

2025

Annual Report

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Corporate Information

Iondrive Limited

ACN 107 424 519

ABN 30 107 424 519

Directors

Michael McNeilly

Non-Executive Chairman

Hugo Schumann

Non-Executive Director

Jack Hamilton

Non-Executive Director

Adam Slater

Non-Executive Director

Andrew Sissian

Non-Executive Director

CEO

Ebbe Dommisie

Company Secretary

Ray Ridge

Corporate Governance Statement

Iondrive's Corporate Governance

Statement can be found at the Company's website:

Iondrive.com.au/corporate-governance

Registered and Principal Address

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Solicitor

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Auditor

Grant Thornton Audit Pty Ltd

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Share Registry

Automic Pty Ltd

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Contents

Letter to Shareholders.....	3
Directors' Report	5
Remuneration Report (audited)	13
Auditors Independence Declaration	22
Statement of Profit or Loss and Other Comprehensive Income	23
Statement of Financial Position	24
Statement of Changes in Equity	25
Statement of Cash Flows.....	26
Notes to the Financial Statements for the Financial Year Ended 30 June 2025	28
Consolidated Entity Disclosure Statement.....	53
Directors' Declaration	54
Independent Audit Report to the Members	55
Shareholders Information.....	58

Letter to Shareholders

Dear Fellow Shareholders,

It is with great pleasure that I present Iondrive's Annual Financial Report for the year ended 30 June 2025.

The past year has been one of strong progress against our strategy. Iondrive is focused on building a scalable, sustainable technology platform to recover critical minerals from end-of-life products. While our initial focus has been on recovering critical minerals from end-of-life batteries, we have also opened new strategic opportunities with our Deep Eutectic Solvent (DES) process to support a broader vision: one rooted in the opportunity of urban mining.

Across the globe, governments and industry are taking action to secure critical mineral supply chains in an increasingly volatile geopolitical environment. At the same time, regulatory momentum is building around the need to reduce waste, lower carbon footprints, and embed circular economy principles into resource management. These macro trends are not only reshaping how materials are sourced and refined, but they're also creating significant new opportunities for clean, modular, and flexible technologies like Iondrive's. The shift toward domestic processing of critical minerals particularly in Europe, Australia and the U.S. further reinforces the relevance of our strategy and timing.

Our urban mining approach continues to deliver with consistently high recovery rates for key battery metals, including lithium, cobalt, nickel and manganese, while maintaining minimal solvent losses. These results reinforce our confidence in the scalability, selectivity and versatility of the platform giving us the ability to expand into adjacent feedstocks, such as E-waste and Mixed Hydroxide Precipitate (MHP).

Our Commercial progress has been strong and we have made meaningful progress in positioning the Company globally. In Europe, we formalised a consortium with PEM Aachen University and leading OEMs to support downstream validation and EU grant applications. Domestically, we received grant support from Green Industries SA and CSIRO to explore additional applications for the DES process reflecting growing institutional support for our platform and its role in strengthening supply chain resilience. In North America we expanded into MHP upgrading with a North American partner.

As part of commercial roadmap, we are looking to build our pilot plant which will allow us to demonstrate the technology in continuous operation, provide sample material for OEM testing, and support further optimisation work with our partners in Australia and Europe.

Progress on this front has been strong and we look to finalise front-end engineering design and remain on track to start commissioning in late 2025 through to early 2026.

We are proud to pursue a path that not only supports critical mineral recovery, but does so in a way that eliminates aggressive acids, reduces waste, energy costs and promotes circularity. These sustainability benefits are embedded in our core technology and aligned with the regulatory tailwinds shaping the global economy.

During the year, we welcomed Mr Hugo Schumann to the Board and appointed Mr Lewis Utting as Commercial Director. Both bring deep experience in critical minerals, capital markets, and technology commercialisation, and have already played a valuable role in accelerating our progress. I'd also like to acknowledge the contribution of Mr John Rock, who retired from the Board in November 2024 after playing a foundational role in the formation of Iondrive.

To support our continued growth, we completed two successful capital raisings, securing a total of \$8 million in funding across July and November 2024. These placements attracted new institutional investors

while retaining the strong support of our cornerstone shareholders. On behalf of the Board, I sincerely thank all shareholders for their ongoing support.

Looking ahead, our focus remains clear: expand our commercial partnerships, explore near term cashflow opportunities, deliver our pilot plant and continue unlocking new applications for our DES platform. We believe Iondrive is exceptionally well-placed to play a leading role in the emerging global shift toward clean, localised, and sustainable mineral recovery.

Thank you for joining us on this journey. We look forward to another productive and value-creating year ahead.

Yours sincerely,



Michael McNeilly
Chairman
Iondrive Limited

Directors' Report

The directors present their report of londrive Limited (ASX: ION) (the Company or londrive) and its controlled entities (Consolidated Group or Group) for the financial year ended 30 June 2025.

Principal Activities

The principal continuing activities of the group during the year were the battery technology development and commercialisation, as well as Lithium exploration.

Financial Results

The net result of operations for the group for the year was a loss after income tax of (\$4,619,688) (2024: loss of \$6,119,130).

Dividends

No dividends were declared in relation to the current financial year ended 30 June 2025, and the directors do not recommend the payment of dividends in respect of the financial year.

Review of Operations

Throughout the 2025 financial year, londrive made significant progress in advancing and commercialising its proprietary urban mining technology platform. Focused on recovering critical minerals from battery waste and other high-value feedstocks, the Company's efforts culminated in a robust Pre-Feasibility Study (PFS), pilot plant engineering milestones, and growing traction in European markets through key strategic partnerships and grant applications.

DES Battery Recycling – Technology Advancement and Validation

The completion of a PFS in October 2024 confirmed that londrive's Deep Eutectic Solvent (DES) battery recycling process is scalable, economically viable, and environmentally sustainable. Highlights from the study included:

- 36% lower capital cost compared to conventional hydrometallurgical plants in Europe;
- Recovery rates exceeding 95% for lithium, cobalt, nickel and manganese;
- Minimal solvent losses, reinforcing the process' closed-loop efficiency;
- Strong alignment with global demand trends and tightening regulatory pressures around battery recycling.

These results provided the foundation for the Company's transition into pilot-scale demonstration and commercialisation.

londrive conducted large-scale bench trials at the University of Adelaide, with independent validation by IMO in Perth.

Key outcomes included:

- 1,700x scale-up confirming consistent metal recovery performance;
- High recoveries from both pCAM precursor and raw black mass feedstocks;
- Successful integration of a three-stage pretreatment process to improve recovery and reduce impurities;
- Optimisation trials indicating 100% lithium and aluminium recovery from untreated black mass, suggesting potential to simplify processing and reduce costs

Pilot Plant Development – Engineering Phase Completed

Over the year, londrive advanced the front-end engineering design (FEED) for its pilot-scale DES battery recycling plant, appointing Wave International to lead the design phase. The facility, based at the University of Adelaide, is designed to process 10 tonnes of black mass per annum and produce battery-grade materials for downstream validation and offtake evaluation. Commissioning of the pilot plant is scheduled to occur in late 2025 and go through to early 2026.

Technology Expansion – Urban Mining

In parallel with its battery recycling activities, londrive launched a major new initiative targeting the recovery of valuable metals from electronic waste (E-waste), particularly printed circuit boards (PCBs) — one of the highest-value components in end-of-life electronics.

Backed by a \$100,000 grant from Green Industries SA, this project leverages londrive's DES chemistry to recover metals such as:

- Copper
- Gold
- Silver
- Palladium
- Rare Earth Elements

The program is being conducted at the University of Adelaide, with two postdoctoral researchers appointed and early-stage testing now underway. The objective is to demonstrate that londrive's DES platform provides a cleaner, safer alternative to conventional smelting or acid leaching methods, and to define a path toward a commercial-scale E-waste recycling facility. The project also aims to secure IP protection for londrive in the E-waste domain — a critical step as the company targets the US\$91 billion global e-waste opportunity, where formal recycling rates remain under 25%.

This initiative forms part of londrive's broader strategy to become a leader in urban mining — reclaiming critical minerals from discarded electronics and other industrial waste streams, diversifying the revenue base beyond lithium-ion batteries.

Additional feedstock trials continued throughout the year, including:

- Mixed Hydroxide Precipitate (MHP): Testing U.S.-sourced MHP feedstocks for sustainable recovery of nickel and cobalt;
- Graphite Recovery: A new CSIRO-funded project commenced post-year-end to upgrade recovered graphite to battery-grade anode material, targeting a potential ~25% uplift in revenue from future commercial recycling operations;
- Other Feedstocks: Several other high-value feedstock trials are underway, although details remain confidential due to early-stage commercial sensitivities.

These efforts reflect londrive's commitment to maximising the potential of its DES platform across a wide range of applications from EV batteries to electronics and critical mineral processing while maintaining an environmentally responsible and economically compelling approach.

Strategic Partnerships and International Expansion

londrive expanded its global footprint through targeted collaborations:

- European Consortium Formation: Finalised the formation of a battery recycling consortium with PEM Aachen University and several OEMs and recyclers. A €3.1 million EU grant has been submitted, with londrive's share totalling €560,000.
- MoU with TNO: Formalised a partnership with the Netherlands Organisation for Applied Scientific Research to support DES deployment in Northwestern Europe.
- ARC Training Centre: Appointed as the lead industry partner in the ARC's \$15 million Battery Recycling Research and Training Centre, with postdoctoral researchers appointed and research underway.

londrive established its European subsidiary, londrive EU GmbH, to support regional operations, strategically positioning the company to capitalise on regulatory momentum around critical minerals and potential government grant funding across the EU.

Divestment of South Korean Exploration

The Company continued the strategic wind-down of its legacy exploration portfolio:

- KoBold Metals withdrew from the South Korean Joint Venture and Earn-in Agreement in February 2025.
- One exploration tenement was sold for \$100,000.
- Advanced negotiations underway for the sale of the remaining exploration business, with exclusivity fees of \$144,000 received during the year.
- Divestment is expected to reduce the Company's annual cost base by approximately \$600,000 and enable a full transition to a DES technology focus.

Corporate

Funding

During the 2025 financial year, Iondrive finalised a total of \$8 million across two placements to support the development and commercialisation of its DES battery recycling platform.

- In July 2024, the Company completed a \$0.9 million placement at \$0.009 per share, being the second tranche of a total \$2 million capital raise announced in June 2024. The placement was supported by Iondrive's two largest shareholders, Strata Investment Holdings Plc and Ilwella Pty Ltd.
- In November 2024, Iondrive secured a further \$6 million via a two-tranche placement at \$0.014 per share — a 16.7% premium to the Company's last traded price. The raise attracted strong interest from institutional investors, including Terra Capital, as well as continued support from existing shareholders.

Board and Management

The Company also strengthened its leadership team with two key appointments:

- Mr Hugo Schumann joined the Board as a Non-Executive Director in December 2024. He brings deep expertise in critical minerals, strategic investments, and scaling early-stage ventures in the energy and technology sectors.
- Mr Lewis Utting joined the executive management team as a Commercial Director, with over 20 years of experience in technology commercialisation, capital markets, and investor engagement across the cleantech, mining, and energy sectors.

Additionally, Mr John Rock retired from the Board as a Non-Executive Director in November 2024.

Changes in State of Affairs

There were no significant changes in the state of affairs of the Group other than that referred to in the Review of Operations, or in the financial statements or notes thereto.

Events Subsequent to Reporting Date

Strategic Graphite Recovery Project

On 15 July 2025, Iondrive announced it had secured a new project with CSIRO under the Graphite Research and Development Grant Opportunity to develop a process for converting waste graphite from spent lithium-ion batteries into anode-grade material. The project commenced on 1 July 2025 and is scheduled for completion by November 2025. The project will receive total funding of \$84,000 from the Australian Government and CSIRO's Kick-Start programme. If successful, the resulting intellectual property will be licensed exclusively to Iondrive for global commercialisation on a royalty-free basis. The project has the potential to support an estimated 25% uplift in revenue from commercial scale battery recycling operations by creating an additional high-value revenue stream from black mass processed via battery recycling.

Issue of shares as executive remuneration

On 5 August 2025, the Company issued 4,799,001 ordinary fully paid shares to the Chief Executive Officer and Chief Financial Officer as an annual bonus, following the Board's assessment of performance against pre-set corporate KPIs

for the financial year ended 30 June 2025. The shares were issued as part of the overall remuneration package to incentivise, reward and retain key staff (refer Note 18).

Industry Growth Program Grant

On 12 August 2025, the Company announced it had been awarded a grant of up to \$3.9 million under the Australian Government's Industry Growth Program to accelerate the commercialisation of its DES metal extraction and critical minerals recovery technology. The non-dilutive funding will cover up to 50% of eligible pilot plant construction and operational costs through to December 2026, with Iondrive required to provide matching funding on a dollar-for-dollar basis. With the completion of Front-End Engineering Design and award of the grant, the Board has approved construction of the pilot plant at an estimated cost of \$4.8 million. The pilot plant is expected to be commissioned in a phased approach commencing in December 2025 and completed in early 2026.

Other than the above, there has not arisen any other matters or circumstances, since the end of the financial year which significantly affected or could affect the operations of the Group, the results of those operations, or the state of the Group in future years.

Environmental Regulation and Performance Statement

There have been no known environmental breaches attributed to the Group's DES recycling technology nor its exploration activities to date.

Options

At the date of this report, the unissued ordinary shares of Iondrive Limited under option are as follows:

Issue Date	Date of Expiry	Fair Value at Grant Date \$	Exercise Price \$	Number under Option	Vested and Exercisable
09/09/2021	16/09/2025	\$0.02845	\$0.100	680,000	680,000
29/10/2021	31/10/2025	\$0.03259	\$0.120	3,700,000	3,700,000
22/02/2023	22/02/2027	\$0.01213	\$0.050	300,000	300,000
04/07/2023	03/07/2026	\$0.00402	\$0.040	7,000,000	7,000,000
24/07/2023	23/07/2026	\$0.00402	\$0.040	3,000,000	3,000,000
09/11/2023	09/11/2027	\$0.00532	\$0.025	6,000,000	6,000,000
22/01/2024	22/01/2028	\$0.00404	\$0.025	100,000	100,000
06/08/2024	06/08/2029	\$0.00424	\$0.012	30,625,000	5,625,000
03/12/2024	03/12/2028	\$0.00440	\$0.025	10,000,000	4,250,000
03/12/2024	03/12/2028	\$0.00499	\$0.025	6,000,000	-
09/12/2024	09/12/2028	\$0.00442	\$0.025	9,000,000	9,000,000
27/02/2025	27/08/2026	\$0.01277	\$0.028	10,000,000	10,000,000
27/02/2025	27/02/2027	\$0.01126	\$0.042	10,000,000	10,000,000
27/02/2025	27/02/2028	\$0.01057	\$0.056	10,000,000	10,000,000
17/06/2025	03/03/2028	\$0.01138	\$0.025	10,000,000	1,666,666
				116,405,000	71,321,666

No option holders have any rights to participate in any issues of shares or other interests in the Company.

