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SPARC TECHNOLOGIES LIMITED

Annual Report 2026

For the year ended 30 June 2026
ACN 009 092 068

ASX: SPN
FSE: NLR · OTCQB: SPTCF

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Sparc is focused on developing new technologies in graphene additive materials and photocatalytic green hydrogen, which have a positive impact on climate change and sustainability. Sparc continues to work with partners in Australia and globally to commercialise its products.

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APPENDIX 4E

Preliminary Final Report

1. Company details

Name of entity	Sparc Technologies Limited
ABN	13 009 092 068
Reporting period	For the year ended 30 June 2026
Previous period	For the year ended 30 June 2025

2. Results for announcement to the market

	2026 (A$)	2025 (A$)	PERCENTAGE CHANGES
Revenues from ordinary activities	23,230	-	Up
Loss from ordinary activities after tax attributable to the members	(2,751,958)	(2,276,659)	Up 21%
Loss for the period attributable to members	(2,751,958)	(2,276,659)	Up 21%
Dividends (distributions)	-	-	N/A

No dividend has been paid during the year ended 30 June 2026

The directors have not proposed a dividend for the year ended 30 June 2026

3. Net Tangible Assets

	REPORTING PERIOD CENTS	PREVIOUS PERIOD CENTS
Net tangible assets per ordinary security	1.80	3.56

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4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

NAME OF ASSOCIATE / JOINT VENTURE	REPORTING ENTITY'S PERCENTAGE HOLDING		CONTRIBUTION TO PROFIT/(LOSS) (WHERE MATERIAL)	
	Reporting period %	Previous period %	Reporting period ($'000)	Previous period ($'000)
Sparc Hydrogen Pty Ltd	36%	36%	(140)	(553)

7. Audit qualification or review

DETAILS OF AUDIT / REVIEW DISPUTE OR QUALIFICATION (IF ANY)

The financial statements have been audited and an unmodified opinion has been issued.

8. Attachments

DETAILS OF ATTACHMENTS (IF ANY)

The Annual Report of Sparc Technologies Limited for the year ended 30 June 2026 is attached.

9. Signed

Nicholas O'Loughlin

Managing Director

28 August 2026

Corporate Directory

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DIRECTORS

Nicholas (Nick) O'Loughlin
Daniel Eddington
Simon Kidston

COMPANY SECRETARY

Adrien Wing

REGISTERED OFFICE

Sparc Technologies Limited
ABN 13 009 092 068
Level 2, 480 Collins Street
Melbourne VIC 3000
Email: info@sparctechnologies.com.au

PRINCIPAL PLACE OF BUSINESS

51 Rundle Street
Kent Town SA 5067
Adelaide, SA 5067

SHARE REGISTER

Xcend Pty Ltd
Level 2 477 Pitt Street
Haymarket NSW 2000
Email: rhianna.lewis@xcend.co

AUDITOR

BDO
Level 19 30 Pirie Street
Adelaide, SA 5000

SOLICITORS

Hamilton Locke
Level 39, 152-158 St Georges Terrace
Perth, WA 6000

BANKERS

NAB
Adelaide Office
Ground Level
22-28 King William Street
Adelaide SA 5000

STOCK EXCHANGE LISTING

Sparc Technologies Limited Shares are listed on the Australian Securities Exchange (ASX code: SPN)

WEBSITE

https://sparctechnologies.com.au

CORPORATE GOVERNANCE STATEMENT

https://sparctechnologies.com.au/corporate-information/

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Chairman's Letter

Simon Kidston
Non-Executive Chairman

Dear Shareholder,

I am pleased to present Sparc Technologies' Annual Report for the financial year 2026. FY26 was a landmark year in which both of our core technology areas — graphene additives and green hydrogen — moved from validation towards genuine commercial traction, while we further strengthened our financial position, team and international shareholder base.

In our graphene additives business, FY26 saw ecosparc® progress from first commercial sale to genuine product adoption. In April, tier 1 global coatings manufacturer AkzoNobel confirmed it would commercially offer ecosparc® enhanced Interzone® 954 in Australia, representing the first widely used protective coatings product to incorporate ecosparc® globally. This momentum extended internationally in June, when Petro Vietnam Paint committed to incorporating ecosparc® within its PERAPHENE range, marking the first international coatings product range to feature our technology. These outcomes followed sustained field trial performance throughout the year across sites owned by the South Australian Department for Infrastructure and Transport, BHP Mitsubishi Alliance, Santos, National Trust of SA and 29Metals, together with a public collaboration with Dulux and an award-winning published research paper with Saudi Aramco.

We also broadened our graphene additive portfolio with the launch of SparcES™ in June, targeting the electrostatic discharge and conductive coatings market for use in data centres, semiconductor fabrication and EV battery manufacturing — a segment estimated to grow from US$1.2 billion in 2026 to approximately US$1.65 billion by 2030. Together with ecosparc®, our addressable market opportunity across five distinct coatings segments is beyond US$50 billion.

To support this growth, we strengthened our commercial team with the appointment of Peter Wenzke as Business Development Manager, and in March entered into a Letter of Intent with HydroGraph Clean Power Inc. to diversify our graphene supply chain.

Our R&D team also continued to progress new applications for graphene in polymers, including graphene-enhanced paper packaging in collaboration with Detmold, and graphene-enhanced aquaculture nets with Flinders University, supported by an Australian Economic Accelerator Ignite grant. These initiatives continue to reflect Sparc's deep expertise in graphene sourcing, characterisation and incorporation into high-performance, sustainability-focused materials.

Turning to green hydrogen, Sparc Hydrogen's photocatalytic water splitting (PWS) technology continues to stand out as a genuine alternative to conventional green hydrogen production. By using only sunlight, water and a photocatalyst to produce hydrogen — without the need for electrolysers or extensive electrical infrastructure — our approach offers a more cost-effective and scalable pathway to green hydrogen, at a time when the broader industry continues to grapple with challenging project economics and access to cheap electricity.

