy and general management of the fund. With 35 years of experience in investment, finance and capital market management across public and private markets, he has successfully sourced, structured and led investments in early-stage growth businesses. In addition to Amaero, Holland has led successful investment in LogicSource, Inc.

Pegasus has led three capital raises for Amaero and owns approximately 28% of fully paid ordinary shares. On a fully converted, fully diluted basis, Pegasus ownership is approximately 42%.

Holland has previously held senior roles at First Republic Investment Management, Merrill Lynch and Sanford C. Bernstein.



Eric Bono
Executive Director and
Chief Technology Officer

Eric Bono brings extensive experience and relationships in powder metallurgy, additive manufacturing, and near-net shape Hot Isostatic Pressing (HIP) manufacturing. Over the past 28 years, Eric has held leadership roles across technical and sales functions for various industry leaders, including 6K, Carpenter Technology, Puris, Summit Materials and Crucible Research.



Omer Granit
Non-Executive Director

Omer Granit joined Amaero's Board to assist with the Group's global expansion and capital markets engagement. He began his career as a practicing attorney at White & Case in New York City, specializing in corporate and M&A groups. Omer later transitioned to finance, managing a multi-million dollar family office in London and serving as a Managing Director and senior member at Migdal Capital Markets, the asset management arm of the Migdal Group, where he was responsible for alternative investments.

He is the co-founder and former co-CEO of the high-end co-working company, Mixer Global, and the managing partner and founder of West 4 Capital, a leading hedge fund registered in London under the FCA.

Omer currently serves as a partner at EnPar Capital, a private investment firm based in New York. His previous positions include board directorships at the Monte Rosa Private Equity Fund, The Dragon Variation Fund, and the MGT hedge fund.



Erik Levy
Non-Executive Director

Based in New York City, Mr. Levy is an experienced director and investor who brings a depth of expertise in global capital markets, M&A and corporate strategy. He is Managing Partner of EnPar Capital and prior to that, he was a Founding Partner and Managing Director of BlackRock's Direct Private Equity business.

Prior, he spent over 11 years with CPP Investment Board building the firm's Direct Private Equity business and with Bain & Co prior to that. Over the years, he has served on numerous corporate boards including Skype, Informatica, Acelity, Suddenlink, etc.

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Robert Latta
Non-Executive Director

Robert "Bob" Latta was a Senior Partner at Wilson Sonsini Goodrich & Rosati, one of the U.S.' leading technology and growth business law firms, from 1979 until 2019, and was Senior of Counsel at the firm from 2019 until his retirement in 2024. He served on the firm's Executive, Policy, Compensation and WS Investments Committees during that time, and his practice covered a broad range of general corporate and transactional matters, including company formations, venture capital financings, public offerings, and mergers and acquisitions.



Jamie Levy
Non-Executive Director

Mr. Levy is a senior corporate lawyer and international business leader who has developed a unique combination of legal, commercial and advisory skills gained through working closely with some of the world's leading investment organisations over 20+ years, both in the private and public sectors.

Presently, Jamie serves as Senior Advisor to the Abu Dhabi Investment Office (ADIO), the central government hub supporting private sector investment in the Emirate of Abu Dhabi. Jamie is also appointed by the United Arab Emirates to serve as an Advisory Board Member of the Australia UAE Business Council, with a focus on increasing bilateral trade and investment. Prior to joining ADIO, Jamie was a Corporate Law Partner in KPMG Law's Sydney office, advising on corporate transactions, corporate governance and legal technology adoption.

Jamie spent over 8 years living and working in Abu Dhabi, and was General Counsel at Mubadala Investment Company, advising Aerospace, Defence, ICT, Private Equity and Healthcare business units, before returning to Sydney and taking up the position with KPMG. His formative legal years were spent at King & Wood Mallesons (Sydney) and New York Law firm, Debevoise & Plimpton (London) where he obtained significant experience in advising private equity fund sponsors and investors in relation to establishment and investment into private equity funds.



Alistair Cray
Non-Executive Director

Based in Brisbane, Mr. Cray is an experienced investor with a focus on fundamental, technical and macro analysis of small-cap ASX companies. As a high-net-worth investor and as one of Amaero's largest shareholders, Mr. Cray provides a representative perspective for individual and high-net-worth (HNW) investors in Amaero.

Mr. Cray was raised in greater London and began his investment career as a registered representative focused on London Stock Exchange listed companies. After years of competing at an international level in squash, he moved to Brisbane in 1989. As a self-made and self-taught entrepreneur, he established, acquired and built numerous real estate services businesses.

Key Management Personnel



Hank J. Holland
Chairman and Chief
Executive Officer

Mr. Holland serves as Managing Partner of Pegasus Growth Capital ("Pegasus"), a U.S.-based private equity firm, where he oversees deal origination, transaction structure and investment execution, and leads the strategy and general management of the fund. With 35 years of experience in investment, finance and capital market management across public and private markets, he has successfully sourced, structured and led investments in early-stage growth businesses. In addition to Amaero, Holland has led successful investment in LogicSource, Inc.

Pegasus has led three capital raises for Amaero and owns approximately 28% of fully paid ordinary shares. On a fully converted, fully diluted basis, Pegasus ownership is approximately 42%.

Holland has previously held senior roles at First Republic Investment Management, Merrill Lynch and Sanford C. Bernstein.



Eric Bono
President and Chief
Technology Officer

Eric Bono brings extensive experience and relationships in powder metallurgy, additive manufacturing, and near-net shape Hot Isostatic Pressing (HIP) manufacturing. Over the past 28 years, Eric has held leadership roles across technical and sales functions for various industry leaders, including 6K, Carpenter Technology, Puris, Summit Materials and Crucible Research.



Brett Paduch
Chief Financial Officer

Brett Paduch joined Amaero in July 2025. He is a seasoned finance executive with over two decades of experience leading high-performing teams across technology, industrial, and public accounting environments. He brings deep expertise in strategic financial planning, M&A transactions, revenue operations, and finance integration.

Most recently, Brett served as Chief Financial Officer of a private equity-backed technology company, where he led a global finance organization spanning accounting, FP&A, treasury, licensing, and supply chain.

Brett began his career at PwC, where he spent over a decade advising global clients across industrial and technology sectors, leading a significant IPO, spin-off, and multinational public company audit engagements in both the U.S. and Europe.

He holds a B.S. in Business Administration with an Accounting Concentration from The Citadel, graduating summa cum laude.

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Mick Maher
Chief Strategy &
Commercial Officer

Mr. Michael 'Mick' Maher joined Amaero as their Chief Strategy and Commercial Officer on January 2025. In this role he oversees the development and execution of the company's revenue generating activities and strategic direction. Prior to joining Amaero, he founded Maher & Associates LLC in September 2016.

Mr. Maher has served on several corporate and technical advisory boards. These include: the National Academies' National Materials and Manufacturing Board, and as the Chief Technology Officer and founder for the non-profit, Applied Science and Technology Organization of America (ASTRO).

From 2011 to 2015, he was a Program Manager at the Defense Advanced Research Projects Agency (DARPA).

Mr. Maher came to DARPA from the Army Research Laboratory (ARL), where he was Chief of the Composite and Hybrid Materials Branch and Materials Applications Branch.

Prior to his work at ARL, Mr. Maher served in various technology and managerial positions over a 20-year period in the private sector, including Martin Marietta, AAI, and DuPont.



Jay Chandran
Chief Operating Officer

Jay Chandran has strong operational and general manager experience with leading industrial companies, Consolidated Precision Products Corp. (CPP) and Precision Castparts Corp. (PCC). He has been the General Manager for highly complex castings operations with revenues of \$550 million per annum, as well as managing the pre-development, development, and commissioning of greenfield manufacturing operations. He has worked with end customers in the automotive and the aerospace & defence sectors. He received his Bachelor of Science in Production Engineering from Nagpur University and a Master of Science in Industrial Engineering from the University of Oklahoma.



Melissa Denton
Chief Administrative
Officer

Melissa Denton has strong experience serves across human resources, benefit and compensation administration, talent acquisition, team building, workers compensation, training, orientation, on boarding, employee relations, and workers compensation. Prior to her work at Amaero, Ms. Denton was a HR business partner at Cleveland-Cliffs and Cannon Automotive Solutions as well as Director of Human Resources at Quantum Restaurants.

Corporate Governance

Amaero and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board is responsible for ensuring that the Company has an appropriate corporate governance framework to protect and enhance company performance and build sustainable value for shareholders. The Board of Directors has reviewed the Company's corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council. The Corporate Governance Statement is available on the company's website at <https://investorhub.amaero.com.au>.

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Directors' Report

30 June 2025

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Amaero Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

DIRECTORS

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

Mr Hank J Holland – Executive Director, Chairman and Chief Executive Officer
Mr Eric Bono – Executive Director and Chief Technology Officer
Mr Omer Granit – Non-Executive Director
Mr Erik Levy – Non-Executive Director
Mr Robert Latta – Non-Executive Director
Mr Jamie Levy – Non-Executive Director
Mr Alistair Cray – Non-Executive Director (appointed on 29 October 2024)
Ms Lucy Robb Vujcic – Non-Executive Director (resigned on 29 October 2024)

PRINCIPAL ACTIVITIES

During the year, the principal continuing activities of the Group were primarily focused on producing high-value refractory, specialty alloy and Ti-64 powder for additive manufacturing ("AM") of mission-critical components for the defence, space and aviation industries. Amaero's strategic focus on specialty alloy production positions it at the intersection of national security and economic interests.

Based in McDonald, TN, and using next generation Electrode Induction Melting Inert Gas Atomiser (EIGA Premium) technology, the Company will produce powder for powder bed fusion ("PBF") applications utilized in AM.

The Company also utilises Powder Metallurgy Hot Isostatic Pressing (PM-HIP) to produce custom near net shape parts for use in demanding, critical applications. Our collaborative HIP process combines our extensive knowledge of numerical modelling with the expertise of powder metallurgy. This allows us to produce premium quality parts for the defence, aerospace and oil and gas industries with precision and efficiency, helping alleviate the strained domestic supply chain for castings and forgings of large components.

The Group provides applied engineering and commercialisation services in collaboration with aerospace, defence and other industries that utilise additive manufacturing.

DIVIDENDS

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

REVIEW OF OPERATIONS

The loss for the Group after providing for income tax amounted to \$24,434,935 (30 June 2024: \$18,785,306).

During the year, Group reported revenue of \$3.8 million. This marks the first year with material commercial revenue. The revenue included approximately \$2.4 million from powder sales and \$1.4 million from Powder Metallurgy Hot Isostatic Pressing ("PM-HIP") manufacturing.

Capital raise activity

During the 2025 fiscal year, Amaero successfully completed two capital raises totalling \$47 million.

In September 2024, the Company raised \$25 million through a two-tranche placement ("Placement") priced at \$0.35 per New Share, resulting in the issuance of 71,428,571 new fully paid ordinary shares (Tranche 1 and Tranche 2) ('New Shares'). Under Tranche 1 (unconditional component), 56,070,027 New Shares were issued under the Company's existing placement capacity in accordance with ASX Listing Rules 7.1 and 7.1A raising a total sum of \$19.6 million.

Under Tranche 2 (conditional component), subject to shareholder approval which was received at the Annual General Meeting ("AGM") on 29 October 2024 (in accordance with ASX Listing Rule 7.1), investors subscribed for an additional 15,358,544 New Shares, raising an additional total sum of \$5.4 million. The Placement received strong support from existing cornerstone institutional investors, including Fidelity International who increased its substantial shareholding, as well as new Australian and international institutions. Net proceeds from the Placement will be primarily utilised to fund the purchase of capital equipment, including the atomizer and improvements to the Company's headquarters in Tennessee.

In February 2025, the Company raised \$22 million through a two-tranche placement priced at \$0.30 per New Share, resulting in the issuance of 73.3 million new fully paid ordinary shares (Tranche 1 and Tranche 2) ('New Shares'). Under Tranche 1 (unconditional component), 68.3 million New Shares were issued under the Company's existing placement capacity in accordance with ASX Listing Rules 7.1 and 7.1A raising a total sum of \$20.5 million.

Under Tranche 2 (conditional component), subject to shareholder approval which was received at the Extraordinary General Meeting on 1 April 2025, investors subscribed for an additional 5.0 million shares raising an additional total sum of \$1.5 million. The Company has been using the proceeds of these capital raises for general corporate purposes, including working capital, operating expenses, and capital expenditures.

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EXIM Credit Agreement Signed for approximately \$35 million (US\$22.8 million)

The Group executed a credit agreement for a US\$22.8 million from Export-Import Bank (EXIM). A fixed interest rate of 5.43% per annum was locked upon execution of the credit agreement. The total loan cost equals approximately 7.05% per annum over an 8-year period, providing an attractive and flexible funding source for the Group. The financing will fund approximately 75% of the cost of capital equipment to be installed at the Group's manufacturing facility in Tennessee. Following completion of tranche 1 of the Placement, Amaero satisfied a key condition precedent required prior to first draw of the EXIM loan. The Group's EXIM loan is the sixth Make More In America (MMIA) loan to be approved and the first MMIA loan that supports advanced materials and additive manufacturing, an important signal of U.S. government support to the capital markets and commercial customers. In conjunction with executing the EXIM Bank Credit Agreement the Group terminated the US\$5 million cash secured credit facility with Western Alliance Bank. This credit facility was announced on 27 December 2024.

On 27 June 2025, the Group completed its 1st draw on the \$35 million EXIM Bank equipment financing and received \$5.4 million of net proceeds. The Group expects to receive additional net loan proceeds of approximately \$25.2 million during FY2026.

Qualification Completion of Niobium C103 with ADDMAN

In September 2024, the Group completed the qualification of Niobium C103 AM powder in accordance with ADDMAN Group and its subsidiary, Castheon's, technical specifications. The achievement of C103 qualification with a leading technical and manufacturing authority was achieved ahead of schedule. The Group's successful qualification of C103 AM powder triggers ADDMAN's offtake obligation with 2.0 tonnes expected to ship in CY2025. The qualification commences a five-year preferred supplier agreement whereby the Group will be the primary supplier of C103, refractory, and titanium alloy AM powder to ADDMAN Group and its subsidiaries, including Castheon and Keselowski Advanced Manufacturing.

Long-Term Supply Agreement for U.S.-Melt Titanium Bar

In December 2024, the Group signed a 3-Year Supply Agreement (the "Agreement") for U.S.-melt and forged titanium alloy bar with The Perryman Company ("Perryman"). For the 3-year term of the contract, Perryman will be the Group's preferred and primary supplier of high quality, reliable, and scalable U.S.-melt and forged titanium alloy bar feedstock for its atomization of premium spherical powder. The Agreement provides a baseline price in CY2025. For the subsequent years of the contract, the base price increases annually by an agreed upon fixed percentage and includes a variable

raw material surcharge that's based on a reference index market price for Ti64. The Group has provided non-binding estimates of minimum annual demand and will provide Perryman with updates on a quarterly basis. The Group has not provided a take or pay guarantee; however, the stipulated pricing is based on achieving minimum annual order threshold of 45 metric tonnes for calendar year ('CY') CY2025 and 100 metric tonnes for CY2026 and CY2027. The Agreement does not provide a maximum volume and it is understood that the Group may increase volume to meet its order demand.