For details of options issued to Directors and Executives as remuneration, refer to the Remuneration Report.

Performance Rights

Ausino Drilling Services Pty Ltd (ADS) held 10 million performance rights at US\$0.11 per right for US\$1.1 million. The performance rights were structured to vest as ADS provided drilling services. No such services were provided and all of the performance rights expired on 26 November 2024.

On 6 August 2024, the Company granted 30,625,000 performance rights, to the Company's Chief Executive Officer and Chief Financial Officer as a long-term incentive, following shareholder approval on 18 July 2024. The performance rights vest, after a minimum service period to 12 August 2025, in four tranches when the 30-day volume weighted average price of the Company's ordinary shares exceeds the set price hurdles at any time prior to 12 February 2027. The performance rights convert into one fully paid ordinary share upon vesting. The fair value of the performance rights was determined to be \$0.00510 per performance right. As at 30 June 2025, none of the performance rights had vested. Subsequently, 5,625,000 of the performance rights vested on 13 August 2025, with completion of the minimum service period and two of the price hurdles having been achieved.

Directors

The following were Directors of the Company at any time during the financial year, or at any time subsequent to the end of the financial year through to the date of this report, are as set out below:

Michael McNeilly (Non-Executive Chair)

John Hamilton (Non-Executive Director)

Adam Slater (Non-Executive Director)

Andrew Sissian (Non-Executive Director)

Hugo Schumann (Non-Executive Director, appointed 3 December 2024)

John Rock (Non-Executive Director, resigned 22 November 2024)

Details of Directors' qualifications, experience and special responsibilities of the existing Directors are as follows:

Michael McNeilly (Non-Executive Chair)

BA (International Economics)

Michael McNeilly is CEO, and Director of AIM/ASX dual listed natural resources investing company Metal Tiger Plc. Mr McNeilly has extensive experience in listed companies and is currently Non-Executive Director of ASX-listed Cobre Limited. He sits on several private company boards within the Metal Tiger group.

Past board appointments include MOD Resources Ltd (up to acquisition by Sandfire in November 2019), Metal Capital Ltd (until November 2018), Greatland Gold Plc (until October 2017), Arkle Resources Plc (until November 2019). Mr McNeilly also has a deep understanding of the equity capital markets having worked at broking house Arden Partners Plc and Allenby Capital Ltd where he was part of their corporate finance teams during 2011-2015.

Mr McNeilly studied Biology at Imperial College London and has a BA in International Economics at the American University of Paris. He is fluent in French.

Mr McNeilly currently holds 2,911,111 shares and 6,600,000 options in Iondrive Limited.

Jack Hamilton (Non-Executive Director)

PhD, B.Eng (Chem), FAICD, FAIE

Dr Hamilton is a highly experienced senior executive and board director with extensive expertise across technology, operations and manufacturing, project management, business development and commercial ventures. His career in the energy sector includes leading Australia's largest resource project as Director of North West Shelf Ventures for Woodside Energy Ltd. He has held senior positions both locally and internationally.

Currently, Dr Hamilton serves as a Non-Executive Director of Hazer Group Ltd (ASX: HZR). His recent board experiences include roles as Chairman of AnteoTech (ASX: ADO) and Non-Executive Director of Calix Ltd (ASX: CXL). Dr. Hamilton holds a Bachelor of Engineering (Chemical) and a Doctorate of Philosophy (Engineering) from the University of Melbourne. He is a Fellow of the Australian Institute of Energy (FAIE) and a Fellow of the Australian Institute of Company Directors (FAICD).

Dr Hamilton currently holds 5,873,015 shares and 3,000,000 options in Iondrive Limited.

Adam Slater (Non-Executive Director)

BA (Arts)

Mr Slater is a seasoned professional with nearly three decades of experience in the commodities industry. From 2007 to 2018, he spearheaded the development of the commodity division at CWT Limited, an SGX-listed company, overseeing financial services, commodity brokerage, trading, and supply chain management. During this period, he served on the boards of all CWT Limited's commodity-related businesses, including chairing the board of MRI Trading.

In 2019, Mr Slater shifted his focus to venture capital and private equity, taking on multiple board positions and advisory roles. He currently holds a non-executive role at Iondrive and is a member of OurCrowd's Global Investor Advisory Council. As a founding LP in Genesis Alternative Ventures, he sits on the LP Boards for their Funds I and II. He previously served on the board of Elminda (now part of NASDAQ-listed WAVD) and recently joined the board of

TradeCloud Services Pte Ltd. A graduate of McGill University in East Asian Studies, Mr Slater is fluent in English, Hebrew, and Chinese.

Mr Slater currently holds 6,244,444 shares and 3,000,000 options in Iondrive Limited.

Andrew Sissian (Non-Executive Director)
CPA, MAcc, BCom (Finance)

Mr Sissian is a seasoned corporate and capital markets executive and CPA. Mr Sissian is a co-founder and NED of Cobre Limited ASX.CBE and CEO of high growth IoT technology company Procon Telematics. Mr Sissian advises and partners with a range of companies in the technology and future minerals sectors. Mr Sissian has also spent more than a decade in equities and institutional banking including with the National Australia Bank in Australia and Shanghai and with Wilsons Advisory.

Mr Sissian currently holds 4,206,349 shares and 3,000,000 options in Iondrive Limited.

Hugo Schumann (Non-Executive Director, appointed 3 December 2024)
BBusSc, MBA, CFA

Hugo Schumann was appointed Non-Executive Director, effective 3 December 2024.

Mr Schumann currently serves as Chief Executive Officer of EverMetal Capital, a private equity-backed metals critical recycling platform, and CEO of Elemental Group's U.S. operations, overseeing large scale e-waste and catalytic converter recycling operations across the United States and as a Non-Executive Director of ASX listed Global Uranium and Enrichment (ASX: GUE). He brings extensive leadership experience spanning corporate strategy, capital markets, and cross-border M&A, with particular expertise in critical minerals, sustainability, and technology-driven growth. He previously served as CEO of the Silver Division at Hindustan Zinc Limited, one of the world's largest silver producers, and as Chief Financial Officer at Jetti Resources, where he played a pivotal role in scaling a revolutionary copper extraction technology and driving global adoption.

Mr Schumann holds an MBA from INSEAD, completed the Executive Program at Stanford Graduate School of Business, and earned a Bachelor of Business Science in Finance and Chartered Accountancy from the University of Cape Town, and is a CFA Charterholder.

Mr Schumann currently holds 1,500,000 shares and 6,000,000 options in Iondrive Limited.

Chief Executive Officer

The following person held the position of Chief Executive Officer at the date of this report:

Ebbe Dommisce
B.Eng (Chem), MSc, PhD, MBA, GAIC

Mr Dommisce is a seasoned professional with over 25 years of experience in commercialising technologies, execution and manufacturing. He previously served as the COO at Circa Group, an Australian start-up that commercialised a biochemical process from laboratory scale to commercial scale. Prior to this, he was Regional GM of Pact Group, an ASX-listed manufacturer, where he was responsible for establishing a world-class plant in Indonesia and overseeing operations in South-East Asia.

Mr Dommisce currently holds 5,664,597 shares, 24,500,000 options and 24,500,000 performance rights in Iondrive Limited.

Chief Financial Officer and Company Secretary

The following person held the position of Chief Financial Officer and Company Secretary during the financial year:

Ray Ridge
BA (Acc), CA, GIA (cert)

With over 30 years' experience, Mr Ridge has held senior management positions in finance, compliance and commerce across a range of industries, including previous appointments as General Manager Commercial & Operations with the Utilities, Government and Power Business Group of Parsons Brinckerhoff, CFO of the Merchandise Division of Elders Ltd and Senior Audit Manager at Arthur Andersen. Mr Ridge has recently held, or

currently holds, Chief Financial Officer and/or Company Secretary roles at four other ASX listed companies.

Mr Ridge currently holds 10,594,185 shares, 6,725,000 options and 6,125,000 performance rights in Iondrive Limited.

Remuneration Report (audited)

The remuneration policy is designed to align Key Management Personnel objectives with shareholder and business objectives by providing a fixed remuneration package to Non-executive Directors and time-based remuneration to Executive Directors. The Board of Iondrive believes the policy to be appropriate and effective in attracting and retaining the best Directors and Executives to manage and direct the Group, as well as create goal congruence between Directors, Executives and shareholders.

The Company's policy for determining the nature and amounts of emoluments of board members and other Key Management Personnel of the Company is detailed below.

The Company's constitution specifies that the total amount of remuneration for Non-Executive Directors shall be fixed from time to time by a general meeting. Following the shareholder approval on 18 July 2024, the maximum aggregate cash remuneration for Non-Executive Directors was increased from \$300,000 per annum to \$350,000 per annum. Directors may apportion any amount up to this maximum amount amongst the Non-executive Directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as Directors. The remuneration of the Chief Executive Officer (CEO) is determined by the Non-executive Directors and approved by the Board as part of the terms and conditions of employment which are subject to review from time to time. The remuneration of other executive officers and employees is determined by the CEO subject to the approval of the Board.

Non-executive Director remuneration is by way of fees and statutory superannuation contributions where applicable. Directors do not participate in schemes designed for remuneration of executives and are not provided with retirement benefits. The Group currently has no performance-based remuneration component built into Non-executive Director packages.

The Company's remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of the Company. The Board is responsible for assessing relevant employment market conditions and achieving the overall, long-term objective of maximising shareholder value, through the retention of high-quality personnel.

The Company has an Employee Incentive Plan approved by shareholders that enables the Board to offer eligible employees and consultants shares, options or performance rights to acquire ordinary fully paid shares in the Company. Under the terms of the Plan, options and performance rights to acquire ordinary fully paid shares may be offered to the Company's employees at no cost unless otherwise determined by the Board in accordance with the terms and conditions of the Plan. The objective of the Plan is to align the interests of employees, consultants and shareholders by providing employees and consultants of the Company with the opportunity to participate in the equity of the Company as an incentive to achieve greater success and profitability for the Company and to maximise the long-term performance.

The employment conditions of the CEO are formalised in a contract of employment. The base salary as set out in the employment contract is reviewed annually. The CEO's contract may be terminated at any time by either party with three month's notice. The Company may terminate the contract without notice in instances of serious misconduct.

Mr Ridge is not employed by the Company. His services are provided in his capacity as a consultant to act as a Chief Financial Officer and Company Secretary of, and provide accounting services to Iondrive.

During the financial year there were no remuneration consultants engaged by the Company.

CEO Remuneration

The CEO's remuneration comprises a base salary, a short term incentive and a long term incentive. These are detailed in section (d) of the Remuneration Report below.

Shares issued on exercise of remuneration options

No shares were issued to Directors or other Key Management Personnel as a result of the exercise of remuneration options during the financial year.

Directors' and other Key Management Personnel interests in shares and options

Directors' and other Key Management Personnel relevant interests in shares and options of the Company are disclosed in section (d) of the Remuneration Report and in Note 4 of the Financial Report.

Securities granted as remuneration to Directors' and other Key Management Personnel

4,799,001 shares, 55,625,000 unlisted options and 30,625,000 performance rights were granted, or agreed to be granted, to Directors and key management personnel during the year, summarised as follows:

- 4,799,001 shares were recognised as payable to the CEO and CFO, under the Company's Executive Short Term Incentive program. The shares were subsequently issued on 5 August 2025.
- 15,000,000 unlisted options were granted to Directors;
- 10,000,000 unlisted options to Key Management Personnel;
- 30,625,000 options and 30,625,000 performance rights were issued as a long term incentive to the CEO and CFO on 6 August 2024, following shareholder approval;

Further details related to the above securities, that were issued to Directors and key management personnel as remuneration in the year ended 30 June 2025, are detailed further in section (a) below.

All securities granted and held by Directors & Key Management Personnel are disclosed in section (c). No options were exercised by Directors & Key Management Personnel in the financial year.

Remuneration of Directors and Key Management Personnel

This report details the nature and amount of remuneration for each Key Management Person of Iondrive Limited.

(a) Directors and Key Management Personnel

The names and positions held by Directors and Key Management Personnel of the Group during or since the end of the financial year are:

Directors	Position
M McNeilly	Chairman – Non-Executive
J Hamilton	Director – Non-Executive
A Slater	Director – Non-Executive
A Sissian	Director – Non-Executive
H Schumann	Director – Non-Executive (appointed 3 December 2024)
J Rock	Director – Non-Executive (resigned 22 November 2024)

Key Management Personnel	Position
E Domisse	Chief Executive Officer
R Ridge	Company Secretary & Chief Financial Officer
L Utting	Commercial Director (appointed 20 November 2024)

(b) Remuneration Directors and Key Management Personnel

2025	Short Term Benefits				Share Based Payments ^{3,4}	Post Employment			
	Primary Benefits	Directors' Fees	Salary and Leave	Cash Bonus ⁴		Super Contribution	Total	Remuneration as share based	
		\$	\$	\$	\$	\$	\$	\$	%
Directors									
M McNeilly	95,250	-	-	-	26,520	-	121,770	22%	
J Hamilton	55,000	-	-	-	5,756	-	60,756	9%	
A Slater	55,000	-	-	-	5,756	-	60,756	9%	
A Sissian	55,000	-	-	-	13,260	-	68,260	19%	
H Schumann ¹	32,083	-	-	-	30,240	-	62,323	49%	
J Rock ²	20,000	-	-	-	791	-	20,791	4%	
Other KMP									
E Domisse	-	320,068	41,079	-	348,067	29,932	739,146	47%	
R Ridge	-	-	10,270	178,192	87,017	-	275,479	32%	
L Utting ⁵	-	-	-	140,509	44,000	-	184,509	24%	
	312,333	320,068	51,349	318,701	561,407	29,932	1,593,790	35%	

¹ Appointed 3 December 2024, ² Resigned 22 November 2024, ⁵ Appointed 20 November 2024.