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FY26 delivered the milestone the Sparc Hydrogen joint venture has been building toward since Stage 2 was approved: in December, the Roseworthy pilot plant commenced operation, generating hydrogen directly from sunlight using commercial concentrated solar infrastructure for the first time. This was followed by more than six months of continuous operation, during which the plant achieved fully autonomous remote start-up and shut-down, sustained hydrogen production at maximum reactor design pressure and elevated temperatures, and stable performance through a harsh South Australian summer with ambient temperatures reaching 46°C — providing compelling validation of the technology under real-world conditions. This achievement was underpinned by the A$2.75 million Australian Economic Accelerator grant awarded in July, and by the appointment of Sparc Hydrogen's inaugural CEO, Alana Barlow, in December, who has since led an extensive business development program across Japan, Spain, Germany, the United Kingdom and the Netherlands, culminating in attendance at the World Hydrogen Summit in Rotterdam. Sparc Hydrogen also continued to strengthen its IP position, with patent grants received in Morocco, South Africa, Chile, Saudi Arabia and Japan, with a further thirteen jurisdictions pending, and a new Australian provisional patent application submitted covering our latest reactor designs.

FY26 also saw Sparc Technologies broaden its international shareholder base, obtaining a secondary listing on the Frankfurt Stock Exchange in March and an uplisting to the OTCQB Venture Market in the United States in June. Both listings are secondary to our primary ASX listing and did not involve the issue of new shares, but they have meaningfully extended our visibility and liquidity as our commercial footprint grows across Europe and North America. In November we also celebrated five years as a listed company, and I thank our almost 4,000 shareholders — including many who have supported us since listing — for their continued backing through what remains a challenging capital markets environment for pre-revenue technology and early-commercialisation businesses.

I extend my thanks to all employees, collaborators and research partners for their dedication and effort throughout the year. On behalf of the Board, I also thank Nick O'Loughlin and his team for their leadership in translating our differentiated technology positions into real commercial outcomes.

With ecosparc® now adopted by two global coatings manufacturers, SparcES™ opening a significant new growth market, and with Sparc Hydrogen validating its technology at Roseworthy while building relationships across the world's most active hydrogen markets, Sparc Technologies enters FY27 with clear commercial momentum across both of our technology platforms. I am excited about the opportunities that lie ahead and thank you for your continued support.

Simon Kidston

Non-Executive Chairman

28 August 2026

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SPARC TECHNOLOGIES · JUNE 2026

Director's Report

The directors present their report, together with the financial statements, on the Group (referred to hereafter as the 'Group') consisting of Sparc Technologies Limited (formerly Acacia Coal Limited) (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Principal activities

Sparc is focused on developing new technologies in graphene additive materials and photocatalytic green hydrogen, which have a positive impact on climate change and sustainability. Sparc continues to work with partners in Australia and globally to commercialise its products.

Dividends

No Dividends were declared or paid during the financial year.

DIRECTORS

Nick O'Loughlin
Managing Director

Daniel Eddington
Non-Executive Director

Simon Kidston
Non-Executive Chairman

Review of Operations – FY26

Sparc Technologies holds a globally leading position within its two business segments which both progressed strongly during FY26:

1

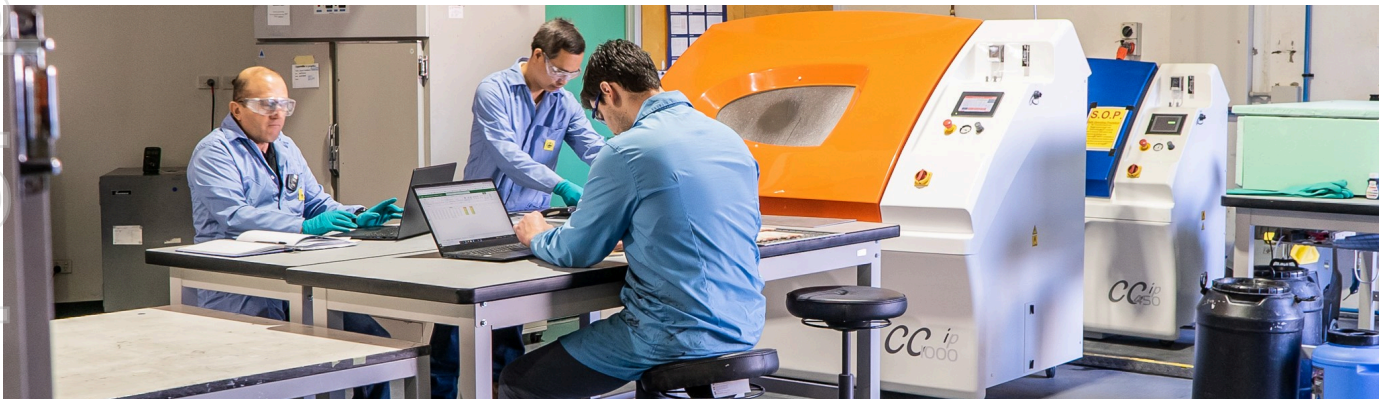
Development and commercialisation of graphene additives for high performance coatings and polymers; and

2

Development of next-generation green hydrogen technology via investment and participation in the Sparc Hydrogen joint venture.

Our two business segments are connected by a single objective: helping global industry reduce its environmental footprint through better materials and cleaner energy. Our graphene additive products, developed by our world leading team, enhance the performance of highly engineered coatings and polymers with valuable IP and know-how, while our hydrogen technology offers a pathway to producing a clean fuel and feedstock using nothing more than sunlight and water. Both reflect Sparc's focus on practical, scalable innovation with genuine commercial application.

Rather than pursuing capital-intensive infrastructure development at scale, the Company's strategy is to monetise its novel technologies through the sale of materials, processing know-how and licences, maximising the reach and value of its intellectual property to deliver shareholder value.



Sparc's technical team at the Company's coatings and corrosion testing facility.

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BUSINESS SEGMENT 01

Graphene Additives

Development and commercialisation of graphene additives for high performance coatings and polymers.