Metal Powder and PM-HIP Production AS9100D Accreditation

In December 2024, Amaero received the Aerospace Quality Management System, AS9100D Accreditation ("AS9100D") for manufacturing and testing of metal powder and for PM-HIP production at its McDonald, Tennessee flagship facility. The AS9100D accreditation, an enhancement of ISO 9001, is an internationally recognised standard for quality management designed for the aerospace, defense, and aviation industries. After successfully completing the audit process, the Group has demonstrated that the quality management system at its flagship Tennessee facility delivers the highest quality, reliability and safety in its products. It signifies that the systems, processes and procedures meet rigorous requirements designed to help ensure the delivery of high-performance and safe products. The Group was evaluated across different categories including strategic direction of the Group, Group leadership, quality planning, support, capital equipment and plant, performance evaluation and continuous improvement.

2nd Atomizer Commissioned, and 3rd Atomizer Ordered

In December 2024, the Group signed a binding Equipment Supply Contract ("Order") with ALD Vacuum Technology North America, Inc. to purchase a 3rd EIGA Premium atomizer. The Group's EIGA Premium #1 was commissioned in June 2024 and was the 1st custom designed and manufactured EIGA Premium to be commissioned in the U.S. and the 2nd to be commissioned globally.

On 23 June 2025, the Group announced that it has completed commissioning of the 2nd advanced EIGA Premium on schedule at its flagship Tennessee manufacturing facility. The Group's advanced atomizer technology is the 2nd custom designed EIGA Premium to be commissioned in the U.S. and the 3rd to be commissioned in the world. The 3rd EIGA Premium atomizer that was ordered in December 2024 is on schedule to be delivered in March 2026 and to be commissioned in June 2026 and is expected to be the 3rd custom designed and manufactured EIGA Premium to be commissioned in the U.S.

The contractual price is consistent with the budgeted capital expense that was reflected in guidance for capital expenditure in FY2025 and FY2026.

Directors' Report

30 June 2025

Velo3D Long-Term Supply Agreement

In April 2025, the Group signed a five-year, exclusive supply agreement with Velo3D, a leading U.S. based, metal additive manufacturing technology company for mission-critical parts in the defense, space, and aviation industries.

Based on demand estimates from Velo3D, revenue from C103 and titanium alloy powder sales over the five-year agreement are expected to equal approximately \$35 million. Actual revenues may change and are subject to Velo3D's production demand.

The Group will be an exclusive supplier to Velo3D for Niobium C103 and other refractory alloy powders, including Molybdenum, Tantalum, Tungsten, and Zirconium alloys. The Group will be preferred supplier to Velo3D for titanium alloy powders.

Velo3D will develop proprietary print parameters exclusively for the Group's C103 and refractory alloy powders on all Velo3D Sapphire family of printers. Velo3D will develop proprietary print parameters for the Group's titanium alloy powder and exclusively provide print parameters for the Group's titanium powders with new machine sales. The print parameters will be provided with 3D printing machine licensing at no additional cost to customers.

Velo3D will exclusively use the Group's C103, refractory alloy powders for all parts production, including its Rapid Production Solutions ("RPS") initiative. The Group will be a preferred supplier for titanium alloy powders for all parts production. Velo3D will dedicate a Sapphire machine to production with C103 powder and will dedicate a minimum of one large format Sapphire XC machine to production with titanium alloy powder. Velo3D will exclusively offer the Group's C103, refractory and titanium alloy powders for sale to its 3D printing machine customers.

The exclusive supply agreement underscores the Group's strategic initiatives to support the reshoring of advanced manufacturing and integrated supply chains to the United States.

S&P Dow Jones Index Rebalance

During the year, S&P Dow Jones added the Group as a new constituent of the All Ordinaries Index from 24 March 2025. The All Ordinaries Index (ASX:XAO) is a key benchmark for the Australian Securities Exchange ("ASX"), tracking the performance of the 500 largest companies listed on the ASX, providing a broad overview of the Australian market's overall performance.

Company Name Change

As part of the Company's extraordinary general meeting held on 1 April 2025, a resolution was passed by shareholders to change the name of the Company from Amaero International Limited to Amaero Ltd. The change of the Company name process was completed, and the Australian Securities and Investment Commissions ("ASIC") recorded the change of Company

name effective 1 April 2025. The effective date for the change of Company name on the ASX took effect from the commencement of trading on Tuesday 8 April. The Company's ASX Ticker Code "3DA" remains unchanged.

Board and Executive Leadership Changes

In July 2024, Amaero confirmed that former U.S. National Security Advisor Lieutenant General (ret.) H.R. McMaster joined the Group as Special Advisor to Chairman and CEO, Hank J. Holland. In his role, McMaster will advise Mr. Holland on strategic and commercial matters, as well as advise the Group pertaining to engagement with key stakeholders including the U.S. Government, Department of Defense, DoD-funded research and development laboratories and defense prime contractors.

Following the Company's 2024 Annual General Meeting held on 29 October 2024, Non-Executive Director Lucy Robb Vujcic retired from the Board and did not seek re-election. Effective the same date, Alistair Cray was appointed to the Board as a Non-Executive Director. On 30 June 2025, the Company confirmed the appointment of Brett Paduch as CFO, effective 14 July 2025, following the resignation of Chris Scanlon as CFO in April 2025. Mr. Paduch has strong experience in financial planning and analysis, strategic planning, capital markets and mergers and acquisition transactions. Mr Paduch previously served as CFO of a private equity owned business with US\$160 million of revenue. Prior roles included SVP of Finance at a subsidiary of NASDAQ-listed company with a market capitalization of US\$50 billion, following a promotion from Director Accounting at the company's corporate headquarters. Brett and his family will be re-locating to the Chattanooga, Tennessee area.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Corporate Name Change

On 1 April 2025, shareholders approved a resolution to change the Company's name from Amaero International Limited to Amaero Ltd. This change was registered with ASIC and became effective on the Australian Securities Exchange (ASX) on 8 April 2025. The ASX ticker "3DA" remains unchanged.

Facility Expansion and Modernisation

The Group substantially completed a major \$28 million improvement project at its 9,290 m² (100,000 ft²) manufacturing and corporate headquarters facility in Tennessee. The expansion formed part of a broader \$72 million capital expenditure program aimed at scaling production capacity and enhancing operational readiness to meet growing demand for high-purity, spherical refractory and titanium alloy powders.

The facility upgrades supported the installation and commissioning of the Company's second EIGA Premium atomizer and established the Group as the largest domestic producer of these advanced materials in the United States. The investments are intended to provide

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scalable, resilient infrastructure to support long-term growth across defense, aerospace, and industrial additive manufacturing markets.

Strategic Commercial Agreements

During FY2025, the Group advanced its commercial strategy through key agreements with leading additive manufacturing and defense sector partners.

In September 2024, the Group successfully completed the qualification of its Niobium C103 powder with Castheon, a subsidiary of ADDMAN Group, in accordance with the customer's technical specifications. This milestone triggered ADDMAN's offtake obligation, with 2.0 tonnes expected to ship in calendar year 2025, and marked the commencement of a five-year preferred supplier agreement. Under the agreement, the Group is the primary supplier of Niobium C103, refractory, and titanium alloy powders to ADDMAN Group and its subsidiaries, including Castheon and Keselowski Advanced Manufacturing.

In June 2025, the Group entered into a five-year exclusive supply agreement with Velo3D following the successful qualification of its high-performance C103 and Ti-6Al-4V powders on Velo3D's Sapphire additive manufacturing systems. The qualification process was conducted in accordance with Velo3D's material acceptance protocols and relevant aerospace standards, including ASTM F3001 and AMS7015. Initial purchase orders were received in connection with the qualification, with additional volume expected to support Velo3D's U.S. defense and aerospace customer base. This agreement strengthens the Group's commercial footprint in the U.S. market and reinforces the Group's position as a preferred supplier of advanced metal powders for critical additive manufacturing applications.

Supply Agreements

In December 2024, the Group entered into a three-year supply agreement with The Perryman Company for U.S.-melt and forged titanium alloy bar feedstock. Under the agreement, Perryman will serve as the Group's preferred and primary supplier of titanium bar for use in its atomization of premium spherical powders. The contract includes a fixed baseline price for calendar year 2025, with annual price adjustments in subsequent years based on a predetermined escalation rate and a variable raw material surcharge indexed to market pricing for Ti-6Al-4V. While the agreement does not include a take-or-pay commitment, pricing is structured around minimum annual order thresholds of 45 metric tonnes in 2025 and 100 metric tonnes in both 2026 and 2027. The agreement does not impose a maximum volume, allowing the Group flexibility to increase procurement in line with demand.

Second EIGA Premium Atomizer Commissioned

In June 2025, the Group commissioned its second EIGA Premium atomizer at the Company's Tennessee manufacturing facility. The installation was completed on

schedule and forms part of the Group's broader capital investment program to expand production capacity for high-purity, spherical metal powders. The second atomizer enables increased output of titanium and refractory alloy powders to support growing customer demand across the aerospace, defense, and additive manufacturing sectors. With both EIGA systems now operational, the Group significantly enhances its domestic manufacturing capability and strengthens its position as a strategic supplier of advanced metal powders in the United States.

AS9100D Certification

In May 2025, the Group was awarded AS9100D certification for its quality management system at the Tennessee manufacturing facility. AS9100D is the internationally recognized quality standard for organizations serving the aerospace, defense, and aviation industries. This accreditation affirms that the Group's operational processes, quality controls, and production systems meet rigorous industry standards required by global aerospace and defense customers. The certification strengthens the Group's eligibility for high-value programs and procurement opportunities and supports its strategic positioning as a qualified supplier in regulated end markets.

There were no other significant changes in the state of affairs of the Group during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 1 July 2025, the Company issued 128,000 fully paid ordinary shares upon the exercise of 28,000 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 100,000 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

On 4 July 2025, the Company issued 91,195 shares pursuant to the vesting of 3DAAE performance rights. On 7 July 2025, 7,520,439 3DAAH options with an exercise price of \$0.42 expired. Additionally, 28,558 3DAAE performance rights, 1,800,000 3DAAN options (exercisable at \$0.192, expiring 31 October 2033), and 375,000 3DAABH options (exercisable at \$0.332, expiring 11 February 2035) lapsed.

On 8 July 2025, the Company issued 336,141 shares following the exercise of 151,766 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 184,375 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

On the same day, the Company announced that it had entered into a technical development collaboration with the National Center for Additive Manufacturing Excellence (NCAME) at Auburn University in the United States. The collaboration leverages Amaero's proprietary gas atomisation technology alongside NCAME's expertise in additive manufacturing to support powder characterisation and continuous improvement. NCAME's validation of Amaero's C103 and Ti64 powders against ASTM and AMS standards satisfied a key qualification

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condition under the Company's strategic supply agreement with Velo3D. As a result, Amaero received initial purchase orders for 1,000 kg of powder to be delivered in the first quarter of FY2026.

On 9 July 2025, 541,714 fully paid ordinary shares were issued upon the cashless exercise of 1,200,000 options under the Company's Employee Incentive Plan. The underlying 3DAAN options were exercisable at \$0.192 and expiring 31 October 2033. As a result, 658,286 options were cancelled.

On 14 July 2025, the Company issued 710,416 shares through the exercise of 262,500 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 447,916 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

On 23 July 2025, 1,326,243 shares were issued upon the exercise of 762,500 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026) and 563,743 3DAO options (exercisable at \$0.18, expiring 2 December 2025).

On 25 July 2025, the Company released a revised Securities Trading Policy in accordance with ASX Listing Rule 12.10. The updated policy reinforces Amaero's governance framework and includes enhanced provisions related to insider trading, trading blackout periods, margin lending restrictions, and dealing procedures for designated persons. The policy applies to all directors, officers, employees, contractors, and their associates and reflects the Company's commitment to transparency and regulatory compliance.

On 30 July 2025, the Company issued two new classes of unlisted options: 2,350,000 options exercisable at \$0.416 and 785,200 options exercisable at \$0.463, both expiring 22 July 2035.

On 5 August 2025, the Company issued a total of 97,085,112 fully paid ordinary shares pursuant to the exercise of options. The issuance included 82,918,005 shares resulting from the cashless exercise of 132,176,227 3DAO options (exercisable at \$0.18, expiring 2 December 2025), with 49,258,222 options lapsed as consideration. In addition, 13,787,028 shares were issued following the cashless exercise of 27,403,846 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026), resulting in the lapse of 13,616,818 options. A further 380,079 3DAO options (exercisable at \$0.18, expiring 2 December 2025) were exercised for cash.

On 12 August 2025, the Company issued 5,595,879 fully paid ordinary shares upon the exercise of options. This included 115,026 shares issued from the cash exercise of 3DAO options (exercisable at \$0.18, expiring 2 December 2025), and 72,115 shares from the exercise of 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026). Additionally, under a cashless exercise arrangement, 8,615,692 3DAO options were exercised resulting in the issue of 5,391,463 shares, with 3,224,229 options lapsed as consideration. Similarly, 37,500 3DAAQ options were exercised into 17,275 shares, with 20,225 options lapsed.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Other than the information disclosed in the review of operations above, there are no likely developments or details on the expected results of operations that has not been disclosed by the Group.

BUSINESS RISKS

The following is a summary of the material risks of the Group (in no particular order of importance). These risks may adversely impact on the Group's financial and operating performance.

1. Company and industry risks

The risks outlined below are specific to the Group's operations.

1.1 Product manufacturing and powder qualification

As announced on 4 June 2024, Amaero installed and commissioned the first of its electrode inert gas atomizers. Amaero is in process of optimising the process parameters to commence commercial powder production. Amaero's production system and manufacturing set-up remains in development and is not yet mature. As such, Amaero's success in producing and delivering powder at scale is contingent on it successfully building-out and completing the production system and manufacturing set-up and its ability to continuously improve that system and operation in an efficient and compliant manner.

Achieving the desired quality and consistency in the produced powders requires precise control over various process parameters such as temperature, pressure, and gas flow rates. Any deviations or errors during the optimisation phase can lead to suboptimal powder characteristics and result in production delays and increased costs. In addition, operational risks, such as equipment malfunctions, unexpected downtimes, or technical failures, can disrupt the production process.

Once the powder production process is optimised, Amaero will work with aerospace & defence, as well as medical customers to qualify the powder. The qualification process in these industries can be rigorous and high value powder sales are subject to material qualification, often requiring extensive testing and validation to ensure that the powders meet stringent performance, quality and safety standards. Delays or failures in the qualification process can hinder Amaero's ability to secure contracts and generate revenue from customers in these sectors. Amaero's ability to attract and maintain relationships with major customers is integral to its financial performance.

1.2 Fluctuations in demand for, and prices of, Titanium C103 and Specialty Alloys

We expect to generate revenue from the sale of titanium, C103 and specialty alloys. As a result, our profitability could be adversely affected by changes in demand and the market price of Titanium, C103 and specialty alloys. Certain alloys may be sourced outside of the United States and subject to tariff levy. Changes in levied tariffs could adversely impact both the purchase price of and sales price of each alloy.

1.3 Regulatory and compliance Risk

The defence, space and aviation industries are highly regulated and Amaero faces risks associated with regulatory compliance. Ensuring adherence to stringent industry-specific standards involves significant costs related to quality assurance, certification processes, and continuous monitoring. Non-compliance can result in severe financial penalties, legal liabilities, operational restrictions, and loss of business opportunities, severely impacting Amaero's financial performance and reputation. Given Amaero continues to build-out and complete its production system and manufacturing set-up, non-compliance risks are higher during this period of its maturity than would be the case when the production system is mature.

