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EVOLUTION ENERGY MINERALS

ABN 53 648 703 548

ANNUAL REPORT

For the year ended 30 June 2025

Corporate Information

ABN 53 648 703 548

Directors

Mr Paul Atherley – Non-Executive Chair
Mr Craig Moulton – Managing Director
Ms Gemma Cryan – Non-Executive Director
Mr David Naoum – Non-Executive Director

Company Secretary

Ms Eryn Kestel

Registered Office

8 Soric Rise
Coogee, WA 6166

Bankers

National Australia Bank
Level 14, 100 St Georges Terrace
PERTH WA 6000

Share Register

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Perth WA 6000
Telephone: 1300 288 664
Website: automicgroup.com.au

Auditors

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Website Address

www.evolutionenergyminerals.com.au

ASX Code

Shares are listed on the Australian Securities Exchange under stock code EV1.

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Directors' report

Basis of preparation

Your Directors present their report on the consolidated entity (referred to hereafter as the **Group**) comprising Evolution Energy Minerals Limited (**Evolution** or the **Company**) and the entities it controlled at the end of, or during, the year ended 30 June 2025 and the auditor's report. Evolution is a company limited by shares that is incorporated and domiciled in Australia.

Directors and Company Secretary

The following persons were directors of Evolution (**Directors**) during the year ended 30 June 2025 and up to the date of this report:

Mr Paul Atherley – Non-Executive Chair (Appointed on 22 April 2025)

Mr Craig Moulton – Managing Director (Appointed Non-Executive Director on 15 August 2024, Appointed Executive Director on 1 May 2025)

Ms Gemma Cryan – Non-Executive Director (Appointed on 28 May 2025)

Mr David Naoum – Non-Executive Director (Appointed on 28 May 2025)

Ms Eryn Kestel – Company Secretary (Appointed on 28 April 2025)

Mr Robin Birchall – Non-Executive Chair (Resigned on 22 April 2025 as announced 7 April 2025, Appointed Non-Executive Director on 4 June 2024, Appointed as Non-Executive Chair on 15 August 2024)

Mr Stephen Dennis – Non-Executive Director (Resigned on 23 May 2025, Appointed on 6 September 2023)

Mr George Donne – Chief Executive Officer (Resigned on 28 April 2025, Appointed on 18 November 2024)

Mr Henk Ludik – Non-Executive Director (Resigned on 15 August 2024, Appointed on 2 June 2022)

Mr Mike Spreadborough – Non-Executive Chair (Resigned on 15 August 2024, previously Non-Executive Chair since 8 April 2024 and Non-Executive Director since 12 September 2023)

Mr Jay Stephenson – Company Secretary (Resigned on 28 April 2025, Appointed on 25 March 2024)

Directors were in office for the entire period unless otherwise stated.

Principal activities

During the period, the principal continuing activities of the Group related to the exploration and development of the Company's Chilalo Graphite Project in southern Tanzania (**Chilalo Project**).

Dividends

During the period, no dividends were declared or paid.

Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Group other than those referred to in this financial report.

Events since the end of the financial period

Subsequent to period end, the following transactions or events occurred.

- Mr Craig Moulton was appointed Managing Director effective 1 September 2025.
- Evolution Energy Minerals lifted its equity capital through a significantly oversubscribed Renounceable Rights Issue announced on 14 August 2025. The Rights Issue successfully raised A\$1.45 million (before costs), with strong participation from both existing shareholders and new investors. To accommodate excess demand, the Company also arranged a Follow-on Placement of A\$300,000, bringing the total raised to A\$1.75 million (before costs).
- In total, 175,060,200 new ordinary shares and 87,530,100 new options (exercisable at A\$0.02, expiry 12 September 2028, ASX code EV1O) are to be issued under the combined Rights Issue and Follow-on Placement. Of that, 30,000,000 shares and 15,000,000 options belong to the Follow-on Placement portion, all issued under existing placement capacity.
- The capital will be used to fund development of the Chilalo Graphite Project, support exploration at the Chikundo copper prospect, meet creditor obligations, cover costs associated with the offers, and bolster general working capital. Mahe Capital Pty Ltd acted as Lead Manager and Underwriter for both the Rights Issue and the Follow-on Placement.
- The Company has entered a process to close the subsidiary Evolution Energy Solutions, LLC

Directors' report

Likely developments and expected results

In the opinion of the Directors, there is nothing else to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2025.

Environmental regulation

The Group's exploration and development activities and those of its partners are subject to environmental regulations and guidelines applicable to the prospecting and mining licenses on which such activities are carried out. Failure to meet environmental conditions attaching to the Group's exploration and mining tenements could lead to forfeiture of those tenements. The Group is committed to achieving a high standard of environmental performance. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2025 and up to the date of this report.

Results of operations

A summary of results for year ended 30 June 2025 is as follows:

	30 June 2025 \$	30 June 2024 \$
Net profit/ (loss) after income tax	(5,105,930)	(10,576,353)
attributable to:		
Share based payments	309,147	(230,104)
Exploration and evaluation	(1,206,506)	(391,649)
Environmental, social and governance	(196,674)	(2,992,463)
Employee benefits	(3,119,471)	(2,685,013)
Corporate and administration expenses	(1,168,830)	(1,652,203)
Basic loss per share	(0.01)	(0.05)
Share price at financial year end (\$)	0.011	0.034

Review of operations

Evolution Energy Minerals Limited (ASX: EV1) is listed on the Australian Securities Exchange under the ticker 'EV1'. The 2024–2025 financial year was a pivotal period for the Company, with significant progress made at the Chilalo Graphite Project, the advancement of corporate financing measures, strengthened stakeholder support, and continued development of ESG credentials — all while navigating the challenges typical of development-stage critical mineral projects. The following provides a summary of key developments, outcomes, and forward-looking priorities.

Chilalo Graphite Project

Project Status and Technical Foundations

Chilalo remains development-ready, with all major environmental approvals in place and Mining Licence ML/00951/2023 secured. The Updated Definitive Feasibility Study (March 2023) continues to underpin project economics, with:

- Post-tax NPV of USD 338 million (approx. A\$518 million)
- IRR of 32%
- CAPEX of A\$183 million with a 3.3-year payback period
- A 17-year mine life
- Planned production capacity of 52,000 tonnes per annum of graphite concentrate
- Ore Reserves of 8.0 Mt at 10.5% TGC
- A total Mineral Resource of 67 Mt at approximately 5.4% TGC

Directors' report

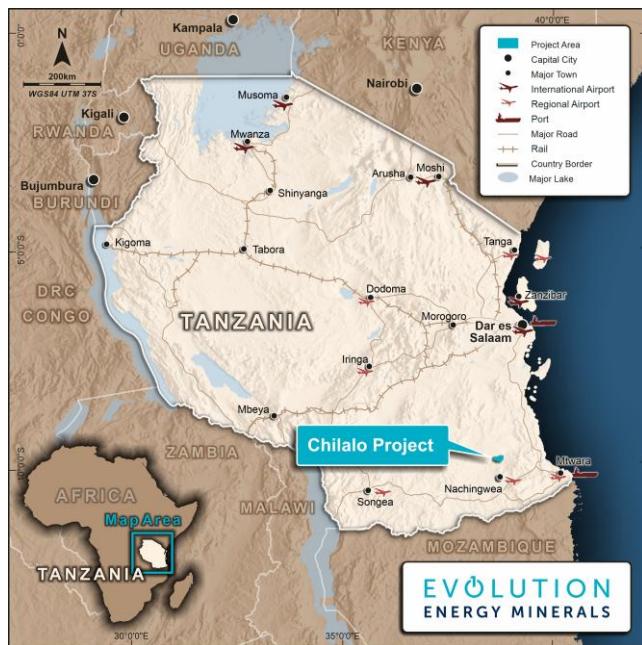


Figure 1 – Chilalo Project location

Cost Optimisation, Infrastructure and Readiness

Over FY2025, Evolution focused on reducing costs, improving operating efficiency, and preparing the Chilalo site for construction following a Final Investment Decision (FID). Workstreams included logistics, power supply, site access, corporate overheads, and early site preparation.

The Company evaluated the potential use of Mtwara Port as an alternative to Dar es Salaam, with Mtwara offering a shorter transport route (≈ 240 km compared with ≈ 638 km). While port infrastructure at Mtwara may initially limit capacity, updated quotations from Tier 1 logistics providers aligned with feasibility study assumptions, confirming confidence in the cost base.

On power supply, Evolution progressed discussions with Independent Power Producers on a hybrid gas and solar solution to reduce reliance on diesel, thereby lowering operating costs and the carbon footprint. In parallel, TANESCO committed to providing grid power for non-critical infrastructure such as offices and accommodation, reducing fuel dependency.

Access and infrastructure improvements on site advanced during the year, with initial mine access roads being constructed. The Government have committed to upgrade the project access road to an all-weather standard to facilitate reliable heavy equipment delivery, however this has yet to commence.

The Resettlement Action Plan (RAP) compensation program was largely completed during the year, enabling land to be transferred to Evolution. Notices to Vacate were subsequently issued to facilitate access for future plant construction. In addition, the Company progressed site clearing, layout planning, and baseline monitoring to ensure development can commence without delay once financing is secured.

At the corporate level, material reductions in overheads were achieved through streamlining of the management structure and a sharper focus on project-level activities. A review of Updated DFS inputs indicated no material cost increases, reducing the risk of capital or operating cost escalation. Strong engagement with Tanzanian authorities also ensured alignment of infrastructure and permitting, minimising regulatory risk.

Resource Growth Potential

To support future mine life extensions and operational efficiencies, Evolution advanced geological programs during FY2025. At Chilalo, the Company designed an infill drilling program to improve confidence in near-surface resources and to convert Inferred Resources into Indicated Resources and ultimately Ore Reserves.

At Chilalo East, geological work progressed on upgrading mineralisation into a defined resource. This shallow satellite zone, located adjacent to the main deposit, demonstrates continuity of mineralisation and the potential to deliver extended mine life, improved strip ratios, and greater scheduling flexibility.

In parallel, Evolution continued low-cost assessment of the Chikundo volcanic-hosted massive sulphide (VHMS) prospect, prospective for copper, lead, and zinc. Earlier work confirmed VHMS-style alteration and anomalism. While a joint venture arrangement lapsed during FY2025, this is regarded as a positive outcome, allowing Evolution to retain 100% ownership and control without dilution. Chikundo now

Directors' report

remains a valuable regional growth asset with future optionality for farm-out, spin-out, or further exploration once Chilalo is financed and in production, without distracting from the Company's near-term focus.

Corporate, Financing and Shareholder Support

To fund the pathway to FID, the Company launched a renounceable entitlement offer (Rights Issue) to raise approximately A\$1.45 million before costs. Metals One PLC acquired a strategic shareholding of approximately 10.45% (potentially rising to 17.4% post-Rights Issue) and agreed to underwrite a portion of the raising. ARCH Sustainable Resources Fund, a cornerstone shareholder, also confirmed its participation. These steps have reinforced the Company's capital structure and shareholder base ahead of project financing.

Sustainability, ESG and Governance

Evolution continued to embed sustainability at the core of its operations, recognising that responsible development of the Chilalo Project is essential to long-term success. In FY2025, the Company published its second annual Sustainability Report, reaffirming its commitment to environmental stewardship, social responsibility, and governance best practice.

The Company remains committed to dry-stacked tailings, eliminating the need for a conventional storage facility and significantly reducing environmental risk. Baseline monitoring of water, dust, and noise was expanded to ensure compliance with Tanzanian approvals and international standards. Work also advanced on reducing project emissions, including development of hybrid power options and optimisation of transport routes.

On the social front, Evolution completed the RAP compensation process, with all payments made in accordance with IFC standards, exceeding Tanzanian legislative requirements. Livelihood restoration and financial literacy programs were implemented to ensure sustainable benefits for affected communities. The Company also invested in health and education initiatives, including construction of a doctor's residence, and enhanced grievance mechanisms to ensure transparent resolution of community concerns.

Governance frameworks remained robust. Independent consultants confirmed compliance with the Equator Principles IV, IFC Performance Standards, and World Bank guidelines during financing due diligence. Oversight will be maintained through Board committees covering Audit and Risk, Remuneration, and ESG, each chaired by independent Non-Executive Directors. Transparency will be further strengthened through regular disclosure to investors and communities.

Corporate Leadership and Board Renewal

During FY2025, Evolution strengthened its Board to align with the demands of a company progressing from feasibility to development. The Board is currently composed of Mr Paul Atherley (Non-Executive Chairman), Mr Craig Moulton (Managing Director), Ms Gemma Cryan (Non-Executive Director), and Mr David Naoum (Non-Executive Director). Together, they bring complementary expertise across mining operations, capital markets, exploration, governance, and stakeholder engagement.

Mr Atherley is a mining engineer (Imperial College London) with an MBA from Deakin University and has extensive international mining and finance experience. He is well known for his role as Chair of Pensana Plc, where he was instrumental in growing the company from a junior explorer into a recognised player in the rare earths sector. His expertise in project financing, government engagement, and international supply chain development is directly applicable to Evolution as it advances Chilalo.

Mr Moulton, with over 30 years of mining and exploration experience, contributes both technical depth and corporate strategy expertise. His career includes senior roles with Rio Tinto and Cleveland Cliffs, as well as leadership of junior mining companies, equipping him to guide Evolution's transition from explorer to developer.

Ms Cryan brings global exploration experience, particularly in precious and base metals. Her track record in managing early-stage exploration risk and guiding projects from discovery through development enhances the Board's technical and strategic oversight.

Mr Naoum, a corporate lawyer and experienced advisor, adds depth in governance, mergers and acquisitions, and capital markets transactions. His expertise ensures Evolution's financing arrangements and corporate structures are legally robust and aligned with shareholder interests.

With this composition, the Board provides the balance of technical, operational, financial, and governance skills necessary to steer the Company through project financing, permitting, and construction, while maintaining strong ESG oversight and stakeholder engagement.

Directors' report

Cost optimisation, infrastructure & readiness

Over FY2025, Evolution Energy Minerals made targeted progress to reduce costs, improve operating efficiency, and ready the Chilalo site for construction post-Final Investment Decision (FID). The initiatives span logistics, power supply, land and access infrastructure, corporate overheads, and on-ground site prep. Below are the key elements:

Logistics & Port Options - Mtwara vs. Dar es Salaam Ports

The Company has explored using Mtwara Port as an alternative export route to Dar es Salaam. Since Mtwara is much closer (≈ 240 km vs ~ 638 km), this has the potential to significantly cut transport and shipping costs. However, FY2025 work confirms that in the early years cost savings via Mtwara might be constrained by port infrastructure; some limitations there may mean Dar es Salaam is still needed for initial production period.

Evolution has sought updated quotes from Tier 1 logistics providers for transportation to both Dar es Salaam and Mtwara ports. Encouragingly, those quotations aligned with the assumptions used in the Updated Definitive Feasibility Study (UDFS)

Hybrid / Alternative Power Sources

Originally, the Updated DFS assumed diesel for some power needs. In FY2025, further work has advanced the case for using a **gas + solar**-hybrid power solution. Discussions with Independent Power Producers (IPPs) are ongoing. This hybrid approach promises lower operating costs and a reduced carbon footprint.