Graphene Additives

ecosparc®

sparcES

Sparc achieved strong commercial progress within its graphene additives business during FY26, with ecosparc® moving from first commercial sale to genuine commercial adoption within the protective coatings industry. Key highlights achieved during the financial year included:

- First commercial sale of ecosparc®.
- Commercialisation of ecosparc® enhanced Interzone® 954 by tier 1 global coatings manufacturer AkzoNobel within Australia.
- Petro Vietnam Paint (PV PAINT) committing to incorporate ecosparc® within its PERAPHENE range of protective coatings.
- Launch of SparcES™, a new graphene additive range for electrostatic discharge (ESD) and conductive coatings used in data centres, as well as other high growth industries, targeting a market estimated to grow from US$1.2 billion in 2026 to approximately US$1.65 billion by 2030.
- Addition of customer led R&D projects in water-based coatings and powder coatings significantly expanding Sparc's addressable market opportunity across five distinct coatings segments to beyond US$50 billion.
- Salt spray corrosion testing in environmentally friendly water-based coatings delivered up to 60% corrosion reduction with ecosparc®.
- Letter of Intent signed with HydroGraph Clean Power Inc. to diversify Sparc's graphene supply chain across water-based and solvent-based coatings.
- Field trials of ecosparc® enhanced coatings extended beyond 12 months at Streaky Bay, Golden Grove and Port Bonython, with continued positive performance results.
- Collaboration with Dulux Australia on the application of an ecosparc® enhanced protective coating system at the Cape Jaffa Lighthouse.
- Awarded Best Paper at the 19th Middle East Corrosion Conference in Saudi Arabia, co-authored with Aramco, the world's largest oil & gas company.
- Appointment of Peter Wenzke as Business Development Manager to support the commercial roll-out of ecosparc® enhanced protective coatings.

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Field trials and commercial pipeline

Figure 1: Photos of ecosparc® field trial infrastructure.

The Company enters FY27 with a record pipeline of >20 active commercial opportunities across multiple coatings segments representing annual coatings volumes >50ML. With ecosparc® now commercialised through two global coatings manufacturers and SparcES™ opening a significant new market, the Company expects to achieve further product adoption for its graphene additives by international coatings companies which will in turn deliver a growing revenue base through FY27.

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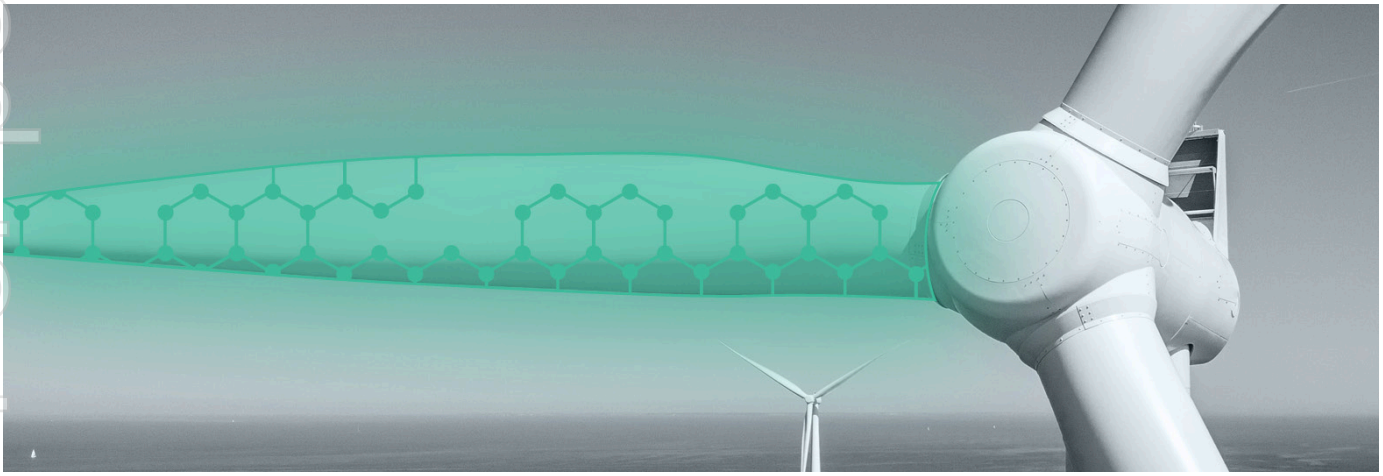
Graphene-enhanced polymers and adjacent applications

In addition to commercialisation activities for Sparc's graphene additives within high performance coatings, the Company continued to progress research & development into adjacent graphene-enhanced polymer applications, including:

- Continued proof-of-concept testing for graphene-enhanced sustainable packaging in collaboration with Detmold Packaging.
- Ongoing development of graphene-enhanced aquaculture netting with Flinders University, supported by an AEA Ignite grant.
- Launch of a collaborative project with the Australian Institute for Machine Learning (AIML) at the Adelaide University, developing AI-driven corrosion assessment software with a strong initial proof-of-concept.

Figure 2: Twin-screw extruder used for graphene-polymer compounding



Graphene additives target high-performance, sustainability-focused materials across industrial and energy infrastructure.

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BUSINESS SEGMENT 02

Sparc Hydrogen

Development of next-generation green hydrogen technology via investment and participation in the Sparc Hydrogen joint venture.