³ Options and performance rights issued as share based payments:

- 6,000,000 unlisted options issued to Mr Michael McNeilly on 9 December 2024, following shareholder approval. The options vest immediately and are exercisable at \$0.025 at any time through to the expiry date of 9 December 2028. The fair value of the options was calculated as \$26,520 using the Black-Scholes method with volatility of 75% and an interest rate of 4.152% (based on the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares prior to AGM approval on 21 November 2024.
- 3,000,000 unlisted options issued to Dr John Hamilton on 9 November 2023. The options vested upon his re-election at the Company's 2024 AGM, have an exercise price of \$0.025 and expire on 9 November 2027. The fair value of the options was calculated as \$15,960 using the Black-Scholes method with volatility of 71% and an interest rate of 4.3% (based on the three-year Australian Government bond rate) and an underlying share price of \$0.013 being the closing price the day prior to execution of his contract of appointment as a director on 7 November 2023. The fair value of the options was expensed over the one-year vesting period to November 2024, with \$5,756 expensed in the financial year ended 30 June 2025 (2024: \$10,204).
- 3,000,000 unlisted options issued to Mr Adam Slater on 9 November 2023. The options vested upon his re-election at the Company's 2024 AGM have an exercise price of \$0.025 and expire on 9 November 2027. The fair value of the options was calculated as \$15,960 using the Black-Scholes method with volatility of 71% and an interest rate of 4.3% (based on the three-year Australian Government bond rate) and an underlying share price of \$0.013 being the closing price the day prior to execution of his contract of appointment as a director on 7 November 2023. The fair value of the options was expensed over the one-year vesting period to November 2024, with \$5,756 expensed in the financial year ended 30 June 2025 (2024: \$10,204).
- 3,000,000 unlisted options issued to Mr Andrew Sissian on 9 December 2024, following shareholder approval. The options vest immediately and are exercisable at \$0.025 at any time through to the expiry date of 9 December 2028. The fair value of the options was calculated as \$13,260 using the Black-Scholes method with volatility of 75% and an interest rate of 4.152% (based on the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares prior to AGM approval on 21 November 2024.
- 6,000,000 unlisted options were granted a Director, Mr Hugo Schumann, on 3 December 2024. The options vest immediately and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$30,240 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares on 2 December 2024.
- 3,000,000 unlisted options issued to Mr John Rock on 24 July 2023, following shareholder approval. The options have an exercise price of \$0.04, vest after a one-year minimum service period to 24 July 2024 and expire on 23 July 2026. The fair value of the options was calculated as \$12,060 using the Black-Scholes method with volatility of 62% and an interest rate of 3.9% (based on the three-year Australian Government bond rate) and an underlying share price of \$0.018 being the closing price the day prior to shareholder approval. The fair value of the options is being expensed over the 12-month vesting period, with \$791 expensed in the financial year ended 30 June 2025 (2024: \$11,269).
- A long-term incentive plan comprising 24,500,000 unlisted options and 24,500,000 performance rights was agreed with the Company's CEO on 12 April 2024 and granted on 6 August 2024, following shareholder approval. The options and performance rights vest, after a minimum service period to 12 August 2025, in four tranches dependent on share price performance hurdles (refer section (c) of the remuneration report). The fair value of these securities was calculated using the Monte Carlo method as \$103,775 for the options and \$125,000 for the performance rights. The total fair value of \$228,775 is being expensed over the minimum service period between 12 April 2024 and 12 August 2025, with \$171,464 expensed in the financial year ended 30 June 2025 (2024: \$37,311).
- A long-term incentive plan comprising 6,125,000 unlisted options and 6,125,000 performance rights was agreed with the Company's CFO on the same basis as the long-term incentive agreed with Company's CEO as noted above (also refer section (c) of the remuneration report). The fair value of these securities was calculated using the Monte Carlo method as \$25,944 for the options and \$31,250 for the

performance rights. The total fair value of \$57,194 is being expensed over the minimum service period between 12 April 2024 and 12 August 2025, with \$42,866 expensed in the financial year ended 30 June 2025 (2024: \$9,278).

- 10,000,000 unlisted options were granted to the Commercial Director, Mr Lewis Utting, on 3 December 2024 under a consultancy agreement. The options vest upon the achievement of a number of performance milestones over a 12-month period and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$44,000 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to the agreement date of \$0.011. 4,250,000 of these options vested in the year ended 30 June 2025.

⁴ The CEO and CFO annual bonuses are based on an annual performance assessment by the Board against pre-set corporate key performance indicators. The CEO's maximum annual bonus is 20% of his annual salary - as the CEO was engaged on 12 February 2024, the Board determined the base salary for the initial period would be calculated on the CEO's salary from that commencement date to 30 June 2025, resulting in a maximum bonus of \$96,658. As the CFO does not receive a fixed salary, the maximum bonus for the CFO has been set as 25% of the CEO's maximum. Half of the bonus is payable in cash and the other half payable in shares (with the price of the shares determined by the 30 day VWAP at the commencement of the financial year, being \$0.0107 per share). The Board assessed that 85% of the KPI's were achieved, resulting in the following bonuses:

- the CEO bonus amount of \$82,159, with \$41,079 settled in cash and \$41,079 to be paid by the issuance of 3,839,201 shares, calculated at the set price of \$0.0107 per share. For financial reporting purposes, the 3,839,201 shares were valued at \$176,603 or \$0.046 per share, being the share price prior to the date of board approval.
- the CFO bonus amount of \$20,540, with \$10,270 settled in cash and \$10,270 to be paid by the issuance of 959,800 shares, calculated at the set price of \$0.0107 per share. For financial reporting purposes, the 959,800 shares were valued at \$44,151 or \$0.046 per share, being the share price prior to the date of board approval.

Remuneration Directors and Key Management Personnel

2024	Short Term Benefits					Share Based Payments ¹¹	Post Employment		Remuneration as share based		
	Primary Benefits	Directors' Fees	Salary and Leave	Cash Bonus	Consulting fees		Super Contribution	Total			
		\$	\$	\$	\$	\$	\$	\$	\$	%	
Directors											
M McNeilly ¹	70,750	-	-	-	-	-	-	70,750		0%	
J Rock ²	45,032	-	-	-	-	11,269	-	56,301		20%	
J Hamilton ³	35,292	-	-	-	-	10,204	-	45,496		22%	
A Slater ⁴	32,083	-	-	3,361	10,204	-	-	45,648		22%	
A Sissian ⁵	2,750	-	-	-	-	-	-	2,750		0%	
R Smillie ⁶	-	189,235	-	-	(2,252)	2,354	189,337			-1%	
P Bamford ⁷	18,018	-	-	-	-	1,982	20,000			0%	
D Kirwin ⁸	20,000	-	-	-	-	-	20,000			0%	
B Kim ⁹	44,000	-	-	-	-	-	-	44,000		0%	
Other KMP											
E Dommissie ¹⁰	-	124,975	-	102,424	37,111	10,539	275,049			13%	
R Ridge	-	-	-	173,377	9,278	-	182,655			5%	
	267,925	314,210		279,162	75,814	14,875	951,986			8%	

¹ Appointed Chair 31 July 2023, ² Appointed 24 July 2023, ³ Appointed 9 November 2023, ⁴ Appointed as a consultant to the Board on 9 November 2023 and as a Director on 4 December 2023, ⁵ Appointed 12 June 2024, ⁶ Retired 10 February 2024; ⁷ Retired as Chair on 31 July 2023 and retired as a Director on 9 November 2023, ⁸ Retired 9 November 2023, ⁹ Retired 1 June 2024, ¹⁰ Appointed CEO 12 February 2024.

¹¹ Share based payments comprised:

- 3,000,000 unlisted options issued to Mr John Rock on 24 July 2023, following shareholder approval. The options have an exercise price of \$0.04, vest after a one-year minimum service period to 24 July 2024 and expire on 23 July 2026. The fair value of the options was calculated as \$12,060 using the Black-Scholes method with volatility of 62% and an interest rate of 3.9% (based on the Commonwealth bond rate) and an underlying share price of \$0.018 being the closing price the day prior to shareholder approval. The fair value of the options is expensed over the one-year vesting period to 24 July 2024.
- 3,000,000 unlisted options issued to Dr John Hamilton on 9 November 2023. The options have an exercise price of \$0.025, vest in upon his re-election at the Company's 2024 AGM and expire on 9 November 2027. The fair value of the options was calculated as \$15,960 using the Black-Scholes method with volatility of 71% and an interest rate of 4.3% (based on the Commonwealth bond rate) and an underlying share price of \$0.013 being the closing price the day prior to execution of his contract of appointment as a director on 7 November 2023. The fair value of the options is expensed over the one-year vesting period to November 2024.
- 3,000,000 unlisted options issued to Mr Adam Slater on 9 November 2023. The options have an exercise price of \$0.025, vest in upon his re-election at the Company's 2024 AGM and expire on 9 November 2027. The fair value of the options was calculated as \$15,960 using the Black-Scholes method with volatility of 71% and an interest rate of 4.3% (based on the Commonwealth bond rate) and an underlying share price of \$0.013 being the closing price the day prior to execution of his contract of appointment as a director on 7 November 2023. The fair value of the options is expensed over the one-year vesting period to November 2024.

- 5,000,000 performance rights lapsed when Mr Smillie resigned as Managing Director on 10 February 2024. As the performance rights were forfeited prior to their vesting date, the fair value of the options previously expensed was reversed in the current financial year ended 30 June 2024.
- A long-term incentive plan comprising 24,500,000 unlisted options and 24,500,000 performance rights was agreed with the Company's incoming Chief Executive Officer on 12 April 2024, subject to shareholder approval. The options and performance rights vest, after a minimum service period to 12 August 2025, in four tranches dependent on share price performance hurdles (refer section (c) of the remuneration report). The fair value of these securities was calculated using the Monte Carlo method as \$103,775 for the options and \$125,000 for the performance rights. The total fair value of \$228,775 is being expensed over the minimum service period between 12 April 2024 and 12 August 2025. The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.
- A long-term incentive plan comprising 6,125,000 unlisted options and 6,125,000 performance rights was agreed with the Company's Chief Financial Officer on the same basis as the long-term incentive agreed with Company's Chief Executive Officer as noted above (refer section (c) of the remuneration report). The fair value of these securities was calculated using the Monte Carlo method as \$25,944 for the options and \$31,250 for the performance rights. The total fair value of \$57,194 is being expensed over the minimum service period between 12 April 2024 and 12 August 2025. The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.

(c) Securities Held by Directors and Key Management Personnel

The number of ordinary shares held by Directors and Key Management Personnel in Iondrive Limited during the financial year is as follows:

30 June 2025	Balance at beginning of year (or at appointment)	Acquired/ (disposed) on market	Participation in Placement	Balance at end of year (or at retirement)
M McNeilly	-	-	2,911,111	2,911,111
A Slater	-	-	6,244,444	6,244,444
J Hamilton	-	-	5,873,015	5,873,015
A Sissian	-	-	4,206,349	4,206,349
H Schumann ¹	-	-	1,500,000	1,500,000
J Rock ²	5,916,667	-	-	5,916,667
E Dommissé	-	-	1,825,396	1,825,396
R Ridge	1,000,000	-	8,634,385	9,634,385
L Utting ³	-	-	7,142,856	7,142,856
	6,916,667	-	38,337,556	45,254,223

¹ Appointed 3 December 2024, ² Resigned 22 November 2024, ³ Appointed 20 November 2024

The number of unlisted options over ordinary shares held by Directors and Key Management Personnel in Iondrive Limited during the year is as follows:

30 June 2025	Balance at beginning of year (or date of appointment)	Options granted	Balance at end of year (or at date of retirement)	Disposed (other)	Vested and exercisable
M McNeilly	600,000	6,000,000	6,600,000	-	6,600,000
A Slater	3,000,000	-	3,000,000	-	3,000,000
J Hamilton	3,000,000	-	3,000,000	-	3,000,000
A Sissian	-	3,000,000	3,000,000	-	3,000,000
H Schumann ¹	-	6,000,000	6,000,000	-	-
J Rock ²	3,375,000	-	3,375,000	-	3,375,000
E Dommissé	-	24,500,000 ³	24,500,000	-	-
R Ridge	600,000	6,125,000 ³	6,725,000	-	600,000
L Utting ⁴	-	10,000,000	10,000,000	-	4,250,000
	10,575,000	55,625,000	66,200,000	-	23,825,000

¹ Appointed 3 December 2024, 6,000,000 options vest upon re-election at the Company's 2025 AGM, ² Resigned 22 November 2024. ³ The long-term incentive plan is explained further below. ⁴ Appointed 20 November 2024

Executive Long-term incentive plan: A long-term incentive plan was agreed with the Company's CEO and CFO on 12 April 2024 (subject to shareholder approval), comprising a total of 30,625,000 performance rights and 30,625,000 unlisted options. The options and performance rights vest, after a minimum service period to 12 August 2025, in four tranches when the 30-day volume weighted average price of the Company's ordinary shares exceeds the following price hurdles at any time prior to 12 February 2027:

			CEO	CEO	CFO	CFO	
	Price Hurdles	Fair Value per Option	Fair Value per Performance Right	Number of Options to Vest	Number of Performance Rights to Vest	Number of Options to Vest	Number of Performance Rights to Vest
Tranche 1	\$0.017	\$0.0063	\$0.0087	2,250,000	2,250,000	562,500	562,500
Tranche 2	\$0.025	\$0.0056	\$0.0073	2,250,000	2,250,000	562,500	562,500
Tranche 3	\$0.050	\$0.0044	\$0.0052	10,000,000	10,000,000	2,500,000	2,500,000
Tranche 4	\$0.075	\$0.0033	\$0.0037	10,000,000	10,000,000	2,500,000	2,500,000
				24,500,000	24,500,000	6,125,000	6,125,000

None of the performance rights or options have vested as at 30 June 2025. Tranches 1 and 2 subsequently vested on 13 April 2025. The vested performance rights and options convert into one fully paid ordinary share each when exercised, any time prior to 6 August 2029. The options have an exercise price of \$0.012.