Grid power connection for non-critical infrastructure

The Tanzanian electricity utility, TANESCO, plans to connect the Chilalo site to grid power for camps, offices, admin infrastructure etc. This lowers diesel dependence and associated costs for those functions.

Access road upgrades

The project is upgrading the site access road to an all-weather standard, allowing heavy equipment deliveries to move reliably and reducing delays or maintenance costs

Land transfers & resettlement action plan (RAP)

As part of project readiness, the RAP compensation payments have been largely completed, enabling land affected by the Mining Licence to be transferred to EV1. Following that, a Notice to Vacate has been issued to displaced Persons in some areas so plant construction can commence as soon as practicable after FID.

Site clearing & layout works

Cleared land, site layout planning (plant footprint, infrastructure zones), and baseline environmental monitoring (water, dust, noise) have been advanced so that there is minimal delay when construction starts.

Overheads, Corporate Structure & Other Operational Cost Reductions

Reduction of non-core overheads / G&A expenses

The Company has made "material reductions" in overheads by cutting or de-prioritising non-core activities. That includes tightening corporate spending, focusing on project-level work, and slimmed management structure post board & executive changes.

Review of UDFS cost assumptions

- A formal review of the Updated DFS inputs (capital & operating costs) was carried out; the result indicating no material increases in those assumptions, de-risking the project economics from cost inflation.

Support from local authorities & agencies

- Strong engagement with Tanzanian authorities (roads agency, power utility, environmental/regulatory) to ensure that infrastructure and permitting align, minimizing regulatory delays and enabling cost savings via alignment of government investment.

Directors' report

Readiness for Construction

- Completion of RAP and land transfer ensures that legal and social prerequisites are satisfied ahead of construction.
- Site works preparation (e.g. layout, access roads, power, infrastructure) being done so that once capital is committed, the project can move without major preconstruction delays.

Resource Growth Potential

Chilalo

The Company has designed an infill drilling program to improve confidence in near-surface resources and with the aim of converting portions of the Inferred Resource into Indicated and ultimately Ore Reserves.

Chilalo East

During FY2025, Evolution has advanced geological work aimed at expanding and upgrading the mineralisation at Chilalo East into a resource. This satellite zone, located immediately adjacent to the main deposit, hosts shallow graphite mineralisation with encouraging continuity.

The importance of this work lies in the operational efficiencies it can deliver:

- **Extended mine life** through the addition of tonnes at shallow depth.
- **Improved strip ratios**, reducing mining costs per tonne of ore mined.
- **Enhanced flexibility** in mine scheduling by providing additional, easily accessible ore sources in early years of production.

Collectively, these improvements could strengthen the economic case for Chilalo, lower operating costs, and provide optionality for potential future production expansion.

Chikundo VHMS (Cu-Pb-Zn)

In parallel with graphite development, Evolution has continued low-cost assessment of its regional volcanic-hosted massive sulphide (VHMS) target at Chikundo, prospective for copper, lead, and zinc mineralisation. Earlier geochemical sampling, mapping, and limited drilling confirmed the presence of VHMS-style alteration and anomalism. While the Company had previously entered into a joint venture arrangement to fund ongoing work, the JV lapsed during FY2025.

Importantly, this outcome is regarded as positive for Evolution:

- It allows the Company to retain 100% ownership and control of the Chikundo prospect without dilution,
- The deposit provides a complimentary value-accretive resource, proximal to the Chilalo graphite project,
- Evolution preserves the strategic optionality to farm out, spin out, or advance exploration at a time of its choosing, once Chilalo is financed and in production.

As a result, Chikundo remains a valuable regional growth pipeline asset that could provide shareholders with future exposure to base metals discovery upside, while not distracting from the near-term priority of delivering Chilalo into construction.

Corporate, Financing & Shareholder Support

Subsequent to period end, Evolution Energy Minerals lifted its equity capital through a significantly oversubscribed Renounceable Rights Issue announced on 14 August 2025. The Rights Issue successfully raised A\$1.45 million (before costs), with strong participation from both existing shareholders and new investors. To accommodate excess demand, the Company also arranged a Follow-on Placement of A\$300,000, bringing the total raised to A\$1.75 million (before costs).

In total, 175,060,200 new ordinary shares and 87,530,100 new options (exercisable at A\$0.02, expiry 12 September 2028, ASX code EV1O) are to be issued under the combined Rights Issue and Follow-on Placement. Of that, 30,000,000 shares and 15,000,000 options belong to the Follow-on Placement portion, all issued under existing placement capacity.

The capital will be used to fund development of the Chilalo Graphite Project, support exploration at the Chikundo copper prospect, meet creditor obligations, cover costs associated with the offers, and bolster general working capital. Mahe Capital Pty Ltd acted as Lead Manager and Underwriter for both the Rights Issue and the Follow-on Placement.

This successful raise underscores strong shareholder confidence and provides Evolution with enhanced financial flexibility to drive project-critical activities during the year ahead.

Directors' report

Sustainability, ESG & Governance

Evolution Energy Minerals continues to embed sustainability principles at the heart of its strategy, recognising that responsible development of the Chilalo Graphite Project is essential to long-term success. In FY2025, the Company published its second annual Sustainability Report, which reaffirmed its commitment to environmental management, social performance, governance oversight, and transparent disclosure.

Key ESG risks relevant to Evolution include:

- **Environmental:** tailings and waste management, carbon emissions and climate resilience.
- **Social:** community engagement, resettlement obligations, local employment and training.
- **Governance:** regulatory compliance, anti-bribery and corruption, and supply chain transparency.

Opportunities arise through the Company's ability to differentiate its product by maintaining strong ESG credentials, which are increasingly important to financiers and end-users in the battery supply chain.

On the environmental front, Evolution maintained its plan to use dry-stacked tailings at Chilalo, eliminating the need for a conventional tailings storage facility and reducing the risks associated with tailings dams. Baseline environmental monitoring of water quality, dust, and noise was expanded during the year to support compliance with Tanzanian approvals as well as international benchmarks such as the IFC Performance Standards. The Company also advanced work on reducing the carbon intensity of operations, with particular focus on hybrid power supply options that integrate gas and solar to replace diesel generation, as well as optimising transport routes through the use of the closer Mtwara Port.

This sustained commitment to environmental stewardship, social responsibility, and governance best practice was independently assessed by Digbee ESG™, a recognised ESG evaluation platform for the mining sector. The Company received a "BBB" rating, reflecting progress achieved in recent years and providing a baseline for further improvement as Evolution advances towards project financing and development. The rating is determined by Digbee ESG™ based on the Company's public disclosures and internal documentation provided, benchmarked against mining-sector ESG frameworks. While the rating provides useful external validation of Evolution's practices, it is subject to the scope and methodology applied by Digbee ESG™ and should not be interpreted as a guarantee of performance. The Directors consider the assessment a constructive tool to monitor progress and identify areas for improvement.

Social performance remained a central focus in FY2025. Evolution completed the compensation process under its Resettlement Action Plan (RAP), with all payments made in accordance with IFC standards, well beyond the minimum requirements of Tanzanian legislation. To ensure that compensation translated into long-term benefits, Evolution funded financial literacy training and livelihood restoration programs for affected communities. The Company also expanded its community engagement initiatives, supporting local health and education services, including the construction of a doctor's residence and ongoing outreach to schools and clinics. In addition, grievance procedures were strengthened, ensuring that community members can raise concerns directly and have them addressed transparently and effectively.

From a governance perspective, Evolution continues to operate within a robust corporate framework that meets the expectations of both regulators and investors. Independent consultants confirmed compliance with the Equator Principles IV, IFC Performance Standards, and World Bank guidelines during financing due diligence processes. Oversight is exercised through dedicated Board committees covering Audit and Risk, Remuneration, and ESG, all chaired by independent Non-Executive Directors. Evolution's disclosure practices were also enhanced during the year, with the Sustainability Report, quarterly ASX updates, and community-level communications ensuring that stakeholders receive consistent and transparent information.

Corporate Leadership & Board Renewal

Throughout FY2025, Evolution Energy Minerals has strengthened its Board to better match the demands of moving from feasibility studies toward project development and financing. The current Board is composed of **Mr Paul Atherley (Non-Executive Chairman)**, **Mr Craig Moulton (Managing Director)**, **Ms Gemma Cryan (Non-Executive Director)**, and **Mr David Naoum (Non-Executive Director)**. Each brings complementary expertise in mining, capital markets, governance, operations, and stakeholder engagement — all critical as EV1 advances the Chilalo Graphite Project.

Paul Atherley – Non-Executive Chairman: Experience & Value Proposition

Mr Atherley is a mining engineer by training (Imperial College London) with an MBA (Deakin University). He has long operated at the nexus of resources, capital markets, and international project execution. For our purposes at Evolution, his experience is especially relevant given his recent track record chairing **Pensana Plc**.

For EV1, Mr Atherley's experience with Pensana brings many direct benefits. His understanding on how to structure financing for large-scale critical mineral projects; how to engage governments, regulators and communities in sensitive jurisdictions; how to align ESG, permitting, and profile for financiers; and how to build partnerships across the supply chain. These are all exactly the skills needed for EV1 as it seeks to bring Chilalo into investment ready status, secure project finance, and build infrastructure.

Directors' report

Craig Moulton (Managing Director) offers over 30 years of hands-on mining, exploration and operational experience. His technical and geological expertise, combined with corporate strategy work and capital markets savvy, anchor the Board's ability to make informed trade-offs between ore source, production profile, and cost structure.

Gemma Cryan (Non-Executive Director) has global exposure in early-stage precious and base metal exploration, with experience managing risk in exploration, transitioning projects from discovery to development, and leading corporate investment decisions in junior mining. That gives the Board needed capability around resource growth potential, drilling programs, and portfolio prioritization.

David Naoum (Non-Executive Director) brings legal, transactional, and capital markets advisory strength, especially in M&A, equity capital raising, and shareholder agreements. His role ensures that contracts, financing arrangements, and corporate governance are structured to protect shareholder interests, manage risk, and align with best practice.

With this Board renewal and the composition now in place, EV1 is better positioned to:

- Compete for and secure project finance and equity or debt funding on favourable terms;
- Negotiate robust offtake and downstream processing deals, drawing on similar models used in rare earths and critical minerals;
- Embed strong ESG and community relations oversight from Board level, given how critical such factors are to finance and permit risk;
- Balance technical, operational, and market/financial perspectives in decisions about where to invest capital (e.g. resource growth vs near-term readiness vs cost optimisation).

Outlook & Key Priorities for FY2026

- Achieve Final Investment Decision (FID), underpinned by secured funding (equity + debt) and confirmed offtake contracts.
- Complete Rights Issue and associated underwriting, ensuring sufficient cash runway to bring Chilalo into construction.
- Advance drilling/infill work at Chilalo East to convert indicated resources to probable reserves, and to test additional near-surface zones.
- Progress site infrastructure works: access roads, land transfer completion, power connection, and port/logistics arrangements.
- Strengthen stakeholder relations: community development, environmental compliance, and government/regulatory alignment.
- Maintain cost discipline and risk mitigation (contracting, cost escalation, foreign exchange, inflation).

Material Business Risks

The Company is subject to a range of risks associated with developing and financing the Chilalo Graphite Project and operating within the resources sector. Evolution regularly reviews the potential impact of these risks and seeks to minimise them through robust corporate governance, oversight by the Audit and Risk Committee, and the application of structured risk management practices. While every effort is made to identify and manage risks, some factors remain outside the control of the Board. The following outlines the material risks identified by the Company.

Liquidity and Capital Management

The development of the Chilalo Project requires significant capital investment. Expenditure is expected to include construction, equipment procurement, infrastructure development, regulatory compliance, and working capital. The Company's ability to achieve its business objectives will depend on its capacity to secure adequate funding through a combination of equity, debt, and strategic investment. Although the Company has successfully completed equity raisings, there remains a risk that future funding may not be available on favourable terms, or at all.

The Directors note that the Group reported a loss after tax of \$5,105,930 for FY2025, had net cash outflows of \$2,987,623, and a closing cash balance of \$81,894. Subsequent to year end, the Company raised \$1,750,602 before costs through a rights issue and placement, with funds received in September 2025. While this raising provides short-term working capital, further funding will be required to advance the Chilalo Project to Final Investment Decision. These matters are discussed in detail in Note 27b to the financial statements. The Directors believe it is appropriate to prepare the accounts on a going concern basis, however this is subject to material uncertainty given the reliance on future fundraising.

Market Risk

The price of natural flake graphite is influenced by global supply and demand, availability of substitutes, technological changes, and broader economic and geopolitical conditions. Prices may be volatile, which could affect project economics. Evolution's planned product mix, which includes a high proportion of coarse flake graphite, is expected to help mitigate some of this exposure by targeting higher-value segments of the graphite market.

Directors' report

Mineral Resources and Ore Reserves

Estimates of Mineral Resources and Ore Reserves at Chilalo are prepared in accordance with JORC Code (2012) and represent the professional judgement of independent specialists. These estimates are inherently uncertain and may change as additional data is collected or as economic and technical assumptions evolve. Any reduction in Mineral Resource or Ore Reserve estimates could adversely affect project economics and minelife.

Health, Safety, Environment and Community

Exploration, development, and future mining activities carry inherent health, safety, and environmental risks. Evolution's Tanzanian subsidiary holds an Environmental Certificate for Chilalo and has implemented appropriate management systems to comply with local and international standards. The Company has completed the compensation phase of its Resettlement Action Plan (RAP) in accordance with IFC Performance Standards and continues to implement livelihood and community development programs. Despite these measures, community or environmental concerns could arise, which may affect project timelines or social licence to operate.

Sovereign Risk

Evolution operates in multiple jurisdictions, with its primary exposure in Tanzania. Political, fiscal, or regulatory changes in Tanzania could impact the Company's operations. However, Evolution has recently executed key agreements with the Government of Tanzania that provide a supportive framework for project development and help mitigate sovereign risk. Refer to note 29 Rights to tenure.

Key Personnel and Labour Market Risk

The Company's future success depends on the skills and commitment of its directors, management, and employees. Attracting and retaining suitably qualified personnel is critical, particularly in the lead-up to project construction. Given the remote location of Chilalo, labour market conditions may create challenges in recruitment and retention. Evolution manages this risk by offering competitive remuneration, professional development opportunities, and a strong commitment to workplace safety and culture.

Mitigation Summary

The Board and management team actively monitor these risks through structured governance processes, including oversight by the Audit and Risk Committee, regular project risk reviews, and engagement with independent technical, environmental, and market consultants. By maintaining strong relationships with the Government of Tanzania, cornerstone shareholders, financiers, and local communities, Evolution aims to manage its risk profile responsibly while advancing the Chilalo Graphite Project towards development.