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Sparc Hydrogen

Sparc Hydrogen, a joint venture between Sparc Technologies (36%), Fortescue Ltd (36%) and the Adelaide University (28%), achieved key milestones for its pioneering photocatalytic water splitting (PWS) green hydrogen production technology during FY26, including:

36%	36%	28%
Sparc Technologies	Fortescue Ltd	The Adelaide University

- Completion of construction and commissioning of Sparc Hydrogen's first-of-its-kind green hydrogen pilot plant at Roseworthy, achieving first sustained hydrogen generation utilising commercial concentrated solar infrastructure in December 2025.
- More than six months of continuous pilot plant operation under concentrated sunlight, including fully autonomous remote start-up and shut-down, sustained hydrogen production at maximum reactor design pressure and elevated temperatures, and stable performance through a harsh South Australian summer with ambient temperatures reaching 46°C.
- Testing and validation of new high performing photocatalyst materials in the laboratory setting the platform for deeper collaboration.
- Appointment of Ms Alana Barlow as Sparc Hydrogen's inaugural CEO.
- Five international patents granted over its core concentrated solar reactor technology, plus a new Australian provisional patent application submission covering the latest PWS reactor design elements.
- A$2.75 million AEA Innovate grant awarded to support pilot plant operation, R&D and commercialisation activities over a 24 month period.
- Extensive business development program led by CEO Alana Barlow across Japan, Spain, Germany, the United Kingdom and the Netherlands, culminating in attendance at the World Hydrogen Summit in Rotterdam, alongside a delegation to Japan that included an industry roundtable at the Australian Embassy.

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Figure 3: SHARP Pilot Plant at Roseworthy

With the Roseworthy pilot plant now validated across a full range of operating conditions, Sparc Hydrogen is well positioned to build on this platform during FY27, deepening relationships with photocatalyst developers and industrial partners across Europe and Asia while progressing towards scale-up and commercialisation of its PWS reactor technology.

Corporate

Corporate and financial highlights during FY26 included:

FRANKFURT STOCK EXCHANGE

Secondary listing obtained on the Frankfurt Stock Exchange (ticker: NLR) in March 2026.

OTCQB VENTURE MARKET

Uplisting to the OTCQB Venture Market in the United States (ticker: SPTCF) obtained in June 2026.

SHARE REGISTRY

Change of share registry from MUFG Corporate Markets to Xcend Pty Ltd completed in September 2025.

R&D TAX REBATE

A$981K R&D tax rebate received in November 2025 relating to FY25.

Likely developments and expected results of operations

With the achievement of first commercial sales and two coatings manufacturers releasing ecosparc®-enhanced products since May 2026, including global coatings manufacturer AkzoNobel, Sparc has a strong and growing platform to establish itself as the leading graphene additive supplier to the coatings industry. The Company currently has more than 20 active testing programs and is targeting multiple new commercial products with the coatings industry during FY27. Sparc Technologies' investment in Sparc Hydrogen, supporting technology validation and its commercial scale-up pathway, is expected to deliver exciting results in FY27.

Matters subsequent to the end of the financial year

The entity has announced an offer to raise share capital on 18 August 2026 up to $2.5m.

Significant changes in the state of affairs

Other than disclosed elsewhere in this Director's Report, there have been no other significant changes in the state of affairs of the Group which occurred during the year.

For a complete list of ASX announcements, please refer to Sparc's website, www.sparctechnologies.com.au

Environmental regulation

The Directors assessment of business opportunities and management of operations include consideration of the impact of such activities on the environment and climate change. The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

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DIRECTOR'S REPORT

Governance

Information on Directors and the Company Secretary.

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Information on Directors

Simon Kidston

Non-Executive Chairman · appointed Non-Executive Chairman 13 March 2025

TITLE	Non-Executive Chairman
QUALIFICATIONS	BCom. Grad Dip Applied Finance and Investment
EXPERIENCE AND EXPERTISE	Mr Kidston is a highly experienced company director and former investment banker with over 30 years' experience.

He was the founding Director of Genex Power Limited (ASX: GNX), which was acquired by J-Power in July 2024 for an enterprise value exceeding A$1 billion. Prior to his work at Genex, Mr Kidston had a successful career in investment banking working with Macquarie Bank, HSBC and Helmsec Global Capital. He has deep experience and a strong track record in assisting growth phase companies through accessing capital, negotiating strategic relationships and M&A.

Mr Kidston also serves on a number of other boards including as a Non-Executive Director of Lithium Plus Minerals (ASX: LPM), Non-Executive Chairman of Energy Transition Minerals (ASX: ETM), Non-Executive Chairman of Permagen Limited (Private), Non-Executive Director of Moonlight Resources Limited (ASX: ML8), Non-Executive Director of Greentech Metals Ltd (ASX: GRE) and Non-Executive Director of Bifox Limited.

SPECIAL RESPONSIBILITIES	Non-Executive Chairman
INTEREST IN SHARES	133,334 ordinary shares and 2,250,000 options

Information on Directors (continued)

Daniel Eddington

Non-Executive Director · appointed 12 November 2020

TITLE	Non-Executive Director
QUALIFICATIONS	BCom. And Grad. Diploma in Finance.
EXPERIENCE AND EXPERTISE	Mr. Eddington has over 25 years' experience in financial markets across multiple sectors including the resource, energy and industrial sectors. Mr Eddington is currently a Non- Executive Director of Osmond Resources Limited (ASX:OSM), Jade Gas Holdings (ASX:JGH) and Non-Executive Director of New Age Exploration (ASX: NAE) Mr Eddington specialises in equity capital markets and has been responsible for IPOs, placements, reverse takeovers, underwritings, corporate negotiations and corporate advisory for companies predominately in the resources sector.
INTEREST IN SHARES	3,239,103 ordinary shares and 1,000,000 options

Nicholas O'Loughlin

Managing Director · appointed 29 January 2024

QUALIFICATIONS	BEng (Mining)(Hons) BCom (CorpFin)
EXPERIENCE AND EXPERTISE	Mr. O'Loughlin spent over a decade in investment banking in Australia and London. Nick was an Associate Director (Vice President) at Rothschild & Co in London from 2017 to 2020, where he advised on several landmark transactions in the resources sector. Prior to that, he was in Standard Chartered Bank's Mining & Metals team. Since his investment banking career, Nick has held consulting roles with Rio Tinto on renewable energy projects and was Chief Development Officer for NYSE listed Battery Future Acquisition Corp. Nick has been working for Sparc Technologies since January 2022 and took the role of Managing Director in January 2024.
INTEREST IN SHARES	287,879 ordinary shares 3,000,000 performance rights and 250,000 options

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Company Secretary

Adrien Wing

Company Secretary · appointed 12 November 2020

Adrien Wing (B.Bus) is a certified practising accountant. He has worked in audit and corporate advisory for a chartered accounting firm before moving to assist a number of public companies listed on the ASX as a corporate account consultant and company secretary. Mr Wing was appointed on 12 November 2020 and is engaged through Northern Star Nominees Pty Ltd. Mr Wing holds 312,351 ordinary shares and 1,000,000 options.