1.4 Inability to retain and attract appropriately skilled employees

The future financial and operational performance of the Group is significantly dependant on the performance and expertise of key personnel given the highly specialised industries in which the Group operates. Amaero's ability to complete its production system and manufacturing set-up, innovate, maintain high product quality, and meet customer demands hinges on its ability to retain experienced personnel and attract new talent with the necessary technical skills and industry knowledge. The unplanned loss of key personnel, or the inability to retain high performing individuals may adversely impact the Group's ability to deliver its customer commitments and future financial performance.

1.5 Unanticipated risk of increased costs or delays with ongoing McDonald, TN facility build out

Unanticipated costs or delays associated with our ongoing build out of our McDonald, TN facility could materially and adversely affect our financial condition or results of operations. The continued build out of our facility requires the commitment of substantial personnel resources and capital expenditures, in a highly regulated and complex environment. Our future expenditures may increase should additional consultants, personnel and machinery and equipment be required. The success of the build out and completion of the Amaero production system and manufacturing set-up and the amounts and timing of expenditures will depend on the following: our ability to timely procure equipment in line with the optimal manufacturing set-up for Amaero, certain of which may

involve long lead-times; procuring applicable state and local permits; negotiating contracts for equipment, timing of equipment installation, testing and certification and completing infrastructure and construction work.

1.6 Future capital requirements

The Group is currently loss making and may require additional financing in the future to sufficiently fund its operations, including research and development and manufacturing, if projected revenues do not materialize in line with the Group's expectations.

Although the Directors believe additional capital can be obtained if required, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing could have a material adverse effect on the Group's business, financial condition, and results of operations.

1.7 Competition Risk

A number of companies in the U.S., Canada and Europe manufacture titanium, C103 and speciality alloy powder. The Company faces competition in its markets and the failure to effectively compete could lead to erosion of market position, decreased sales volumes, and reduced profitability, impacting both financial results and operational sustainability in the long term.

1.8 Contractual risk

The products we intend to produce may be used in critical applications. Use in these applications could result in death, personal injury, property damage, loss of production, punitive damages and consequential damages. Actual or claimed defects in the products we supply could result in contractual default. The outcome of any potential negative contractual claim cannot be predicted with certainty and may be determined adversely to us and as a result, could have a material adverse effect on our assets, liabilities, business, financial condition or results of operations.

2. General Risk

2.1 Cybersecurity Risks

Cybersecurity and cyber incidents may adversely affect our business. Attempts to gain unauthorized access to our information technology systems may be related to industrial or other espionage, include the introduction of malware to our computers and networks. The theft, unauthorized use, or publication of our confidential business information could harm our competitive position or otherwise adversely affect our business. In addition, the devotion of additional resources to the security of our information technology systems in the future could significantly increase the cost of doing business or otherwise adversely impact our financial results.

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2.2 Insurance risk

The Group intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Group's insurance may not 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 position, and results of the Group.

2.3 Litigation risk

The Group is not currently engaged in any litigation proceedings. However, the industry is frequently subject to class actions and other litigation in the US as well as in other jurisdictions. There's a risk that a member of the Group could be made a party to such litigation. If any claim was successfully pursued it may adversely impact the financial performance, financial position, cash flow, share price and/or industry standing of the Group.

ENVIRONMENTAL REGULATION

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

INFORMATION ON DIRECTORS

Mr Hank J. Holland - Executive Director, Chairman and Chief Executive Officer

Qualifications:	B.S. in Civil Engineering at Southern Methodist University and a Masters in Agriculture at Colorado State University
Experience and expertise:	Mr. Holland serves as Managing Partner of Pegasus Growth Capital ("Pegasus"), a U.S.- based private equity firm, where he oversees deal origination, transaction structure and investment execution, and leads the strategy and general management of the fund. With 35 years of experience in investment, finance and capital market management across public and private markets, he has successfully sourced, structured and led investments in early-stage growth businesses. In addition to Amaero, Holland has led successful investment in LogicSource, Inc. Pegasus has led three capital raises for Amaero and owns approximately 28% of fully paid ordinary shares. On a fully converted, fully diluted basis, Pegasus ownership is approximately 42%. Holland has previously held senior roles at First Republic Investment Management, Merrill Lynch and Sanford C. Bernstein.
Other current directorships:	None
Former directorships (last 3 years):	No ASX listed Directorships in the past 3 years. Holland was a Director of LogicSource, Inc, DYLN, Inc, Trifecta, Inc and Warp Speed Mortgage in the U.S. W Motors in the UAE; Project Apollo in Poland.
Interests in shares:	196,291,635 ordinary shares
Interests in options:	171,451,503 options over ordinary shares

Mr Eric Bono - Executive Director and Chief Technology Officer

Qualifications:	Bachelor of Science and a Master of Science in Mechanical Engineering from University of Pittsburgh, and an MBA from Carnegie Mellon
Experience and expertise:	Eric Bono brings extensive experience and relationships in powder metallurgy, additive manufacturing, and near-net shape Hot Isostatic Pressing (HIP) manufacturing. Over the past 28 years, Eric has held leadership roles across technical and sales functions for various industry leaders, including 6K, Carpenter Technology, Puris, Summit Materials and Crucible Research.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	505,769 ordinary shares
Interests in options:	11,080,769 options over ordinary shares

Mr Omer Granit – Non-Executive Director

Qualifications:	LLM (Master of Law) & Corporate law 2006–2007 degrees from New York University School of Law where he was also Elected for the Student Bar Association as Valedictorian. He also has a LLB (Law) & BA, Finance LLB(Law) & BA, Finance 2000 – 2004 degrees from Reichman University
Experience and expertise:	Omer Granit joined Amaero's Board to assist with the Group's global expansion and capital markets engagement. He began his career as a practicing attorney at White & Case in New York City, specializing in corporate and M&A groups. Omer later transitioned to finance, managing a multi-million dollar family office in London and serving as a Managing Director and senior member at Migdal Capital Markets, the asset management arm of the Migdal Group, where he was responsible for alternative investments. He is the co-founder and former co-CEO of the high-end co-working company, Mixer Global, and the managing partner and founder of West 4 Capital, a leading hedge fund registered in London under the FCA. Omer currently serves as a partner at EnPar Capital, a private investment firm based in New York. His previous positions include board directorships at the Monte Rosa Private Equity Fund, The Dragon Variation Fund, and the MGT hedge fund.
Other current directorships:	No other current listed directorships.
Former directorships (last 3 years):	No ASX listed directorships in the last 3 years but was a Board Member of the Member of the Board of the Monte Rosa Private Equity Fund until September 2017, and a Board Member of The Dragon Variation Fund and the MGT hedge fund until October 2014.
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	20,878,140 ordinary shares
Interests in options:	15,100,493 options over ordinary shares

Mr Erik Levy – Non-Executive Director

Qualifications:	BSc in Actuarial Mathematics at Concordia University and Masters Business Administration (MBA) from University of Toronto – Rotman School of Management.
Experience and expertise:	Based in New York City, Mr. Levy is an experienced director and investor who brings a depth of expertise in global capital markets, M&A and corporate strategy. He is Managing Partner of EnPar Capital and prior to that, he was a Founding Partner and Managing Director of BlackRock's Direct Private Equity business. Prior, he spent over 11 years with CPP Investment Board building the firm's Direct Private Equity business and with Bain & Co prior to that. Over the years, he has served on numerous corporate boards including Skype, Informatica, Acelity, Suddenlink, etc.
Other current directorships:	None
Former directorships (last 3 years):	No ASX listed directorships in the last 3 years but Erik was previously a Director of Informatica Corporation, Altice USA, Suddenlink Communications, Acelity, JemPak and Skype technologies.
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	None
Interests in options:	1,600,000 options over ordinary shares

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Mr Robert Latta - Non-Executive Director

Qualifications:	B.A. in Economics from Stanford University (where he was selected Phi Beta Kappa) and a J.D. from the Stanford Law School.
Experience and expertise:	Robert "Bob" Latta was a Senior Partner at Wilson Sonsini Goodrich & Rosati, one of the U.S.' leading technology and growth business law firms, from 1979 until 2019, and was Senior of Counsel at the firm from 2019 until his retirement in 2024. He served on the firm's Executive, Policy, Compensation and WS Investments Committees during that time, and his practice covered a broad range of general corporate and transactional matters, including company formations, venture capital financings, public offerings, and mergers and acquisitions.
Other current directorships:	Western Alliance Bank
Former directorships (last 3 years):	None
Interests in shares:	196,346,635 ordinary shares
Interests in options:	171,451,503 options over ordinary shares

Mr Jamie Levy - Non-Executive Director

Qualifications:	Bachelor of Laws - LLB (Hons), Finance
Experience and expertise:	Mr. Levy is a senior corporate lawyer and international business leader who has developed a unique combination of legal, commercial and advisory skills gained through working closely with some of the world's leading investment organisations over 20+ years, both in the private and public sectors. Presently, Jamie serves as Senior Advisor to the Abu Dhabi Investment Office (ADIO), the central government hub supporting private sector investment in the Emirate of Abu Dhabi. Jamie is also appointed by the United Arab Emirates to serve as an Advisory Board Member of the Australia UAE Business Council, with a focus on increasing bilateral trade and investment. Prior to joining ADIO, Jamie was a Corporate Law Partner in KPMG Law's Sydney office, advising on corporate transactions, corporate governance and legal technology adoption. Jamie spent over 8 years living and working in Abu Dhabi, and was General Counsel at Mubadala Investment Company, advising Aerospace, Defence, ICT, Private Equity and Healthcare business units, before returning to Sydney and taking up the position with KPMG. His formative legal years were spent at King & Wood Mallesons (Sydney) and New York Law firm, Debevoise & Plimpton (London) where he obtained significant experience in advising private equity fund sponsors and investors in relation to establishment and investment into private equity funds.
Other current directorships:	HA Law
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	157,333 ordinary shares
Interests in options:	1,100,000 options over ordinary shares

Mr Alistair Cray – Non-Executive Director

Qualifications:	GAICD member
Experience and expertise:	Based in Brisbane, Mr. Cray is an experienced investor with a focus on fundamental, technical and macro analysis of small-cap ASX companies. As a high-net-worth investor and as one of Amaero's largest shareholders, Mr. Cray provides a representative perspective for individual and high-net-worth (HNW) investors in Amaero. Mr. Cray was raised in greater London and began his investment career as a registered representative focused on London Stock Exchange listed companies. After years of competing at an international level in squash, he moved to Brisbane in 1989. As a self-made and self-taught entrepreneur, he established, acquired and built numerous real estate services businesses.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	8,130,426 ordinary shares
Interests in options:	1,983,673 options over ordinary shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

COMPANY SECRETARY

Mr Mark Licciardo, resigned as Company Secretary on 24 March 2025.

Ms Laura Newell, was appointed as Company Secretary on 24 March 2025. Laura is a Chartered Secretary with Source Governance and has over 15 years' experience in providing company secretarial and corporate advisory services to ASX and NSX listed companies across a variety of sectors. She has also acted as company secretary for public unlisted and proprietary companies, monitoring and managing their corporate governance and compliance frameworks.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

	Full Board		Audit and Risk Committee	
	Attended	Held	Attended	Held
Mr Hank J Holland	8	9	–	–
Mr Eric Bono	7	9	–	–
Mr Omer Granit	9	9	2	2
Mr Erik Levy	8	9	2	2
Mr Robert Latta	8	9	–	–
Mr Jamie Levy	8	9	1	2
Mr Alistair Cray	7	7	–	–
Ms Lucy Robb Vujcic	2	2	1	1

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

The Company does not currently have a Nomination Committee or a Remuneration Committee. Please refer to the Company's Corporate Governance Statement, to be released with the Annual Report, for further details.

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REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

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

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

Principles used to determine the nature and amount of remuneration

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

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

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

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

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

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-executive Directors' remuneration

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

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ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 5 December 2019, where the shareholders approved a maximum annual aggregate remuneration of \$500,000.

	2025 \$	2024 \$
Chair	90,000	75,000
Director	75,000	60,000
Chair of committee	15,000	10,000

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- long-term incentives; and
- 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 Group and comparable market remunerations.

Executives may 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 Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

The long-term incentives ('LTI') are share-based payments. Shares and/or options are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the Group's direct competitors. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2024.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Group. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

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

Use of remuneration consultants

During the financial year ended 30 June 2025, the Group had not engaged any remuneration consultants to review or advise upon its existing remuneration policies.

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

At the 2024 AGM, 70.5% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Board acknowledges the feedback and has taken this into consideration as it reviewed the Company's remuneration framework and practices. In light of this review, the Board has changed short-term incentives to be subject to the achievement of performance measures established by the Board.

Directors' Report

30 June 2025

Details of remuneration

Amounts of remuneration

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

The key management personnel of the Group consisted of the Directors of Amaero Ltd and the following persons:

- Mr Jay Chandran – Chief Operating Officer
- Ms Melissa Denton – Chief Administration Officer (appointed on 30 September 2024 as HR Manager, then promoted on 14 December 2024)
- Mr Michael Maher – Chief Strategy and Commercial Officer (appointed on 2 January 2025 as Fellow-Defense Programs, then promoted on 1 March 2025)
- Mr Chris Scanlon – Chief Financial Officer (resigned on 30 April 2025)

	Short-term benefits			Post-employment benefits Super-annuation	Long-term benefits Long service leave	Share-based payments Equity-settled	Total
2025	Cash salary and fees \$	Cash bonus \$	Annual leave \$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Mr Omer Granit	70,000	–	–	–	–	103,608	173,608
Mr Erik Levy	80,000	–	–	–	–	103,608	183,608
Mr Robert Latta	70,000	–	–	–	–	103,608	173,608
Mr Jamie Levy	70,000	–	–	–	–	103,608	173,608
Mr Alistair Cray*	50,000	–	–	–	–	76,088	126,088
Ms Lucy Robb Vujcic *	25,000	–	–	–	–	27,520	52,520
<i>Executive Directors:</i>							
Mr Hank J. Holland	830,885	192,832	–	33,235	–	103,607	1,160,559
Mr Eric Bono	820,959	64,278	–	32,838	–	593,590	1,511,665
<i>Other Key Management Personnel:</i>							
Mr Jay Chandran	462,797	–	–	18,512	–	170,905	652,214
Ms Melissa Denton **	187,433	15,427	–	–	–	119,341	322,201
Mr Michael Maher **	206,874	–	–	8,227	–	112,770	327,871
Mr Chris Scanlon ***	395,676	–	–	15,827	–	173,317	584,820
	3,269,624	272,537	–	108,639	–	1,791,570	5,442,370

* Ms Lucy Robb Vujcic resigned as Non-Executive Director on 29 October 2024 and Mr Alistair Cray was appointed Non- Executive Director on 29 October 2024.

** Ms Melissa Denton was appointed as a KMP on 30 September 2024 and Mr Michael Maher was appointed on 2 January 2025, hence their remuneration represents from their appointment date to year end.