Directors' report

Information on Directors

Mr Paul Atherley – Non-Executive Chair (Appointed on 22 April 2025)		
Experience and expertise	Paul is an experienced resources executive who is based in London and is Chair of LSE listed Pensana Plc and Alkemy Capital Investments Plc. He is a senior advisor to the Arch Sustainable Resources Fund. Member at Australasian Institute of Mining & Metallurgy.	
Other current directorships	Alkemy Capital Investments Plc - Non-Executive Chairman Pensana Plc - Chairman Tees Valley Lithium Limited - Director, part of Alkemy Capital Investments	
Former directorships in the last 3 years	Leyshon Resources Ltd - Non-Executive Chairman Hotspur 2019 Ltd. Director Leyshon Energy Ltd – Managing Director	
Special responsibilities	Nil	
Interests in shares and options	Ordinary shares	8,500,000
	Listed options at \$0.02 expiring 17 September 2028	3,250,000

Mr Craig Moulton – Managing Director (Appointed Non-Executive Director on 15 August 2024, Appointed Executive Director on 1 May 2025)		
Experience and expertise	Mr Craig Moulton has over 33 years of experience in the mining and exploration industry. He is a C-suite executive and non-executive director, skilled in negotiation, corporate finance, and strategic planning, with deep technical expertise in mining operations and exploration. Currently, Mr Moulton is the Director of Moulton Metals Pty Ltd, a strategic advisory firm, focused on Junior Exploration and mining companies. His career highlights include leadership roles as Managing Director and CEO of junior exploration start-ups, and senior positions with Rio Tinto and Cleveland Cliffs. He also serves as a Non-Executive Chair for Metals One plc. Mr Moulton holds a Bachelor of Science (Geology) with Honours from the University of Western Australia and a Master's in Mineral Economics from Curtin Graduate School of Business. He is a member of the AusIMM, fellow of the Geological Society of London and a member of the AICD.	
Other current directorships	Metals One Plc	
Former directorships in the last 3 years	First Development Resources Plc (including Australian subsidiaries), Nickel Search Ltd, Lady Alice Mines Pty Ltd, Cobra Resources Plc	
Special responsibilities	Nil	
Interests in shares and options	Ordinary shares	6,927,214
	Listed options at \$0.02 expiring 17 September 2028	2,750,000

Ms Gemma Cryan – Non-Executive Director (Appointed on 28 May 2025)		
Experience and expertise	<p>Gemma Cryan has over 20 years' experience working globally in the mining industry with a cross-over of technical, investment and corporate understanding and skills. Primarily focused in early-stage exploration for precious and base metals, she also works in management and C-suite roles assisting with corporate matters.</p> <p>Gemma is currently a Non-Executive Director at Great Western Mining Corporation plc, an exploration, development and processing company operating in Nevada, and a former Executive Director at Starvest plc, a UK based investment company supporting investment in early-stage mineral exploration ventures. She was also a Non-Executive Director with First Development Resources Ltd an early-stage multi-commodity exploration company operating in Australia.</p> <p>Gemma was previously Geology Manager at Greatland Gold plc and Senior Geologist at Hummingbird Resources plc; involved in multimillion ounce gold discoveries at both companies.</p> <p>Gemma graduated with First Class Honors (BSc Hon) in Earth Science at the National University of Ireland, Galway, specialising in geology and is a Fellow of the Geological Society of London.</p>	

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Directors' report

Ms Gemma Cryan – Non-Executive Director (Appointed on 28 May 2025)		
Other current directorships	Great Western Mining Corp Plc	
Former directorships in the last 3 years	Starvest plc First Development Resources Ltd	
Special responsibilities	Technical Director	
Interests in shares and options	Ordinary shares	Nil
	Unlisted options	Nil
Mr David Naoum – Non-Executive Director (Appointed on 28 May 2025)		
Experience and expertise	David is a partner at national law firm, HWL Ebsworth. With over 20 years of experience, David advises on a wide range of corporate and commercial matters, with a particular focus on mergers and acquisitions (both public and private) and equity capital market transactions. David acts for clients across various industries, including energy, resources and mining services. David holds a Bachelor of Laws (Hons) and Commerce from the University of Western Australia.	
Other current directorships	Nil	
Former directorships in the last 3 years	Nil	
Special responsibilities	Nil	
Interests in shares and options	Ordinary shares	Nil
	Unlisted options	Nil
Mr Robin Birchall – Non-Executive Chair (Resigned on 22 April 2025 as announced 7 April 2025, Appointed Non-Executive Director on 4 June 2024, Appointed as Non-Executive Chair on 15 August 2024)		
Experience and expertise	Mr Robin Birchall is an accomplished Chief Executive Officer with extensive experience in the investment banking industry. He has a proven track record in driving business development and possesses deep expertise in equity research, investor relations, corporate finance, and the natural resources sector, including mining and oil & gas exploration. Mr Birchall's strong leadership and strategic insight have consistently delivered results, making him a respected figure in the investment and energy sectors.	
Other current directorships	Nil	
Former directorships in the last 3 years	Nil	
Special responsibilities	Nil	
Mr Stephen Dennis – Non-Executive Director (Resigned on 23 May 2025, Appointed on 6 September 2023)		
Experience and expertise	Mr Stephen Dennis has been actively involved in the mining industry for over 30 years. He has held senior management positions at a number of Australian resources companies and was previously the Chief Executive Officer and Managing Director of CBH Resources Limited, the Australian subsidiary of Toho Zinc Co., Ltd of Japan.	
Other current directorships	Rox Resources Limited (Non-Executive Chairman) Marvel Gold Limited (Non-Executive Chairman) Burgundy Diamond Mines Limited (Non -Executive Director)	
Former directorships in the last 3 years	LeadFx Inc. (Non-Executive Chairman) Heron Resources Limited (Non-Executive Chairman) Kalium Lakes Limited (Non-Executive Chairman)	
Special responsibilities	Nil	

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Directors' report

Mr Henk Ludik – Non-Executive Director (Resigned on 15 August 2024, Appointed on 2 June 2022)	
Experience and expertise	Mr Ludik is a mining engineer with a career spanning over 20 years in the resources industry, with expertise in engineering, feasibility studies, mine optimisation, ESG and corporate finance. Mr Ludik has worked on a number of landmark transactions in the resource sector since 2006. Mr Ludik holds a BEng in Mining Engineering, MSc in Oil and Gas Engineering and an MBA.
Other current directorships	Nil
Former directorships in the last 3 years	Suvo Strategic Minerals Limited (Executive Chairman)
Special responsibilities	Chair of the Audit and Risk Committee Chair of the Nomination and Remuneration Committee Chair of the ESG Committee

Mr Mike Spreadborough – Non-Executive Chair (Resigned on 15 August 2024, previously Non-Executive Chair since 8 April 2024 and Non-Executive Director since 12 September 2023)	
Experience and expertise	Mr Spreadborough has over thirty years' experience in Australian and international mining leadership roles in a range of commodities across underground and open pit mining, processing, port operations, exploration, project development and financing. Mr Spreadborough is experienced across the value chain of operations, asset management, technical, exploration, financial, marketing, project development and financing, business development, strategy and investor engagement. Mr Spreadborough is currently the Executive Co-Chair of Novo Resources Corporation
Other current directorships	Novo Resources Corporation (Executive Co-Chairman)
Former directorships in the last 3 years	Clean TeQ (Non-Executive Director)
Special responsibilities	Nil

Information on Company Secretary

Ms Eryn Kestel – Company Secretary (Appointed on 28 April 2025)	
Experience and expertise	Eryn Kestel is an experienced company secretary. She is also company secretary for a number of public-listed junior mining companies and has extensive knowledge of listed and non-listed companies' secretarial requirements, document drafting experience and corporate governance issues. She also serves as corporate compliance advisor to NKH Knight Holdings, a financial planning services business that was granted an Australian Financial Services License (AFSL 438631).Ms Kestel's previous experience is in management accounting for a financial institution and property development. She holds a Bachelor of Business majoring in Accounting.

Jay Stephenson MBA, FCPA, CA, CPA (Canada) CMA (Canada), FCIS, FGIA – Company Secretary (Resigned on 28 April 2025, Appointed on 25 March 2024)	
Experience and expertise	Mr Stephenson has been involved in business development for over 35 years, including approximately 30 years as Director, Chief Executive Officer, and Company Secretary of various listed and unlisted entities in resources, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, and business restructuring, as well as managing all areas of finance for companies.

Directors' report

Meetings of Directors and Committees

The number of meetings of the Company's Directors held during the year ended 30 June 2025 and the number of meetings attended by each Director is shown below:

	Meetings of Directors		Audit and Risk Committee		Remuneration and Nomination Committee		ESG Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
P Atherley ¹	1	1	-	-	-	-	-	-
C Moulton ²	9	9	-	-	-	-	-	-
G Cryan ³	1	1	-	-	-	-	-	-
D Naoum ⁴	1	1	-	-	-	-	-	-
R Birchall ⁵	13	11	-	-	-	-	-	-
S Dennis ⁶	13	13	-	-	-	-	-	-
B Gordon ⁷	8	6	-	-	-	-	-	-
H Ludik ⁸	5	5	-	-	-	-	-	-
M Spreadborough ⁹	5	5	-	-	-	-	-	-

Notes:

1. Appointed 22 April 2025.
2. Appointed 15 August 2024.
3. Appointed 28 May 2025.
4. Appointed 28 May 2025.
5. Resigned on 22 April 2025, appointed 4 June 2024.
6. Resigned 23 May 2025.
7. Resigned 23 May 2025, appointed 30 September 2024.
8. Resigned 15 August 2024.
9. Resigned 15 August 2024.

With the recent changes to the Board, the Board intends to appoint new members to the Committees which are to be composed of Non-Executive Directors. For further information, please see the Company's Corporate Governance Statement.

Remuneration report (audited)

(a) Key management personnel covered in this report

This Remuneration Report sets out information relating to the remuneration of the Key Management Personnel during the year ended 30 June 2025. KMP is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company and Group, directly or indirectly. The KMP for the year ended 30 June 2025 are as set out below.

Non-Executive and Executive Directors

Name	Position
P Atherley	Non-Executive Chair (Appointed on 22 April 2025)
C Moulton	Managing Director (Appointed Non-Executive Director on 15 August 2024, Appointed Executive Director on 1 May 2025)
G Cryan	Non-Executive Director (Appointed on 28 May 2025)
D Naoum	Non-Executive Director (Appointed on 28 May 2025)
R Birchall	Non-Executive Chair (Resigned on 22 April 2025 as announced 7 April 2025, Appointed Non-Executive Director on 4 June 2024, Appointed as Non-Executive Chair on 15 August 2024)
S Dennis	Non-Executive Director (Resigned on 23 May 2025, Appointed on 6 September 2023)
B Gordon	Non-Executive Director (Resigned on 23 May 2025, Appointed on 30 September 2024)
H Ludik	Non-Executive Director (Resigned on 15 August 2024, Appointed on 2 June 2022)
M Spreadborough	Non-Executive Chair (Resigned on 15 August 2024, previously Non-Executive Chair since 8 April 2024 and Non-Executive Director since 12 September 2023)

Other KMP

Name	Position
G Donne	Chief Executive Officer (Resigned on 28 April 2025, Appointed on 18 November 2024)
P Hoskins	Chief Executive Officer (Resigned as Director on 3 June 2024, Resigned as CEO on 18 July 2024)
G Dyker	Chief Financial Officer (Resigned on 30 October 2024 as announced 12 September 2024, Appointed 27 May 2024)
C Knee	Chief Financial Officer (Resigned 21 December 2023)
S McKenzie	Commercial Manager and Company Secretary (Resigned 25 March 2024)
J Stephenson	Company Secretary (Resigned on 28 April 2025, Appointed on 25 March 2024)

Directors' report

(b) Statutory key performance measures

The Company aims to align executive remuneration to its strategic and business objectives and the creation of shareholder value. The table below shows measures of the Group's financial performance over the last year. The *Corporations Act 2001* requires the disclosure of the past five financial years, however the Company was only listed in November 2021 and therefore limited to the periods disclosed below. These are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs, as outlined in (c) below. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

Company performance metric	12 months ended 30 Jun 2025	12 months ended 30 Jun 2024	12 months ended 30 Jun 2023	12 months ended 30 Jun 2022	6 months ended 31 Dec 2021
Company share price (ASX: EV1)	\$0.01	\$0.03	\$0.19	\$0.33	\$0.44
Company loss after tax	(5,105,930)	(10,576,353)	(13,891,788)	(8,858,980)	(4,486,724)

(c) Remuneration policy and link to performance

The Group's approach to remuneration is designed to attract and retain key executive talent, recognise the individual contributions of the Group's people, and motivate them to achieve strong performance aligned to the business strategy, whilst discouraging excessive risk taking.

In summary, the Group's approach to remuneration is to:

- Provide remuneration that is competitive and consistent with market standards;
- Align remuneration with the Company's overall strategy and shareholder interests;
- Reward superior performance within an objective and measurable incentive framework;
- Ensure that executives understand the link between individual reward and Group and individual performance;
- Be at a level acceptable to shareholders; and
- Apply sufficiently flexible remuneration practices that enable the Company to respond to changing circumstances.

Remuneration policy for the year ended 30 June 2025

All Executive KMP remuneration was comprised of the following:

- Fixed (base remuneration):
 - Contractual salary or consulting fee; and
 - Legislated superannuation guarantee (11.5% of gross salary for 2025).
- At risk component:

The Board did not issue FY2025 short term and long term incentives to KMP during the period. KMP remuneration for FY2025 is summarised in the following table.

Element	Purpose	Performance metrics	Potential value
Base (fixed) remuneration	Provide a market competitive salary, including superannuation.	Nil	Within industry averages for the position's required skill and experience. Third party advice is sought periodically to ensure these are at or close to market median.
STIs	Provide market-based equity remuneration pursuant to a set of KPI's and a vesting period of one year.	No performance metrics set and no STI's issued.	Up to a maximum of 50% of base remuneration.
LTIs	Provide market-based equity remuneration pursuant to a set of KPIs and a vesting period of three year.	No performance metrics set and no LTI's issued.	Up to a maximum of 50% of base remuneration.

Directors' report

At risk remuneration for the year ended 30 June 2024

For the year ended 30 June 2024, KMP remuneration included the following at risk incentives:

- Short term incentives (**STI**) – described further in the table below.
- Long term incentives (**LTI**) – described further in the table below.

Based on the performance metrics set for the FY2024 - STI, it is unlikely these short-term incentive KPI's will be met.

Element	Purpose	Performance metrics	Potential value
STIs	Provide market-based equity remuneration pursuant to a set of KPI's and a vesting period of one year.	Board-approved construction decision for Chilalo mine and/or downstream graphite business (45%); Growth – secure technology and complete feasibility study for battery anode materials (12.5%); Growth – secure technology via YXGC JV and complete feasibility study for expandable graphite or graphite foil (12.5%); and ESG – a number of ESG related targets (30%).	Up to a maximum of 50% of base remuneration.
LTIs	Provide market-based equity remuneration pursuant to a set of KPIs and a vesting period of three year.	Relative shareholder return performance against a peer group, mine or downstream commercial production and ESG targets.	Up to a maximum of 50% of base remuneration.

For the 2024 financial year, both STIs and LTIs were issued under the Company's Option Plan (**Option Plan**).

Balancing short-term and long-term performance

The Company considers performance-based remuneration to be a critical component of the overall remuneration framework, by providing a remuneration structure that rewards personnel for achieving goals that are aligned to the Group's strategy and objectives. Both STIs and LTIs are issued under the Option Plan.