Sparc Hydrogen's concentrated solar reactor array at Roseworthy, South Australia.

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CORPORATE GOVERNANCE

The Board oversees the Company's business and is responsible for the overall corporate governance of the Company. It monitors the operations, financial position and performance of the Company and oversees its business strategy, including approving the strategy and performance objectives of the Company.

The Board is committed to maximising performance and generating value and financial returns for shareholders.

To the extent relevant and practical, the Company has adopted a corporate governance framework that is consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

The Company's Corporate Governance Plan, including key policies, is available on the Company's website at Corporate Information - Sparc Technologies.

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors ('the Board') during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Held	Attended
Simon Kidston	11	11
Nick O'Loughlin	11	10
Daniel Eddington	11	11

Held: represents the number of meetings held (5) and circular resolutions (6) during the time the director held office.
The Board manages the function of the audit committee.

REMUNERATION REPORT (AUDITED)

The Directors of the Company present this Remuneration Report for the Group for the year ended 30 June 2026. The information provided in this Report has been audited as required by s 308(3C) of the Corporations Act 2001 (Cth) (Corporations Act) and forms part of the Directors' Report.

The Remuneration Report outlines the Company's key remuneration activities during the financial year ended 30 June 2026 and remuneration information pertaining to the Company's Directors and senior management personnel who are the key management personnel (KMP) of the Group for the purpose of the Corporations Act and Accounting Standards. These are the personnel who have authority and responsibility for planning, directing and controlling the activities of the Company.

The report is structured as follows:

1. Remuneration Governance
2. Directors and Key Management Personnel (KMP)
3. Remuneration Policy
4. Remuneration Components
5. Directors and KMP Remuneration
6. Key Terms of Employment Contracts
7. Terms and Conditions of Performance Rights
8. Directors and KMP Equity Holdings
9. Other Transactions with Directors and KMP

1. REMUNERATION GOVERNANCE

The Board has taken the decision, consistent with the Board's Charter, that at this early stage of the Company's growth a separate Remuneration and Nomination Committee is not warranted. Accordingly, the whole Board carries out the functions of the Remuneration and Nomination Committee, as described in the Committee Charter. Where appropriate, this is undertaken by Non-Executive Directors (NED) only, without the presence or participation of Executive Director/s.

The Board reviews any matters of significance affecting the remuneration of the Board and employees of the Company. The primary remuneration purpose of the Board is to fulfil its responsibilities to shareholders, including by:

a. Ensuring that executive remuneration demonstrates a clear relationship between key executive performance and remuneration;
b. Fairly and responsibly rewarding executives, having regard to the performance of the Company, the performance of the executive and the prevailing remuneration expectations in the market;
c. Reviewing the Company's remuneration, recruitment, retention and termination policies and procedures for senior management;
d. Reviewing and approving any equity-based plans and other incentive schemes;
e. Clearly distinguishing the structure of NED remuneration from that of executive directors and senior executives, and recommending NED remuneration to the Board;
f. Arranging the performance evaluation of the Board, its committees, individual Directors and senior executives on an annual basis; and
g. Overseeing the annual remuneration and performance evaluation of the senior executive team.

The Board Charter and the Remuneration and Nomination Committee Charter, which outlines the terms of reference under which the Committee operates, are available in the Corporate Governance Pack at Corporate Information - Sparc Technologies.

Use of remuneration consultants
No remuneration consultants have been used during the period.

Voting and comments made at the company's 2025 Annual General Meeting ('AGM')
At the 2025 AGM, 99% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

2. DIRECTORS AND KEY MANAGEMENT PERSONNEL (KMP)

The Directors and KMP of the Group during the year were:

Period of Responsibility in FY26	Position
Non-Executive Directors	
Simon Kidston	Non-Executive Chairman
Daniel Eddington	Non-Executive Director
Executive Directors	
Nick O'Loughlin	Managing Director
Key Management Personnel	
Adrien Wing	Company Secretary
Kristen Kubank	Chief Financial Officer
Denis Wright	General Manager - Graphene

3. REMUNERATION POLICY

The Company's remuneration framework for Directors and senior executives has been designed to remunerate fairly and responsibly, balancing the need to attract and retain key personnel with a prudent approach to management of costs. The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Company is as follows:

Non-Executive Director Remuneration

The Board aims to remunerate each NED for their time, commitment and responsibilities at market rates for comparable companies. The Board determines the annual level of fees payable to NEDs and reviews their remuneration annually, based on market practice, duties and accountability and subject to the maximum aggregate amount per annum as approved by shareholders. Fees for NEDs are not

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linked to the performance of the Group, other than participation in performance shares and options to acquire ordinary shares (refer to section 8). The Board approves a letter of appointment setting out the key terms and conditions of appointment for each NED. NEDs receive statutory superannuation guarantee payments, but do not receive any other retirement benefits.

Executive Remuneration

Executive remuneration reviews are undertaken annually by the Board to ensure that the remuneration framework remains aligned to business needs. The Board aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the Company to attract and retain key talent; and
- Aligned to the Company's strategic and business objectives and the creation of shareholder value.

4. REMUNERATION COMPONENTS

Non-Executive Directors

NEDs remuneration comprises a fixed fee for their participation on the Board and may include performance-based remuneration. These are set with reference to the Company's performance and market capitalisation. No additional fee is paid for service on Board sub-committees.

NED fees are determined by the Board within an aggregate fee pool limit as approved by shareholders. The current aggregate fee pool, as set out in the Constitution in Rule 7.8 detailing initial fees to Directors, is $300,000.