*** Mr Chris Scanlon resigned as Chief Financial Officer on 30 April 2025.

2024	Short-term benefits			Post-employment benefits Super-annuation \$	Long-term benefits Long service leave \$	Share-based payments Equity-settled \$	Total \$
	Cash salary and fees \$	Cash bonus \$	Annual leave \$				
Non-Executive Directors:							
Mr Omer Granit	60,000	–	–	–	–	130,062	190,062
Mr Erik Levy	59,970	–	–	–	–	130,062	190,032
Mr Robert Latta	40,000	–	–	–	–	130,062	170,062
Mr Jamie Levy	40,000	–	–	–	–	54,368	94,368
Ms Lucy Robb Vujcic	70,000	–	–	–	–	130,062	200,062
Mr David Hanna **	20,000	–	–	2,200	–	75,694	97,894
Executive Directors:							
Mr Hank J. Holland	762,638	–	–	16,524	–	130,062	909,224
Mr Eric Bono *	647,264	76,264	–	3,813	–	874,206	1,601,547
Other Key Management Personnel:							
Mr Jay Chandran *	340,202	–	–	6,744	–	242,175	589,121
Mr Ronald Aman *	232,489	–	–	2,021	–	148,976	383,486
Mr Steve Kachur *	246,124	–	–	2,288	–	178,771	427,183
Mr Chris Scanlon *	381,319	45,758	–	2,288	–	259,202	688,567
Mr Barrie Finnin **	248,453	–	87,228	15,756	41,602	–	393,039
	3,148,459	122,022	87,228	51,634	41,602	2,483,702	5,934,647

* Mr Chris Scanlon was appointed on 4 September 2023, Mr Jay Chandran was appointed on 11 September 2023, Mr Eric Bono was appointed on 28 August 2023, Dr Ronald Aman was appointed on 27 November 2023 and Mr Steve Kachur was appointed on 18 December 2023, hence their remuneration represents from their appointment date to year end.

** Mr David Hanna resigned on 31 October 2023 and Mr Barrie Finnin ceased as KMP on 31 December 2023.

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

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
<i>Non-Executive Directors:</i>						
Mr Omer Granit	40%	32%	–	–	60%	68%
Mr Erik Levy	44%	32%	–	–	56%	68%
Mr Robert Latta	40%	24%	–	–	60%	76%
Mr Jamie Levy	40%	42%	–	–	60%	58%
Mr Alistair Cray	40%	–	–	–	60%	–
Ms Lucy Robb Vujcic	48%	35%	–	–	52%	65%
Mr David Hanna	–	23%	–	–	–	77%
<i>Executive Directors:</i>						
Mr Hank J. Holland	74%	86%	17%	–	9%	14%
Mr Eric Bono	57%	40%	4%	5%	39%	55%
<i>Other Key Management Personnel:</i>						
Mr Jay Chandran	74%	59%	–	–	26%	41%
Ms Melissa Denton	58%	–	5%	–	37%	–
Mr Michael Maher	66%	–	–	–	34%	–

Directors' Report

30 June 2025

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
Mr Chris Scanlon	70%	56%	-	7%	30%	37%
Dr Ronald Aman	-	61%	-	-	-	39%
Mr Steve Kachur	-	58%	-	-	-	42%
Mr Barrie Finnin	-	100%	-	-	-	-

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures as described above in the section 'Consolidated entity performance and link to remuneration'. The maximum bonus values are established at the start of each financial year and amounts payable are determined by the Board and paid in the final month of the financial year.

The proportion of the cash bonus paid/payable or forfeited is as follows:

Name	Cash bonus paid/payable		Cash bonus forfeited	
	2025	2024	2025	2024
<i>Executive Directors:</i>				
Mr Hank J. Holland	100%	-	-	-
Mr Eric Bono	100%	100%	-	-
<i>Other Key Management Personnel:</i>				
Ms Melissa Denton	100%	-	-	-
Mr Chris Scanlon	-	100%	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Mr Hank J. Holland - Chairman and Chief Executive Officer

Agreement commenced:	24 August 2023
Details:	Salary of \$763,359 per annum plus superannuation. Annual cash bonus equal up to 25% of salary.

Mr Eric Bono - President & Chief Technical Officer

Agreement commenced:	28 August 2023
Details:	Salary of \$762,637 per annum plus superannuation. Sign-on bonus of \$76,336 plus maximum relocation expense of \$38,132. Options issued on commencing employment was 10,000,000. Performance incentives: Annual cash bonus equal up to 25% of salary. Additionally, a cash bonus for a period of five years following the commencement of employment with the Company equal to 12.5% of the amount of the Gross Profit that the Company receives from PM-HIP manufacturing of near net shape parts, so long as the Company exceeds a minimum Gross Profit threshold of 40% as determined by the Company.

Mr Jay Chandran – Chief Operating Officer

Agreement commenced:	11 September 2023
Term of agreement:	30 Days
Details:	Salary of \$458,015 per annum plus superannuation. Maximum relocation expense of \$38,132. Options issued on commencing employment was 3,000,000. Performance incentives: Annual number of options to be determined on the Black Scholes option pricing model that values 25% of base salary on the date of grant.

Ms Melissa Denton – Chief Administrative Officer

Agreement commenced:	30 September 2024
Term of agreement:	30 Days
Details:	Salary of \$247,328 per annum plus superannuation. Sign-on bonus of \$15,267 plus maximum relocation expense of \$38,132. Options issued on commencing employment was 810,000.

Mr Michael Maher – Chief Strategy and Commercial Officer

Agreement commenced:	2 January 2025
Term of agreement:	30 Days
Details:	Salary of \$458,015 per annum plus superannuation. Maximum relocation expense of \$38,132. Options issued on commencing employment was 1,000,000 and 2,000,000 options were issued upon promotion. Performance incentives: Annual number of options to be determined on the Black Scholes option pricing model that values 25% of base salary on the date of grant.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Ms Melissa Denton	162,000	30-Sep-24	30-Sep-24	30-Sep-34	\$0.272	\$0.2822
Ms Melissa Denton	162,000	30-Sep-24	30-Sep-25	30-Sep-34	\$0.272	\$0.2822
Ms Melissa Denton	162,000	30-Sep-24	30-Sep-26	30-Sep-34	\$0.272	\$0.2822
Ms Melissa Denton	162,000	30-Sep-24	30-Sep-27	30-Sep-34	\$0.272	\$0.2822
Ms Melissa Denton	162,000	30-Sep-24	30-Sep-28	30-Sep-34	\$0.272	\$0.2822
Mr Hank Holland	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Eric Bono	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Alistair Cray	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Omer Granit	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Erik Levy	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897

Directors' Report

30 June 2025

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Mr Robert Latta	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Jamie Levy	600,000	29-Oct-24	29-Oct-25	8-Nov-27	\$0.348	\$0.1897
Mr Michael Maher	250,000	6-Jan-25	6-Jan-26	6-Jan-35	\$0.295	\$0.2167
Mr Michael Maher	250,000	6-Jan-25	6-Jan-27	6-Jan-35	\$0.295	\$0.2167
Mr Michael Maher	250,000	6-Jan-25	6-Jan-28	6-Jan-35	\$0.295	\$0.2167
Mr Michael Maher	250,000	6-Jan-25	6-Jan-29	6-Jan-35	\$0.295	\$0.2167
Mr Chris Scanlon	125,000	12-Feb-25	12-Feb-26	11-Feb-35	\$0.332	\$0.2048
Mr Chris Scanlon	125,000	12-Feb-25	12-Feb-27	11-Feb-35	\$0.332	\$0.2048
Mr Chris Scanlon	125,000	12-Feb-25	12-Feb-28	11-Feb-35	\$0.332	\$0.2048
Mr Jay Chandran	125,000	12-Feb-25	12-Feb-26	11-Feb-35	\$0.332	\$0.2048
Mr Jay Chandran	125,000	12-Feb-25	12-Feb-27	11-Feb-35	\$0.332	\$0.2048
Mr Jay Chandran	125,000	12-Feb-25	12-Feb-28	11-Feb-35	\$0.332	\$0.2048
Ms Melissa Denton	16,875	12-Feb-25	12-Feb-26	11-Feb-35	\$0.332	\$0.2048
Ms Melissa Denton	16,875	12-Feb-25	12-Feb-27	11-Feb-35	\$0.332	\$0.2048
Ms Melissa Denton	16,875	12-Feb-25	12-Feb-28	11-Feb-35	\$0.332	\$0.2048
Mr Michael Maher	500,000	17-Mar-25	17-Mar-26	17-Mar-35	\$0.265	\$0.1958
Mr Michael Maher	500,000	17-Mar-25	17-Mar-27	17-Mar-35	\$0.265	\$0.1958
Mr Michael Maher	500,000	17-Mar-25	17-Mar-28	17-Mar-35	\$0.265	\$0.1958
Mr Michael Maher	500,000	17-Mar-25	17-Mar-29	17-Mar-35	\$0.265	\$0.1958

Options granted carry no dividend or voting rights.

Values of options over ordinary shares granted, exercised and lapsed for Directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year %
Mr Hank Holland	103,608	–	–	9%
Ms Lucy Robb Vujcic	27,520	–	–	52%
Mr Omer Granit	103,608	–	–	60%
Mr Eric Bono	593,590	–	–	39%
Mr Erik Levy	103,608	–	–	56%
Mr Robert Latta	103,608	–	–	60%
Mr Jamie Levy	103,608	–	–	60%
Mr Chris Scanlon	173,317	–	–	30%
Mr Jay Chandran	170,905	–	–	26%
Mr Alistair Cray	76,088	–	–	60%

Performance rights

There were no performance rights over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

Additional information

The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Sales revenue	3,812,978	902,573	790,514	569,834	504,141
Loss after income tax	(24,434,935)	(18,785,306)	(12,527,776)	(8,621,489)	(6,990,084)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021
Share price at financial year end (\$)	0.37	0.38	0.10	0.17	0.58
Basic earnings per share (cents per share)	(3.92)	(4.04)	(3.62)	(4.17)	(3.70)

Additional disclosures relating to key management personnel

Shareholding

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

	Balance at the start of the year	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>				
Mr Hank J. Holland *	191,724,968	4,566,667	–	196,291,635
Mr Eric Bono	480,769	25,000	–	505,769
Mr Omer Granit	20,628,140	250,000	–	20,878,140
Mr Robert Latta	191,724,968	4,621,667	–	196,346,635
Mr Jamie Levy	–	157,333	–	157,333
Mr Alistair Cray *	–	8,130,426	–	8,130,426
Mr Jay Chandran	961,538	–	–	961,538
	405,520,383	17,751,093	–	423,271,476

* Balance at start of the year include shares held prior to appointment as a director.

The participation of key management personnel in the Company's share issuance during the year was on the same terms as those offered to all shareholders.

Directors' Report

30 June 2025

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 Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Acquired/ expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Mr Hank J. Holland *	179,224,637	600,000	–	(8,373,134)	171,451,503
Mr Eric Bono	10,480,769	600,000	–	–	11,080,769
Mr Omer Granit	14,500,493	600,000	–	–	15,100,493
Mr Erik Levy	1,000,000	600,000	–	–	1,600,000
Mr Robert Latta *	170,851,503	600,000	–	–	171,451,503
Mr Jamie Levy	500,000	600,000	–	–	1,100,000
Mr Alistair Cray	–	600,000	–	1,383,673	1,983,673
Ms Lucy Robb Vujcic **	1,000,000	–	–	(1,000,000)	–
Mr Jay Chandran	3,961,538	–	–	375,000	4,336,538
Ms Melissa Denton	–	–	–	860,625	860,625
Mr Michael Maher	–	–	–	3,000,000	3,000,000
Mr Chris Scanlon	3,000,000	–	–	375,000	3,375,000
Dr Ronald Aman **	2,500,000	–	–	(2,500,000)	–
Mr Steve Kachur **	3,000,000	–	(600,000)	(2,400,000)	–
	390,018,940	4,200,000	(600,000)	(8,278,836)	385,340,104

* Includes 169,851,503 options held indirectly through Pegasus Growth Capital

** Acquired/expired/forfeited/other includes the options held by KMP on the date they ceased being KMP

This concludes the remuneration report, which has been audited.

SHARES UNDER OPTION

Unissued ordinary shares of Amaero Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
04/07/2022	04/07/2025	\$0.420	7,520,439
01/08/2022	01/08/2025	\$0.420	18,673,464
02/12/2022	02/12/2025	\$0.180	186,778,268
31/10/2023	31/10/2033	\$0.190	3,000,000
31/10/2023	31/10/2033	\$0.190	10,000,000
31/10/2023	31/10/2033	\$0.190	3,000,000
31/10/2023	31/10/2033	\$0.190	2,750,000
31/10/2023	31/10/2033	\$0.190	2,500,000
31/10/2023	31/10/2033	\$0.190	2,000,000
8/11/2023	8/11/2033	\$0.250	3,000,000
27/12/2023	27/12/2026	\$0.240	59,608,527
5/04/2024	5/04/2027	\$0.500	1,000,000

Grant date	Expiry date	Exercise price	Number under option
29/04/2024	16/12/2033	\$0.280	3,553,000
4/06/2024	31/10/2033	\$0.250	950,000
4/06/2024	27/11/2033	\$0.170	2,500,000
04/06/2024	20/12/2033	\$0.240	500,000
04/06/2024	04/06/2034	\$0.410	4,125,000
04/06/2024	08/02/2027	\$0.360	1,000,000
05/08/2024	05/08/2029	\$0.390	2,000,000
15/10/2024	08/02/2027	\$0.360	1,000,000
09/09/2024	09/09/2034	\$0.400	165,000
08/11/2024	08/11/2027	\$0.500	1,000,000
08/11/2024	08/11/2027	\$0.500	2,000,000
29/10/2024	08/11/2027	\$0.348	4,200,000
30/09/2024	30/09/2034	\$0.272	810,000
19/12/2024	04/11/2034	\$0.272	140,400
01/06/2025	01/06/2035	\$0.295	1,000,000
31/01/2025	30/01/2035	\$0.332	351,000
02/12/2025	02/11/2035	\$0.332	2,794,375
17/03/2025	17/03/2035	\$0.265	2,000,000
			329,919,473

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

SHARES UNDER PERFORMANCE RIGHTS

Unissued ordinary shares of Amaero Ltd under performance rights at the date of this report are as follows:

	Exercise price	Number under rights
	\$0.000	119,753

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

Directors' Report

30 June 2025

SHARES ISSUED ON THE EXERCISE OF OPTIONS

The following ordinary shares of Amaero Ltd were issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
12/02/2022	\$0.180	1,062,411
27/12/2023	\$0.240	643,459
16/01/2024	\$0.215	1,200,000
		2,905,870
<i>Options exercised post year end:</i>		
02/12/2022	\$0.180	1,006,009
27/12/2023	\$0.240	1,494,791
31/10/2023	\$0.192	541,714
		3,042,514
		5,948,384

SHARES ISSUED ON THE EXERCISE OF PERFORMANCE RIGHTS

There were no ordinary shares of Amaero Ltd issued on the exercise of performance rights during the year ended 30 June 2025 and up to the date of this report.

INDEMNITY AND INSURANCE OF 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*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

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

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

NON-AUDIT SERVICES

There were no non-audit services provided during the financial year by the auditor.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the Company who are former partners of RSM Australia Partners.

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AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

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

On behalf of the Directors

A handwritten signature in black ink that reads "Hank J. Holland". The signature is written in a cursive, slightly stylized font.