Short-term incentives

The STI scheme operates to link performance and reward with key measurable financial and non-financial performance indicators to provide personnel with clear and understandable targets that are aligned with the Group's objectives.

STIs are in the form of zero exercise price options which vest on completion of a one-year performance period, subject to specific KPIs being achieved. The number of options that vest is determined by assessment of the Group's performance against stated objectives by the Remuneration and Nomination Committee, to determine the percentage of objectives that has been achieved. This percentage is then applied to the options granted in order to determine the number of options that vest. The option holder then has two years in which to exercise the options for nil consideration. Each vested STI option represents a right to be issued one Evolution share.

The Board sets the objectives of the Company, and these are then used to set the KPIs of the KMPs to ensure alignment of objectives. The STI performance objectives are communicated to KMPs at the beginning of the twelve-month performance period, with the performance evaluations conducted by the Board following the end of the respective twelve-month performance period.

The Board did not issue FY2025 - STI options during the year ended 30 June 2025. Based on the performance metrics set for the FY2024 - STI, it is unlikely these short-term incentive KPI's will be met. The vesting criteria of the FY2024 - STIs issued in the previous period were:

- Board – approved construction decision for Chilalo mine and/or downstream graphite business (45%);
- Growth – secure technology and complete feasibility study for battery anode materials (12.5%);
- Growth – secure technology via YXGC JV and complete feasibility study for expandable graphite / graphite foil (12.5%); and
- ESG – a range of ESG focused targets (30%).

Directors' report

Long-term incentives

The KMP remuneration structure also seeks to drive performance and align with shareholder interests through LTI equity-based remuneration. This involves the issue of zero exercise price options to KMP as LTIs. Subject to performance against agreed vesting criteria, LTIs vest three years from the grant date and expire five years from the grant date. Each vested LTI option represents a right to be issued one Evolution share. KMPs are assessed against applicable KPIs on the third anniversary from the date of issue.

The vesting criteria for FY2024 - LTIs that are on issue as at 30 June 2025 are nil as they have all lapsed:

- Chilalo mine and/or downstream graphite business has achieved commercial production (20%).
- ESG – a range of ESG focused targets (30%).
- Relative total shareholder return as shown in the table below (50%).

Evolution's relative TSR	Portion of LTIs that vest
Top 3	100%
4-5	75%
6-7	50%
8-13	0%

(d) Contractual arrangements with executive KMPs

Component	Managing Director – C Moulton	Chief Executive Officer – G Donne	Chief Executive Officer – P Hoskins
Fixed remuneration	\$150,000 plus superannuation.	\$27,875 per month ex GST.	\$425,000 plus superannuation.
Contract duration	Ongoing employment contract	Ongoing services contract	Ongoing employment contract
Notice by individual	14 days	6 months	3 months
Notice by Company	14 days	6 month	6 months
Termination of employment (with or without cause)	Unvested options to be automatically forfeited unless the Board determines in its discretion to vest some or all of the options.		

(e) Non-Executive Director arrangements

Non-Executive Directors receive a monthly fee. No compensation other than the annual fee (including superannuation) was paid to Directors for the year ended 30 June 2025. No additional fees are paid to Directors in connection with positions on the Audit and Risk, Nomination and Remuneration and ESG Committees.

Non-Executive Director fees are reviewed annually by the Board taking into account comparable roles and market data. Directors' fees were reviewed in June 2025. Fees for the financial year are as follows:

- Non-Executive Chairman – \$150,000 including superannuation
- Non-Executive Directors – \$75,000 including superannuation

All Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment which summarises the key terms and conditions of the Non-Executive Director's appointment.

Directors' report

(f) Remuneration expenses for key management personnel

The following table shows details of the remuneration expense recognised for the Group's KMP for the current financial period, measured in accordance with the requirements of the accounting standards:

For the year ended 30 June 2025

Name	Fixed remuneration		Variable		Performance based remuneration %	Total
	Cash salary	Post-employment benefits	Share Based Payment	Termination benefits		
Non-executive directors						
P Atherley ¹	19,167	-	-	-	-	19,167
G Cryan ²	6,250	-	-	-	-	6,250
D Naoum ³	6,250	-	-	-	-	6,250
R Birchall ⁴	120,527	-	-	-	-	120,527
S Dennis ⁵	59,451	6,837	-	-	-	66,288
B Gordon ⁶	42,793	-	-	-	-	42,793
H Ludik ⁷	65,626	-	-	-	-	65,626
M Spreadborough ⁸	16,180	2,063	-	-	-	18,243
Executive directors						
C Moulton ⁹	94,792	2,875	-	-	-	97,667
Other KMP						
G Donne ¹⁰	143,092	-	-	-	-	143,092
P Hoskins ¹¹	252,378	7,483	-	85,000	-	344,861
G Dyker ¹²	137,410	11,077	-	114,566	-	263,053
J Stephenson ¹⁵	135,000	-	-	-	-	135,000
Total executive and other KMP	762,672	21,435	-	199,566	-	983,673
Total NED remuneration	336,244	8,900	-	-	-	345,144
Total KMP remuneration expensed	1,098,916	30,335	-	199,566	-	1,328,817

For the year ended 30 June 2024

Name	Fixed remuneration		Variable		Performance based remuneration %	Total
	Cash salary	Post-employment benefits	Share Based Payment	Termination benefits		
Non-executive directors						
R Birchall ⁴	6,250	-	-	-	-	6,250
S Dennis ⁵	37,001	4,070	-	-	-	41,071
M Spreadborough ⁸	53,784	5,916	-	-	-	59,700
H Ludik ⁷	67,568	7,432	33,222	-	31%	108,222
C Dowling ¹⁶	32,720	3,599	-	-	-	36,319
A van Dyke ¹⁷	9,921	-	-	-	-	9,921
Executive directors						
P Hoskins ¹¹	309,033	25,230	361,650	-	52%	695,913
M Bourguignon ¹⁸	224,522	18,266	-	-	-	242,788
Other KMP						
P Hoskins ¹¹	26,568	2,169	-	-	-	28,737
G Dyker ¹²	38,043	2,664	-	-	-	40,707
J Stephenson ¹⁵	14,944	-	-	-	-	14,944
S McKenzie ¹⁴	141,522	-	-	-	-	141,522
C Knee ¹³	136,772	-	-	-	-	136,772
Total executive and other KMP	891,404	48,329	361,650	-	28%	1,301,383

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Directors' report

Name	Fixed remuneration		Variable		Performance based remuneration %	Total
	Cash salary	Post-employment benefits	Share Based Payment	Termination benefits		
Total NED remuneration	207,244	21,017	33,222	-	13%	261,483
Total KMP remuneration expensed	1,098,648	69,346	394,872	-	25%	1,562,866

Notes:

- Appointed 22 April 2025.
- Appointed 28 May 2025.
- Appointed 28 May 2025.
- Resigned on 22 April 2025, appointed 4 June 2024.
- Resigned 23 May 2025.
- Resigned 23 May 2025, appointed 30 September 2024.
- Resigned 15 August 2024.
- Resigned 15 August 2024.
- Appointed 15 August 2024.
- Resigned on 28 April 2025, appointed on 18 November 2024.
- Resigned as Director on 3 June 2024, resigned as CEO on 18 July 2024.
- Resigned on 30 October 2024, appointed 27 May 2024.
- Resigned 21 December 2023.
- Resigned 25 March 2024.
- Resigned on 28 April 2025, appointed on 25 March 2024.
- Appointed 18 August 2023 resigned 4 June 2024.
- Resigned 12 September 2023.
- Resigned 12 September 2023

n.b. During Mr Donne's tenure Performance Rights were considered with approval pending and were accounted for in December 2024 and have been subsequently reversed following criteria not being met.

(g) Other KMP transactions

During the period, Mr. Stephen Dennis was a Non-Executive Director of Marvel Gold Limited (**Marvel**), an ASX listed Company that has a shared services agreement with the Company. Under this arrangement, the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

	30 June 2025	30 June 2024
Related party transactions	\$	\$
Receipts from Marvel (ex-GST)	10,019	70,021
Payments to Marvel (ex-GST)	(4,298)	(4,781)
Amounts outstanding from Marvel at period end	-	4,997
Amounts outstanding to Marvel at period end	-	(153)

(h) Additional statutory information

Relative proportions of fixed and variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense above:

Name	30 June 2025		30 June 2024	
	Fixed remuneration	At risk remuneration – Share Based Payment	Fixed remuneration	At risk remuneration – Share Based Payment
Managing Director & CEO				
P Hoskins	100%	-	50%	50%
Other KMP				
G Dyker	100%	-	100%	-
J Stephenson	100%	-	100%	-

Performance based remuneration granted and forfeited

The prior remuneration of KMPs was approved by the Board in June 2023. As at 30 June 2025 KMP have Nil options following resignations during the year.

During the period Performance Rights were granted to Mr Donne without issue and were then reversed as the criteria was not met for the financial year ended 30 June 2025. Subsequent to 30 June 2025, in the period to the date of this report, no new remuneration options have been granted or issued. Options forfeited by current and prior KMP during the financial year total 42,100,000 which resulted in a reversal of \$309,147 to profit and loss and \$2,963,789 to retained earnings.

Directors' report

Options

The following table shows details of the option holdings for the Group's KMP for the current financial period.

	Balance at start of the year	Granted during year	Lapsed during year	Forfeited during year	Balance at end of the year
M Bourguignon ^{1 & 6}	4,900,000	-	(4,900,000)	-	-
P Hoskins ^{2 & 7}	4,009,174	-	(2,004,587)	(2,004,587)	-
P Hoskins ^{2 & 6}	2,400,000	-	(2,400,000)	-	-
C Knee ^{3 & 6}	825,000	-	(825,000)	-	-
H Ludik ^{4 & 7}	390,000	-	(140,000)	(250,000)	-
S McKenzie ^{5 & 6}	825,000	-	(825,000)	-	-
Total	13,349,174	-	(11,094,587)	(2,254,587)	-

Notes:

1. Resigned 12 September 2023
2. Resigned as Director on 3 June 2024, resigned as CEO on 18 July 2024.
3. Resigned 21 December 2023.
4. Resigned 15 August 2024.
5. Resigned 25 March 2024.
6. IPO Options expiring 9 November 2024 with exercise price \$0.25.
7. Employee options with details listed on page 22.

The following table shows details of the listed option holdings for the Group's KMP to the date of this report.

	Balance at start of the year	Balance at end of the year	Acquired after year end ³	Balance at date of report
P Atherley ¹	-	-	3,250,000	3,250,000
C Moulton ²	-	-	2,750,000	2,750,000
Total	-	-	6,000,000	6,000,000

Notes:

1. Appointed 22 April 2025.
2. Appointed 15 August 2024.
3. Renounceable Rights Issue announced on 14 August 2025 including listed options at \$0.02 expiring 17 September 2028.

The terms and conditions of each grant of options affecting remuneration in the prior reporting period are as follows:

Grant date	Vesting date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested	Vesting criteria
16-Nov-21	16-Nov-21	9-Nov-24	\$0.25	\$0.114	N/A	100%	Nil
23-Sep-22	23-Sep-24	10-Oct-27	\$-	\$0.280	-	-	Note 1
23-Sep-22	10-Oct-25	10-Oct-27	\$-	\$0.280	-	-	Note 1
23-Sep-22	10-Oct-25	10-Oct-27	\$-	\$0.160	-	-	Note 5
23-Sep-22	10-Oct-25	10-Oct-27	\$-	\$0.118	-	-	Note 6
23-Sep-22	30-Jun-23	10-Oct-25	\$-	\$0.280	-	-	Note 2
23-Sep-22	30-Jun-25	10-Oct-27	\$-	\$0.280	-	-	Note 3
23-Sep-22	30-Jun-25	10-Oct-27	\$-	\$0.245	-	-	Note 3
23-Sep-22	23-Sept-23	10-Oct-27	\$0.45	\$0.289	-	-	Note 4
23-Sep-22	10-Oct-25	10-Oct-27	\$0.45	\$0.289	-	-	Note 4
10-Oct-22	1-Jul-23	10-Oct-25	\$-	\$0.260	-	-	Note 2

The fair value of services received in return for the share options granted is measured by reference to the fair value of options granted. The Black Scholes option pricing model was used to determine the fair value of the options issued to Directors, other KMP and staff for options with an exercise price and also STIs with non-market based STIs. LTIs contain market-based vesting criteria such as share price performance against peer companies. LTIs are valued using the Monte Carlo Simulation method.

Vesting criteria

Note 1:– Managing Director one off options – twelve months of continuous service and a decision to proceed with construction at Chilalo.

Note 2:– Executive Director and other STIs.
The vesting criteria of the STIs issued during the period were:

Directors' report

- Board-approved construction decision for Chilalo mine and/or downstream graphite business (45%);
- Growth – secure technology and complete feasibility study for battery anode materials (12.5%);
- Growth – secure technology via YXGC JV and complete feasibility study for expandable graphite / graphite foil (12.5%); and
- ESG – a range of ESG focused targets (30%).

Note 3:- Executive Director and other ESS LTIs.

The vesting criteria for LTIs issued during the period were:

- Chilalo mine and/or downstream graphite business has achieved commercial production (20%).
- ESG – a range of ESG focused targets (30%).

Note 4:- Executive Director and other ESS LTIs.

The vesting criteria for LTIs issued during the period were:

- Relative total shareholder return as shown in the table below (50%).

Evolution's relative TSR	Portion of LTIs that vest
Top 3	100%
4-5	75%
6-7	50%
8-13	0%

Note 5:- Managing Director one off options – share price target of \$0.70.

Note 6:- Managing Director one off options – share price target of \$1.00.

During the period to 30 June 2025, the terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other KMP in this financial year are as follows:

Name	Number of options granted	Vesting condition (see above)	Grant date	Vesting and exercisable date	Expiry date	Exercise price	Fair value of option at grant date
M Bourguignon	4,900,000	Nil	16-Nov-21	16-Nov-21	9-Nov-24	\$0.25	\$0.11
P Hoskins	2,400,000	Nil	16-Nov-21	16-Nov-21	9-Nov-24	\$0.25	\$0.11
P Hoskins	1,500,000	Note 1	23-Sep-22	23-Sep-24	10-Oct-27	\$0.00	\$0.28
P Hoskins	750,000	Note 1	23-Sep-22	10-Oct-25	10-Oct-27	\$0.00	\$0.28
P Hoskins	375,000	Note 5	23-Sep-22	10-Oct-25	10-Oct-27	\$0.00	\$0.16
P Hoskins	375,000	Note 6	23-Sep-22	10-Oct-25	10-Oct-27	\$0.00	\$0.12
P Hoskins	504,587	Note 2	23-Sep-22	30-Jun-23	10-Oct-25	\$0.00	\$0.28
P Hoskins	252,294	Note 3	23-Sep-22	30-Jun-25	10-Oct-27	\$0.00	\$0.28
P Hoskins	252,293	Note 4	23-Sep-22	30-Jun-25	10-Oct-27	\$0.00	\$0.24
C Knee	825,000	Nil	16-Nov-21	16-Nov-21	9-Nov-24	\$0.25	\$0.11
H Ludik	140,000	Nil	23-Sep-22	23-Sep-23	10-Oct-27	\$0.45	\$0.29
H Ludik	250,000	Nil	23-Sep-22	10-Oct-25	10-Oct-27	\$0.45	\$0.29
S McKenzie	825,000	Nil	16-Nov-21	16-Nov-21	9-Nov-24	\$0.25	\$0.11

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company.