The fair value of these long-term incentive securities of \$285,969 was calculated using the Monte Carlo method. The fair value is being expensed over the minimum service period between 12 April 2024 and 12 August 2025. The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.

Share-based payment expense of \$214,330 was recognised during the year ended 30 June 2025 (2024: \$46,389) (refer Note 18).

The above number of securities as at 30 June 2025, may differ from the number of holdings disclosed in the Directors Report, as the Directors Report provides each Directors' security holdings as at the date of the Directors report.

(d) Service agreements

Remuneration and other items of employment for the CEO, Mr Ebbe Dommissé are formalised in a service agreement approved by the Board. The major provisions are as follows:

- As CEO, Mr Dommissé receives an annual salary of \$350,000, inclusive of any superannuation. This was revised to \$364,000 effective 1 August 2025.
- A Short-Term Incentive program with performance assessed by the Board against pre-set corporate key performance indicators. The maximum annual bonus under the STI program is 20% of the CEO's annual salary, with half of the bonus amount payable in cash and the other half payable in shares (with the price of the shares determined by the 30-day VWAP at the commencement of the financial year).
- A long-term incentive consisting of 24,500,000 performance rights and 24,500,000 options granted on 6 August 2024 following shareholder approval on 18 July 2024. The terms of these securities are summarised on the previous page.
- Termination without notice in the event that Mr Dommissé engages in misconduct or refuses lawful and reasonable directions.
- Termination without cause by either party with the provision of maximum three calendar months' notice or by agreement in writing by the parties.

The Company entered into a new service agreement with an entity associated with Mr Ridge on 6 March 2024 to provide financial services. The contract is subject to a three-month termination without cause.

(e) Post-employment/retirement and termination benefits

There were no post-employment retirement and termination benefits paid or payable to Directors or Key Management Personnel, other than as disclosed elsewhere in the Remuneration Report.

(f) Amounts payable to Directors and Key Management related entities

	2025	2024
	\$	\$
Payable to Michael McNeilly – Director Fees	8,000	7,250
Payable to Adam Slater – Director Fees	4,583	9,167
Payable to Andrew Sissian – Director Fees	4,583	2,750
Payable to Jack Hamilton – Director Fees	5,042	-
Payable to Hugo Schumann – Director Fees	4,583	-
Payable to Ebbe Dommisce – Salary	-	1,534
Payable to Ebbe Dommisce – Performance Bonus	41,079	-
Payable to Ebbe Dommisce – Bonus Shares	176,603	-
Payable to Ray Ridge – Consultancy Fees	49,869	44,715
Payable to Ray Ridge – Performance Bonus	10,270	-
Payable to Ray Ridge – Bonus Shares	44,151	-
Payable to Lewis Utting – Consultancy Fees	21,120	-
	369,883	65,416

(g) Voting at 2024 AGM

Iondrive Limited received 100% of 'yes' votes on its remuneration report for the 2024 financial year. The Company did not receive any specific feedback at the AGM on its remuneration report.

End of Remuneration Report

Meetings of Directors

The Company held 8 meetings of Directors (including committees of Directors) during the financial year. Attendances by each Director during the year were as follows:

	Director Meetings		Audit Committee Meetings	
	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended
M McNeilly	6	6	-	-
J Hamilton	6	6	2	2
A Slater	6	5	-	-
A Sissian	6	6	2	2
H Schumann ¹	4	4	-	-
J Rock ²	2	2	-	-

¹ Appointed 3 December 2024; ² Resigned 22 November 2024.

Non-audit services

The Board of Directors is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services, as set out below, did not compromise the audit independence requirement of the Corporations Act 2001.

All non-audit services have been reviewed by the Board to ensure they do not adversely affect the integrity and objectivity of the auditor.

The nature of the services provided do not compromise the general principle relating to auditor independence as set out in the APES 110 Code of Ethics for Professional Accountants (including independence standards) set by the Accounting Professional and Ethical Standards Board.

Non-audit services paid and/or payable to the external auditors during the year ended 30 June 2025 were Nil (2024: Nil).

Indemnification and insurance of officers

The Company is required to indemnify the Directors and other officers of the Group against any liabilities incurred by the Directors and officers that may arise from their position as Directors and officers of the Group. No costs were incurred during the year pursuant to this indemnity.

The Group has entered into deeds of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Group agreed to indemnify each Director against loss and liability as an officer of the Group, including all liability in defending any relevant proceedings.

Insurance Premiums

Since the end of the previous year the Group has paid insurance premiums in respect of Directors' and Officers' liability and legal expenses' insurance contracts.

The terms of the policies prohibit disclosure of details of the amount of insurance cover, the nature thereof and the premium paid.

Proceedings on behalf of the Company

No person has applied to the Court for leave to bring proceedings on behalf of the Group 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. The Group was not a party to any such proceedings during the year.

Auditor of the Company

The auditor of the Group for the financial year was Grant Thornton Audit Pty Ltd.

Auditor's Independence Declaration

The auditor's independence declaration as required by section 307C of the Corporations Act 2001 for the year ended 30 June 2025 is set out immediately following the end of the Directors' report.

The report of Directors, incorporating the Remuneration Report is signed in accordance with a resolution of the Board of Directors:



M McNeilly
Chairman



J Hamilton
Non-Executive Director

Dated at Adelaide, this 26th day of August 2025.

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Auditor's Independence Declaration

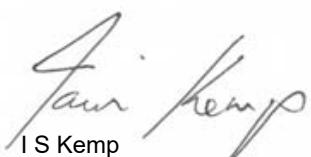
To the Directors of Iondrive Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Iondrive Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 26 August 2025

www.grantthornton.com.au

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Statement of Profit or Loss and Other Comprehensive Income for the Year ended 30 June 2025

Consolidated

	Note	2025 \$	2024 \$
Interest income		84,198	40,440
R&D Tax Incentive		1,086,350	436,692
Other income	2	540,983	401,829
Loss on sale of BMV shares		-	(66,463)
Loss on discount to fair value		-	(182,360)
Exploration expenditure written off	8	-	(1,797,339)
Exploration expenses		(378,174)	(982,057)
R&D expenditure		(2,854,972)	(1,824,901)
Salaries and wages		(475,525)	(617,119)
Directors fees		(312,333)	(267,925)
Interest expense		(551)	(1,731)
Shareholder relations		(164,742)	(179,620)
Other consulting expenses		(409,546)	(387,118)
Other administrative expenses		(579,837)	(489,461)
Depreciation		(72,076)	(67,310)
Gain (loss) on sale of plant and equipment		7,908	(9,074)
Realised foreign exchange loss		(5,421)	(2,183)
Share based payments - options	18	(644,268)	(100,335)
Share based payments – performance rights	18	(117,107)	(23,095)
Share based payments - shares	18	(324,575)	-
Profit/(Loss) before income tax		(4,619,688)	(6,119,130)
Income tax (expense)/benefit attributable to profit/(loss) from ordinary activities	3	-	-
Net Profit/(Loss) for the year		(4,619,688)	(6,119,130)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation		821	(479)
Total comprehensive income		(4,618,867)	(6,119,609)
Earnings Per Share			
Basic (cents per share) – Profit/(Loss)	20	(0.51)	(1.24)
Diluted (cents per share) – Profit/(Loss)	20	(0.51)	(1.24)

The above Consolidated 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

	Note	2025 \$	2024 \$	Consolidated
CURRENT ASSETS				
Cash and cash equivalents	5	5,867,961	2,759,282	
Receivables	6	1,141,940	639,535	
Other assets	7	316,679	71,648	
Assets classified as held for sale	15	119,798	-	
TOTAL CURRENT ASSETS		7,446,378	3,470,465	
NON-CURRENT ASSETS				
Right of use asset		-	19,311	
Plant and equipment		13,732	54,677	
Intangible assets	9	1,449,856	1,449,856	
Other assets	7	83,669	-	
TOTAL NON-CURRENT ASSETS		1,547,257	1,523,844	
TOTAL ASSETS		8,993,635	4,994,309	
CURRENT LIABILITIES				
Trade and other payables	10	1,255,663	722,915	
Provisions	11	35,009	215,086	
Lease liability		-	19,816	
Liabilities associated with assets classified as held for sale	15	248,082	-	
TOTAL CURRENT LIABILITIES		1,538,754	957,817	
NON-CURRENT LIABILITIES				
Provisions	11	3,045	412	
TOTAL NON-CURRENT LIABILITIES		3,045	412	
TOTAL LIABILITIES		1,541,799	958,229	
NET ASSETS		7,451,836	4,036,080	
EQUITY				
Issued capital	12	71,855,966	64,582,718	
Reserves	25	812,967	75,021	
Retained losses		(65,217,097)	(60,621,659)	
TOTAL EQUITY		7,451,836	4,036,080	

The above Consolidated 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

	Issued Capital	Retained Losses	Share-Based Payment Reserve	Foreign Currency Translation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2023	62,211,401	(54,542,909)	186,201	(193,751)	7,660,942
Profit or loss	-	(6,119,130)	-	-	(6,119,130)
Other comprehensive income	-	-	-	(479)	(479)
Total comprehensive income	-	(6,119,130)	-	(479)	(6,119,609)
Issue of share capital	2,447,142	-	-	-	2,447,142
Options & performance rights lapsed	-	40,380	(40,380)	-	-
Fair value of securities issued	-	-	100,335	-	100,335
Share based expense related to performance rights	-	-	23,095	-	23,095
Costs associated with the issue of shares	(75,825)	-	-	-	(75,825)
Total transactions with owners	2,371,317	40,380	83,050	-	2,494,747
Balance at 30 June 2024	64,582,718	(60,621,659)	269,251	(194,230)	4,036,080
Profit or loss	-	(4,619,688)	-	-	(4,619,688)
Other comprehensive income	-	-	-	821	821
Total comprehensive income	-	(4,619,688)	-	821	(4,618,867)
Issue of share capital	7,407,848	-	-	-	7,407,848
Options exercised	319,398	-	-	-	319,398
Options & performance rights lapsed	-	24,250	(24,250)	-	-
Fair value of securities issued	-	-	644,268	-	644,268
Share based expense related to performance rights	-	-	117,107	-	117,107
Costs associated with the issue of shares	(453,998)	-	-	-	(453,998)
Total transactions with owners	7,273,248	24,250	737,125	-	8,034,623
Balance at 30 June 2025	71,855,966	(65,217,097)	1,006,376	(193,409)	7,451,836

The above Consolidated 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

	Note	2025 \$	2024 \$	Consolidated
Cash flows relating to operating activities				
Interest received		54,130	40,440	
R&D Tax offset received		406,364	584,419	
Other income		481,592	222,095	
Payments to suppliers and employees		(2,330,435)	(2,747,137)	
R&D expenditure		(2,593,402)	(1,545,165)	
Interest paid		(551)	(1,731)	
Net operating cash inflows/(outflows) (Note (a))		(3,982,302)	(3,447,079)	
Cash flows relating to investing activities				
Payments for mining tenements, exploration and evaluation expenditure		-	(181,150)	
Proceeds from sale of investments		-	1,505,277	
Exploration tenement exclusivity fee		143,974	-	
Proceeds from sale of tenements		100,000	-	
Payments for plant and equipment		(39,878)	(20,222)	
Proceeds from the sale of plant and equipment		7,921	62,863	
Cash held by acquired entity		-	16,799	
Net investing cash inflows/(outflows)		212,017	1,383,567	
Cash flows relating to financing activities				
Proceeds from share issues		7,032,848	1,067,143	
Proceeds from exercise of options		319,398	-	
Payments for share issue costs		(462,696)	(244,336)	
Repayment of lease liability		(20,478)	(27,681)	
Repayment of borrowings		-	(171,362)	
Net financing cash inflows/(outflows)		6,869,072	623,764	
Net increase/(decrease) in cash		3,098,787	(1,439,748)	
Net foreign exchange difference		9,892	(13,472)	
Cash at beginning of financial year	5	2,759,282	4,212,502	
Cash at end of financial year	5	5,867,961	2,759,282	

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

Statement of Cash Flows (Continued)

for the Year ended 30 June 2025

	Consolidated	
	2025	2024
	\$	\$
Note (a): Reconciliation of net loss from ordinary activities to net cash flow from operating activities		
Profit/(Loss) from ordinary activities after income tax	(4,619,688)	(6,119,130)
Adjustments to reconcile profit before tax to net cash flows		
Share based payments	982,130	123,430
Depreciation	72,076	67,310
Realised foreign exchange loss on other receivables	4,418	-
Realised foreign exchange loss on sale of tenements	1,305	-
Exploration tenement exclusivity fee	(143,974)	-
Proceeds from sale of tenements	(101,305)	-
Exploration written off	-	1,797,339
Profit/(loss) on sale of plant & equipment	(7,921)	9,074
Fair value adjustment on financial assets FVTPL	-	182,360
Loss on sale of BMV shares	-	66,463
Realised foreign exchange loss on sale of BMV shares	-	2,183
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(573,250)	235,294
(Increase)/decrease in other financial assets	21,384	877,376
Increase/(decrease) in trade and other payables	310,330	(631,012)
(Increase) decrease unearned revenue	30,000	-
Increase/(decrease) in provisions	42,193	(57,766)
Net operating cash flows	(3,982,302)	(3,447,079)

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

Notes to the Financial Statements for the Financial Year Ended 30 June 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Iondrive Limited and controlled entities ('Consolidated Group' or 'Group').

Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report has been prepared under the assumption that the Group operates on a going concern basis.

The financial report covers the Consolidated Group of Iondrive Limited, a listed public company incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures compliance with International Financial Reporting Standards. Iondrive Limited is a for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the Consolidated Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on the historical cost convention where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounting policies set out below have been consistently applied to all years presented.

Changes in accounting policies and accounting policies applied for the first time

The accounting policies adopted by the Group are consistent with those of the previous financial year.

Adoption of New and Revised Accounting Standards (issued but not yet effective)

At the date of authorisation of the financial statements, the Group has not applied any new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective, as they will not have a material impact on the financial statements of the Group.

a. Principles of Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2025. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

b. Other Income

Other income comprises income earned outside the Group's ordinary activities and includes earn-in agreement reimbursements, exploration tenement exclusivity fees, proceeds from sale of tenements, and other miscellaneous income.