Mr Hank J. Holland
Chairman and Chief Executive Officer

18 August 2025
Melbourne

Auditor's Independence Declaration



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Amaero Ltd (formerly Amaero International Ltd) and its controlled entities for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM

RSM AUSTRALIA PARTNERS

K. Keshavamurthy

DEEPAK KESHAVAMURTHY

Partner

Dated: 18 August 2025
Melbourne, Victoria

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RSM Australia Partners ABN 36 965 185 036

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

		Consolidated	
	Note	2025 \$	2024 \$
CONTINUING OPERATIONS			
Revenue from contracts with customers	5	3,812,978	463,856
Cost of sales		(5,278,963)	(339,599)
Gross profit		(1,465,985)	124,257
Other income/(loss)	6	991,255	(13,237)
EXPENSES			
Distribution costs		(129,503)	(181,477)
General and administrative expenses	7	(22,007,268)	(13,570,727)
Restructuring costs		–	(35,918)
Research and development expenses		(641,043)	(2,568,122)
Selling and marketing expenses		(467,799)	(1,321,541)
Operating loss		(23,720,343)	(17,566,765)
Finance income		663,134	277,800
Finance costs	7	(1,620,227)	(829,110)
Finance costs – net		(957,093)	(551,310)
Loss before income tax expense from continuing operations		(24,677,436)	(18,118,075)
Income tax expense	8	(4,704)	(4,195)
Loss after income tax expense from continuing operations		(24,682,140)	(18,122,270)
Profit/(loss) after income tax benefit/(expense) from discontinued operations	9	247,205	(663,036)
Loss after income tax (expense)/benefit for the year attributable to the owners of Amaero Ltd		(24,434,935)	(18,785,306)
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of continuing foreign operations		(150,462)	264,227
Exchange differences on translation of discontinued foreign operations		–	37,596
Other comprehensive income for the year, net of tax		(150,462)	301,823
Total comprehensive income for the year attributable to the owners of Amaero Ltd		(24,585,397)	(18,483,483)
Total comprehensive income for the year is attributable to:			
Continuing operations		(24,585,397)	(17,858,043)
Discontinued operations		–	(625,440)
		(24,585,397)	(18,483,483)

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Amaero Ltd			
Basic earnings/(loss) per share	36	(3.96)	(3.90)
Diluted earnings/(loss) per share	36	(3.96)	(3.90)
Earnings per share for profit/(loss) from discontinued operations attributable to the owners of Amaero Ltd			
Basic earnings per share	36	0.04	(0.14)
Diluted earnings per share	36	0.04	(0.14)
Earnings per share for loss attributable to the owners of Amaero Ltd			
Basic earnings/(loss) per share	36	(3.92)	(4.04)
Diluted earnings/(loss) per share	36	(3.92)	(4.04)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2025

		Consolidated	
	Note	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	19,219,215	11,987,989
Trade and other receivables	11	1,308,706	187,835
Inventories	12	7,018,722	1,477,295
Other current assets	13	509,253	430,803
		28,055,896	14,083,922
Non-current assets classified as held for sale	14	333,253	322,592
Total current assets		28,389,149	14,406,514
NON-CURRENT ASSETS			
Property, plant and equipment	15	43,759,755	16,668,347
Right-of-use assets	16	18,077,818	18,660,343
Other non-current assets	13	858,114	377,415
Total non-current assets		62,695,687	35,706,105
Total assets		91,084,836	50,112,619
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	11,278,251	1,362,030
Lease liabilities	19	60,475	30,419
Income tax	8	–	144,883
Employee benefits		68,374	67,072
Total current liabilities		11,407,100	1,604,404
Non-current liabilities			
Trade and other payables	17	774,473	–
Borrowings	18	5,360,598	–
Lease liabilities	19	16,244,328	16,040,568
Employee benefits		10,151	7,980
Provisions	20	3,053,435	3,034,420
Total non-current liabilities		25,442,985	19,082,968
Total liabilities		36,850,085	20,687,372
Net assets		54,234,751	29,425,247
EQUITY			
Issued capital	21	122,599,203	77,425,224
Reserves	22	8,182,655	4,157,415
Accumulated losses		(76,547,107)	(52,157,392)
Total equity		54,234,751	29,425,247

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2025

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
BALANCE AT 1 JULY 2023	48,271,499	59,197	(33,372,086)	14,958,610
Loss after income tax expense for the year	–	–	(18,785,306)	(18,785,306)
Other comprehensive income for the year, net of tax	–	301,823	–	301,823
Total comprehensive income for the year	–	301,823	(18,785,306)	(18,483,483)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:				
Contributions of equity, net of transaction costs (Note 21)	29,153,725	–	–	29,153,725
Share-based payments (Note 37)	–	3,796,395	–	3,796,395
BALANCE AT 30 JUNE 2024	77,425,224	4,157,415	(52,157,392)	29,425,247

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
BALANCE AT 1 JULY 2024	77,425,224	4,157,415	(52,157,392)	29,425,247
Loss after income tax expense for the year	–	–	(24,434,935)	(24,434,935)
Other comprehensive income for the year, net of tax	–	(150,462)	–	(150,462)
Total comprehensive income for the year	–	(150,462)	(24,434,935)	(24,585,397)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:				
Contributions of equity, net of transaction costs (Note 21)	45,173,979	–	–	45,173,979
Share-based payments (Note 37)	–	4,220,922	–	4,220,922
Lapsed options	–	(45,220)	45,220	–
BALANCE AT 30 JUNE 2025	122,599,203	8,182,655	(76,547,107)	54,234,751

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2025

		Consolidated	
	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		2,622,670	1,162,504
Payments to suppliers and employees (inclusive of GST)		(20,049,216)	(14,622,479)
Interest received		664,481	300,000
Interest and other finance costs paid		(1,620,227)	(810,537)
Research and development tax incentive		1,351,934	1,373,927
NET CASH USED IN OPERATING ACTIVITIES	33	(17,030,358)	(12,596,585)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	15	(25,754,562)	(12,230,331)
Payments for security deposits		(281,192)	(370,682)
Proceeds from disposal of property, plant and equipment		21,567	–
Net cash used in investing activities		(26,014,187)	(12,601,013)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	21	47,365,324	30,578,736
Share issue transaction costs		(2,428,520)	(1,538,203)
Proceeds from borrowings		5,360,598	–
Repayment of principal portion of leases		(154,369)	(589,967)
NET CASH FROM FINANCING ACTIVITIES		50,143,033	28,450,566
Net increase in cash and cash equivalents		7,098,488	3,252,968
Cash and cash equivalents at the beginning of the financial year		11,987,989	8,833,468
Effects of exchange rate changes on cash and cash equivalents		132,738	(98,447)
Cash and cash equivalents at the end of the financial year	10	19,219,215	11,987,989

The above statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements

30 June 2025

1 GENERAL INFORMATION

The financial statements cover Amaero Ltd as a Group consisting of Amaero Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Amaero Ltd's functional and presentation currency.

Amaero Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 37, 180 George Street
Sydney, NSW 2000
Australia

Principal place of business

130 Innovation Drive SW
McDonald, Tennessee, 37353.
United States

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 August 2025. The Directors have the power to amend and reissue the financial statements.

2 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations have been adopted from 1 July 2024:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants.
- AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback
- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the year ended 30 June 2025, the Group incurred a loss after tax of \$24,434,935 (2024: \$18,785,306) and had net cash outflows from operating activities of \$17,030,358 (2024: \$12,596,585).

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The budget and cash flow forecast for the twelve-month period from the date of signing the financial statements, which has been prepared based on assumptions about certain economic conditions, operating and strategic transactions, shows that the Group will continue to hold a cash surplus and therefore supports the Directors' assertion;
- As at 30 June 2025, the Group holds cash and cash equivalents of \$19.2 million and has access to corporate credit facility of \$28.8 million to support its capital expenditure and operating commitments; and
- The Directors believe the Group would be able to access additional funds from existing shareholders and new investors to support working capital and execute its strategic growth initiatives.

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Notes to the Financial Statements

30 June 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 Group'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.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 30.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Amaero Ltd ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Amaero Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Amaero Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

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

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparative information

Some comparatives in the statement of profit or loss and statement of financial position have been realigned where necessary to agree with current year presentation, mostly due to the discontinued operations. There was no change in the loss or net assets of the Group.

Notes to the Financial Statements

30 June 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group does not expect these amendments to have a material impact on the amounts recognised in prior periods or will affect the current or future periods. The main standards are listed below:

- AASB 18 Presentation and Disclosure in Financial Statements
- AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability
- AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume 11
- AASB 2014-10 Sale or contribution of assets between investor and its associate or joint venture

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

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets

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

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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4 OPERATING SEGMENTS

Identification of reportable operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of Amaero Ltd. The Group has identified one reportable segment; that is, the research, development, manufacture and sales of refractory metals and specialty alloy powders for critical applications. The segment details are therefore fully reflected in the body of the financial statements. As at 30 June 2025 and 30 June 2024, all of the operations and revenue is generated in the United States of America.

Major customers

During the year ended 30 June 2025 the Group's external revenue was derived from two major customers comprising 26% and 23% of sales (2024: two major customers comprising 61% and 13% of sales).

Geographical information

	Sales to external customers		Geographical non-current assets	
	2025 \$	2024 \$	2025 \$	2024 \$
From continuing operations				
United States of America	3,812,978	463,856	62,695,687	35,706,105

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Accounting policy for operating 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 Maker ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

5 REVENUE

From continuing operations	Consolidated	
	2025 \$	2024 \$
Sale of speciality metal powder and engineered parts	3,812,978	463,856

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2025 \$	2024 \$
MAJOR PRODUCT LINES		
Sale of speciality metal powder and engineered parts	3,812,978	463,856
GEOGRAPHICAL REGIONS		
United States of America	3,812,978	463,856
TIMING OF REVENUE RECOGNITION		
Goods transferred at a point in time	3,812,978	463,856

Notes to the Financial Statements

30 June 2025

5 REVENUE (CONTINUED)

Accounting policy for revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Component sales

Revenue from the sale of laser-based metal additive (3D printed) goods are recognised at a point in time. The performance obligation is satisfied when the customer has access and thus control of the product. This occurs at the time of delivery of goods to the customer. Delivery occurs when the products have been shipped to the specific location, the risks and rewards have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Engineering services

Revenue from the provision of engineering services is recognised over time in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Some contracts include multiple deliverables. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

6 OTHER INCOME/(LOSS)

	Consolidated	
	2025 \$	2024 \$
Net foreign exchange gains/(losses)	702,606	(266,374)
Profit on lease modification	–	74,488
Other grants	257,564	178,649
Other income	31,085	–
Other income/(loss)	991,255	(13,237)

Other grants

Grant income consists of government assistance received in relation to economic development incentives. Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and that the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss as other income over the periods necessary to match them with the costs that they are intended to compensate.

Profit on lease modification

Represents profit on remeasurement of lease liability resulting from reassessment of lease terms in accordance with AASB 16 Leases.

7 EXPENSES

	Consolidated	
	2025 \$	2024 \$
Loss before income tax from continuing operations includes the following specific expenses:		
<i>General and administration expenses</i>		
Employee benefits	6,928,393	3,325,751
Share-based payments	4,233,970	3,754,347
Defined contribution plans - Superannuation	337,443	251,094
Depreciation*	1,681,514	1,041,451
Travel	939,768	648,970
Accounting and audit	439,408	255,518
Contracting and consulting	1,923,109	397,889
Legal and company secretarial	1,498,490	505,502
Listing and share registry	356,476	146,364
Equipment expenses	820,125	237,680
Loss on disposal of assets	33,753	845,089
Occupancy	658,603	512,315
Insurance	673,608	447,454
Investor and public relations	328,791	227,090
Other	1,153,817	974,213
Total general and administration expenses	22,007,268	13,570,727

	Consolidated	
	2025 \$	2024 \$
<i>*Depreciation</i>		
Leasehold improvements	401,417	59,378
Plant and equipment	460,542	306,873
Furniture, fittings and equipment	17,889	2,875
Buildings right-of-use assets	801,666	804,952
Less: Depreciation relating to discontinued operations	-	(132,627)
Total depreciation	1,681,514	1,041,451
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	61,676	10,946
Interest and finance charges paid/payable on lease liabilities	1,558,551	818,164
Finance costs expensed	1,620,227	829,110
<i>Leases</i>		
Low-value assets lease payments	138,229	216,973

Notes to the Financial Statements

30 June 2025

8 INCOME TAX

	Consolidated	
	2025 \$	2024 \$
Income tax (benefit)/expense is attributable to:		
Loss from continuing operations	4,704	4,195
Profit/(loss) from discontinued operations	(149,121)	147,362
Aggregate income tax (benefit)/expense	(144,417)	151,557
<i>Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate</i>		
Loss before income tax expense from continuing operations	(24,677,436)	(18,118,075)
Profit/(loss) before income tax benefit/(expense) from discontinued operations	98,084	(515,674)
	(24,579,352)	(18,633,749)
Tax at the statutory tax rate of 25%	(6,144,838)	(4,658,437)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
R&D tax incentive	(79,974)	(298,819)
Accounting expenditure subject to R&D tax incentive	188,309	686,940
Other grants	(70,830)	(40,171)
Accrued expenses	(408,221)	23,567
Employee leave obligations	(33,384)	38,107
Entertainment	138	1,486
Legal fees	350,796	105,292
Share-based payments	1,058,492	938,587
Unrealised currency (gains)/losses	(293,239)	208,728
Provisions	(262)	(12,645)
	(5,433,013)	(3,007,365)
Difference in overseas tax rates	(423,824)	(547,423)
Tax losses and other timing differences for which no deferred tax asset is recognised	5,712,420	3,706,345
Income tax (benefit)/expense	(144,417)	151,557

	Consolidated	
	2025 \$	2024 \$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	57,141,259	36,599,615
Potential tax benefit @ 25%	14,285,315	9,149,904

Unused tax losses comprise those attributed to the Group for the year ended 30 June 2025 and pre-acquisition losses attributed to Amaero Engineering Pty Ltd. The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

8 INCOME TAX (CONTINUED)

Accounting policy for income tax

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

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

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

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

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

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

9 DISCONTINUED OPERATIONS

Description

During the previous year the Group ceased its operations in Australia and UAE. Accordingly, the financial results of the Australia (including the joint venture operations) and UAE operations have been classified as discontinued operations.

Financial performance information

	Consolidated	
	2025 \$	2024 \$
Revenue from contracts with customers	–	438,717
Cost of sales	–	(233,724)
Gross profit	–	204,993
Other income (including research and development tax incentive) *	318,848	827,993
Distribution costs	–	(1,788)
General and administrative expenses	(222,111)	(1,030,884)
Research and development expenses	–	(169,930)
Selling and marketing expenses	–	(22,275)
Depreciation	–	(132,627)
Share of loss from equity accounted joint ventures	–	(215,750)
Finance income/(costs) – net	1,347	24,594
Total expenses	(220,764)	(1,548,660)
Profit/(loss) before income tax benefit/(expense)	98,084	(515,674)
Income tax benefit/(expense)	149,121	(147,362)
Profit/(loss) after income tax benefit/(expense) from discontinued operations	247,205	(663,036)

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9 DISCONTINUED OPERATIONS (CONTINUED)

Cash flow information

	Consolidated	
	2025 \$	2024 \$
Net cash used in operating activities	(102,120)	(791,491)
Net cash used in investing activities	–	(1,031,370)
Net cash used in financing activities	–	(21,072)
Net decrease in cash and cash equivalents from discontinued operations	(102,120)	(1,843,933)

* Other income – revenue from research and development tax incentive

The Group's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

Accounting policy for discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

10 CASH AND CASH EQUIVALENTS

	Consolidated	
	2025 \$	2024 \$
<i>Current assets</i>		
Cash at bank	19,208,898	11,935,531
Deposit on call	10,317	52,458
	19,219,215	11,987,989

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

11 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2025 \$	2024 \$
<i>Current assets</i>		
Trade receivables	1,293,247	101,892
Less: Allowance for expected credit losses	(51,626)	(50,579)
	1,241,621	51,313
Other receivables	67,085	136,522
	1,308,706	187,835

11 TRADE AND OTHER RECEIVABLES (CONTINUED)

Allowance for expected credit losses

The Group has recognised a loss of \$nil (2024: \$50,579) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025. The loss recognised in the previous year relates to one specific customer and reflects management's assessment of the outstanding balance. Based on past experience no further losses are expected in the immediate future that need to be provided for.