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Director's report

Shareholdings

Name	Balance at start of period ¹	Received during the period on the exercise of options	Other changes during the period ²	Balance at end of the period
P Atherley ¹	-	-	2,000,000	2,000,000
C Moulton ²	-	-	1,427,214	1,427,214
G Cryan ³	-	-	-	-
D Naoum ⁴	-	-	-	-
S Dennis ⁵	50,000	-	-	50,000
H Ludik ⁶	31,250	-	-	31,250

Notes

1. Balance at start of period represents balance held on appointment on 22 April 2025.
2. Balance at start of period represents balance held on appointment on 15 August 2024.
3. Balance at start of period represents balance held on appointment on 28 May 2025.
4. Balance at start of period represents balance held on appointment on 28 May 2025.
5. Balance of securities held as at 30 June 2025 represents the balance held at resignation on 23 May 2025.
6. Balance of securities held as at 30 June 2025 represents the balance held at resignation on 15 August 2024.

None of the shares in the above table are held nominally by the Directors or by any of the other KMP.

The Company received more than 90% of "yes" votes on its remuneration report for the 2024 financial year.

Since the date of the report P Atherley and C Moulton participated in the Renounceable Rights Issue announced on 14 August 2025 and respectively acquired a further 6,500,000 and 5,500,000 shares.

Loans to KMP

There were no loans made to Directors or KMP.

Reliance on external remuneration consultants

In performing its role, the Nomination and Remuneration Committee may seek advice from independent remuneration consultants where appropriate, to make recommendations as to the nature and amount of remuneration payable to KMPs. Remuneration consultants are engaged by, and report directly to the Nomination and Remuneration Committee. For the year ended 30 June 2025, the Board did not engage an independent remuneration consultant to review the Company's remuneration structure. Having considered publicly available information on the remuneration practices of a number of peer group companies and conducted an extensive benchmarking exercise, the Board believes that current remuneration arrangements are appropriate.

Shares under option

Unissued ordinary shares

Shares under option that formed part of remuneration at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Options	Vested and exercisable
23-Sep-22	10-Oct-27	\$-	1,430,887	-
23-Sep-22	10-Oct-27	\$0.45	390,000	140,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Voting of shareholders at last year's Annual General Meeting

The Group's 2024 annual general meeting was held on 29 November 2024, with resolutions 1 to 7 approved on a poll and resolution 8 to issue zero price options to former director Phil Hoskins not approved.

END OF REMUNERATION REPORT (audited)

Director's report

Insurance of officers and indemnities

The Company's constitution allows the Company to indemnify each Director or officer of the Company, to the extent permitted by law, against liability incurred in or arising out of the conduct of the business of the Company or the discharge of the duties of the Directors or officers.

The Group has granted indemnities under deeds of indemnity with its current Directors and officers. In conformity with the constitution, each deed of indemnity indemnifies the relevant Director or officer to the full extent permitted by law. Where applicable, each deed of indemnity indemnifies the relevant Director, officer or employee to the fullest extent permitted by law for liabilities incurred whilst acting as a director, officer or employee of the Company, any of its related bodies corporate and any outside entity, where such an office is held at the request of the Company.

The Group has a policy that it will, as a general rule, support and hold harmless an employee who, while acting in good faith, incurs personal liability to others as a result of working for the Group.

No indemnity has been granted to an auditor of the Group in their capacity as auditors of the Group.

During the period, the Group paid insurance premiums (inclusive of fees and charges) in respect of contracts insuring all directors and officers against legal costs incurred in defending proceedings. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. The terms of the insurance contract are confidential and do not permit the disclosure of insured amounts, the premium cost for the policies or any other condition.

Proceedings on behalf of the Company

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

No proceedings have been brought, or intervened in, on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor (BDO Audit Pty Ltd) for non-audit services of \$nil (2024: \$9,041) provided during the period are set out in note 24.

The Board has considered the position and 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 by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

The Company is of a kind referred to in Corporations Instrument 2018/191, issued by the Australian Securities and Investments Commission, relating to "rounding-off". Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Exposure to economic, environmental and social sustainability risks

The Group has material exposure to economic, environmental and social sustainability risks, including changes in community expectations, and environmental, social and governance legislation (including, for example, those matters related to climate change). The Group employs suitably qualified personnel to assist with the management of its exposure to these risks. These risks are discussed in more detail the Corporate Governance Statement which can be found on the Group's website.

Director's report

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307 of the *Corporation Act 2001* is set out on page 31.

This annual report is made in accordance with a resolution of the Directors.

Annual Statement of Ore Reserves and Mineral Resources

Chilalo Project: Ore Reserve and Mineral Resource Estimate

Chilalo Ore Reserve Estimate					
Domain	Classification	Zone	Million Tonnes (Mt)	TGC (%)	Contained Graphite (Kt)
High-Grade	Probable Reserve	Main	8.0	10.5	836
Total Ore Reserve	Probable Reserve	Main	8.0	10.5	836

Chilalo Mineral Resource Estimate					
High-Grade	Indicated	Main	9.2	10.6	982
		North East	1.0	9.5	100
		All	10.3	10.5	1,082
	Inferred	Main	7.4	9.5	704
		North East	2.3	8.8	205
		All	9.8	9.3	908
Total High-Grade	Indicated + Inferred	All	20.1	9.9	1,991
Low-Grade	Inferred	Main	37.8	3.4	1,282
		North East	9.5	4.1	394
		All	47.3	3.5	1,677
High-Grade + Low-Grade	Indicated + Inferred	All	67.3	5.4	3,667

Mineral Resources are inclusive of Ore Reserves. The Mineral Resource was estimated within constraining wireframe solids using a core high-grade domain defined above a nominal 5% TGC cut-off within a surrounding low-grade zone defined above a nominal 2% TGC cut-off. The resource is quoted from all classified blocks above a lower cut-off of 2% TGC within these wireframe solids. All figures are rounded to reflect appropriate levels of confidence. Apparent differences in totals may occur due to rounding.

Competent Person's Statement - Chilalo Mineral Resource Estimate

The information in this Prospectus that relates to the Chilalo Mineral Resource Estimate is based on information compiled by Mr Grant Louw, under the direction and supervision of Dr Andrew Scogings. Mr Louw was a full-time employee of CSA Global and Dr Scogings was an Associate of CSA Global at the time the Chilalo Mineral Resource Estimate was made. None of the data has materially changed since his previous approval was given.

Competent Person's Statement - Chilalo Ore Reserve Estimate

The information in this announcement that relates to the Ore Reserve estimate for the Chilalo Project is based on information compiled by Andrew Hutson, a Competent Person, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Andrew Hutson is employed by Resolve Mining Solutions. Mr Hutson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the JORC Code. None of the data has materially changed since his previous approval was given.

Ore Reserves and Mineral Resources Governance

Evolution reviews its Mineral Resource and Ore Reserve estimates on an annual basis. The Annual Statement of Mineral Resources and Ore Reserves is prepared in accordance with the JORC Code and the ASX Listing Rules.

Competent Persons named by the Company are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined under the JORC Code.

The Company engages external consultants and Competent Persons to prepare and calculate estimates of its Mineral Resources and Ore Reserves. These estimates and underlying assumptions are reviewed by the Directors and management for reasonableness and accuracy.

The results of the Mineral Resource and Ore Reserve estimates are then reported in accordance with the JORC Code 2012 and the ASX Listing Rules. Where material changes occur to a project during the period, including the project's size, title, exploration results or other technical information, previous resource estimates and market disclosures are reviewed for completeness. The Company reviews its

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Director's report

Mineral Resources and Ore Reserves as at 30 June each year and where a material change has occurred in the assumptions or data used in previously reported Mineral Resources and Ore Reserves, a revised estimate will be prepared as part of the annual review process.

Competent Person's Statement – Chilalo Exploration Results

The information in this report that relates to exploration results, data quality and geological interpretations for the Chilalo Graphite Project is based on information compiled by Mr Mathew Perrot, who is a Registered Practicing Geologist and a member of the Australian Institute of Geoscientists. Mr Perrot is the principal geologist with Mathew Perrot Consulting Geologist Pty Ltd. Mr Perrot has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. None of the data has materially changed since his previous approval was given.

Results of the Updated Definitive Feasibility Study

The DFS outcomes in this announcement comprises production targets and forecast financial information for the Chilalo Graphite Project and is based on an updated feasibility study for the Chilalo Graphite Project that was announced on 20 March 2023. The production targets (and the forecast financial information based on these production targets) are based solely on Ore Reserve estimates which have been prepared by a Competent Person in accordance with the requirements in the JORC Code.

Evolution confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 20 March 2023 and that all material assumptions and technical parameters upon which the production targets and forecast financial information are based continue to apply and have not materially changed.



Paul Atherley
Chair
PERTH
On the 30 day of September 2025

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Sustainability Statement

Since completion of its initial public offering in November 2021, Evolution has committed itself to the principle of sustainability. In accordance with that commitment, the Evolution directors have undertaken to report on the Company's approach to sustainability and in particular its focus on the places in which the Company operates, being better for its presence. In June 2023, the Company released its maiden sustainability report for the period from November 2021 to 31 December 2022.

As the Company advances towards the development of the Chilalo Graphite Project, it appreciates the importance of presenting a transparent account of its sustainability objectives and outcomes so that host communities, government and other key stakeholders can understand and engage on Evolution's sustainability performance. The Company's maiden Sustainability Report is a critical part of presenting such a transparent account.

A copy of the Company's sustainability report is available at: <https://www.investi.com.au/api/announcements/ev1/451b9146-bcb.pdf>.

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Corporate Governance Statement

Evolution and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Evolution has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2025 corporate governance statement is dated as at 30 June 2025 and reflects the corporate governance practices in place throughout the 2025 financial year. The 2025 corporate governance statement was approved by the Board on 30 September 2025. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed on the Company's website at www.evolutionenergyminerals.com.au/corporate/#corporate-governance.

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DECLARATION OF INDEPENDENCE BY JEREMY WATKINS TO THE DIRECTORS OF EVOLUTION ENERGY MINERALS LIMITED

As lead auditor of Evolution Energy Minerals Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Evolution Energy Minerals Limited and the entities it controlled during the period.

Jeremy Watkins

Director

BDO Audit Pty Ltd

Perth

30 September 2025

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Consolidated statement of profit or loss and other comprehensive income
for the year ended 30 June 2025

	Notes	30 June 2025	30 June 2024
		\$	\$
Other income	2	656,030	35,844
Foreign currency gain / (loss)		(16,067)	(130,504)
Corporate and administration expense		(1,168,830)	(1,652,203)
Employee benefits	3	(3,119,471)	(2,685,013)
Business development and marketing expense		(363,559)	(2,086,033)
Environment, social and governance expense	3	(196,674)	(2,992,463)
Finance costs	3	-	(338,459)
Exploration and evaluation expense		(1,206,506)	(391,649)
Impairment		-	(105,769)
Share based payments	23	309,147	(230,104)
Loss before income tax		(5,105,930)	(10,576,353)
Income tax expense		-	-
Profit / (loss) for the year after tax		(5,105,930)	(10,576,353)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		121,449	76,108
Total comprehensive profit / (loss) for the period		(4,984,481)	(10,500,245)
Net profit / (loss) is attributable to:			
Owners of Evolution Energy Minerals Limited		(4,728,323)	(11,062,919)
Non-controlling interest		(377,607)	486,566
(5,105,930)		(10,576,353)	
Total comprehensive loss is attributable to:			
Owners of Evolution Energy Minerals Limited		(4,616,375)	(10,492,771)
Non-controlling interest		(368,106)	(7,474)
(4,984,481)		(10,500,245)	
Profit / (loss) per share attributable to owners of the Company		\$	\$
Basic EPS	25	(0.01)	(0.05)
Diluted EPS	25	(0.01)	(0.05)

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

Consolidated statement of financial position

as at 30 June 2025

	Notes	30 June 2025	30 June 2024
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	81,894	3,065,627
Trade and other receivables	7	108,531	164,113
Total current assets		190,425	3,229,740
Non-current assets			
Property, plant and equipment		151,745	110,375
Exploration and evaluation assets	8	5,538,168	5,438,612
Total non-current assets		5,689,913	5,548,987
Total assets		5,880,338	8,778,727
LIABILITIES			
Current liabilities			
Trade and other payables	9	682,121	558,715
Provisions	10	105,593	57,134
Total current liabilities		787,714	615,849
Total liabilities		787,714	615,849
Net assets		5,092,624	8,162,878
EQUITY			
Share capital	11	49,240,939	47,017,565
Reserves	12	(8,873)	3,152,115
Accumulated losses	13	(44,250,428)	(42,485,894)
Equity attributable to owners of Evolution Energy Minerals		4,981,638	7,683,786
Non-controlling interest	18	110,986	479,092
Total equity		5,092,624	8,162,878

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

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Consolidated statement of changes in equity

for the year ended 30 June 2025

	Notes	Contributed equity	Foreign currency translation reserve	Share based payment reserve	Accumulated losses	Non-controlling interest	Total equity
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		37,671,757	(204,403)	3,042,832	(31,422,975)	-	9,087,211
Total comprehensive income for the period:							
Profit / (loss) for the period		-	-	-	(11,062,919)	486,566	(10,576,353)
Foreign exchange translation differences		-	83,582	-	-	(7,474)	76,108
Total comprehensive profit / (loss) for the period		-	83,582	-	(11,062,919)	479,092	(10,500,245)
Transactions with owners in their capacity as owners:							
Issue of shares net of transaction costs	11	9,345,808	-	-	-	-	9,345,808
Options issued to employee under the employee share scheme	12, 23	-	-	230,104	-	-	230,104
Balance at 30 June 2024		47,017,565	(120,821)	3,272,936	(42,485,894)	479,092	8,162,878
Total comprehensive income for the period:							
Profit / (loss) for the period		-	-	-	(4,728,323)	(377,607)	(5,105,930)
Foreign exchange translation differences		-	111,948	-	-	9,501	121,449
Total comprehensive profit / (loss) for the period		-	111,948	-	(4,728,323)	(368,106)	(4,984,481)
Transactions with owners in their capacity as owners:							
Issue of shares net of transaction costs	11	2,223,374	-	-	-	-	2,223,374
Adjustment to retained earnings for expired options		-	-	(2,963,789)	2,963,789	-	-
Forfeited Options	12, 23	-	-	(309,147)	-	-	(309,147)
Balance at 30 June 2025		49,240,939	(8,873)	-	(44,250,428)	110,986	5,092,624

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

Consolidated statement of cash flows
for the year ended 30 June 2025

	Notes	30 June 2025	30 June 2024
		\$	\$
Cash flows from operating activities			
Receipts from option fee and R&D refund	2	615,700	-
Payments to suppliers and employees		(4,041,817)	(4,394,987)
Payments for business development and marketing		(363,559)	(2,577,622)
Payment of exploration and evaluation and project expenditure		(1,314,689)	(3,629,500)
Interest received		28,578	-
Net cash (outflow) from operating activities		(5,075,787)	(10,602,109)
Cash flows from investing activities			
Payment for property, plant and equipment		(85,210)	(65,243)
Net cash (outflow) from investing activities		(85,210)	(65,243)
Cash flows from financing activities			
Proceeds from the issue of ordinary shares	11	2,272,000	9,947,025
Share issue transaction costs		(98,626)	(601,217)
Net cash inflow from financing activities		2,173,374	9,345,808
Net increase / (decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		(2,987,623)	(1,321,544)
Effects of exchange rate changes on cash and cash equivalents		3,065,627	4,441,568
Cash and cash equivalents at the end of the period	6	3,890	(54,397)
		81,894	3,065,627

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

Notes to the consolidated financial statements

1. Corporate information

Evolution Energy Minerals Limited (**Evolution** or the **Company**) is a company incorporated in Australia and limited by shares. Evolution shares are publicly traded on the Australian Securities Exchange under the stock code EV1. The consolidated financial statements of the Company as at, and for the year ended, 30 June 2025 comprise the Company and its subsidiaries (together the **Group**).