Earn-in Agreement Reimbursements

Earn-in agreement reimbursements are recognised when the contractual right to receive payment is established under the relevant earn-in agreement and the amount can be measured reliably. Reimbursements relate to costs incurred by the Group in conducting exploration activities on behalf of earn-in partners during the earn-in period.

Exploration Tenement Exclusivity Fees

Exploration tenement exclusivity fees are recognised as income when the performance obligations under the exclusivity agreement are satisfied. Revenue is typically recognised upon execution of the agreement when exclusive rights to explore or acquire tenements are granted to the counterparty.

Proceeds from Sale of Tenements

Proceeds from sale of tenements are recognised when control of the tenement is transferred to the buyer. The gain or loss on disposal is calculated as the difference between the disposal proceeds and the carrying amount of the tenement at the date of disposal, net of any transaction costs.

Other Miscellaneous Income

Other income is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount can be measured reliably.

c. Income Tax

The income tax expense / (benefit) for the year comprises current income tax expense / (income) and deferred income tax expense / (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted at reporting date.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax (expense)/benefit is charged or credited directly to equity instead of the profit and loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Iondrive Limited and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2006. The tax consolidated group has entered a tax sharing agreement

whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

d. Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on a cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment 10–100%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

e. Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided from when exploration commences and are included in the costs of that stage.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

f. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset. All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

g. Impairment of Non-Financial Assets

Intangible and tangible assets are tested at each reporting period 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. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

h. Assets Classified as Held for Sale

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell.

However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any profit or loss arising from the sale of a discontinued operation or its remeasurement to fair value less costs to sell is presented as part of a single line item, profit or loss from discontinued operations.

i. Intangible Assets

Intangible assets are initially measured at the cost of acquisition. Following initial recognition, intangible assets are carried at historical cost, less any accumulated amortisation and impairment losses.

The useful lives of intangible assets that are available for use are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication of impairment. Amortisation methods and periods for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation method and/or period, as appropriate, which is a change in accounting estimate and applied prospectively. The amortisation expense on intangible assets with finite lives is recognised in profit or loss. At 30 June 2025, the Group's Intangible Assets are assessed as not yet being available for use.

Research and development Expenditure on research activities, undertaken with the prospect of obtaining new or extending existing scientific or technical knowledge and understanding, is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if it is probable that the product or service is technically and commercially feasible, will generate probable economic benefits, adequate resources are available to complete development and cost can be measured reliably. As at 30 June 2025, the Group is not yet at this stage of development for its battery related technologies., therefore all such development expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense as incurred.

j. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to report date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. The cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

Share based payments

The Group has an Employee Incentive Plan where employees may be provided with options and performance rights to acquire shares in the Company. The fair value of the options and performance rights are measured at grant date and recognised as an expense over the vesting period, with a corresponding increase in equity. Where market based vesting conditions are present, a Monte Carlo pricing model was used to calculate the fair value of options and performance rights granted. The Black Scholes pricing model is used in all other instances.

k. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Onerous provisions are recognised by the Group for its obligation to deliver goods and services under an existing contract and measuring that obligation to reflect the cost of the goods or services it must deliver.

l. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

m. Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

n. Comparative Figures

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

o. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Estimates and judgements – Impairment of Intangible Assets

The Group's intangible assets are assessed for impairment at each reporting period. Management has considered the following potential indicators:

- The market capitalisation of Iondrive Limited on the Australian Securities Exchange on the impairment testing date of 30 June 2025 in excess of the net book value of assets;
- The scientific results and progress of the battery technology research;
- The emergence of competing technologies; and
- Changes in growth and dynamics of the renewable energy sector.

At this stage of commercialisation there are no known impairment indicators.

In determining whether the Intangible assets are ready for use, Management has assessed the technology readiness and the remaining research and development required to bring the battery technologies to market. Management evaluates the development path of these battery assets at each reporting period to determine if they are ready for use. Management have determined that none of the Intangible assets are ready for use.

As the Intangible Assets are not ready for use, Management have completed an assessment to identify the recoverable amount under the replacement cost approach. The assessment took into consideration internal and external costs incurred, wastage or inefficiency costs, obsolescence and disposal costs. It was identified for all Intangible Assets that the recoverable amount under this assessment was higher than the carrying amount of the assets thus no impairment was required.

Estimates and judgements – Valuation of unlisted options & performance rights

A key area of judgement, for the year ended 30 June 2025, relates to the calculation of the market value of the options and performance rights granted to Directors, employee and consultants. The fair value of the options and performance rights are measured at grant date and recognised as an expense over the vesting period, with a corresponding increase in equity. Where market based vesting conditions are present, a Monte Carlo pricing model was used to calculate the fair value of options and performance rights granted. The Black Scholes pricing model is used in all other instances. A key assumption in these calculations is the Company's future share price volatility. Future volatility was based on the historic daily price movements of the Company's ASX listed shares immediately prior to the relevant valuation date for each of the option series. For further information in relation to the performance rights and options issued, refer to Note 18.

p. Earnings per share*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, 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 during the 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 and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

q. Parent Entity

The financial information of the parent entity, Iondrive Limited, disclosed at note 22, has been prepared on the same basis, using the same accounting policies as the consolidated financial statements, other than investments in controlled entities which are carried at cost, less any provision for impairment.

r. Foreign Currency Transactions and Balances

i) Functional and presentation currency

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

ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise, the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

The financial report was authorised for issue on 26th August 2025 by the Board of Directors.

		2025 \$	2024 \$
2 OTHER INCOME			
KoBold JV reimbursement ¹		293,703	401,829
Exploration tenement exclusivity fee ²		143,986	-
Proceeds from sale of tenements ³		101,305	-
Other income		1,989	-
		540,983	401,829

¹ In November 2023, the Group entered into an Earn-In and Joint Venture Agreement with a subsidiary of KoBold Metals Company (KoBold) for lithium projects in South Korea. As part of this agreement, Iondrive's subsidiary, Korea Metals Resources (KMR), was engaged as Field Operator during the earn-in period. Under this arrangement, KoBold reimbursed KMR monthly for costs incurred in providing field operator services, including the full-time costs of three South Korean field staff, utilisation costs of any other staff, and direct support costs. During the year ended 30 June 2025, Iondrive received a total of \$293,703 from KoBold under this arrangement. In January 2025, KoBold advised the Company of its withdrawal from the Earn-In and Joint Venture Agreement effective 8 February 2025. As a result, exploration activities in South Korea have been significantly scaled back. Iondrive is expediting negotiations for the potential sale of the exploration business.

² During the year ended 30 June 2025, the Group received income of \$143,986 from two separate transactions relating to the potential sale of assets associated with its Korean exploration business:

- 70 million KRW (A\$76,890) in non-refundable deposits were received under an agreement to divest three exploration leases in South Korea (Exploration Right Numbers: 201040, 201041, 201218). The counterparty failed to complete the transaction in the required time.
- Exclusivity fees of \$67,096 in fees related to granting of an exclusivity period for the potential acquirer to undertake due diligence and complete a definitive sale and purchase agreement. Iondrive is in advanced negotiations with respect to the potential sale of its South Korean exploration business. The exclusivity period ceases 30 September 2025.

³ Proceeds received from the sale of an exploration lease within the Jangnam Rare Earth Elements project.

3. INCOME TAX EXPENSE

a) The *prima facie* income tax benefit on pre-tax accounting loss reconciles to the income tax attributable to operating loss as follows:

Income tax (expense)/benefit at 30% (2024: 30%) of operating loss	1,385,906	1,835,739
Tax effect of capital raising costs	136,200	22,748
Tax effect of Share-based payments expensed	(294,639)	(37,029)
Tax effect of non-assessable income (R&D Tax Incentive)	325,905	131,008
Tax effect of non-deductible expenses	(673,139)	(236,464)
Timing differences and tax losses not brought to account	(880,233)	(1,716,002)
Income tax (expense)/ benefit attributable to loss from ordinary activities	-	-

b) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(b) occur

Operating Losses	-
c) Income tax losses	
Total deferred tax asset arising from carried forward tax losses not recognised as meeting probable criteria	
Gross income tax losses	30,547,554
Capital tax losses	11,404,135
Total tax losses	41,951,689
Tax Benefit of Losses at 30% (2024: 30%)	12,585,507
	11,938,478

A deferred tax asset is only recognised for the carry forward of unused tax losses to the extent that it is considered probable that future taxable profit will be available against which the unused tax losses can be utilised.

The taxation benefits of tax losses and timing differences not brought to account will only be obtained if:

- assessable income is derived of a nature and amount sufficient to enable the benefit from the deductions to be realised;
- conditions for deductibility imposed by the law are complied with; and
- no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

	2025	2024
	\$	\$

4. KEY MANAGEMENT PERSONNEL REMUNERATION

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2025. The totals of remuneration paid to key management personnel during the year are as follows:

Short term employee benefits	1,002,451	861,297
Post-employment benefits	29,932	14,875
Share-based payments	561,407	75,814
	1,593,790	951,986

5. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	5,867,961	2,759,282
	5,867,961	2,759,282

6. RECEIVABLES

Current		
Trade and other receivables	63,067	193,274
R&D Tax Incentive	1,022,997	342,534
GST receivable	49,699	20,058
Lease and credit card bonds	6,177	83,669
Current receivables	1,141,940	639,535

7. OTHER ASSETS

Current		
Prepayments	316,679	71,648
Non-current		
Prepayments	83,669	-
	400,348	71,648

As at 30 June 2025, prepayments mainly comprise amounts paid in advance for insurance, the University of Adelaide research agreements, employee wages, and investor relations services. Insurance, University of Adelaide, and wages prepayments are expected to be expensed within 12 months and are classified as current assets.

Investor relations prepayments are allocated between current and non-current assets, with the services to be provided over the next 18 months.

	2025	2024
	\$	\$
8. EXPLORATION EXPENDITURE		
Costs carried forward in respect of areas of interest:		
Exploration and evaluation phase	-	-
The ultimate recoupment of costs carried forward for exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of respective areas.		
(i) Reconciliation		
A reconciliation of the carrying amount of exploration and evaluation phase expenditure is set out below:		
Costs brought forward	-	1,694,804
Net foreign exchange translation differences	-	31,557
Expenditure incurred during the year	-	70,978
Impairment expense	-	(1,797,339)
	-	-

In the prior year ended 30 June 2024, the Group wrote off the \$1,797,339 balance of the exploration assets related to its precious metals tenements in South Korea, as part of its strategic shift to focus exploration on minerals critical to the growing renewable energy sector. With the successful progression of Iondrive's commercialisation of its DES recycling technology and KoBold's withdrawal from the Earn-In and Joint Venture Agreement for lithium exploration projects in South Korea, the Iondrive Board has decided to divest the South Korean exploration business. No reasonable estimate of recoverable value can currently be made due to the early-stage nature of exploration and South Korea's underdeveloped exploration industry. As at 30 June 2025, the Group has no exploration and evaluation assets recognised in the Statement of Financial Position.

9. INTANGIBLE ASSETS

Intangible asset	1,449,856	1,449,856
	1,449,856	1,449,856

On 4 July 2023, Iondrive Limited acquired 100% of the issued capital of Iondrive Technologies Pty Ltd (IDT) for total consideration of \$1,380,000, settled through the issue of 60 million fully paid ordinary shares valued at \$0.023 per share.

The acquisition was determined to be an asset acquisition rather than a business combination under AASB 3, with the primary objective being the procurement of intellectual property rights related to exclusive battery technology licenses. At acquisition, IDT's tangible assets and liabilities were valued at (\$69,856), with the remainder of the total \$1,380,000 consideration, being \$1,449,856, attributed to the fair value of the intangible asset.

During the year ended 30 June 2025, the Group has meaningfully progressed the commercialisation of battery recycling technology, further supporting the \$1,449,856 carrying value of the acquired intangible asset.

Impairment Assessment

As the intangible asset are not yet available for sale or commercial use, it is subject to annual impairment assessment in accordance with AASB 136 Impairment of Assets. This impairment assessment was performed at 30 June 2025.

The intangible asset relates to the procurement of intellectual property rights related to three exclusive battery technology licensed from the University of Adelaide, covering Battery Recycling Technology, Lithium-ion Battery Technology, and Aqueous Battery Technology. The majority of the intangible asset carrying value is attributed to the Battery Recycling Technology.

The recoverable amount was determined using fair value less costs of disposal (FVLCD), consistent with AASB 13 Fair Value Measurement, as management determined that a value in use could not be reliably estimated due to the absence of a 'reliable and supportable' basis for forecasting future cash inflows, at this early stage of commercial development.

The replacement cost method was applied to estimate fair value, reflecting the cost to replicate the current stage of battery technology development using current market inputs.

The valuation incorporated:

- An analysis of past research and development costs incurred to bring the technologies to their current level of technology readiness, adjusted for inflation;
- Less an estimated allowance of 10% for research improvements and efficiencies, if the research activities were to be replicated; and
- Less estimated disposal costs of 5% including legal, administrative, and compliance-related expenses.

The fair value measurement was classified as Level 3 in the fair value hierarchy due to the use of significant unobservable inputs.

Based on this assessment, the recoverable amount exceeded the carrying amount, and no impairment loss was recognised.

Sensitivity: The main sensitivity to this valuation approach is the estimated allowance for improvements and efficiencies in research activities. This allowance would need to be increased from 10% to 50% before the valuation equated to the carrying value.

Management will continue to monitor internal and external indicators of impairment and reassess the valuation methodology as the asset progresses toward commercialisation.