Executive Directors

Executive Directors' remuneration comprises fixed remuneration (salary) and may include performance-based remuneration. These are set with reference to the Company's performance and market capitalisation. Fixed remuneration, which reflects the individual's role and responsibility as well as their experience and skills, includes base pay and statutory superannuation.

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5. DIRECTORS AND KMP REMUNERATION

Remuneration for the financial year ended 30 June 2026:

Table 1 Sparc Technologies Limited for the year ended 30 June 2026

2026	Short-term benefits ($)				Post-employment ($)	Share-based payments ($)		
	Cash salary and fees	Short-term incentive	Annual Leave[8]	Other	Super annuation	Performance Shares	Options	Total share-based payments
Non-Executive Directors								
Daniel Eddington[1]	$61,862	-	-	-	$7,424	$6,526[1]	-	$6,526
Simon Kidston[2]	$90,000	-	-	-	$10,800	-	$59,325[2]	$59,325
Executive Directors								
Nick O'Loughlin[3,4]	$298,700	$36,975[4]	$28,721	-	$40,281	$77,412[3]	-	$77,412
Key Management Personnel								
Adrien Wing[1,5]	$60,000[5]	-	-	-	-	$2,447[1]	-	$2,447
Kristen Kubank	$167,619	-	$11,892	-	$20,102	-	-	-
Denis Wright	$235,664	-	$15,409	-	$28,280	-	-	-
Total	**$913,845**	**$36,975**	**$56,022**	**-**	**$106,887**	**$86,385**	**$59,325**	**$145,710**

2026	Termination ($)	Other long-term benefits ($)	Total ($)	Total "at risk" (%)
Non-Executive Directors				
Daniel Eddington	-	-	$75,812	9%
Simon Kidston	-	-	$160,125	0%
Executive Directors				
Nick O'Loughlin	-	-	$453,368	17%
Key Management Personnel				
Adrien Wing	-	-	$62,447	4%
Kristen Kubank	-	-	$187,721[6]	0%
Denis Wright	-	-	$263,944[7]	0%
Total	**-**	**-**	**$1,203,417**	**7%**

1. Amounts stated in the tables above represent the annual expense recognised over the vesting period for performance shares issued 12 November 2020.
2. On 23 October 2025, 750,000 unlisted options were granted upon appointment to Chairman, Simon Kidston, under the Company ESOP with fair value per option equal to $0.08 and expiry date 28 October 2029.As there are no vesting conditions on the options they are not deemed as 'at risk'.
3. As announced on 2 January 2024, Mr Nick O'Loughlin was issued 3,000,000 Performance Rights upon appointment as Managing Director beginning 29 January 2024.
4. Mr Nick O'Loughlin's executive agreement as Managing Director entitles a cash bonus payment of up to 15% of base salary (subsequently updated to 22.5%) at the absolute discretion of the Board which will be assessed and paid (if applicable) at the end of each Financial Year. Mr O'Loughlin was paid a bonus of $36,975 plus superannuation on 8 August 2025 for the 2025 financial year.
5. Mr Wing has a contract to supply company secretarial services to Sparc Technologies Ltd through Northern Star Nominees Pty Ltd. The fees are $5,000 per month plus GST.
6. Ms Kubank has effective resignation date 30.9.26.
7. Mr Wright's employment concluded 27.8.26
8. The total annual leave balance of $56,022 is included in cash salary and fees total of $913,845.

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

Name	Fixed Remuneration %		At risk - STI %		At risk - LTI %	
	2026	2025	2026	2025	2026	2025
Non-Executive Directors						
Daniel Eddington	91%	55%	0%	0%	9%	45%
Simon Kidston	100%	26%	0%	74%	0%	0%
Executive Directors						
Nick O'Loughlin	83%	63%	0%	0%	17%	37%
Key Management Personnel						
Adrien Wing	96%	74%	0%	0%	4%	26%
Kristen Kubank	100%	100%	0%	0%	0%	0%
Denis Wright	100%	100%	0%	0%	0%	0%

Table 2 Sparc Technologies Limited for the year ended 30 June 2025

2025	Short-term benefits ($)				Post-employment ($)	Share-based payments ($)		
	Cash salary and fees	Short-term incentive	Annual Leave	Other	Super annuation	Performance Shares	Options	Total share-based payments
Non-Executive Directors								
Daniel Eddington[1]	$61,862	-	-	-	$7,114	$56,715[1]	-	$56,715
Stephen Hunt[1] (retired 13 March 2025)	$140,615	-	-	-	$6,511	$56,715[1]	-	$56,715
Simon Kidston[2] (appointed NED 6 December 2024, transitioned to Non-Executive Chairman 13 March 2025)	$42,725	-	-	-	$4,913	-	$133,500[2]	$133,500
Executive Directors								
Nick O'Loughlin[3,7]	$290,000[7]	$18,404	$17,317	-	$35,466	$209,389[3]	-	$209,389
Key Management Personnel								
Adrien Wing[1,6]	$60,000[6]	-	-	-	-	$21,268[1]	-	$21,268
Kristen Kubank[4]	$174,979[4]	-	$1,316	-	$6,256	-	-	-
Denis Wright	$228,800	-	$19,383	-	$26,312	-	-	-
Total	**$998,981**	**$18,404**	**$38,016**	**-**	**$86,572**	**$344,087**	**$133,500**	**$477,587**

2025	Termination ($)	Other long-term benefits ($)	Total ($)	Total "at risk" (%)
Non-Executive Directors				
Daniel Eddington	-	-	$125,691	45%
Stephen Hunt (retired 13 March 2025)	-	-	$203,841	28%
Simon Kidston (appointed 6 December 2024)	-	-	$181,138	74%
Executive Directors				
Nick O'Loughlin	-	-	$570,576	37%
Key Management Personnel				
Adrien Wing	-	-	$81,268	26%
Kristen Kubank	-	-	$182,551	0%
Denis Wright	-	-	$274,495	0%
Total	**-**	**-**	**$1,619,560**	**29%**