During the period, the principal continuing activities of the Group related to the acquisition, exploration, evaluation and development of the Company's Chilalo Graphite Project in southern Tanzania (**Chilalo Project**).

This financial report was authorised for issue in accordance with a resolution of the Directors on 30 September 2025.

2. Other income

	30 June 2025	30 June 2024
	\$	\$
Option exclusivity fee	299,985	-
R&D refund	315,715	-
Other income	40,330	35,844
	656,030	35,844

Note: Cash receipts shown are for the option exclusivity fee and R&D refund.

3. Expenses

(a) Employee benefits

	30 June 2025	30 June 2024
	\$	\$
Salaries and Directors fees – Corporate	1,783,567	2,227,959
Salaries – Technical and site	786,212	315,608
Superannuation	111,092	123,246
Corporate contractors	416,882	-
Changes in leave provisions	21,718	18,200
	3,119,471	2,685,013

(b) Environmental, social and governance

	30 June 2025	30 June 2024
	\$	\$
Environmental studies and ESIA	148,545	713,037
ESG Compliance	42,638	627,016
Relocation action plan	5,491	1,652,410
	196,674	2,992,463

Notes to the consolidated financial statements

4. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its assets and liabilities are primarily related to the mining industry and are located within Tanzania. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit and loss and other comprehensive income, statement of financial position and statement of cashflows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

5. Income tax expense

The Company has total carried forward tax losses of \$13,291,418 (June 2024: \$12,344,969) available for offset against future assessable income of the Company. The net deferred tax asset attributable to the residual tax losses of \$3,322,855 (June 2024: \$3,086,242) has not been brought to account until convincing evidence exists that assessable income will be earned of a nature and amount to enable such benefit to be realised.

The deferred tax asset in respect of these losses has been used to offset a deferred tax liability. The net deferred tax asset attributable to the residual tax losses of \$3,322,855 has not been brought to account until convincing evidence exists that assessable income will be earned of a nature and amount to enable such benefit to be realised.

6. Cash and cash equivalents

	30 June 2025	30 June 2024
Cash at bank	\$ 41,894	\$ 2,988,211
Cash on deposit	40,000	77,416
	<hr/>	<hr/>
	81,894	3,065,627

Refer to note 15(a)(i) for the Group's exposure to interest rate and credit risk.

7. Trade and other receivables

	30 June 2025	30 June 2024
Accounts receivable	\$ 582	\$ 14,193
Other receivables	83,442	59,344
Prepayments	24,507	90,576
	<hr/>	<hr/>
	108,531	164,113

There are no debtors that are past due at year end, therefore none are impaired. The Tanzanian Tax Authority has not been refunding input VAT credits unless the Company is producing revenue. Until such time as the Company is producing revenue it will take the conservative approach of impairing these input credits.

8. Exploration and evaluation expenditure

	30 June 2025	30 June 2024
(a) Reconciliation of exploration and evaluation expenditure		
Carrying amount at beginning of the period	\$ 5,438,612	\$ 5,443,248
Foreign exchange movement	99,556	(4,636)
Carrying amount at the end of the period	5,538,168	5,438,612

Notes to the consolidated financial statements

9. Trade and other payables

	30 June 2025	30 June 2024
	\$	\$
Trade payables	472,207	79,624
Accruals	165,059	412,410
Other payables	44,855	66,681
	682,121	558,715

10. Provisions

	30 June 2025	30 June 2024
	\$	\$
Provision for annual leave	105,593	57,134
	105,593	57,134

11. Share capital

	30 June 2025	30 June 2024		
	Shares	\$	Shares	\$
(a) Issued and paid-up capital				
Ordinary fully paid shares – Evolution Energy Minerals Limited	362,650,476	49,240,939	304,382,773	47,017,565
(b) Movement in ordinary shares				
Opening balance at 1 July	304,382,773	47,017,565	202,500,000	37,671,757
Issue of equities				
Shares issued placement – 18 October 2023	-	-	24,737,744	3,463,284
Shares issued placement – 16 January 2024	-	-	8,119,399	1,136,716
Shares issued placement – 19 March 2024	-	-	25,860,000	3,620,400
Shares issued placement – 21 June 2024	-	-	43,165,630	1,726,625
Shares issued placement – 22 August 2024	54,334,370	2,272,000		
Exercise of options – 22 August 2024	1,850,000	-		
Share based payment – 7 January 2025	2,083,333	50,000		
Less: Equity raising cost	-	(98,626)	-	(601,217)
	362,650,476	49,240,939	304,382,773	47,017,565

(c) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of, and amounts paid on, shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote. Upon a poll, each fully paid share has one vote.

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Notes to the consolidated financial statements

12. Reserves

The following table shows a breakdown of the statement of financial position line item 'reserves' and the movements in these reserves during the period. A description of the nature and purpose of each reserve is provided below.

	Share based payments \$	Foreign currency translation \$	Total \$	Non-controlling interest \$	Total Equity \$
At 1 July 2023	3,042,832	(204,403)	2,838,429	-	2,838,429
Translation of foreign subsidiaries	-	83,582	83,582	(7,474)	76,108
Other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners					
Employee share-based payments expense	230,104	-	230,104	-	230,104
At 30 June 2024	3,272,936	(120,821)	3,152,115	(7,474)	3,144,641
At 1 July 2024	3,272,936	(120,821)	3,152,115	(7,474)	3,144,641
Translation of foreign subsidiaries	-	111,948	111,948	9,501	121,449
Other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners					
Adjustment to retained earnings for expired options	(2,963,789)		(2,963,789)		(2,963,789)
Forfeited options	(309,147)	-	(309,147)	-	(309,147)
At 30 June 2025	-	(8,873)	(8,873)	2,027	(6,846)

(a) Nature and purpose of reserves

(i) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of the Company's net investment in a foreign subsidiary.

(ii) Share based payment reserve

The share-based remuneration reserve is used to recognise the fair value of options issued.

13. Accumulated losses

	30 June 2025 \$	30 June 2024 \$
Opening balance	(42,485,894)	(31,422,975)
Net gain / (loss) for the period	(5,105,930)	(10,576,353)
Adjustment to retained earnings for expired options	2,963,789	-
Non-controlling Interest	377,607	(486,566)
Closing balance	(44,250,428)	(42,485,894)

Notes to the consolidated financial statements

14. Cash flow information

	30 June 2025	30 June 2024
	\$	\$
(a) Reconciliation of operating loss after income tax to the net cash flows from operating activities:		
Loss for the period	(5,105,930)	(10,576,353)
<i>Adjustments for:</i>		
Depreciation	44,520	17,952
Share based payments	(259,147)	230,104
Net exchange differences	17,323	135,140
<i>Changes in operating assets and liabilities:</i>		
Changes in trade and other receivables	55,583	69,236
Changes in trade and other payables	123,405	(459,808)
Changes in provisions	48,459	(18,380)
Net cash (outflow) from operating activities	(5,075,787)	(10,602,109)

(b) Non-cash investing and financing activities

There were no non-cash investing or financing activities for the year ended 30 June 2025.

15. Financial risk management

The Company and the Group's activities expose it to a variety of financial risks, including market, foreign currency, credit and liquidity risk. For the Group, market risk includes:

- Interest rate risk; and
- Foreign exchange risk.

Financial risk management is carried out by the Group's Chief Financial Officer, in close co-operation with the Audit and Risk Committee. The Group obtains independent external advice as required to assist it in understanding and managing its exposures and risks.

The Group held the following financial instruments at reporting date:

	Note	30 June 2025	30 June 2024
		\$	\$
<i>Financial Assets</i>			
Cash and cash equivalents	6	81,894	3,065,627
Trade and other receivables	7	84,024	73,537
Total Financial Assets		165,918	3,139,164
<i>Financial Liabilities</i>			
Trade and other payables	9	517,062	146,305
Total Financial Liabilities		517,062	146,305

Notes to the consolidated financial statements

15. Financial risk management (continued)

(a) Market risk

(i) Interest rate risk

The Group and the Company are exposed to interest rate volatility on deposits and loans. Deposits and loans at variable rates expose the Group and the Company to cash flow interest rate risk. Deposits and loans at fixed rates expose the Group to fair value interest rate risk.

	Effective Average Interest Rate (%)	Variable Interest Rate \$	Fixed Interest Rate \$	Non-Interest Bearing \$	Total \$
30 June 2025 (consolidated)					
<i>Financial Assets</i>					
Cash and cash equivalents	2.36%	38,711	40,000	3,183	81,894
Trade and other receivables	0.0%	-	-	84,024	84,024
		38,711	40,000	87,207	165,918
<i>Financial Liability</i>					
Trade and other payables	0.0%	-	-	517,062	517,062
		-	-	517,062	517,062
30 June 2024 (consolidated)					
<i>Financial Assets</i>					
Cash and cash equivalents	1.53%	2,951,568	77,416	36,643	3,065,627
Trade and other receivables	0.0%	-	-	73,537	73,537
		2,951,568	77,416	110,180	3,139,164
<i>Financial Liability</i>					
Trade and other payables	0.0%	-	-	558,715	558,715
		-	-	558,715	558,715

Sensitivity Analysis

The following tables summarise the sensitivity of the Group's financial assets to interest rate risk. Had the relevant variables, as illustrated in the tables, moved with all other variables held constant, post-tax loss and equity would have been affected as shown below.

	Carrying Amount \$	Interest Rate Risk -100 basis points (-1%)		Interest Rate Risk +100 basis points (+1%)		
		Net Profit / (Loss) \$	Equity \$	Net Profit / (Loss) \$	Equity \$	
30 June 2025 (consolidated)						
<i>Financial Assets</i>						
Cash and cash equivalents	81,894	(787)	(787)	787	787	
	81,894	(787)	(787)	787	787	
30 June 2024 (consolidated)						
<i>Financial Assets</i>						
Cash and cash equivalents	3,065,627	(29,516)	(29,516)	29,516	29,516	
	3,065,627	(29,516)	(29,516)	29,516	29,516	

Notes to the consolidated financial statements

15. Financial risk management (continued)

(ii) Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from costs incurred in currencies other than the functional currency of the Company and Group entities. The Group operates internationally and is primarily exposed to foreign exchange risk arising from currency exposures to the United States dollar and Tanzanian shilling.

The Group has a Treasury Policy that stipulates foreign currency risk management measures. It provides that the Company shall hold one month's forward looking foreign currency cash requirement. Should the exchange rate be favourable to the budgeted exchange rate, the Company can hold up to three months of forecast foreign cash requirements. The Group monitors foreign currency expenditure in light of exchange rate movements. The Group's exposure to foreign currency risk as at 30 June 2025, expressed in Australian dollars was as follows.

Foreign currency balances	30 June 2025		30 June 2024	
	US Dollar	Tanzanian Shilling	US Dollar	Tanzanian Shilling
Cash at bank	8,663	9,747	26,272	14,197
Trade receivables	-	-	-	-
Trade payables	(16,099)	-	(41,061)	-
Sensitivity analysis				
	10% Strengthening to the AUD		10% Weakening to the AUD	
	Equity \$	Net Profit / (Loss) \$	Equity \$	Net Profit / (Loss) \$
30 June 2025 (Consolidated)				
USD (10% movement)	(45,281)	(5,055)	45,281	5,055
TZS (10% movement)	-	611	-	(611)
30 June 2024 (Consolidated)				
USD (10% movement)	(10,078)	(3,733)	8,246	4,562
TZS (10% movement)	-	1,291	-	(1,577)

(b) Liquidity risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner.

The Group's treasury function continually reviews the Group's liquidity position, including cash flow forecasts, to determine the forecast liquidity position and maintain appropriate liquidity levels.

	Less than 1 year \$	Between 1 and 2 years \$	Total contractual cash flows \$	Carrying amount \$
30 June 2025 (Consolidated)				
Trade and other receivables	84,024	-	84,024	84,024
Trade and other payables	(517,062)	-	(517,062)	(517,062)
	(433,038)	-	(433,038)	(433,038)
30 June 2024 (Consolidated)				
Trade and other receivables	73,537	-	73,537	73,537
Trade and other payables	(558,715)	-	(558,715)	(558,715)
	(485,178)	-	(485,178)	(485,178)

Notes to the consolidated financial statements

15. Financial risk management (continued)

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

(i) Cash at bank

The Group manages its credit risk on financial instruments, including cash, by only dealing with banks licensed to operate in Australia and Tanzania that are reputable banks with a high credit rating.

(ii) Trade and other receivables

The Group has credit risk arising from other receivables.

(iii) Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	30 June 2025	30 June 2024
		\$	\$
<i>Financial Assets</i>			
Cash and cash equivalents	6	81,894	3,065,627
Trade and other receivables	7	84,024	73,537
Total Financial Assets		165,918	3,139,164

(d) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying amounts and estimated fair values of all the Group's financial instruments recognised in the financial statements are materially the same.

Notes to the consolidated financial statements

16. Capital management

(a) Risk management

The Group's policy is to maintain a strong capital base so as to ensure investor, creditor and market confidence and to sustain future development of the business.

The Company has welcomed equity investment from major stakeholders so that goals are aligned and there is a vested interest in the Group's success. Current stakeholders that are also shareholders include major suppliers for exploration, project management and feasibility studies advisors, corporate advisors, Directors, executives and employees.

The Company monitors its total shares on issue, market capitalisation and enterprise value on a regular basis so as to maintain a critical balance between having its strategy fully funded and minimising existing shareholder dilution.

	30 June 2025	30 June 2024
	\$	\$
Net debt	-	-
Share capital	49,240,939	47,017,565
Net debt to equity ratio	0%	0%

(b) Dividends

Up until the date of this report, no dividend has been declared or paid by the Company.