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2025 \$	2024 \$
Opening balance	50,579	-
Additional provisions recognised	-	50,579
Exchange difference	1,047	-
Closing balance	51,626	50,579

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

12 INVENTORIES

	Consolidated	
	2025 \$	2024 \$
<i>Current assets</i>		
Raw materials – at cost	5,551,023	84,566
Finished goods – at cost	1,331,780	-
Stock in transit – at cost	135,919	1,392,729
	7,018,722	1,477,295

Accounting policy for inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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13 OTHER ASSETS

	Consolidated	
	2025 \$	2024 \$
<i>Current assets</i>		
Prepayments	509,253	231,297
Rental bond	–	199,506
	509,253	430,803
<i>Non-current assets</i>		
Rental bond	537,405	377,415
Other assets	320,709	–
	858,114	377,415
	1,367,367	808,218

14 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The following assets were reclassified as held for sale in relation to the discontinued operations as at 30 June 2025. Refer to Note 9 'Discontinued operations' for further details.

	Consolidated	
	2025 \$	2024 \$
<i>Current assets</i>		
Machinery and equipment	333,253	322,592

Accounting policy for non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

15 PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2025 \$	2024 \$
<i>Non-current assets</i>		
Leasehold improvements – at cost	25,003,386	–
Less: Accumulated depreciation	(398,402)	–
	24,604,984	–
Plant and equipment – at cost	13,040,526	173,367
Less: Accumulated depreciation	(446,670)	(88,223)
	12,593,856	85,144

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Consolidated	
	2025 \$	2024 \$
Furniture, fittings and equipment – at cost	153,282	21,679
Less: Accumulated depreciation	(17,245)	(13,422)
	136,037	8,257
Assets under construction – at cost	6,424,878	16,574,946
	43,759,755	16,668,347

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements \$	Plant and equipment \$	Furniture, fittings and equipment \$	Assets under construction \$	Total \$
Balance at 1 July 2023	188,943	1,992,933	21,631	3,939,418	6,142,925
Additions	3,804	375,228	–	13,225,724	13,604,756
Disposals*	(133,369)	(1,999,101)	(10,520)	(590,196)	(2,733,186)
Exchange differences	–	22,957	21	–	22,978
Depreciation expense	(59,378)	(306,873)	(2,875)	–	(369,126)
Balance at 30 June 2024	–	85,144	8,257	16,574,946	16,668,347
Additions	94,459	345,379	64,228	27,705,036	28,209,102
Disposals*	–	(58,689)	(7,292)	–	(65,981)
Exchange differences	(320,900)	(182,599)	(2,306)	333,940	(171,865)
Transfers in/(out)	25,232,842	12,865,163	91,039	(38,189,044)	–
Depreciation expense	(401,417)	(460,542)	(17,889)	–	(879,848)
Balance at 30 June 2025	24,604,984	12,593,856	136,037	6,424,878	43,759,755

* Includes assets transferred to held for sale.

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	5–25 years
Plant and equipment	5–10 years
Furniture, fittings and equipment	2–10 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Assets under construction

Costs arising directly from the construction of plant and equipment are recognised as an asset. The costs are transferred to another asset class from the time the asset is held ready for use on a commercial basis. Assets under construction are not depreciated.

Notes to the Financial Statements

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16 RIGHT-OF-USE ASSETS

	Consolidated	
	2025 \$	2024 \$
<i>Non-current assets</i>		
Land and buildings – right-of-use	19,229,660	20,384,435
Less: Accumulated depreciation	(1,151,842)	(1,724,092)
	18,077,818	18,660,343

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings \$
Balance at 1 July 2023	1,515,015
Additions	19,014,836
Lease modification/termination	(1,062,577)
Exchange differences	(1,979)
Depreciation expense	(804,952)
Balance at 30 June 2024	18,660,343
Exchange differences	219,141
Depreciation expense	(801,666)
Balance at 30 June 2025	18,077,818

For other lease related disclosures refer to the following:

- Note 7 for details of depreciation on right-of-use assets, interest on lease liabilities and other lease payments;
- Note 19 for lease liabilities at 30 June 2025;
- Note 24 for undiscounted future lease commitments; and
- consolidated statement of cash flow for repayment of lease liabilities.

Due to the cessation of the operations in Australia, the lease for the facilities in Melbourne and Adelaide were terminated during the 2024 financial year. The lease of office premises in Abu Dhabi, UAE has also been surrendered effective September 2023.

The Group leases office and manufacturing facilities in El Segundo, California, USA. Commencing November 2019, the term of the lease is for five years with an option to extend for a further term of five years. As at 30 June 2024 the Group entered into a lease termination agreement wherein the lease terminates on 31 July 2024.

On 12 July 2023 the Group signed a lease to be the sole tenant of a manufacturing facility in McDonald, Tennessee, USA. The lease agreement was amended in September 2023 wherein the lease commences 1 January 2024 for an initial term of 15 years with an option to extend for two five year terms.

16 RIGHT-OF-USE ASSETS (CONTINUED)

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

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

17 TRADE AND OTHER PAYABLES

	Consolidated	
	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	8,358,866	967,812
Accrued payables	2,828,129	354,765
Other payables	91,256	39,453
	11,278,251	1,362,030
<i>Non-current liabilities</i>		
Grant liability	774,473	–
	12,052,724	1,362,030

Refer to Note 24 for further information on financial instruments.

Grant liability

The Company received cash payments as grant funding from the Tennessee Valley Authority as well as a Tennessee Economic Development Grant. These are performance grants related to the Company's move of its global operations to McDonald, Tennessee.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

18 BORROWINGS

	Consolidated	
	2025 \$	2024 \$
<i>Non-current liabilities</i>		
Bank loans	5,360,598	–

Refer to Note 24 for further information on financial instruments.

Notes to the Financial Statements

30 June 2025

18 BORROWINGS (CONTINUED)

Bank loans

During the year the Company signed a Credit Agreement for a \$34.8 million (US\$22.8 million) Loan from Export-Import Bank. A fixed interest rate of 5.43% per annum was locked upon execution of the credit agreement over an 8-year term.

The loan commitment reflects an advance of 75% loan-to-cost ratio on capital equipment that has been or will be installed in Amaero's manufacturing and corporate headquarters in McDonald, Tennessee, as well as a contingency reserve and capitalized loan fees. The loan has an initial 12-month period of interest-only payments, followed by fully amortizing principal and interest payments over seven years. The interest rate was fixed at 5.43% per annum on execution of the credit agreement and the total cost of the loan, including amortized fees and expenses, equals approximately 7.05% per annum.

During the last quarter of the financial year, the Company drew down \$6.034 million (US\$3.952 million) from this facility comprising of net cash proceeds of \$5.361 million (US\$3.51 million) and a noncash exposure of \$0.673 million (US\$0.441 million).

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	2025 \$	2024 \$
Total facilities		
Bank loans	34,826,313	-
Used at the reporting date		
Bank loans drawn	5,360,598	-
Exposure fee	673,393	-
	6,033,991	-
Unused at the reporting date		
Bank loans	28,792,322	-

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

19 LEASE LIABILITIES

	Consolidated	
	2025 \$	2024 \$
Current liabilities		
Lease liability	60,475	30,419
Non-current liabilities		
Lease liability	16,244,328	16,040,568
	16,304,803	16,070,987

Refer to Note 24 for maturity analysis of lease liabilities.

19 LEASE LIABILITIES (CONTINUED)

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

20 PROVISIONS

	Consolidated	
	2025 \$	2024 \$
<i>Non-current liabilities</i>		
Lease make good	3,053,435	3,034,420

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms.

Movements in provisions

Movements in each class of provision during the current financial year, are set out below:

Consolidated - 2025	Lease make good \$
Carrying amount at the start of the year	3,034,420
Exchange differences	34,112
Unused amounts reversed	(15,097)
Carrying amount at the end of the year	3,053,435

Accounting policy for provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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21 ISSUED CAPITAL

		Consolidated	
	2025 Shares	2024 Shares	2025 \$
Ordinary shares – fully paid	690,670,634	542,912,442	122,599,203

Movements in ordinary share capital for the current financial year:

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	542,912,442		77,425,224
Exercise of options	4 July 2024	78,875	\$0.240	18,930
Exercise of performance rights	5 July 2024	90,416	\$0.370	–
Exercise of options	17 July 2024	2,246	\$0.180	404
Exercise of options	29 July 2024	200,000	\$0.240	48,000
Exercise of options	13 August 2024	26,436	\$0.180	4,758
Shares issued	23 September 2024	56,070,027	\$0.350	19,624,509
Exercise of options	25 September 2024	75,000	\$0.180	13,500
Exercise of options	25 September 2024	140,625	\$0.240	33,750
Exercise of options	21 October 2024	62,900	\$0.180	11,322
Shares issued	1 November 2024	15,358,545	\$0.350	5,375,491
Exercise of options	18 November 2024	201,492	\$0.180	36,269
Exercise of options	16 January 2025	221,346	\$0.180	39,842
Shares issued	17 February 2025	68,333,334	\$0.300	20,500,000
Exercise of options	27 February 2025	600,000	\$0.215	129,000
Transfer from options reserve	27 February 2025			91,879
Exercise of options	11 March 2025	65,709	\$0.180	11,828
Excess transfer of funds on exercise of options				(1,045)
Exercise of options	17 March 2025	600,000	\$0.215	129,000
Transfer from options reserve	17 March 2025	–	\$0.000	91,879
Shares issued	4 April 2025	5,000,000	\$0.300	1,500,000
Exercise of options	5 May 2025	32,810	\$0.180	5,906
Exercise of options	12 May 2025	237,648	\$0.180	42,777
Exercise of options	10 June 2025	88,824	\$0.180	15,988
Exercise of options	23 June 2025	223,959	\$0.240	53,750
Exercise of options	23 June 2025	28,000	\$0.180	5,040
Exercise of options	26 June 2025	20,000	\$0.180	3,600
Transaction costs				(2,612,398)
Balance	30 June 2025	690,670,634		122,599,203

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21 ISSUED CAPITAL (CONTINUED)

Movements in ordinary share capital for the previous financial year:

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	416,845,213		48,271,499
Exercise of options 3DAO	15 November 2023	1,177	\$0.180	212
Issue of shares - tranche 1	27 November 2023	21,110,580	\$0.160	3,377,693
Issue of shares - tranche 2	27 December 2023	41,389,420	\$0.160	6,622,307
Performance milestone shares	14 February 2024	83,740	\$0.000	–
Exercise of options 3DAAQ	14 March 2024	175,000	\$0.240	42,000
Exercise of options 3DAAQ	28 March 2024	825,821	\$0.240	198,197
Issue of shares	5 April 2024	60,606,061	\$0.330	20,000,000
Exercise of options 3DAAQ	5 April 2024	39,620	\$0.240	9,509
Exercise of options 3DAO	5 April 2024	89,659	\$0.180	16,139
Exercise of options 3DAO	12 April 2024	25,000	\$0.180	4,500
Exercise of options 3DAAQ	16 April 2024	156,250	\$0.240	37,500
Exercise of options 3DAAQ	19 April 2024	217,188	\$0.240	52,125
Exercise of options 3DAO	26 April 2024	69,999	\$0.180	12,600
Performance milestone shares	29 April 2024	27,741	\$0.000	–
Exercise of options 3DAAQ	1 May 2024	343,750	\$0.240	82,500
Exercise of options 3DAAQ	23 May 2024	200,000	\$0.240	48,000
Performance milestone shares	4 June 2024	382,650	\$0.000	–
Exercise of options 3DAO	13 June 2024	15,000	\$0.180	2,700
Exercise of options 3DAO	17 June 2024	13,776	\$0.180	2,480
Exercise of options 3DAAQ	19 June 2024	240,385	\$0.240	57,692
Exercise of options 3DAAQ	28 June 2024	50,000	\$0.240	12,000
Exercise of options 3DAO	28 June 2024	4,412	\$0.180	794
Transaction costs		–	\$0.000	(1,425,223)
Balance	30 June 2024	542,912,442		77,425,224

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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.

Share buy-back

There is no current on-market share buy-back.

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21 ISSUED CAPITAL (CONTINUED)

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may issue new shares or reduce its capital, subject to the provisions of the Group's constitution. The capital structure of the Group consists of equity attributed to equity holders of the Group, comprising contributed equity, reserves and accumulated losses. By monitoring undiscounted cash flow forecasts and actual cash flows provided to the Board by the Group's management, the Board monitors the need to raise additional equity from the equity markets.

The capital risk management policy remains unchanged from the 2024 Annual Report.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

22 RESERVES

	Consolidated	
	2025 \$	2024 \$
Foreign currency reserve	210,558	361,020
Share-based payments reserve	7,972,097	3,796,395
	8,182,655	4,157,415

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share-based payments reserve \$	Foreign currency reserve \$	Total \$
Balance at 1 July 2023	–	59,197	59,197
Foreign currency translation	–	301,823	301,823
Share-based payments (net)	3,796,395	–	3,796,395
Balance at 30 June 2024	3,796,395	361,020	4,157,415
Foreign currency translation	–	(150,462)	(150,462)
Share-based payments (net)	4,220,922	–	4,220,922
Lapsed options	(45,220)	–	(45,220)
Balance at 30 June 2025	7,972,097	210,558	8,182,655

23 DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year. The Group's franking account balance was \$nil at 30 June 2025 (2024: \$nil).

24 FINANCIAL INSTRUMENTS

Financial risk management objectives

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

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

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 functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The cost of hedging at this time outweighs any benefits that may be obtained.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Consolidated	Assets		Liabilities	
	2025 \$	2024 \$	2025 \$	2024 \$
US dollars	19,883,145	11,749,275	24,293,782	16,792,775

As shown in the table above, the Group is primarily exposed to changes in USD/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from USD denominated financial instruments.

The Group has conducted a specific sensitivity analysis of its exposure to foreign currency risk. The Group is currently materially exposed to the United States dollar (USD). The sensitivity analysis is conducted using a sensitivity analysis variable, which is based on the average annual movement in exchange rates over the past five years at year-end spot rates. The variable for the USD is 4.6% (2024: 4.8%).

	Impact on loss for the period		Impact on other components of equity	
	2025 \$	2024 \$	2025 \$	2024 \$
US/AUD exchange rate *	202,889	239,625	–	–

* Holding all other variables constant.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group is not exposed to any significant interest rate risk.

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24 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk

Credit risk is managed through the maintenance of procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring the financial stability of significant customers and counterparties), ensuring to the extent possible that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are normally 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Impairment of trade receivables

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

To measure the expected credit losses, trade receivables assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 12 months before 30 June 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 30 June 2025 was determined for trade receivables as \$nil (2024: \$50,579).

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 121 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit.