	2025	2024
	\$	\$
10. TRADE AND OTHER PAYABLES		
Trade payables	799,998	144,233
Sundry payables and other accruals	85,782	513,266
Shares payable to Directors and Key Management related entities ¹	220,754	-
Amount payable to Directors and Key Management related entities ²	149,129	65,416
	1,255,663	722,915

¹ Payable to Ebbe Dommissé \$176,603 (2024: Nil)

Payable to Ray Ridge \$44,151 (\$2024: Nil)

² Payable to Michael McNeilly \$8,000 (2024: \$7,250)

Payable to Adam Slater \$4,583 (2024: \$9,167)

Payable to Andrew Sissian \$4,583 (2024: \$2,750)

Payable to Jack Hamilton \$5,042 (2024: Nil)

Payable to Hugo Schumann \$4,583 (2024: Nil)

Payable to Ebbe Dommissé \$41,079 (2024: \$1,534)

Payable to Ray Ridge \$60,139 (2024: \$44,715)

Payable to Lewis Utting \$21,120 (2024: Nil)

11. PROVISIONS

The aggregate provisions recognised in and included in the financial statements is as follows:

Current Employee entitlements provision	35,009	215,086
Non-Current Employee entitlements provision	3,045	412
Total Employee entitlement provisions	38,054	215,498

12. ISSUED CAPITAL

(a) Ordinary Shares

Issued share capital:		71,855,966	64,582,718
1,182,836,332 fully paid ordinary shares (2024: 604,856,599)			
Movement in issued shares for the year:	No.	2025 \$	2024 \$
Balance at beginning of financial year	604,856,599	64,582,718	426,285,279
Issue of acquisition shares (3 Jul 2023)	-	-	60,000,000
Placement of shares (11 Jun 2024)	-	-	118,571,320
Placement of shares (29 July 2024)	103,650,902	932,858	-
Placement of shares (10 December 2024)	144,341,161	2,020,776	-
Shares issued to service providers (10 December 2024)	26,785,000	374,990	-
Options exercised (31 December 2024)	11,829,545	319,398	-
Placement of shares (27 February 2025)	291,373,125	4,079,224	-
Net costs associated with the issue of shares	-	(453,998)	-
Balance at end of financial year	1,182,836,332	71,855,966	604,856,599
			64,582,718

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

On 3 June 2024, the Company announced that it had received binding commitments from sophisticated and institutional investors in respect of a placement of 222,222,222 ordinary shares in the Company at \$0.009 per share to raise \$2 million. The placement was conducted in two tranches:

- Tranche 1 being 118,571,320 shares, pursuant to available share placement capacity, issued 11 June 2024, raising \$1,067,142 before costs; and
- Tranche 2 was completed on 29 July 2024, following shareholder approval, being the issue of 103,650,902 shares, raising \$932,858 before costs.

On 3 December 2024, the Company announced that it had received binding commitments from sophisticated and institutional investors for a placement of 435,714,286 fully paid ordinary shares at \$0.014 each to raise up to \$6,100,000.

- The first tranche was completed on 10 December 2024, utilising available placement capacity, raising \$2,020,776 before costs in cash through the issue of 144,341,161 shares.
- Tranche 2 was completed on 27 February 2025, following the shareholder approval, being the issue of 291,373,125 shares raising \$4,079,224 before costs.

On 10 December 2024, the Company issued 26,785,000 shares to S3 Consortium Pty Ltd (trading as StocksDigital) in consideration for investor relations services to be rendered over a 24-month period. The shares were issued at a price of \$0.014 each, with the total value of the transaction amounting to \$374,990 which is being expensed evenly over the 24-month period.

On 31 December 2024, the Company issued shares resulting from the exercise of 11,829,545 options, totalling \$319,398. The options were exercised at a price of \$0.027.

The net costs associated with the issue of shares in the year ended 30 June 2025 were \$453,998 (2024: \$75,825).

(b) Options on Issue

At 30 June 2025, there were 116,405,000 unlisted options outstanding (30 June 2024: 93,780,000). All options are held by employees, directors and service providers. Refer Note 18 for further detail.

(c) Capital Management

The capital of the Group is managed by assessing the financial risks and adjusting the capital structure in response to changes in these risks and in the market. The responses include the management of dividends to shareholders and share issues. There have been no changes in the strategy adopted by management to control the capital during the year.

The amounts managed as capital by the Group for the reporting periods under review are as follows:

	2025	2024
	\$	\$
Debt	-	-
Cash	5,867,961	2,759,282
Net cash	5,867,961	2,759,282
Equity	7,451,836	4,036,080
Net debt to equity ratio	0%	0%

13. REMUNERATION OF AUDITORS

The auditor of Iondrive Limited is Grant Thornton Audit Pty Ltd.

	2025	2024
	\$	\$
Amounts received or due and receivable by Grant Thornton for:		
An audit or review of the financial report of the entity and any other entity of the Group	76,178	75,000
Taxation and other services	-	-
	76,178	70,000

14. RELATED PARTY AND KEY MANAGEMENT DISCLOSURES

The terms and conditions of the transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

a) Equity Interests*Equity Interests in controlled entities*

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 21.

b) Transactions within wholly owned group

The wholly owned group includes:

- The ultimate parent entity in the wholly-owned group; and
- The wholly-owned controlled entities.

The ultimate parent entity in the wholly owned group is Iondrive Limited.

During the financial year, Iondrive Limited provided accounting and administrative services at no cost to the controlled entities and the advancement of interest free loans.

c) Related party balances

Amounts receivable from and payable to Directors and Key Management Personnel and their related entities at report date arising from these transactions were as follows:

	2025 \$	2024 \$
Current payables		
Shares payable to Directors and Key Management related entities	220,754	-
Amounts payable to Directors and Key Management Personnel related entities (refer Note 10 for further detail).	149,129	65,416
	369,883	65,416

There were no amounts receivable from related parties.

d) Remuneration of Key Management Personnel (refer Note 4)

15. ASSETS CLASSIFIED AS HELD FOR SALE

a) Description

During the year ended 30 June 2025, KoBold Metals withdrew from the South Korean Joint Venture and Earn-in Agreement in February 2025. As a result, exploration activities in South Korea have been significantly scaled back and the Board made a strategic decision to divest the Group's South Korean exploration business. The divestment is expected to reduce the Company's annual cost base by approximately \$600,000 and enable a full transition to a DES technology focus.

Advanced negotiations are underway for the potential sale of the exploration business, with exclusivity fees of \$143,986 received during the year. The exclusivity period ceases 30 September 2025, and the divestment is expected to be completed within 12 months.

b) Assets and liabilities of KMR classified as held for sale

The following assets and liabilities of Korea Metal Resources Ltd were reclassified as held for sale as at 30 June 2025:

	2025 \$
Assets classified as held for sale	
Trade and other receivables	67,701
Other assets	25,050
Plant and equipment	27,047
Total assets classified as held for sale	119,798
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	21,645
Provisions	226,437
Total liabilities directly associated with assets classified as held for sale	248,082

16. COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES

a) Exploration Expenditure Commitments

The South Korean tenements have minimum exploration activity requirements, rather than minimum expenditure requirements, and includes metrics such as meters drilled and number of assays undertaken.

b) Technology Research Expenditure Commitments

Through the acquisition of IDT, the Group has commitments to provide research funding of \$2,500,000 to the University of Adelaide over a two-and-a-half-year period. To date the Group has provided funding of \$1,975,000, leaving the remaining commitments as at 30 June 2025:

	\$
Not later than one year	525,000
Later than one year but not later than two years	-
Later than two years but not later than five years	-
Greater than five years	-
Total	525,000

17. FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in Note 1, are as follows:

	2025	2024
	\$	\$
Financial Assets		
Cash and cash equivalents	5,867,961	2,759,282
Current receivables	69,245	276,943
	5,937,206	3,036,225
Financial Liabilities		
Trade and other payables	1,207,729	689,483
	1,207,729	689,483

(i) Treasury Risk Management

The Board of the Consolidated Group meets on a regular basis. Matters considered at the Board meetings include material currency and interest rate exposure, and treasury management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial Risks

The main risks that the Group is exposed to through its financial instruments are liquidity risk, credit risk, exchange rate risk and interest rate risk.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Consolidated Group manages liquidity risk by monitoring forecast cash flows.

As at 30 June 2025, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

30 June 2025	Rate	Current		Non-current	
		Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings		-	-	-	-
Trade and other payables		1,207,729	-	-	-
Leases	0.0%	-	-	-	-
Total		1,207,729	-	-	-

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting period as follows:

30 June 2024	Rate	Current		Non-current	
		Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings		-	-	-	-
Trade and other payables		689,483	-	-	-
Leases	6.6%	14,671	5,145	-	-
Total		704,154	5,145	-	-

Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at report date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Refer Note 6 for further detail.

No receivables are considered past due and/or impaired at report date.

Exchange rate risk - KRW

The Group incurs expenditure in Korean Won (KRW) in relation to its activities in the Republic of South Korea, while it raises capital and holds cash predominantly in AUD to fund those activities. In the year ended 30 June 2025, the Group incurred minimal expenditure, as KMR's activities were predominantly funded by the KoBold Metals earn-in agreement. The Group's exposure to KRW exchange rate risk is currently minimal.

As the Iondrive Board has decided to divest the exploration business, it is expected that the level of exploration expenditure to be minimal in the next financial year ending 30 June 2026.

Exchange rate risk - EUR

The Group has minor EUR denominated expenditure in Germany related to Iondrive EU GmbH's operational activities, with expenditure of approximately AUD \$2,000 in the year ended 30 June 2025. The Group holds EUR 25,000 in cash balances. The EUR exposure is considered immaterial to the Group's overall operations and financial position. This expenditure is likely to increase in the next financial year ending 30 June 2026.

Interest rate risk

The Group's exposure to interest rate risk, being the risk, that a financial instrument's value will fluctuate as a result of changes in market interest rates, is contained in the following table which details the exposure to interest rate risk at the reporting date. All other financial assets and liabilities are non-interest bearing.

2025	Interest Bearing	Non-interest Bearing	Total	Floating interest rate	Fixed interest rate
Financial assets					
Cash and deposits	5,606,256	261,705	5,867,961	3.5%	-
Receivables	-	69,245	69,245	-	-
Less: Payables	-	(1,207,729)	(1,207,729)	-	-
Less: Leases	-	-	-	-	-
Less: Borrowings	-	-	-	-	-
Net financial assets	5,606,256	(876,779)	4,729,477		
2024	Interest Bearing	Non-interest Bearing	Total	Floating interest rate	Fixed interest rate
Financial assets					
Cash and deposits	2,364,575	394,707	2,759,282	1.4%	-
Receivables	-	276,943	276,943	-	-
Less: Payables	-	(689,483)	(689,483)	-	-
Less: Leases	(19,816)	-	(19,816)	6.6%	-
Less: Borrowings	-	-	-	-	-
Net financial assets	2,344,759	(17,833)	2,326,926		

Interest rate risk is managed with a mixture of fixed and floating rate cash deposits. At 30 June 2025, \$4.8 million of the Group's cash deposits are fixed rate, with the remainder in floating rate deposits (2024: Nil).

The Group has not performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date as a change in interest rates by 10% is not considered to have a material impact on profit and equity.

(iii) Net fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements.

18. SHARE BASED PAYMENTS

Equity based remuneration – Directors, Employees and Consultants

The Group has an equity-based compensation plan for employees and key consultants. In accordance with the provisions of the Employee Incentive Plan, as approved by shareholders at an Annual General Meeting, Directors may issue shares, options or performance rights to acquire shares in the Company to employees and consultants. No Directors participate in the Employee Incentive Plan as securities issued to Directors must be separately approved by shareholders.

Share options and performance rights are not listed, carry no rights to dividends and no voting rights.

A total of \$1,085,950 was recognised as a share-based payments expense in the year ended 30 June 2025 (2024: \$123,430), comprising the following securities issued to directors, employees and consultants: shares \$324,575 (2024: Nil); options \$644,268 (2024: \$100,335); and performance rights \$117,107 (2024: \$23,095). For further details refer to the table below.

The following share-based payment arrangements were in existence at 30 June 2025:

Options – Series	No.	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Expensed In 2025
Employee & Consultants						
Sep-2021 ¹	680,000	17/09/2021	16/09/2025	\$0.100	\$0.02850	-
Dec-2022 ²	300,000	22/02/2023	22/02/2027	\$0.050	\$0.01213	-
Jul-2023 ³	7,000,000	04/07/2023	03/07/2026	\$0.040	\$0.00402	-
Jan-2024 ⁴	100,000	22/01/2024	22/01/2028	\$0.025	\$0.00404	-
Dec-2024 ⁵	10,000,000	03/12/2024	03/12/2028	\$0.025	\$0.00440	44,000
Broker1-2024 ⁶	10,000,000	27/02/2025	27/08/2026	\$0.028	\$0.01277	127,700
Broker2-2024 ⁶	10,000,000	27/02/2025	27/02/2027	\$0.042	\$0.01126	112,600
Broker3-2024 ⁶	10,000,000	27/02/2025	27/02/2028	\$0.056	\$0.01057	105,700
LTI-2024 ¹⁶	30,625,000	06/08/2024	06/08/2029	\$0.012	\$0.00424	97,223
Jun-2025 ⁷	10,000,000	17/06/2025	03/06/2028	\$0.025	\$0.01138	69,544
Director Held						
Oct-2021 ⁸	3,700,000	02/11/2021	31/10/2025	\$0.120	\$0.03260	-
Jul-2023 ⁹	3,000,000	24/07/2023	23/07/2026	\$0.040	\$0.00402	791
Nov-2023 ¹⁰	6,000,000	09/11/2023	09/11/2027	\$0.025	\$0.00181	11,512
Dec-2024 ¹¹	9,000,000	09/12/2024	09/12/2028	\$0.025	\$0.00442	39,780
Dec-2024 ¹²	6,000,000	02/12/2024	03/12/2028	\$0.025	\$0.00504	30,240
Options relinquished ¹³						5,178
Share based payments - options						
Share based payments – shares ^{14, 15}						324,575
Share based payments – performance rights ¹⁶						117,107
Total share based payments						
						1,085,950

- 1,890,000 unlisted options were granted to employees on 17 September 2021, under the Company's shareholder approved Employee Incentive Plan. 1,210,000 of these options have since lapsed due to cessation of employment. All options vested immediately and are exercisable at \$0.10 at any time through to the expiry date of 16 September 2025. The \$53,771 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 74% and an interest rate of 0.43% (the five-year Australian Government bond rate).
- 550,000 unlisted options were granted to employees on 22 February 2023, under the Company's shareholder approved Employee Incentive Plan. 250,000 of these options have since lapsed due to cessation of employment. The options vested immediately and are exercisable at \$0.05 at any time through to the expiry date of 22 February 2027. The \$6,672 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 74%, an interest rate of 3.13% (the five-year Australian Government bond rate) and an underlying share price the day prior to Board approval of \$0.025.
- 17,000,000 unlisted options were granted to two consultants on 4 July 2023, following shareholder approval. 10,000,000 subsequently lapsed prior to vesting. The remaining 7,000,000 options vested after 6 months service and are exercisable at \$0.04 at any time through to the expiry date of 3 July 2026. The \$28,140 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 62%, an interest rate of 3.912% (the three-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.018.
- 100,000 unlisted options were granted to an employee on 22 January 2024, under the Company's shareholder approved Employee Incentive Plan. The options vested immediately and are exercisable at \$0.025 at any time through to the expiry date of 22 January 2028. The \$404 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 71%, an interest rate of 3.89% (an average between the three-year and five-year Australian Government bond rates) and an underlying share price the day prior to Board approval of \$0.011.
- 10,000,000 unlisted options were granted to a consultant on 3 December 2024 under a consultancy agreement. The options vest upon the achievement of a number of performance milestones over a 12-month period and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$44,000 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to the agreement date of \$0.011.
- 30,000,000 unlisted options were issued to the Lead Manager to the capital raising completed in February 2025, as approved by shareholders on 20 February 2025. The options vest immediately. The options consist of three tranches:
 - 10,000,000 options exercisable at \$0.028 at any time through to the expiry date of 27 August 2026. The \$127,700 fair value of the options was calculated using the Black Scholes valuation method, with a volatility of 108%, an interest rate of 3.837% (the two-year Australian Government bond rate) and an underlying market price of the shares of \$0.026, being the closing price of ION's shares the day prior to shareholder approval.
 - 10,000,000 options exercisable at \$0.042 at any time through to the expiry date of 27 February 2027. The \$112,600 fair value

of the options was calculated using the Black Scholes valuation method, with a volatility of 99%, an interest rate of 3.837% (the two-year Australian Government bond rate) and an underlying market price of the shares of \$0.0026, being the closing price of ION's shares the day prior to shareholder approval.