1. Amounts stated in the tables above represent the annual expense recognised over the vesting period.

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2. On 6 December 2024, Mr Simon Kidston was issued 1,500,000 options for ordinary shares with expiry date 6 December 2028 and an exercise price of $0.25 upon his appointment as Non-Executive Director. There were no performance shares attached to the options.
3. As announced on 2 January 2024, Mr Nick O'Loughlin was issued 3,000,000 Performance Rights upon appointment as Managing Director beginning 29 January 2024.
4. On 1 March 2026, Ms Kubank transitioned from contractor to employee for equal remuneration. Ms Kubank had a contract to supply company CFO services to Sparc Technologies Ltd through KPI Business Advisory. Fees at $15,392 plus GST per month were billed for the period 1 July 2024 to 28 February 2026 with a reduction in September 2024 for holiday leave.
5. Mr Stephen Hunt retired as Non-Executive Chairman 13 March 2026 for which he received an annual salary of $80,000. Mr Hunt has a contract for advisory services for $6,000 per month plus GST as of 1 April 2024; as of 1 April 2025, this increased to $10,000 per month plus GST.
6. Mr Wing has a contract to supply company secretarial services to Sparc Technologies Ltd through Northern Star Nominees Pty Ltd. The fees are $5,000 per month plus GST.
7. Mr Nick O'Loughlin's executive agreement as Managing Director entitles a cash bonus payment of up to 15% of base salary at the absolute discretion of the Board which will be assessed and paid (if applicable) at the end of each Financial Year. Mr O'Loughlin was paid a bonus of $18,404 plus superannuation on 6 September 2024 for the 2024 financial year (pro-rata).

Share-based compensation

Issue of performance rights

On 29 January 2024, Mr Nick O'Loughlin was appointed Managing Director. Material terms of Mr O'Loughlin's employment contract included long-term incentive Performance Rights subject to the following:

- Performance Rights that have not been exercised by the 5th anniversary of the Commencement Date expire.
- Performance and vesting conditions are as follows:
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.35, subject to the Managing Director being employed 12 months from the Commencement Date;
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.50, subject to the Managing Director being employed 24 months from the Commencement Date; and
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.75, subject to the Managing Director being employed 36 months from the Commencement Date.
- These Performance Rights were issued pursuant to ASX Listing Rule 10.12 (Exception 12) and do not require shareholder approval.

The exercise price is nil as per ASX notice on 2 January 2024. The Performance Rights have been expensed over the 3 year vesting period. The value of the Performance Rights was determined based on Monte Carlo modelling using the following assumptions:

- Dividend yield: nil
- Expected volatility: Tranche 1 - 84.20%, Tranche 2 - 85.20%, Tranche 3 - 89.10%. A historical volatility was calculated for the respective period.
- Risk free interest rate: Tranche 1 - 3.82%, Tranche 2 – 3.82%, Tranche 3 – 3.75%. Government bond rates were used for periods 1 & 3.
- Expected life of options: (years): 3
- Exercise price: nil
- Spot price: $0.265
- Fair value per performance right: Tranche 1 - $0.183, Tranche 2 - $0.147, Tranche 3 - $0.197
- Probability factor applied: Tranche 1 – 90%, Tranche 2 – 75%, Tranche 3 – 50%

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Performance Shares, Performance Rights and Options

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

Name	Number granted	Grant Date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per security at grant date
Performance Shares						
Dacama (Daniel Eddington)	2,000,000	12 November 2020	12 November 2020	12 November 2025	nil	$0.1418
Northern Star (Adrien Wing)	750,000	12 November 2020	12 November 2020	12 November 2025	nil	$0.1418
Performance Rights						
Nick O'Loughlin	1,000,000	29 January 2024	29 January 2025	29 January 2025	n/a	$0.1830
Nick O'Loughlin	1,000,000	29 January 2024	29 January 2026	29 January 2026	n/a	$0.1470
Nick O'Loughlin	1,000,000	29 January 2024	29 January 2027	29 January 2027	n/a	$0.1970
Options						
Daniel Eddington	1,000,000	30 November 2021	30 November 2021	30 September 2025	$1.00	$1.1420
Kristen Kubank	250,000	19 August 2022	19 August 2022	1 July 2026	$0.90	$0.7630
Denis Wright	250,000	18 July 2022	18 July 2022	1 July 2026	$0.90	$0.4270
Nick O'Loughlin	250,000	18 July 2022	18 July 2022	1 July 2026	$0.90	$0.4270
Daniel Eddington	1,000,000	20 December 2023	20 December 2023	21 December 2027	$0.35	$0.1666
Adrien Wing	1,000,000	20 December 2023	20 December 2023	21 December 2027	$0.35	$0.1666
Denis Wright	750,000	20 December 2023	20 December 2023	21 December 2027	$0.35	$0.1984
Kristen Kubank	500,000	20 December 2023	20 December 2023	21 December 2027	$0.35	$0.1984
Daniel Eddington	75,000	19 June 2024	19 June 2024	29 April 2026	$0.35	$0.5507
Nick O'Loughlin	77,273	19 June 2024	19 June 2024	29 April 2026	$0.35	$0.5507
Simon Kidston	1,500,000	6 December 2024	6 December 2024	6 December 2028	$0.25	$0.0890
Simon Kidston	750,000	23 October 2025	28 October 2025	28 October 2029	$0.25	$0.0791

Options carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the Company. Options may be exercised any time before the expiry date. There has not been any alteration to the terms or conditions of the options since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

No options issued to Directors or KMP as part of their compensation lapsed during the year.

Additional information

The earnings for the Group for the three years to 30 June 2026 are summarised below:

	2026	2025	2024	2023	2022
Sales revenue	-	-	-	-	-
EBITDA	(2,474,922)	(2,029,240)	(4,030,713)	(4,147,307)	(14,009,117)
EBIT	(2,682,009)	(2,240,958)	(4,258,817)	(4,478,713)	(14,181,511)
Profit after income tax	(2,751,958)	(2,276,659)	(4,270,492)	(4,494,520)	(14,201,975)

The factors that are considered to affect total shareholder return ("TSR") are summarised below:

	2026	2025	2024	2023	2022
Share price at financial year end ($)	$0.275	$0.150	$0.205	$0.265	$0.640
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(2.33)	(2.31)	(4.79)	(5.72)	(18.87)

6. KEY TERMS OF EMPLOYMENT CONTRACTS

Non-Executives

Non-Executive Chairman

The Group entered into a Letter of Appointment with Mr Simon Kidston, whereby he was engaged as the Non-Executive Chairman of the Company effective 13 March 2025.