Subsequent recoveries of amounts previously written off are credited against the same line item.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk through the following mechanisms:

- preparing forward looking cash flow analyses in relation to its operating, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing cash and cash equivalents and deposits at call with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2025 \$	2024 \$
Bank loans	28,792,322	–

The loan commitment reflects an advance of 75% loan-to-cost ratio on capital equipment that has been or will be installed in Amaero's manufacturing and corporate headquarters in McDonald, Tennessee, as well as a contingency reserve and capitalized loan fees. The loan has an initial 12-month period of interest-only payments, followed by fully amortizing principal and interest payments over seven years

Remaining contractual maturities

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

24 FINANCIAL INSTRUMENTS (CONTINUED)

Consolidated – 2025	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	8,358,866	–	–	–	8,358,866
Other payables	–	91,256	–	–	–	91,256
<i>Interest-bearing – fixed rate</i>						
Bank loans	7.05%	–	–	5,360,598	–	5,360,598
Lease liability	9.59%	1,494,183	1,524,067	4,757,540	36,490,296	44,266,086
Total non-derivatives		9,944,305	1,524,067	10,118,138	36,490,296	58,076,806

Consolidated – 2024	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	967,812	–	–	–	967,812
Other payables	–	39,453	–	–	–	39,453
<i>Interest-bearing – fixed rate</i>						
Lease liability	9.59%	1,448,521	1,477,491	4,612,148	37,681,929	45,220,089
Total non-derivatives		2,455,786	1,477,491	4,612,148	37,681,929	46,227,354

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

25 KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2025 \$	2024 \$
Short-term employee benefits	3,542,161	3,357,709
Post-employment benefits	108,639	51,634
Long-term benefits	–	41,602
Share-based payments	1,791,570	2,483,702
	5,442,370	5,934,647

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26 REMUNERATION OF AUDITORS

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

	Consolidated	
	2025 \$	2024 \$
Audit services – RSM Australia Partners		
Audit and review of the financial statements	135,000	125,000

27 CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 30 June 2025 and 30 June 2024.

28 COMMITMENTS

The Group had commitments for capital expenditure of \$13,144,504 as at 30 June 2025 (30 June 2024: \$19,663,612).

29 RELATED PARTY TRANSACTIONS

Parent entity

Amaero Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 31.

Joint ventures

Interests in joint ventures are set out in Note 32.

Key management personnel

Disclosures relating to key management personnel are set out in Note 25 and the remuneration report included in the Directors' report. The participation of key management personnel in the Company's share issuance during the year was on the same terms as those offered to all shareholders.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2025 \$	2024 \$
Payment for goods and services:		
Purchases of various services from an entity related to a director – Monash University	–	145,217

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2025 \$	2024 \$
Current payables:		
Erik Levy	–	15,000

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates, except where stated otherwise.

30 PARENT ENTITY INFORMATION

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

Statement of profit or loss and other comprehensive income

	Parent	
	2025 \$	2024 \$
Loss after income tax	(32,779,699)	(8,444,643)
Total comprehensive income	(32,779,699)	(8,444,643)

Statement of financial position

	Parent	
	2025 \$	2024 \$
Total current assets	774,704	336,665
Total assets	79,637,019	62,616,908
Total current liabilities	724,595	329,816
Total liabilities	734,746	329,816
Equity		
Issued capital	122,599,203	77,425,224
Share-based payments reserve	7,972,097	3,796,395
Accumulated losses	(51,669,027)	(18,934,527)
Total equity	78,902,273	62,287,092

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

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31 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2025 %	2024 %
Amaero Engineering Pty Ltd	Australia	100.00%	100.00%
AM Aero Inc	United States of America	100.00%	100.00%
Amaero Alloys Pty Ltd	Australia	100.00%	100.00%
Amaero Advanced Materials & Manufacturing Inc	United States of America	100.00%	100.00%

32 INTERESTS IN JOINT VENTURES

Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the Group are set out below:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2025 %	2024 %
Strategic Alloys Pty Ltd	Australia	–	45.00%

Amaero had a 45% interest in a Joint Venture Research Agreement (JV) with PPK Group Ltd (45%) and Deakin University (10%). The parties incorporated Strategic Alloys Pty Ltd to develop a super strength aluminium alloy. In October 2023 the Group resolved to wind down its operations in the UAE and Australia (including the joint venture operations). Strategic Alloys Pty Ltd was deregistered on 29 July 2024.

33 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	Consolidated	
	2025 \$	2024 \$
Loss after income tax (expense)/benefit for the year	(24,434,935)	(18,785,306)
Adjustments for:		
Lease modification	(31,085)	(74,489)
Depreciation and amortisation	1,681,514	1,174,079
Finance income	–	(2,395)
Loss on sale of property, plant and equipment	33,753	1,036,168
Share-based payments	4,233,969	3,796,395
Share of loss of joint ventures	–	215,750
Unrealised net foreign currency (gains)/losses	331,473	343,732
Expected credit losses	–	50,579
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,120,870)	(82,651)
Increase in inventories	(5,541,427)	(450,538)
Increase in other operating assets	(277,955)	(436,434)
Increase in trade and other payables	8,236,150	536,025
(Decrease)/increase in provision for income tax	(144,417)	144,883
Increase in employee benefits	3,472	–
Decrease in other operating liabilities	–	(62,383)
Net cash used in operating activities	(17,030,358)	(12,596,585)

34 NON-CASH INVESTING AND FINANCING ACTIVITIES

	Consolidated	
	2025 \$	2024 \$
Additions to the right-of-use assets	–	19,014,836

35 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Consolidated	Lease liabilities \$	Bank loans \$
Balance at 1 July 2023	1,642,641	–
Net cash used in financing activities	(1,617,380)	–
Other	(1,904,554)	–
Additions to land and buildings by means of leases	19,014,836	–
Exchange differences	(1,979)	–
Lease modifications	(1,062,577)	–
Balance at 30 June 2024	16,070,987	–
Net cash from/(used in) financing activities	(1,480,253)	5,360,598
Other	1,564,136	–
Exchange differences	149,933	–
Balance at 30 June 2025	16,304,803	5,360,598

36 EARNINGS PER SHARE

	Consolidated	
	2025 \$	2024 \$
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of Amaero Ltd	(24,682,140)	(18,122,270)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	623,406,391	465,115,122
Weighted average number of ordinary shares used in calculating diluted earnings per share	623,406,391	465,115,122
	Cents	Cents
Basic earnings/(loss) per share	(3.96)	(3.90)
Diluted earnings/(loss) per share	(3.96)	(3.90)

Notes to the Financial Statements

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36 EARNINGS PER SHARE (CONTINUED)

	Consolidated	
	2025 \$	2024 \$
<i>Earnings per share for profit/(loss) from discontinued operations</i>		
Profit/(loss) after income tax attributable to the owners of Amaero Ltd	247,205	(663,036)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	623,406,391	465,115,122
Weighted average number of ordinary shares used in calculating diluted earnings per share	623,406,391	465,115,122
	Cents	Cents
Basic earnings per share	0.04	(0.14)
Diluted earnings per share	0.04	(0.14)
	Consolidated	
	2025 \$	2024 \$
<i>Earnings per share for loss</i>		
Loss after income tax attributable to the owners of Amaero Ltd	(24,434,935)	(18,785,306)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	623,406,391	465,115,122
Weighted average number of ordinary shares used in calculating diluted earnings per share	623,406,391	465,115,122
	Cents	Cents
Basic earnings/(loss) per share	(3.92)	(4.04)
Diluted earnings/(loss) per share	(3.92)	(4.04)

329,919,473 (2024: 317,164,568) options and 119,753 (2024: 239,504) performance rights over ordinary shares are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 30 June 2025. These options could potentially dilute basic earnings per share in the future.

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Amaero Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

37 SHARE-BASED PAYMENTS

Options

Amaero Ltd has the ability to issue options to employees under the employee option plan ('ESOP') which was approved by shareholders at the 2019 Annual General Meeting. Additionally, the Group has the ability to issue options to consultants under its 15% capacity. The issuance of options is designed to provide long-term incentives for the holder to deliver long-term shareholder returns. Issuance of the equity is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Set out below are summaries of options granted under the plan:

2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
04/07/2022	04/07/2025	\$0.420	7,520,439	–	–	–	7,520,439
01/08/2022	01/08/2025	\$0.420	18,673,464	–	–	–	18,673,464
02/12/2022	02/12/2025	\$0.180	187,840,679	–	(1,062,411)	–	186,778,268
31/10/2023	31/10/2033	\$0.190	3,000,000	–	–	–	3,000,000
31/10/2023	31/10/2033	\$0.190	10,000,000	–	–	–	10,000,000
31/10/2023	31/10/2033	\$0.190	3,000,000	–	–	–	3,000,000
31/10/2023	31/10/2033	\$0.190	2,750,000	–	–	–	2,750,000
31/10/2023	31/10/2033	\$0.190	2,500,000	–	–	–	2,500,000
31/10/2023	31/10/2033	\$0.190	2,000,000	–	–	–	2,000,000
08/11/2023	08/11/2033	\$0.250	3,000,000	–	–	–	3,000,000
27/12/2023	27/12/2026	\$0.240	60,251,986	–	(643,459)	–	59,608,527
05/04/2024	05/04/2027	\$0.500	1,000,000	–	–	–	1,000,000
29/04/2024	16/12/2033	\$0.280	3,553,000	–	–	–	3,553,000
04/06/2024	31/10/2033	\$0.250	950,000	–	–	–	950,000
04/06/2024	27/11/2033	\$0.170	2,500,000	–	–	–	2,500,000
04/06/2024	18/12/2033	\$0.250	3,000,000	–	(1,200,000)	(1,800,000)	–
04/06/2024	20/12/2033	\$0.240	500,000	–	–	–	500,000
04/06/2024	04/06/2034	\$0.410	4,125,000	–	–	–	4,125,000
04/06/2024	08/02/2027	\$0.360	1,000,000	–	–	–	1,000,000
05/08/2024	05/08/2029	\$0.390	–	2,000,000	–	–	2,000,000
15/10/2024	08/02/2027	\$0.360	–	1,000,000	–	–	1,000,000
09/09/2024	09/09/2034	\$0.400	–	825,000	–	(660,000)	165,000
08/11/2024	08/11/2027	\$0.500	–	1,000,000	–	–	1,000,000
08/11/2024	08/11/2027	\$0.500	–	2,000,000	–	–	2,000,000
29/10/2024	08/11/2027	\$0.348	–	4,200,000	–	–	4,200,000
30/09/2024	30/09/2034	\$0.272	–	810,000	–	–	810,000
19/12/2024	04/11/2034	\$0.272	–	140,400	–	–	140,400
01/06/2025	01/06/2035	\$0.295	–	1,000,000	–	–	1,000,000

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37 SHARE-BASED PAYMENTS (CONTINUED)

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
31/01/2025	30/01/2035	\$0.332	–	351,000	–	–	351,000
02/12/2025	02/11/2035	\$0.332	–	4,044,375	–	(1,250,000)	2,794,375
17/03/2025	17/03/2035	\$0.265	–	2,000,000	–	–	2,000,000
			317,164,568	19,370,775	(2,905,870)	(3,710,000)	329,919,473
Weighted average exercise price			\$0.170	\$0.000	\$0.000	\$0.000	\$0.184

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
04/07/2022	04/07/2025	\$0.420	7,520,439	–	–	–	7,520,439
01/08/2022	01/08/2025	\$0.420	18,673,464	–	–	–	18,673,464
02/12/2022	02/12/2025	\$0.180	188,059,702	–	(219,023)	–	187,840,679
31/10/2023	31/10/2033	\$0.190	–	3,000,000	–	–	3,000,000
31/10/2023	31/10/2033	\$0.190	–	10,000,000	–	–	10,000,000
31/10/2023	31/10/2033	\$0.190	–	3,000,000	–	–	3,000,000
31/10/2023	31/10/2033	\$0.190	–	2,750,000	–	–	2,750,000
31/10/2023	31/10/2033	\$0.190	–	2,500,000	–	–	2,500,000
31/10/2023	31/10/2033	\$0.190	–	2,000,000	–	–	2,000,000
08/11/2023	08/11/2033	\$0.250	–	3,000,000	–	–	3,000,000
27/12/2023	27/12/2026	\$0.240	–	62,500,000	(2,248,014)	–	60,251,986
05/04/2024	05/04/2027	\$0.500	–	1,000,000	–	–	1,000,000
29/04/2024	16/12/2033	\$0.280	–	3,553,000	–	–	3,553,000
04/06/2024	31/10/2033	\$0.250	–	950,000	–	–	950,000
04/06/2024	27/11/2033	\$0.170	–	2,500,000	–	–	2,500,000
04/06/2024	18/12/2033	\$0.250	–	3,000,000	–	–	3,000,000
04/06/2024	20/12/2033	\$0.240	–	500,000	–	–	500,000
04/06/2024	04/06/2034	\$0.410	–	4,125,000	–	–	4,125,000
04/06/2024	08/02/2027	\$0.360	–	1,000,000	–	–	1,000,000
			214,253,605	105,378,000	(2,467,037)	–	317,164,568
Weighted average exercise price			\$0.210	\$0.100	\$0.000	\$0.000	\$0.170

37 SHARE-BASED PAYMENTS (CONTINUED)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2025 Number	2024 Number
04/07/2022	04/07/2025	7,520,439	7,520,439
01/08/2022	01/08/2025	18,673,464	18,673,464
02/12/2022	02/12/2025	186,224,468	187,930,338
31/10/2023	31/10/2033	74,262,327	67,212,327
29/04/2024	16/12/2033	1,421,200	710,600
05/04/2024	05/04/2027	1,000,000	1,000,000
09/01/2024	09/01/2034	200,000	100,000
04/06/2024	04/06/2034	1,650,000	825,000
16/01/2024	16/01/2034	2,380,000	1,290,000
05/08/2024	05/08/2029	500,000	–
15/10/2024	08/02/2027	1,000,000	–
09/09/2024	09/09/2034	165,000	–
08/11/2024	08/11/2027	1,000,000	–
30/09/2024	30/09/2034	162,000	–
04/11/2024	04/11/2034	28,080	–
		296,186,978	285,262,168

Weighted Average share price during the financial year was \$0.33 (2024: \$0.28).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.79 years (2024: 4.04 years).

Performance rights

On 7 July 2020, the Amaero Board resolved to offer approximately 3 million Retention Performance rights to their employees subject to certain conditions. The number of Retention Performance rights issued on 1 September 2020 was 1,422,883 based on the 5-day VWAP (volume weighted average price) for the period from 24 to 28 August 2020 inclusive. Each of the Retention Performance rights entitles the holder to be issued one fully paid ordinary share of the Company for no cash consideration upon vesting. The Retention Performance rights will convert into ordinary shares upon achievement of each performance condition and will expire when the performance condition is met. If the Employee does not remain as an Employee of Amaero at the time of the performance condition, the remainder of their Retention Performance Rights will lapse. The performance conditions are set out to incentivise employees to remain with Amaero to ensure their interests and motivations are aligned with the interests and motivations of shareholders of Amaero.

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37 SHARE-BASED PAYMENTS (CONTINUED)

Set out below are summaries of performance rights granted under the plan:

2025

Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
\$0.000	239,504	–	(90,416)	(29,335)	119,753
	239,504	–	(90,416)	(29,335)	119,753

2024

Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
\$0.000	1,757,565	–	(494,131)	(1,023,930)	239,504
	1,757,565	–	(494,131)	(1,023,930)	239,504

There were 119,753 (2024: 239,504) performance rights exercisable at the end of the financial year.