17. Interests in other entities

The Group's principal subsidiaries as at 30 June 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Type of entity	Country of incorporation	Foreign tax jurisdiction of foreign residents	Class of shares	Equity Holding 30 June 2025	Equity Holding 30 June 2024
					%	%
Evolution Energy Minerals Limited	Body corporate	Australia	N/A	Ordinary	Parent	Parent
Evolution Energy Holdings Pty Limited	Body corporate	Australia	N/A	Ordinary	100	100
Evolution Energy UK Limited	Body corporate	United Kingdom	United Kingdom	Ordinary	100	100
Evolution Energy Solutions LLC	Body corporate	United States	United States of America	Ordinary	100	100
Evolution Recycling Solutions LLC	Body corporate	United States	United States of America	Ordinary	100	100
Kudu Graphite Limited	Body corporate	Tanzania	Tanzania	Ordinary	86	86
Ngwena Tanzania Limited	Body corporate	Tanzania	Tanzania	Ordinary	100	100

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Notes to the consolidated financial statements

18. Equity – Non-controlling Interest

	30 June 2025	30 June 2024
Issued Capital	\$	\$
Reserves	-	-
Retained Profits	2,027	(7,474)
Closing balance	108,959	486,566
	110,986	479,092

The non-controlling interest has a 16% (2024: 16%) equity holding in Kudu Graphite Limited.

19. Contingent liabilities

Royalty

The Company is a party to a Net Sales Return Royalty Deed with the Company's major shareholder ARCH SRF. Under the terms of this agreement the Company is bound to pay a royalty of 1.7% on the future net sales returns of graphite concentrate from the Chilalo Graphite Project less allowable deductions. Allowable deductions include the costs of processing, freight, handling, marketing and administration costs. The royalty is uncapped and is for the life of the Chilalo Project.

The Company is a party to an agreement with Australia Minerals and Resources Pty Ltd (**AMR**), a graphite market consultancy. Under the terms of the agreement with AMR, the Company must pay AMR a fee equal to 3% of the value of an offtake or sales agreement entered into by the Company with a third party that AMR has introduced. AMR has introduced both of the Company's offtake partners, BTR and YXGC.

20. Commitments

(a) Exploration commitments

The Company is required to meet certain minimum expenditure commitments on the mineral exploration assets in which it has an interest. The minimum expenditure commitment is set out in the Prospecting Licences held by the Group. Outstanding exploration commitments are as follows:

	30 June 2025	30 June 2024
	\$	\$
- not later than one year	122,802	1,447,128
- beyond one year	-	-
	122,802	1,447,128

(b) Prospecting and mining licence rentals

	30 June 2025	30 June 2024
	\$	\$
- not later than one year	54,514	53,535
- beyond one year	-	-
	54,514	53,535

The Company pays an annual lease amount for the tenements it holds. The leases can be relinquished on or before the anniversary date, therefore there are no contractual commitments beyond one year. The Company has no current plans to relinquish any of its existing tenements.

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Notes to the consolidated financial statements

21. Events occurring after reporting date

Subsequent to period end, the Company

- Mr Craig Moulton was appointed Managing Director effective 1 September 2025.
- Evolution Energy Minerals lifted its equity capital through a significantly oversubscribed Renounceable Rights Issue announced on 14 August 2025. The Rights Issue successfully raised A\$1.45 million (before costs), with strong participation from both existing shareholders and new investors. To accommodate excess demand, the Company also arranged a Follow-on Placement of A\$300,000, bringing the total raised to A\$1.75 million (before costs).
- In total, 175,060,200 new ordinary shares and 87,530,100 new options (exercisable at A\$0.02, expiry 12 September 2028, ASX code EV1O) are to be issued under the combined Rights Issue and Follow-on Placement. Of that, 30,000,000 shares and 15,000,000 options belong to the Follow-on Placement portion, all issued under existing placement capacity.
- The capital will be used to fund development of the Chilalo Graphite Project, support exploration at the Chikundo copper prospect, meet creditor obligations, cover costs associated with the offers, and bolster general working capital. Mahe Capital Pty Ltd acted as Lead Manager and Underwriter for both the Rights Issue and the Follow-on Placement.
- The Company has entered a process to close the subsidiary Evolution Energy Solutions, LLC

22. Related party transactions

(a) Parent entity

Evolution is the ultimate Australian parent entity of the Group. Evolution is a company limited by shares that is incorporated and domiciled in Australia.

(b) Subsidiaries

Interests in subsidiaries are set out in note 17.

(c) Group transactions

Controlled entities made payments and received funds on behalf of the Company and other controlled entities by way of inter-company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand, however demand for repayment is not expected in the next twelve months.

(d) Key management personnel compensation

	30 June 2025	30 June 2024
	\$	\$
Short-term employee benefits	1,298,482	1,098,648
Post-employment benefits	30,335	69,346
Share-based payments	-	394,872
	<hr/> 1,328,817	<hr/> 1,562,866

Detailed remuneration disclosures are provided in the Remuneration Report.

(e) Other KMP transactions

During the period, Mr. Stephen Dennis was a Non-Executive Director of Marvel Gold Limited (**Marvel**), an ASX listed Company that has a shared services agreement with the Company. Under this arrangement, the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

	30 June 2025	June 2024
	\$	\$
Related part transactions		
Receipts from Marvel (ex-GST)	10,019	70,021
Payments to Marvel (ex-GST)	(4,298)	(4,781)
Amounts outstanding from Marvel at period end	-	4,997
Amounts outstanding to Marvel at period end	-	(153)

No options were granted or issued to Directors and KMP during the year ended 30 June 2025.

Notes to the consolidated financial statements

Further details of the options issued in prior periods including the inputs used to determine the fair value of the share-based payments are included in note 23 below.

23. Share-based payments

(a) Employee option plan

Information on the Company's Option Plan (**Option Plan**) was set out in the Company's Prospectus lodged on 29 September 2021. Given the disclosure of the Option Plan in the Prospectus, the issue of shares under the Plan rules does not count towards the Company's share issuance capacity under ASX listing Rules 7.1 and 7.1A. The Plan is designed to:

- a) assist and reward the retention and motivation of employees;
- b) link employee reward to shareholder value creation; and
- c) align the interests of employees with shareholders by providing an opportunity for employees to receive an equity interest in the Company in the form of Options.

Under the Plan, participants are granted options which are STIs or LTIs and vest upon satisfaction of KPIs as determined by the Board. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

The Employee may exercise the option at any time after they have vested. To exercise an option, an employee must deliver a signed notice of exercise and, subject to a cashless exercise of options, pay the option exercise price (if there is one) prior to the expiry date. An option may specify that at the time of exercise, the employee may elect not to be required to provide payment of the option exercise price. Alternatively, the Company will transfer or issue to the employee that number of shares equal in value to the positive difference between the market value of the shares at the time of exercise and the option exercise price that would otherwise be payable to exercise those options.

The Board has determined that incentive awards will be equity settled to ensure alignment with Company and shareholders' interests and to preserve cash.

Options are granted under the Option Plan for no cash consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share subject to the payment of any applicable exercise price. Outstanding options on issue to former Directors and KMP at 30 June 2025 totals nil (2024: 19,055,136). During the period Performance Rights were granted to Mr Donne without issue and were then reversed as the criteria was not met for the year ended 30 June 2025. Director, KMP and employee options forfeited or lapsed during the financial year ended 30 June 2025 totals 19,055,136 (2024: 2,400,306).

Movement in shares under option comprising directors, KMP and other employees for the financial year ended 30 June 2025 were as follows:

	30 June 2025		30 June 2024	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
As at 1 July	\$0.201	19,055,136	\$0.179	21,455,442
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited or lapsed during the period	\$0.201	(19,055,136)	\$0.000	(2,400,306)
As at 30 June	-	-	\$0.201	19,055,136

Fair value of options granted

The fair value of services received in return for the share options granted is measured by reference to the fair value of options granted. The Black Scholes option pricing model was used to determine the fair value of the options issued to Directors, other KMP and staff for options with an exercise price and also short-term incentives (**STIs**) with non-market based STIs. Long-term incentives (**LTIs**) contain market-based vesting criteria such as share price performance against peer companies. LTIs are valued using the Monte Carlo Simulation method.

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Notes to the consolidated financial statements

The assumptions used for the options valuation are as follows and during the year have all lapsed or forfeited:

	Managing Director / CEO – one off grant	Managing Director / CEO – one off grant	Managing Director / CEO – one off grant	Managing Director / CEO – one off grant	Non-executive Director	Non-executive Director
Underlying value of the security	\$0.28	\$0.28	\$0.28	\$0.28	\$0.40	\$0.40
Exercise price	\$-	\$-	\$-	\$-	\$0.45	\$0.45
Valuation date	23-Sep-22	23-Sep-22	23-Sep-22	23-Sep-22	23-Sep-22	23-Sep-22
Vesting date	23-Sep-24	10-Oct-25	10-Oct-25	10-Oct-25	23-Sep-23	10-Oct-25
Expiry date	10-Oct-27	10-Oct-27	10-Oct-27	10-Oct-27	10-Oct-27	10-Oct-27
Risk free rate	3.68%	3.68%	3.68%	3.68%	3.61%	3.61%
Volatility	100%	100%	100%	100%	100%	100%
Life of Options in years	5	5	5	5	5	5
Number of Options	1,500,000	750,000	375,000	375,000	140,000	250,000
Valuation per Option	\$0.2800	\$0.2800	\$0.1604	\$0.1182	\$0.2894	\$0.2894
Amount lapsed and reversed in profit and loss during the year	-	(\$121,887)	(\$34,912)	(\$25,727)	-	(\$41,987)
Vesting criteria	Note 5	Note 1	Note 5	Note 6	Nil	Nil

	Executive Director / CEO STIs	Executive Directors / CEO LTI's Non-market	Executive Director / CEO LTI's Market	Other ESS STIs
Underlying value of the security	\$0.28	\$0.28	\$0.28	\$0.40
Exercise price	\$-	\$-	\$-	\$-
Valuation date	23-Sep-22	23-Sep-22	23-Sep-22	10-Oct-22
Vesting date	1-Jul-23	1-Jul-25	1-Jul-25	1-Jul-23
Expiry date	10-Oct-25	10-Oct-27	10-Oct-27	10-Oct-25
Risk free rate	3.61%	3.68%	3.68%	3.61%
Volatility	100%	100%	100%	100%
Life of Options in years	3	5	5	3.2
Number of Options	504,587	252,294	252,294	55,942
Valuation per Option	\$0.2800	\$0.2800	\$0.2450	\$0.2600
Amount lapsed and reversed in profit and loss during the year	\$-	(\$45,138)	(\$39,496)	\$-
Vesting criteria	Note 2	Note 3	Note 4	Note 2

Vesting criteria

Note 1:– Managing Director one off options – twelve months of continuous service and a decision to proceed with construction at Chilalo.

Note 2:– Executive Director and other STIs.

The vesting criteria of the STIs issued during the period were:

- Board-approved construction decision for Chilalo mine and/or downstream graphite business (45%);
- Growth – secure technology and complete feasibility study for battery anode materials (12.5%);
- Growth – secure technology via YXGC JV and complete feasibility study for expandable graphite / graphite foil (12.5%); and
- ESG – a range of ESG focused targets (30%).

Note 3:– Executive Director and other ESS LTIs.

The vesting criteria for LTIs issued during the period were:

- Chilalo mine and/or downstream graphite business has achieved commercial production (20%).
- ESG – a range of ESG focused targets (30%).

Note 4:– Executive Director and other ESS LTIs.

The vesting criteria for LTIs issued during the period were:

Notes to the consolidated financial statements

- Relative total shareholder return as shown in the table below (50%).

Evolution's relative TSR	Portion of LTIs that vest
Top 3	100%
4-5	75%
6-7	50%
8-13	0%

Note 5:– Managing Director one off options – share price target of \$0.70.

Note 6:– Managing Director one off options – share price target of \$1.00.

(b) Total shares under option

There are no options outstanding at the end of the period.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions during the period were as follows:

	30 June 2025	30 June 2024
	\$	\$
Options issued under the Plan	(309,147)	230,104
	(309,147)	230,104

The share-based payments expense includes a reversal of expenses from the current and prior periods arising from options forfeited, totalling \$309,147.

At the end of each reporting period, the Company applies a probability to options with non-market based vesting criteria to reflect the likely number of options that will vest at the end of the vesting period taking into consideration all the vesting criteria.

24. Remuneration of auditors

During the period, the following fees were paid and payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) BDO Audit Pty Limited

	30 June 2025	30 June 2024
	\$	\$
<i>(i) Audit and assurance services</i>		
Audit and review of financial statements	71,535	61,400
Other assurance services	-	9,041
Total audit and assurance remuneration	71,535	70,441

(b) PricewaterhouseCoopers (Tanzania component auditor)

	30 June 2025	30 June 2024
	\$	\$
<i>(i) Audit and assurance services</i>		
Audit of financial statements	36,740	34,153
Total audit and assurance remuneration	36,740	34,153

25. Earnings per share

Notes to the consolidated financial statements

	30 June 2025	30 June 2024
	\$	\$
(a) Basic earnings / (loss) per share		
Profit or loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share	(5,105,930)	(10,576,353)
From continuing operations attributable to ordinary equity holders	(0.01)	(0.05)
The weighted average number of shares used to calculate both the basic and diluted earnings per share is 354,449,113 (30 June 2024: 231,904,804).		
(b) Fully diluted earnings / (loss) per share		
From continuing operations attributable to ordinary equity holders	(0.01)	(0.05)
(c) Information concerning the classification of securities		
Options granted to employees under the Plan and those issued to contractors are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share with the assumption all such options will vest, and to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 23.		

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Notes to the consolidated financial statements

26. Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

a. Summary of financial information

	30 June 2025	30 June 2024
	\$	\$
<i>Statement of financial position</i>		
Current assets	101,030	3,160,586
Non-current assets	7,379	10,980
Total assets	108,409	3,171,566
Current liabilities	(621,138)	(556,320)
Total liabilities	(621,138)	(556,320)
<i>Shareholders' equity</i>		
Issued capital	44,290,939	42,067,565
Reserves	-	3,272,936
Retained earnings	(43,778,210)	(42,725,255)
Total shareholders' equity	512,729	2,615,246
Profit / (Loss) for the period	(2,155,745)	(10,323,411)
Total comprehensive profit / (loss)	(2,155,745)	(10,323,411)

b. Guarantees

Evolution, as the parent company, has provided a guarantee for financial support of its wholly subsidiary Kudu Graphite Limited and Ngwena Tanzania Limited for the 2025 financial year. This guarantee is provided each year as it does not have the ability to fund itself in its own right.

c. Commitments

The Company has no leases or commitments.

d. Contingencies

All contingencies outlined in note 19 are the contingent liabilities of the Company.

27. Basis of preparation

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. The financial statements are for the Group consisting of Evolution and its subsidiaries disclosed in note 17.

(a) Basis of preparation

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

(i) Historical cost convention

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

(ii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 28.

(iii) New or amended Accounting Standards and Interpretations adopted

Notes to the consolidated financial statements

The accounting standards and interpretations relevant to the operations of the Group are consistent with those of the previous financial year. There are some amendments and interpretations effective for the first time from 1 July 2024, though they did not have any impact on the current period or any prior period and is not likely to affect future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have any impact on future reporting periods.