- 10,000,000 options exercisable at \$0.056 at any time through to the expiry date of 27 February 2028. The \$105,700 fair value of the options was calculated using the Black Scholes valuation method, with a volatility of 85%, an interest rate of 3.824% (the tree-year Australian Government bond rate) and an underlying market price of the shares of \$0.026, being the closing price of ION's shares the day prior to shareholder approval.

The total fair value of the above options was originally recognised as \$203,300 on 10 December 2024, being the date the Lead Manager completed minimum capital raise hurdle. This total fair value was subsequently updated to \$346,000 being the value as at the date of shareholder approval on 20 February 2025. The increased valuation predominantly reflects the increase in the underlying share price between these two dates, having increased from \$0.019 to \$0.026.

7. 10,000,000 unlisted options were granted on 17 June 2025 under an updated consultancy agreement. 5,000,000 of these options vest over an 18-month period to 24 June 2026 (approximately 277,777 per month) and 5,000,000 options vest on the basis of agreements executed with industry or collaboration partners. All options are exercisable at \$0.025 at any time after vesting through to the expiry date of 3 March 2028. The \$113,800 fair value of the options was calculated using the Black Scholes valuation method, using a volatility of 88%, an interest rate of 3.797% (the three-year Australian Government bond rate) and an underlying share price of \$0.01138. A total of \$69,544 was expensed in the year ended 30 June 2025, comprising the full fair value of \$56,900 for the options subject to industry or collaboration partner agreements, and \$12,644 for the options vesting over time (being \$56,900 expensed over the vesting period to 24 June 2026). This consultant relinquished 10,000,000 options that were previously issued – refer footnote 13.
8. 3,700,000 options were issued to the Directors on 2 November 2021, following shareholder approval on 29 October 2021. The options vested immediately, and are exercisable at \$0.12 at any time through to the expiry date of 31 October 2025. The \$120,583 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 74%, an interest rate of 1.26% (the five-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.074.
9. 3,000,000 unlisted options were granted to a Director on 24 July 2023, following shareholder approval. The options vest after 12 months service and are exercisable at \$0.04 at any time through to the expiry date of 23 July 2026. The \$12,060 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 62%, an interest rate of 3.912% (the three-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.018. The fair value of the options has been expensed over the 12-month vesting period ending 24 July 2024, with the final \$791 expensed in the year ended 30 June 2025.
10. 6,000,000 unlisted options were granted to Directors on 9 November 2023, being 3,000,000 options to Dr Hamilton and 3,000,000 to Mr Slater. The options vested upon their re-election at the Company's 2024 AGM. The options are exercisable at \$0.025 at any time after vesting through to the expiry date of 9 November 2027. The \$31,920 fair value of the options was calculated using the Black Scholes valuation method, using a volatility of 71%, an interest rate of 4.316% (the three-year Australian Government bond rate) and an underlying share price the day prior to execution of their director services contracts of \$0.013. The fair value of the options was expensed over the estimated vesting period of 12 months, with the final \$11,512 expensed in the year ended 30 June 2025.
11. Total of 9,000,000 unlisted options were granted to two Directors on 9 December 2024, following shareholder approval. 6,000,000 options were issued to the Company's Chair Mr McNeilly and 3,000,000 were issued to Mr Sissian. The options vested immediately and are exercisable at \$0.025 at any time through to the expiry date of 9 December 2028. The \$39,780 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.152% (the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares prior to AGM approval on 21 November 2024.
12. 6,000,000 unlisted options were granted a Director, Mr Schumann, on 3 December 2024. The options vested immediately and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$30,240 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares on 2 December 2024.
13. A consultant agreed to relinquish 10,000,000 unlisted options that were previously granted on 9 November 2023. A portion of these options were being expensed over their vesting period, with \$5,179 expensed in the year ended 30 June 2026, prior to the options being relinquished. 10,000,000 new options were issued on 17 June 2025 – refer footnote 7.
14. Under the Company's Executive Short Term Incentive program, the Chief Executive Officer (CEO) and Chief Financial Officer's (CFO) performance was assessed by the Board against pre-set corporate key performance indicators. Half of the bonus amount is payable in cash and the other half payable in shares. The shares component of the bonus was calculated as \$41,079 for the CEO and \$10,270 for the CFO, being a total of 4,799,001 shares to be issued, calculated at the set price of \$0.0107 per share, being the 30 day VWAP at the commencement of the financial year. For financial reporting purposes, the total 4,799,001 shares were valued at \$220,754, based on the \$0.046 share price prior to the date of the Board's performance assessment on 24 July 2025. The \$220,754 was fully expensed in the year ended 30 June 2025. The shares were subsequently issued on 5 August 2025.
15. On 10 December 2024, the Company issued 26,785,000 ordinary shares valued at \$374,990 to S3 Consortium Pty Ltd (trading as StocksDigital). The valuation being based on the pricing of \$0.014 per share for the capital raising being undertaken at that time. The shares were provided as consideration for investor relations services to be provided over a 24 month period. This amount is being expensed evenly over the service period, with \$103,821 having been expensed in the year ended 30 June 2025
16. Following shareholder approval, a long-term incentive (LTI) plan was agreed with the Company's CEO and CFO on 12 April 2024, comprising a total of 30,625,000 performance rights and 30,625,000 unlisted options. The issued securities vest in four tranches, after a minimum service period to 12 August 2025, when the 30-day volume-weighted average price of the Company's shares exceeds set price hurdles at any time before 12 February 2027.

The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.

The unlisted options are exercisable at \$0.012 at any time through to the expiry date of 6 August 2029 and were valued at \$129,719 or \$0.00424 per option using the Monte Carlo method. The option value is being expensed over the vesting period from 12 April 2024 to 12 August 2025 with \$97,223 expensed in the current period.

Each performance right is convertible into one fully paid ordinary share upon vesting. The performance rights were valued at \$156,250 or \$0.00510 per right using the Monte Carlo method. The performance rights are expensed over the vesting period from 12 April 2024 to 12 August 2025, with \$117,107 recognised at 30 June 2025.

Further information in relation to the LTI plan are provided below.

Historical volatility has been used as the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Other than the above, there were no other securities granted to Key Management Personnel.

The following reconciles the outstanding share options granted as share based payments at the beginning and end of the financial year:

Options granted as share based payments	2025		2024	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance at beginning of financial year	66,405,000	\$0.030	6,280,000	\$0.107
Granted during the financial year (i)	65,000,000	\$0.033	71,725,000	\$0.026
Exercised during the financial year	-	-	-	-
Lapsed/forfeited during the financial year (ii)	(15,000,000)	\$0.035	(11,600,000)	\$0.047
Balance at end of the financial year (iii)	116,405,000	\$0.031	66,405,000	\$0.030

(i) Options granted

65,000,000 options, relating to share-based payments, were granted in the year ended 30 June 2025 (2024: 71,725,000).

(ii) Options lapsed/forfeited

Share based payments relating to 15,000,000 options lapsed or forfeited during the year ended 30 June 2025 (2024: 11,600,000).

(iii) Options outstanding at end of the financial year

116,405,000 options, relating to share-based payments, are outstanding at the end of the financial year, including the 30,625,000 options granted as an Executive long-term incentive (detailed below). The 116,405,000 options had an average exercise price of \$0.031 (2024: \$0.030) and a weighted average remaining contractual life of 1,003 days (2024: 1,294 days).

Executive long-term incentive (Performance Rights and Options)

A long-term incentive plan was agreed with the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) on 12 April 2024 (subject to shareholder approval), comprising a total of 30,625,000 performance rights and 30,625,000 unlisted options. The options and performance rights vest, after a minimum service period to 12 August 2025, in four tranches when the 30-day volume weighted average price of the Company's ordinary shares exceeds the following price hurdles at any time prior to 12 February 2027:

	Price Hurdles	Fair Value per Option	Fair Value per Performance Right	CEO Number of Options to Vest	CEO Number of Performance Rights to Vest	CFO Number of Options to Vest	CFO Number of Performance Rights to Vest
Tranche 1	\$0.017	\$0.0063	\$0.0087	2,250,000	2,250,000	562,500	562,500
Tranche 2	\$0.025	\$0.0056	\$0.0073	2,250,000	2,250,000	562,500	562,500
Tranche 3	\$0.050	\$0.0044	\$0.0052	10,000,000	10,000,000	2,500,000	2,500,000
Tranche 4	\$0.075	\$0.0033	\$0.0037	10,000,000	10,000,000	2,500,000	2,500,000
				24,500,000	24,500,000	6,125,000	6,125,000

The performance rights convert into one fully paid ordinary share upon vesting. The options have an exercise price of \$0.012 and lapse 6 August 2029.

The fair value of these long-term incentive securities of \$285,969 was calculated using the Monte Carlo method. The fair value is being expensed over the minimum service period between 12 April 2024 and 12 August 2024, with \$214,330 expensed to share based payments in the year ended 30 June 2025 (2024: \$46,389). Relevant input to the Monte Carlo model:

- Consideration: nil.
- Exercise price: \$0.012 for the options and nil for the performance rights
- Grant date for the purposes of the valuation (agreement date): 12 February 2024
- Share price at grant date: \$0.010
- Expiry date for options: 6 August 2029
- Expected volatility of the Company's shares: 81.3%
- Risk free rate: 3.911%

The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.

19. OPERATING SEGMENTS

Segment Information

Identification of reportable segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Board have concluded that at this time, there are two separately identifiable operating segments, being exploration and battery technology. The battery technology business commenced on 4 July 2023.

Year Ended 30 June 2025	Unallocated \$	Exploration \$	Battery Technology \$	Consolidated \$
<u>Segment Revenue</u>				
Revenue from Joint Operations	-	-	-	-
(Loss)/Profit on sale of investments	-	-	-	-
Other Income	144,690	476,268	1,090,573	1,711,531
Total Segment Income	144,690	476,268	1,090,573	1,711,531
<u>Segment Expenses</u>				
Exploration expenditure written off	-	-	-	-
Exploration expenses	-	(378,174)	-	(378,174)
Technology expenditure	-	-	(2,854,972)	(2,854,972)
Other expenditure	(2,308,451)	(342,350)	(447,272)	(3,098,073)
Total Segment Expenditure	(2,308,451)	(720,524)	(3,302,244)	(6,331,219)
Segment Profit/(Loss) before income tax	(2,163,761)	(244,256)	(2,211,671)	(4,619,688)
<i>Income Tax Benefit</i>				
(Loss)/Profit	(2,163,761)	(244,256)	(2,211,671)	(4,619,688)

As at 30 June 2025	Unallocated \$	Exploration \$	Battery Technology \$	Consolidated \$
<u>Assets and Liabilities</u>				
Intangible assets	-	-	1,449,857	1,449,857
Other segment assets	6,245,673	130,134	1,167,971	7,543,778
Segment Assets	6,245,673	130,134	2,617,828	8,993,635
Other Segment Liabilities	(491,222)	(248,082)	(802,495)	(1,541,799)
Segment Liabilities	(491,222)	(248,082)	(802,495)	(1,541,799)
Net Segment Assets	5,754,451	(117,948)	1,815,333	7,451,836
 Year Ended 30 June 2024				
As at 30 June 2024	Unallocated \$	Exploration \$	Battery Technology \$	Consolidated \$
<u>Segment Revenue</u>				
Revenue from Joint Operations	-	-	-	-
(Loss)/Profit on sale of investments	(248,823)	-	-	(248,823)
Other Income	33,271	401,971	443,719	878,961
Total Segment Income	(215,552)	401,971	443,719	630,138
<u>Segment Expenses</u>				
Exploration expenditure written off	-	(1,797,339)	-	(1,797,339)
Exploration expenses	-	(982,057)	-	(982,057)
Technology expenditure	-	-	(1,824,901)	(1,824,901)
Other expenditure	(1,160,539)	(813,673)	(170,759)	(2,144,971)
Total Segment Expenditure	(1,160,539)	(3,593,069)	(1,995,660)	(6,749,268)
Segment Profit/(Loss) before income tax	(1,376,091)	(3,191,098)	(1,551,941)	(6,119,130)
<i>Income Tax Benefit</i>	-	-	-	-
(Loss)/Profit	(1,376,091)	(3,191,098)	(1,551,941)	(6,119,130)
As at 30 June 2024	Unallocated \$	Exploration \$	Battery Technology \$	Consolidated \$
<u>Assets and Liabilities</u>				
Intangible assets	-	-	1,449,857	1,449,857
Other segment assets	2,830,861	341,395	372,196	3,544,452
Segment Assets	2,830,861	341,395	1,822,053	4,994,309
Other Segment Liabilities	(269,753)	(251,160)	(437,316)	(958,229)
Segment Liabilities	(269,753)	(251,160)	(437,316)	(958,229)
Net Segment Assets	2,561,108	90,235	1,384,737	4,036,080