The assessed fair value of options at grant date was determined using the Trinomial valuation pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Options	Share price on grant date	Exercise price	Expected volatility %	Dividend yield %	Risk-free interest rate %	Fair value at grant date
05/08/2024	05/08/2029	2,000,000	\$0.3250	\$0.3900	90.00%	–	3.63%	\$0.1857
15/10/2024	08/02/2027	1,000,000	\$0.3750	\$0.3600	90.00%	–	4.24%	\$0.2082
09/09/2024	09/09/2034	825,000	\$0.3900	\$0.4000	90.00%	–	3.97%	\$0.2590
08/11/2024	08/11/2027	1,000,000	\$0.3500	\$0.5000	90.00%	–	4.08%	\$0.1481
08/11/2024	08/11/2027	2,000,000	\$0.3500	\$0.5000	90.00%	–	4.08%	\$0.1591
29/10/2024	08/11/2027	4,200,000	\$0.3550	\$0.3480	90.00%	–	3.95%	\$0.1897
30/09/2024	30/09/2034	810,000	\$0.4000	\$0.2720	90.00%	–	3.99%	\$0.2822
19/12/2024	04/11/2034	140,400	\$0.2500	\$0.2720	90.00%	–	4.41%	\$0.1625
01/06/2025	01/06/2035	1,000,000	\$0.3100	\$0.2950	90.00%	–	4.47%	\$0.2167
31/01/2025	30/01/2035	351,000	\$0.3450	\$0.3320	90.00%	–	4.44%	\$0.2406
02/12/2025	02/11/2035	4,044,375	\$0.3100	\$0.3320	90.00%	–	4.47%	\$0.2048
17/03/2025	17/03/2035	2,000,000	\$0.2800	\$0.2650	90.00%	–	4.42%	\$0.1958
		19,370,775						

37 SHARE-BASED PAYMENTS (CONTINUED)

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Trinomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

38 EVENTS AFTER THE REPORTING PERIOD

On 1 July 2025, the Company issued 128,000 fully paid ordinary shares upon the exercise of 28,000 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 100,000 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

On 4 July 2025, the Company issued 91,195 shares pursuant to the vesting of 3DAAE performance rights. On 7 July 2025, 7,520,439 3DAAH options with an exercise price of \$0.42 expired. Additionally, 28,558 3DAAE performance rights, 1,800,000 3DAAN options (exercisable at \$0.192, expiring 31 October 2033), and 375,000 3DAABH options (exercisable at \$0.332, expiring 11 February 2035) lapsed.

On 8 July 2025, the Company issued 336,141 shares following the exercise of 151,766 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 184,375 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

On the same day, the Company announced that it had entered into a technical development collaboration with the National Center for Additive Manufacturing Excellence (NCAME) at Auburn University in the United States. The collaboration leverages Amaero's proprietary gas atomisation technology alongside NCAME's expertise in additive manufacturing to support powder characterisation and continuous improvement. NCAME's validation of Amaero's C103 and Ti64 powders against ASTM and AMS standards satisfied a key qualification condition under the Company's strategic supply agreement with Velo3D. As a result, Amaero received initial purchase orders for 1,000 kg of powder to be delivered in the first quarter of FY2026.

On 9 July 2025, 541,714 fully paid ordinary shares were issued upon the cashless exercise of 1,200,000 options under the Company's Employee Incentive Plan. The underlying 3DAAN options were exercisable at \$0.192 and expiring 31 October 2033. As a result, 658,286 options were cancelled.

On 14 July 2025, the Company issued 710,416 shares through the exercise of 262,500 3DAO options (exercisable at \$0.18, expiring 2 December 2025) and 447,916 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026).

Notes to the Financial Statements

30 June 2025

38 EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

On 23 July 2025, 1,326,243 shares were issued upon the exercise of 762,500 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026) and 563,743 3DAO options (exercisable at \$0.18, expiring 2 December 2025).

On 25 July 2025, the Company released a revised Securities Trading Policy in accordance with ASX Listing Rule 12.10. The updated policy reinforces Amaero's governance framework and includes enhanced provisions related to insider trading, trading blackout periods, margin lending restrictions, and dealing procedures for designated persons. The policy applies to all directors, officers, employees, contractors, and their associates and reflects the Company's commitment to transparency and regulatory compliance.

On 30 July 2025, the Company issued two new classes of unlisted options: 2,350,000 options exercisable at \$0.416 and 785,200 options exercisable at \$0.463, both expiring 22 July 2035.

On 5 August 2025, the Company issued a total of 97,085,112 fully paid ordinary shares pursuant to the exercise of options. The issuance included 82,918,005 shares resulting from the cashless exercise of 132,176,227 3DAO options (exercisable at \$0.18, expiring 2 December 2025), with 49,258,222 options lapsed as consideration. In addition, 13,787,028 shares were issued following the cashless exercise of 27,403,846 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026), resulting in the lapse of 13,616,818 options. A further 380,079 3DAO options (exercisable at \$0.18, expiring 2 December 2025) were exercised for cash.

On 12 August 2025, the Company issued 5,595,879 fully paid ordinary shares upon the exercise of options. This included 115,026 shares issued from the cash exercise of 3DAO options (exercisable at \$0.18, expiring 2 December 2025), and 72,115 shares from the exercise of 3DAAQ options (exercisable at \$0.24, expiring 27 December 2026). Additionally, under a cashless exercise arrangement, 8,615,692 3DAO options were exercised resulting in the issue of 5,391,463 shares, with 3,224,229 options lapsed as consideration. Similarly, 37,500 3DAAQ options were exercised into 17,275 shares, with 20,225 options lapsed.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Consolidated Entity Disclosure Statement

As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Amaero Ltd	Body corporate	Australia	100.00%	Australia
Amaero Engineering Pty Ltd	Body corporate	Australia	100.00%	Australia
AM Aero, Inc.	Body corporate	United States of America	100.00%	United States of America
Amaero Alloys Pty Ltd	Body corporate	Australia	100.00%	Australia
Amaero Advanced Materials & Manufacturing, Inc.	Body corporate	United States of America	100.00%	United States of America

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Directors' Declaration

30 June 2025

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board as described in Note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- 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
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Mr Hank J. Holland
Chairman and Chief Executive Officer

18 August 2025
Melbourne

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Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Members of Amaero Ltd (formerly Amaero International Ltd)

Opinion

We have audited the financial report of Amaero Ltd ("the Company") and its subsidiaries (together referred to as "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 material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (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.

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.

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Independent Auditor's Report

continued



Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Accounting for share-based payments Refer Note 37 in the financial statements	
During the year, the Group entered into share-based payment arrangements by way of issue of share options to key management personnel, employees and third parties. Management have accounted for these arrangements in accordance with AASB 2 <i>Share-based Payment</i>. We consider this to be a key audit matter because of: - the complexity of the accounting required to value the share options; - the judgmental nature of inputs into the valuation models, including the likelihood of vesting conditions being met, and the appropriate valuation methodology to apply; and - the conditions associated with each options.	Our audit procedures, with assistance from our Corporate Finance Team, included: - Making enquiries of management about the nature of and the rationale behind the instruments issued; - Reviewing the terms and conditions of the instruments issued; - Reviewing the valuation methodology to ensure it is in compliance with AASB 2; - Testing the inputs to the valuation model for reasonableness by: - obtaining evidence to justify management's judgements over key inputs; - critically evaluating the key assumptions used, considering the grant-date share price, the exercise price, the expected volatility in the share price, the vesting period and the number of instruments expected to vest; - recalculating the value of the share-based payment expense to be recognised and the reserve balance, for accuracy, factoring in any cancellations, modifications, expiry, or vesting; and - Reviewing the adequacy of the relevant disclosures in the financial statements, including those relating to judgments and estimates made.
Capitalisation of property, plant and equipment Refer Note 15 in the financial statements	
During the year, the Group capitalised \$28.2 million towards leasehold improvements and plant and equipment in relation to its manufacturing facility in Tennessee, USA. We consider this to be a key audit matter due to the materiality of the capitalised amounts and the risk of incorrect capitalisation of costs.	Our audit procedures included: - Evaluating the Group's capitalisation policies and assessing their compliance with AASB 116 <i>Property, Plant and Equipment</i>; - Obtaining and reviewing the fixed assets register to identify material purchases; - corroborated purchases with agreements, invoices and other supporting documentation to determine if the capitalisation is appropriate and disclosure of commitments at reporting date is complete and accurate; - performed tests of detail over depreciation calculations to determine if rates are reasonable and depreciation expense has been properly recognised; and - reviewed material expenses listing to identify any expenses of capital nature.

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Other Information

The directors of the Company 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 the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Independent Auditor's Report

continued



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Amaero 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 handwritten version of the RSM logo in blue ink.

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read 'K. Keshavamurthy'.

DEEPAK KESHAVAMURTHY

Partner

Melbourne, Victoria

Dated: 18 August 2025

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ASX Additional Information

as at 30 August 2025

A. DISTRIBUTION OF EQUITY SECURITIES

The Shareholder information set out below was applicable as at 29 August 2025.

Security Class: 3DA - ORDINARY FULLY PAID SHARES

As at Date: 29-Aug-2025

Holding Ranges	Holders	Shares	% Issued Share Capital
0-1000	204	120,544	0.01%
1,001 - 5,000	1,112	3,063,157	0.33%
5,001 - 10,000	553	4,443,078	0.48%
10,001 - 100,000	1,317	47,394,076	5.13%
100,001 and above	492	868,344,691	94.04%
Totals	3,678	923,365,546	100.00%

There were 321 holders of less than a marketable parcel of ordinary shares. Closing price on 29 August 2025 was \$0.385.

B. EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

The name of the twenty largest holders of quoted equity securities are listed below:

Holder Name	Holding	% IC
PEGASUS GROWTH CAPITAL FUND I LP	284,600,607	30.82%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	103,341,976	11.19%
CITICORP NOMINEES PTY LIMITED	71,363,629	7.73%
UBS NOMINEES PTY LTD	30,516,830	3.30%
JUNE SEVENTY SIXERS LLC	23,821,178	2.58%
ROSEWOOD ENGINEERING PTY LTD	20,900,000	2.26%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	17,170,384	1.86%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	10,866,291	1.18%
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	8,792,973	0.95%
JOMAH INVESTMENTS PTY LTD	8,553,030	0.93%
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	8,266,339	0.90%
ALLCARE INVESTMENTS PTY LTD	7,888,486	0.85%
KP7 INVESTORS LLC	6,596,333	0.71%
CASNEY PTY LTD <THE ARTURA A/C>	6,200,000	0.67%
THE TRINITY CHURCH	5,252,711	0.57%
NAHGALLAC PTY LIMITED <CALLAGHAN FMLY RET FUND A/C>	5,069,112	0.55%
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	4,815,723	0.52%
CRPL-MERIDIAN DEVELOPMENT LLC	4,264,392	0.46%
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	4,175,895	0.45%
BNP PARIBAS NOMS PTY LTD	3,699,168	0.40%
Total	636,155,057	68.90%
Total issued capital - selected security class(es)	923,365,546	100.00%

ASX Additional Information

as at 30 August 2025

Unquoted Equity Securities

Options on issue as at 30-Aug-2025

Security Name	Total Holders	Total Holdings
UNL OPTIONS @ \$0.24 EXP 27/12/2026	91	29,481,666
UNL OPTIONS @ \$0.50 EXP 05/04/2027	1	1,000,000
UNL OPTIONS @ \$0.36 EXP 08/02/2027	1	1,000,000
UNL OPTIONS @ \$0.390 EXP 05/08/2029	1	2,000,000
UNL OPTIONS @ \$0.50 EXP 08/11/2027 CLASS A	1	1,000,000
UNL OPTIONS @ \$0.50 EXP 08/11/2027 CLASS B	1	2,000,000
UNL OPTIONS @ \$0.265 EXP 17/03/2035	1	2,000,000
Total	97	38,481,666

Substantial Shareholders

Holder Name	Holding Balance	% IC
PEGASUS GROWTH CAPITAL FUND I LP	284,600,607	30.82%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	103,341,976	11.19%
CITICORP NOMINEES PTY LIMITED	71,363,629	7.73%

3DAO: Listed Options

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding as at 29 August 2025.

Class of equity security Quoted Options

Holding Ranges	Holders	Total Units	% Issued Share Capital
0 – 1,000	18	11,001	0.03%
1,001 – 5,000	58	161,779	0.37%
5,001 – 10,000	43	341,872	0.79%
10,001 – 100,000	96	3,525,474	8.12%
100,001 and above	65	39,362,782	90.69%
Totals	280	43,402,908	100.00%

B. EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Holder Name	Holding	% IC
VIDOG CAPITAL PTY LTD	10,366,500	23.88%
ROCKLEY CAPITAL PTY LTD <C & S REED FAMILY A/C>	10,186,567	23.47%
MR DAVID ALBERT MCCLURE ASHMORE & MRS NOLA JOY ASHMORE <DANJAY SUPERANNUATION A/C>	1,340,000	3.09%
RISINGTIDE SMSF PTY LTD <RISING SF A/C>	1,250,000	2.88%
RISING UPSTARTS PTY LTD	1,050,000	2.42%
ALLCARE INVESTMENTS PTY LTD <THE CRAY DISCRE FAMILY A/C>	946,173	2.18%
NAHGALLAC PTY LIMITED <CALLAGHAN FMLY RET FUND A/C>	660,465	1.52%
CONSOLIDATED FUZZ MANAGEMENT PTY LIMITED <CONSOLIDATED FUZZ S/F A/C>	650,000	1.50%
MR TIMOTHY AMBROSE DENTON	624,771	1.44%
MR IAN JEFFREY CRAIG & MRS CLAIRE CRAIG	600,000	1.38%
MR JOSHUA ANTHONY SEDDON	564,352	1.30%
DR PATRICK JAMES DWYER	473,888	1.09%
CASTLEREAGH PARTNERS PTY LTD <SAM CROMPTON A/C>	450,000	1.04%
T & E ONORATO PTY LTD <T & E ONORATO SF A/C>	445,000	1.03%
P J GREG & CO PTY LTD	420,315	0.97%
WESTBROOK HOLDINGS PTY LTD	360,800	0.83%
JRMR PTY LTD <KJ & MM REJACK S/F A/C>	354,999	0.82%
TJ & EA NASH INVESTMENTS P/L <TJ & EA NASH SUPER FUND A/C>	352,942	0.81%
MR MARK ALEXANDER LANDAU <MARK A LANDAU A/C>	350,000	0.81%
MAX HOLLAND PTY LTD <MAX HOLLAND P/L S/F A/C>	340,000	0.78%
Total	31,786,772	73.24%
Total issued capital - selected security class(es)	43,402,908	100.00%

Corporate Directory

DIRECTORS

Mr Hank J Holland – Chairman
Mr Eric Bono
Mr Omer Granit
Mr Erik Levy
Mr Robert Latta
Mr Jamie Levy
Mr Alistair Cray

SECRETARY

Ms Laura Newell

NOTICE OF ANNUAL GENERAL MEETING

The details of the annual general meeting of Amaero Ltd are:

Meeting will be held on Tuesday, 18 November 2025.

The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after dispatch. In accordance with the ASX Listing Rules and the Company's constitution, valid nominations for the position of Director are required to be lodged at the registered office of the Company by 5:00pm (AEST) Tuesday 30 September 2025.

REGISTERED OFFICE

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Australia

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AUDITOR

RSM Australia Partners

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SOLICITORS

Gilbert + Tobin

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STOCK EXCHANGE LISTING

Amaero Ltd shares are listed on the Australian Securities Exchange (ASX code: 3DA)

WEBSITE

www.amaeroinc.com

CORPORATE GOVERNANCE STATEMENT

The directors and management are committed to conducting the business of Amaero

Ltd in an ethical manner and in accordance with the highest standards of corporate governance. Amaero Ltd has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The Corporate Governance Statement setting out the corporate governance practices that are in operation during the financial year and identifying and explaining any recommendations will be available at the same time as the Annual Report. The Corporate Governance Statement can be found on the Group's website at www.amaeroinc.com.

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