(b) Going concern

The financial report for the year ended 30 June 2025 has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group has incurred net losses after tax of \$5,105,930 (30 June 2024: \$10,576,353) and experienced net cash outflows from operating, financing and investing activities of \$2,987,623 for the year ended 30 June 2025 (30 June 2024: \$1,321,545 outflow). As at 30 June 2025, the Group had cash assets of \$81,894 (30 June 2024: \$3,065,627) and net assets of \$5,092,624 (30 June 2024: \$8,162,878). These conditions indicated a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Subsequent to period end, the Company completed a rights issue for \$1,750,602 with the issue of 175,060,200 Shares at a price of \$0.01 including the issue of 87,530,100 free attaching options before costs. This cash was received in September.

The Directors believe that there are sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report. However, the ability of the Group to continue as a going concern is dependent on securing additional funding through a capital raising or other fund-raising activities. The Directors consider it is reasonable to assume that additional funds will be able to be raised as required and that the Group will continue as a going concern. As such, the financial report has been prepared on 'a going concern' basis.

The Directors believe there are sufficient funds to meet the Group's committed minimum expenditure requirements and, as at the date of this report, the directors believe they can meet all liabilities as and when they fall due dependent on securing additional funding via a capital raising or other fund-raising activities. The Directors have reviewed the business outlook and are of the opinion that the use of the going concern basis of accounting is appropriate.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

28. Material Accounting policies

The accounting policies and methods of computation adopted in the preparation of the financial report are consistent with Australian Accounting Standards.

(a) New and amended standards adopted by the Company

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are mandatory for the current reporting period.

(b) Principles of consolidation and equity accounting

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

The acquisition method of accounting is used to account for business combinations by the Group.

Investments in subsidiaries are accounted for at cost in the parent entity information disclosures of Evolution.

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

Notes to the consolidated financial statements

(c) Impairment

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of profit or loss and other comprehensive income.

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

(d) Exploration and evaluation costs

Costs arising from the acquisition of exploration and evaluation activities are carried forward where these activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ongoing exploration activities are expensed as incurred.

The Directors believe that this policy results in the carrying value of exploration expenditure more appropriately reflecting the definition of an asset, being future benefits controlled by the Group. All costs carried forward are in respect of areas of interest in the exploration and evaluation phases and accordingly, production has not commenced.

Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, in particular when exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area.

Where tenements or part of an area of interest are disposed of, the proceeds of this partial disposal will reduce the value of the asset by the fair value of those proceeds. This recognises that part of the future economic benefit of the asset has effectively been disposed.

(e) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost when the Group becomes obliged to make payments resulting from the purchase of goods and services. The amounts are non-interest-bearing, unsecured and are usually paid within 30 days of recognition.

(f) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(g) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid, inclusive of on costs, when the liabilities are settled. The expense for non-accumulating sick leave is recognised when the leave is taken and measured at the rates paid or payable.

Share-based payment transactions

The fair value is measured at grant date and recognised over the period during which the Directors, employees or contractors become unconditionally entitled to the options.

The fair value of the options at grant date is independently determined using the Black-Scholes option and Monte Carlo simulation pricing models that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The expense recognised each period takes into account the most recent estimate. The

Notes to the consolidated financial statements

impact of the revision to original estimates, if any, is recognised in the consolidated statement of comprehensive income with a corresponding adjustment to equity.

The fair value of these equity instruments does not necessarily relate to the actual value that may be received in future by the recipients. The Company accounts for share based payments issued to non-employees in accordance with the share based payments standard.

(h) Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable of the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax exposures

In determining the amount of current and deferred tax the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(i) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of other receivables is reviewed on an ongoing basis to assess impairment.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Notes to the consolidated financial statements

(j) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(k) Segment reporting

Segment results that are reported to the Group's Managing Director (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

(l) Parent entity information

The financial information for the parent entity, Evolution, disclosed in note 26 has been prepared on the same basis as the consolidated financial statements.

(m) Foreign currency translation

Functional and presentation currency

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

Foreign currency transactions

Transactions in foreign currencies are translated to the respective financial currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities that are measured in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to the presentation currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve (translation reserve) in equity. When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

29. Critical accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Notes to the consolidated financial statements

Exploration and evaluation

Exploration and evaluation acquisition costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the recoverability of the value of the asset. The Company assesses whether any impairment indicators may exist over the area of interest to assess recoverability each year.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options at grant date is independently determined using the Black-Scholes option and Monte Carlo simulation pricing models that take into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, market based conditions and the risk-free interest rate for the term of the option. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Rights to tenure

The carrying value of exploration and evaluation assets is dependent on the Group maintaining legal rights of tenure to the relevant mining licences. On 15 April 2025, Kudu Graphite Limited, the holder of Mining Licence ML 716/2023, received a default notice from the Tanzanian Mining Commission, primarily citing failure to commence mining operations within 18 months of the licence grant. The Company has submitted a detailed response and development plan which has been acknowledged but not yet formally endorsed.

Management has exercised significant judgement in concluding that it is appropriate to continue to recognise the exploration and evaluation asset relating to ML 716/2023 on the basis that:

- the Mining Act provides the Commission with discretion to allow the default to be remedied;
- constructive and ongoing dialogue with the Commission is in place; and
- based on precedent and government engagement to date, the Directors consider the risk of suspension or cancellation of the licence to be low.

Nevertheless, until the matter is formally resolved, there is uncertainty over the tenure of the licence. If the Mining Commission were to suspend or cancel ML 716/2023, this would have a material adverse impact on the Group's ability to realise the carrying value of the related exploration and evaluation assets.

Consolidated Entity Disclosure Statement

Name	Type of entity	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)	Class of shares	Equity Holding 30 June 2025
Evolution Energy Minerals Limited	Body corporate	Australia	Australia	N/A	Ordinary	Parent
Evolution Energy Holdings Pty Limited	Body corporate	Australia	Australia	N/A	Ordinary	100
Evolution Energy UK Limited	Body corporate	United Kingdom	No	United Kingdom	Ordinary	100
Evolution Energy Solutions LLC	Body corporate	United States	No	United States of America	Ordinary	100
Evolution Recycling Solutions LLC	Body corporate	United States	No	United States of America	Ordinary	100
Kudu Graphite Limited	Body corporate	Tanzania	No	Tanzania	Ordinary	86
Ngwena Tanzania Limited	Body corporate	Tanzania	No	Tanzania	Ordinary	100

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) 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 judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

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

- Australian tax residency

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

- Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295 (3A)(vii) of the *Corporations Act 2001*).



Paul Atherley
Non-Executive Chairman
PERTH
On this 30 day of September 2025

Directors' declaration

In the opinion of the Directors:

- (a) the consolidated financial statements and notes set out on pages 30 to 54:
 - (i) comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - (ii) comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 27 to the financial statements;
 - (iii) give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) The consolidated entity disclosure statement on page 55 is true and correct.

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the Corporations Act 2001.

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



Paul Atherley
Non-Executive Chairman
PERTH
On this 30 day of September 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Evolution Energy Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Evolution Energy Minerals 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material uncertainty related to going concern

We draw attention to Note 27 (b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 8 to the Financial Report, the carrying value of the exploration and evaluation asset represents a significant asset of the Group.</p> <p>The Group's accounting policies and significant judgements applied to exploration and evaluation expenditure are detailed in Note 28 and Note 29 of the Financial Report.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ('AASB 6'), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts and circumstances that exist to suggest the carrying amount of this asset may exceed its recoverable amount.</p> <p>This includes judgement applied in relation to a default notice received for Mining Licence ML 716/2023, as disclosed in note 29 of the financial statements.</p> <p>As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> Assessing whether rights to tenure of the Group's area of interest remained current at balance date; Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; Considering whether any facts or circumstances existed to suggest impairment testing was required; Obtaining legal confirmation and a memorandum from external council, in relation to the default notice received in respect of ML 716/2023; and Assessing the adequacy of the related disclosures in Notes 8, 28 and 29 to the Financial Report.

Other information

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

Our opinion on the financial report does not cover the other information and 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 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgare/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 15 to 23 of the directors' report for the year ended 30 June 2025.



In our opinion, the Remuneration Report of Evolution Energy Minerals 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.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'BDO' on the top line and 'Watkins' on the bottom line.

Jeremy Watkins

Director

Perth, 30 September 2025

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ASX Additional Information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. Unless otherwise stated, the information is current as at 23 September 2025.

1. Distribution of Equity Securities

Analysis of number of equity security holders by size of holding.

Ordinary Shares

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	101	68,538	0.01%
above 1,000 up to and including 5,000	559	1,572,202	0.29%
above 5,000 up to and including 10,000	332	2,849,087	0.53%
above 10,000 up to and including 100,000	568	22,254,492	4.14%
above 100,000	260	510,966,357	95.03%
Totals	1,820	537,710,676	100.00%

There are 1,318 holders of an unmarketable parcel of shares, representing 11,070,149 shares.

Listed Options

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	27	17,362	0.02%
above 1,000 up to and including 5,000	65	198,845	0.22%
above 5,000 up to and including 10,000	29	237,626	0.26%
above 10,000 up to and including 100,000	123	4,157,934	4.57%
above 100,000	47	86,419,553	94.93%
Totals	291	91,031,320	100.00%

There are 205 holders of an unmarketable parcel of shares, representing 2,487,577 shares.

2. Top 20 Holders of Quoted Shares

Position	Holder Name	Holding	% Issued Capital
1	SRF HOLDCO GP PCC LIMITED	127,739,331	23.76%
2	METALS ONE PLC	90,885,000	16.90%
3	RIAN INTERNATIONAL HOLDINGS PTE LTD	25,860,000	4.81%
4	DEUTSCHE BALATON AKTIENGESELLSCHAFT	22,804,375	4.24%
5	OCEANVIEW ROAD PTY LTD	20,799,926	3.87%
6	MR CARL ROETGER	9,102,000	1.69%
7	MR ANDREW MALCOLM CLAYTON <THE KING CAREY A/C>	8,740,000	1.63%
8	MAHE INVESTMENTS PTY LTD	7,843,683	1.46%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,817,309	1.45%
10	PA & JB LEACH INVESTMENTS PTY LTD <LEACH FAMILY S/F A/C>	6,995,369	1.30%
11	SELECTION INVESTMENTS LIMITED	6,500,000	1.21%
12	PUMPA HOLDINGS PTY LTD	6,360,000	1.18%
13	ABBOTSLEIGH PTY LTD <I GANDELSHARE INVESTMENT A/C>	6,250,000	1.16%
14	ONE MANAGED INVESTMENT FUNDS LIMITED	6,069,509	1.13%
15	SHOWCITY PTY LTD	6,000,000	1.12%
16	MOULTON SUPER PTY LTD <MOULTON SUPERANNUATION FUND>	5,500,000	1.02%
17	BNP PARIBAS NOMINEES PTY LTD	5,067,283	0.94%
18	JOLUK INVESTMENTS PTY LTD	4,700,000	0.87%
19	MR HANS RICHARD EBERSTALLER	4,700,000	0.87%
20	LOMACOTT PTY LTD <THE KEOGH SUPER FUND A/C>	4,440,000	0.83%
	Total	384,173,785	71.45%
	Total issued capital	537,710,676	100.00%

ASX Additional Information

Top 20 Holders of Quoted Options

Position	Holder Name	Holding	% Issued Capital
1	METALS ONE PLC	26,492,500	29.10%
2	SRF HOLDCO GP PCC LIMITED	18,248,476	20.05%
3	MAHE INVESTMENTS PTY LTD	7,423,046	8.15%
4	OCEANVIEW ROAD PTY LTD	5,399,988	5.93%
5	SELECTION INVESTMENTS LIMITED	3,250,000	3.57%
6	MOULTON SUPER PTY LTD <MOULTON SUPERANNUATION FUND>	2,750,000	3.02%
7	MR ANDREW MALCOLM CLAYTON <THE KING CAREY A/C>	2,320,000	2.55%
8	PUMPA HOLDINGS PTY LTD	1,880,000	2.07%
9	JOLUK INVESTMENTS PTY LTD	1,850,000	2.03%
10	MR CARL ROETGER	1,476,000	1.62%
11	WLP INVESTMENTS PTY LTD	1,250,000	1.37%
12	HEITON PARK PTY LTD	1,197,486	1.32%
13	HERVEY BAY VENTURES PTY LTD <CJG SUPER FUND A/C>	1,175,000	1.29%
14	TEAL SUPERANNUATION PTY LTD	1,015,241	1.12%
15	MR GRAEME JOHN CLATWORTHY <CLATWORTHY FAMILY NO 1 A/C>	1,000,000	1.10%
16	PA & JB LEACH INVESTMENTS PTY LTD <LEACH FAMILY S/F A/C>	941,101	1.03%
17	LOMACOTT PTY LTD <THE KEOGH SUPER FUND A/C>	720,000	0.79%
18	T R SAMUELS TRANSPORT PTY LIMITED	600,000	0.66%
19	MR HANS RICHARD EBERSTALLER	558,756	0.61%
20	MR JOHN PATRICK O'LEARY	547,098	0.60%
	Total	80,094,692	87.99%
	Total issued capital	91,031,320	100.00%

3. Substantial Shareholders

Substantial shareholders (shareholders who hold 5% or more of the issued share capital):

	Number of Shares	Percentage Held
SRF HOLDCO GP PCC LIMITED	127,739,331	23.76%
METALS ONE PLC	90,885,000	16.90%

Substantial option holders (option holder who hold 5% or more of the issued option capital):

	Number of Options	Percentage Held
METALS ONE PLC	26,492,500	29.10%
SRF HOLDCO GP PCC LIMITED	18,248,476	20.05%
MAHE INVESTMENTS PTY LTD	7,423,046	8.15%
OCEANVIEW ROAD PTY LTD	5,399,988	5.93%

4. Voting Rights

(a) Ordinary Shares

Each shareholder is entitled to receive notice of and attend and vote at general meetings of the Company. At a general meeting, every shareholder present in person or by proxy, representative of attorney will have one vote on a show of hands and on a poll, one vote for each share held.

(b) Options have no voting rights

5. Quoted Securities on Issue

The Company has 537,710,676 quoted shares on issue and 91,031,320 quoted options on issue.

ASX Additional Information

6. Unquoted Equity Securities

The Company has 1,820,887 unquoted securities on issue.

Date of Expiry	Exercise Price	Number of Options	No of Option Holders
10 October 2025	\$0.45	390,000	1
10 October 2027	\$0.00	1,430,887	5
		1,820,887	6

7. Largest Holders of Unlisted Options

Position	Holder Name	Holding	% of Issued Option Class
1	PHIL HOSKINS	504,587	35.26%
2	MR MICHAEL EMIL BOURGUIGNON	433,486	30.29%
3	VICKY PUNCHEON	314,373	21.97%
4	STUART MCKENZIE & RUTH MCKENZIE <MCKENZIE FAMILY A/C>	176,147	12.31%
5	MR CHRISTOPHER BRUCE KNEE <MOUNT BEDFORD CORPORATE A/C>	2,294	0.17%
	Total	1,430,887	100%

8. Tenement interests as at 23 September 2025

Tenement	Ownership	Project	Location
ML 769/2023	84%	Chilalo	South-east Tanzania
PL 25161/2023	84%	Chilalo	South-east Tanzania

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