20. EARNINGS PER SHARE

	2025 Cents per share	2024 Cents per share
Basic (cents per share) – Profit/(Loss)	(0.51)	(1.24)
Basic and Dilutive Earnings per share		
The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:		
	\$	\$
Net Profit / (Loss) for the year	(4,619,688)	(6,119,130)
Earnings used in the calculation of basic and diluted earnings per share agrees directly to net profit/(loss) in the statement of financial performance.		
	No.	No.
Weighted average number of ordinary shares – for Basic EPS	899,032,571	491,948,817
Weighted average number of ordinary shares – for Diluted EPS	899,032,571	491,948,817

21. CONTROLLED ENTITIES CONSOLIDATED

Entity name	Country of Incorporation	% of share capital held 2025	% of share capital held 2025
Parent Entity			
Iondrive Limited	Australia		
Controlled Entities			
Challenger West Holdings Pty Ltd	Australia	100%	100%
CMH Resources Pty Ltd	Australia	100%	100%
Gawler Arc Holdings Pty Ltd	Australia	100%	100%
Southern Mining Pty Ltd	Australia	100%	100%
Inferus Resources Pty Ltd ¹	Australia	100%	100%
New Southern Mining Pty Ltd	Australia	100%	100%
Iondrive Technologies Pty Ltd	Australia	100%	100%
Iondrive AU Pty Ltd	Australia	100%	100%
Iondrive EU GmbH ³	Germany	100%	100%
International Gold Private Limited	Singapore	100%	100%
Korea Metal Resources Ltd. ²	South Korea	100%	100%

¹ All shares in Inferus Resources Pty Ltd are held by Southern Mining Pty Ltd.

² All shares in Korea Metal Resources Ltd are held by International Gold Private Limited.

³ All shares in Iondrive EU GmbH are held by Iondrive Technologies Pty Ltd.

22. IONDRIVE LIMITED COMPANY INFORMATION

	2025	2024
	\$	\$
Assets		
Current assets	6,085,521	2,625,322
Non-current assets	448,914	230,654
Total assets	6,534,435	2,855,976
Liabilities		
Current liabilities	488,177	269,341
Non-current liabilities	3,045	412
Total liabilities	491,222	269,753
Net Assets	6,043,213	2,586,223
Equity		
Issued capital	71,855,966	64,582,718
Retained earnings	(66,819,129)	(62,265,746)
Share based payments reserve	1,006,376	269,251
	(6,043,213)	2,586,223
Financial Performance		
Profit/(loss) for the year	(4,577,633)	(7,569,468)
Other comprehensive income	-	-
Total comprehensive income	(4,577,633)	(7,569,468)
Guarantees in relation to the debts of subsidiaries	-	-

23. GOING CONCERN BASIS OF ACCOUNTING

The financial report has been prepared on the basis of a going concern.

The Consolidated Group incurred a net loss after tax from continuing operations of \$4,619,688 for the year ended 30 June 2025, and a net cash outflow of \$3,982,302 from operating activities. At 30 June 2025, the Consolidated Group had a cash position of \$5,867,961 and current receivables of \$1,209,641. The Company is also working towards the potential sale of its exploration business which would provide an additional cash inflow and lower future expenditure requirements.

Subsequent to 30 June 2025, the Company announced plans to construct a pilot plant. This planned expenditure is 50% co-funded by a grant from the Australian Government's Industry Growth Program up to a maximum amount of \$3,885,000, with such grant funding receivable quarterly based on anticipated expenditure. At the date of this report, much of this anticipated expenditure is discretionary in nature and therefore the Company maintains flexibility as to the timing of these expenditures.

Accordingly, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis. Therefore, no adjustments have been made to the financial report, as the Group expects to continue its operations as a going concern.

24. EVENTS SUBSEQUENT TO REPORTING DATE

Strategic Graphite Recovery Project

On 15 July 2025, Iondrive announced it had secured a new project with CSIRO under the Graphite Research and Development Grant Opportunity to develop a process for converting waste graphite from spent lithium-ion batteries into anode-grade material. The project commenced on 1 July 2025 and is scheduled for completion by November 2025. The project received total funding of \$84,000 from the Australian

Government and CSIRO's Kick-Start programme. If successful, the resulting intellectual property will be licensed exclusively to Iondrive for global commercialisation on a royalty-free basis. The project has the potential to support an estimated 25% uplift in revenue from commercial scale battery recycling operations by creating an additional high-value revenue stream from black mass processed via battery recycling.

Issue of shares as executive remuneration

On 5 August 2025, the Company issued 4,799,001 ordinary fully paid shares to the Chief Executive Officer and Chief Financial Officer as an annual bonus, following the Board's assessment of performance against pre-set corporate KPIs for the financial year ended 30 June 2025. The shares were issued as part of the overall remuneration package to incentivise, reward and retain key staff (refer Note 18).

Industry Growth Program Grant

On 12 August 2025, the Company announced it had been awarded a grant of up to \$3.9 million under the Australian Government's Industry Growth Program to accelerate the commercialisation of its DES metal extraction and critical minerals recovery technology. The non-dilutive funding will cover up to 50% of eligible pilot plant construction and operational costs through to December 2026, with Iondrive required to provide matching funding on a dollar-for-dollar basis. With the completion of Front-End Engineering Design and award of the grant, the Board has approved construction of the pilot plant at an estimated cost of \$4.8 million. The pilot plant is expected to be commissioned in a phased approach commencing in December 2025 and completed in early 2026.

25. RESERVES

The share-based payments reserve records items recognised as expenses on valuation of options issued to employees or other service providers (refer Note 18).

The foreign currency translation reserve records foreign currency exchange differences arising on translation of a foreign controlled subsidiary.

26. REGISTERED OFFICE AND PRINCIPAL OFFICE

The registered and principal office of the Company and its controlled entities is:

16 Anster Street, Adelaide, South Australia, 5000

ABN 30 107 424 519

Consolidated Entity Disclosure Statement

Entity name	Entity type	Trustee, partner or participant in Joint Venture	Bodies corporate		Tax Residency	
			Country of Incorporation	% of share capital held	Australian or foreign	Foreign Jurisdiction
Parent Entity						
Iondrive Limited	Body Corporate	N/A	Australia	N/A	Australian	N/A
Controlled Entities						
Challenger West Holdings Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
CMH Resources Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Gawler Arc Holdings Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Southern Mining Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Inferus Resources Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
New Southern Mining Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Iondrive Technologies Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Iondrive AU Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A
Iondrive EU GmbH	Body Corporate	N/A	Germany	100%	Foreign	N/A
International Gold Private Limited	Body Corporate	N/A	Singapore	100%	Foreign	Singapore
Korea Metal Resources Ltd	Body Corporate	N/A	South Korea	100%	Foreign	South Korea

Consolidated Entity Disclosure Statement – Basis of preparation

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated entity

This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

Determination of Tax Residency

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

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

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Partnerships and Trusts

Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes but this does not mean the trust itself is an entity that is subject to tax.

Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Directors' Declaration

The Directors of Iondrive Limited declare that:

- a) the financial statements and notes are in accordance with the *Corporations Act 2001*, and:
 - i.) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Consolidated Group; and
 - ii.) comply with Accounting Standards; and
 - iii.) Iondrive Limited complies with International Financial Reporting Standards as described in Note 1; and
- b) the Chief Executive Officer and Chief Financial Officer have declared that:
 - i) The financial records of the Company for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;
 - ii) The financial statements and notes for the financial year comply with the Accounting Standards; and
 - iii) The financial statements and notes for the financial year give a true and fair view;
- c) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- d) With regard to the Consolidated entity disclosure statement, the statement is true and correct and complies with the requirements of Section 295 of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors

Dated at Adelaide this 26th day of August 2025.



M McNeilly
Chairman



J Hamilton
Non-Executive Director

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Independent Auditor's Report

To the Members of Iondrive Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Iondrive Limited (the Company) and its subsidiaries (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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated 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:

- a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Intangibles Impairment (Note 9)	
<p>AASB 136 <i>Impairment of Assets</i> requires that an entity shall assess, at least annually, whether there is any indication that its finite life assets may be impaired. If impairment indicators are present, the entity is required to undertake impairment testing to determine whether the relevant carrying amount is in excess of the recoverable amount.</p> <p>For indefinite life intangible assets or for intangible assets that are not yet available for use, an annual impairment test is required. The Group's assets are not yet available for use.</p> <p>This area is a key audit matter due to the inherent subjectivity involved in Management's judgements in estimating the recoverable amount as part of evaluating potential impairment.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the underlying processes for the intangible asset impairment process, through discussion with management and review of relevant documentation; • Documenting the processes and assessing the internal controls relating to impairment considerations; • Obtaining Management's impairment model and testing the mathematical accuracy; • Assessing the methodology used by Management against the requirements of AASB 136; • Assessing Management's determination of the Group's CGUs based on our understanding of the business and the requirements of AASB 136; • Evaluating the appropriateness of key assumptions and inputs used in the calculations, by obtaining corroborating evidence; • Reviewing Management's assessment of replacement cost in relation to the intangible asset in considering if the current carrying value is reasonable and supportable; • Considering if there are any other indicators of impairment (such as results of recent trials or changes in factors that underpinned the initial valuation of the assets) and other qualitative considerations (e.g. market valuation of the Group compared to its net assets, subsequent events, other public information available or press releases); and • Assessing the adequacy of the Group's disclosures within the financial statements.

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

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

Our opinion on the financial report does not cover the other information and 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 that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); 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 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 Group's ability 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/media/bwvcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

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

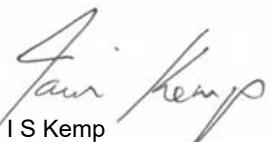
In our opinion, the Remuneration Report of Iondrive Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 26 August 2025

Shareholders Information

The shareholder information set out below was applicable as at 15 August 2025.

1. Substantial Equity Holders

The following individual shareholders have a relevant interest of 5% or more in the total ordinary shares on issue as at 15 August 2025, as disclosed in the most recent substantial shareholder notices.

Name of Shareholders	Date of Notification	Notified Number of Shares Held	Notified Percentage of Shares on Issue
STRATA INVESTMENT HOLDINGS PLC	27/02/25	144,056,846	12.2
ILWELLA PTY LTD	15/07/25	108,870,496	9.2
TERRA CAPITAL NATURAL RESOURCES FUND PTY LTD (NRF) AND TERRA CAPITAL GREEN METALS FUND PTY LTD (GMF)	04/03/25	94,450,444	8.0
REGAL FUNDS MANAGEMENT PTY LTD AND ITS ASSOCIATES	03/03/25	61,298,380	5.2

2. Number of Shareholders

The number of Ordinary Shares on issue at 15 August 2025 is 1,187,635,333 held by 1,895 shareholders.

3. Distribution of Equity Securities

Ordinary Shares

Distribution of holdings:		Number of Holders
1	-	1,000
1,001	-	5,000
5,001	-	10,000
10,001	-	100,000
100,001	-	and over
		1,895
Number of holders of less than a marketable parcel of \$500		606

Unlisted Options (various exercise prices and expiry dates)

Distribution of holdings:		Number of Holders
1	-	1,000
1,001	-	5,000
5,001	-	10,000
10,001	-	100,000
100,001	-	and over
		29

4. Twenty Largest Shareholders

The names of the twenty largest holders of fully paid ordinary shares comprise:

Name	Number Held	Percentage of Issued Shares
1 STRATA INVESTMENT HOLDINGS PLC	153,033,466	12.9
2 J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	138,223,067	11.6
3 HSBC CUSTODY NOMINEES	137,770,269	11.6
4 SAILORS OF SAMUI PTY LTD	45,535,000	3.8
5 CITICORP NOMINEES PTY LIMITED	44,599,951	3.8
6 PUNTERO PTY LTD	25,200,000	2.1
7 S3 CONSORTIUM PTY LTD	24,360,000	2.1
8 NATJAD & ASSOCIATED PTY LTD	23,388,609	2.0
9 MS CHUNYAN NIU	22,753,527	1.9
10 MR JIANFENG ZHANG & MS YANGMEI ZHENG	21,428,568	1.8
11 MR JONATHAN JAMES HUNTER	21,120,000	1.8
12 MR ALAN CONIGRAVE	20,000,000	1.7
13 MR JADE WAYNE CLARKE	15,685,713	1.3
14 UBS NOMINEES PTY LTD	14,086,984	1.2
15 RICHARD ALAN WALLIS	12,000,000	1.0
16 MR RAYMOND ROBERT RIDGE	10,594,185	0.9
17 CALAMA HOLDINGS PTY LTD	7,800,000	0.7
18 SRP FUNDS PTY LTD	7,714,285	0.6
19 LONGRIDGE PARTNERS PTY LTD	7,500,000	0.6
20 BNP PARIBAS NOMINEES PTY LTD	7,333,046	0.6
	760,126,670	64.0

5. Unquoted Equity Securities

Class: **Unlisted Options** (various exercise prices and expiry dates)

Number on issue: 116,405,000

Number of holders: 29

Option holders with greater than 20% of options on issue:

Option Holder	Number of Options	Percentage of Total Options
TAYCOL NOMINEES PTY LTD	30,000,000	25.8
EBBE DOMMISSE	24,500,000	21.1

Class: **Performance Rights**

Number on issue: 30,625,000

Number of holders: 2

The Company granted 24,500,000 performance rights to the Company's Chief Executive Officer and 6,125,000 to the Chief Financial Officer as a long-term incentive (LTI) on 6 August 2024 following shareholder approval on 18 July 2024. The performance rights vest in four tranches, subject to the satisfaction of both service conditions and performance conditions. The LTI also consists of the same number of unlisted options which are included in the total number of unlisted options of 116,405,000, as noted above.

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