Mr Simon Kidston receives a base salary of $90,000 per annum plus statutory superannuation for services rendered under the Letter of Appointment. The Group will also, subject to certain conditions, reimburse the Non-Executive Chairman for all reasonable travelling intra/interstate or overseas, accommodation and general expenses incurred in the performance of all duties in connection with the business of the Company. Mr. Kidston does not hold any performance shares.

The appointment of Non-Executive Directors is subject to the provisions of the Constitution and the ASX Listing Rules relating to retirement by rotation and re-election of directors.

The appointment of a Non-Executive Director will automatically cease at the end of any meeting at which the relevant Director is not re-elected as a Director by shareholders. A Director may terminate their directorship at any time by advising the Board in writing.

The Letters of Appointment otherwise contain terms and conditions that are considered standard for agreements of this nature and are in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Ed).

Non-Executive Director

The Letter of Appointment provided to Mr Daniel Eddington in the financial year ended 30 June 2020 (Letter of Appointment) specified that amongst other things, in consideration for services, the Company will pay the following fees, plus statutory superannuation:

Daniel Eddington $61,862 per annum incorporating all changes since the initial Letter of Appointment.

Executives

Managing Director

Mr Nick O'Loughlin was appointed as the Managing Director of the Group on 2 January 2024 effective from 29 January 2024. Mr. O'Loughlin receives a base salary of $298,700 per annum plus statutory superannuation for services rendered under the executive services agreement. Mr Nick O'Loughlin's executive agreement as Managing Director entitles him to a cash bonus payment of up to 22.5% of base salary at the absolute discretion of the Board which will be assessed and paid (if applicable) at the end of each financial year. Mr O'Loughlin was paid a bonus of $36,975 plus superannuation on 8 August 2025 for the 2025 financial year.

The Group also, subject to certain conditions, reimbursed the Managing Director for all reasonable travelling intra/interstate or overseas, accommodation and general expenses incurred in the performance of all duties in connection with the business of the Company. Mr O'Loughlin received, as part of employment remuneration, 3,000,000 long term incentive performance rights which are subject to the conditions as set out above.

Key Management Personnel

Ms Kristen Kubank was appointed Chief Financial Officer of the Company on 1 May 2022. Ms Kubank receives a base salary $222,814 (FTE) per annum plus statutory superannuation for services rendered under an employment contract. Ms Kubank is employed at 0.8 FTE. Ms Kubank's employment agreement entitles her to a cash bonus payment of up to 10% of base salary at the absolute discretion of the Board which will be assessed and paid (if applicable) at the end of each financial year.

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Dr Denis Wright was appointed Research and Development Manager of the Company on 19 April 2022 and subsequently promoted to General Manager of Graphene of the Company on 1 April 2023. Dr Wright receives a base salary $245,091 per annum plus statutory superannuation for services rendered under an employment contract. Dr Wright's employment agreement entitles him to a cash bonus payment of up to 15% of base salary at the absolute discretion of the Board which will be assessed and paid (if applicable) at the end of each financial year.

Company Secretary

Mr Adrien Wing's services as Company Secretary (CS) are undertaken in accordance with a contractor agreement between the Company and Northern Star Nominees Pty Ltd, an entity controlled by Mr Wing (CS Agreement). Under the CS Agreement, Northern Star Nominees Pty Ltd provides the services of Adrien Wing in the position of CS at a monthly fee of $5,000 plus GST. The contract is ongoing and subject to termination by either party with a notice period of one month in writing. The CS Agreement otherwise includes standard commercial terms.

7. TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

On 29 January 2024, Mr Nick O'Loughlin was appointed Managing Director. Material terms of Mr O'Loughlin's employment contract included 3,000,000 long-term incentive Performance Rights subject to the following:

- Performance Rights that have not been exercised by the 5th anniversary of the Commencement Date expire.
- Performance and vesting conditions are as follows:
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.35, subject to the Managing Director being employed 12 months from the Commencement Date;
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.50, subject to the Managing Director being employed 24 months from the Commencement Date; and
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.75, subject to the Managing Director being employed 36 months from the Commencement Date.
- Performance Rights were issued pursuant to ASX Listing Rule 10.12 (Exception 12) and do not require shareholder approval.

The exercise price is nil as per ASX notice 2 January 2024. The Performance Rights have been expensed over 3 years. The value of the Performance Rights was determined based on the Monte Carlo model using the following assumptions:

- Dividend yield: nil
- Expected volatility: Tranche 1 - 84.20%, Tranche 2 - 85.20%, Tranche 3 - 89.10%. A historical volatility was calculated for the respective period.
- Risk free interest rate: Tranche 1 - 3.82%, Tranche 2 – 3.82%, Tranche 3 – 3.75%. Government bond rates were used for periods 1 & 3.
- Expected life of options: (years): 3
- Exercise price: nil
- Spot price: $0.265
- Fair value per performance right: Tranche 1 - $0.183, Tranche 2 - $0.147, Tranche 3 - $0.197
  Probability factor applied: Tranche 1 – 90%, Tranche 2 – 75%, Tranche 3 – 50%

8. DIRECTORS AND KMP EQUITY HOLDINGS

Details of the number of ordinary shares held by Directors and KMP in the Company are set out below. This includes shares held directly, indirectly or beneficially by Directors and KMP, including related party holdings.

Details of the number of ordinary shares held by Directors and KMP in the Company as at 30 June 2026 are set out below:

	Balance 1 July 2025	Received as part of remuneration	Additions	Disposals	Balance 30 June 2026
Daniel Eddington[1]	3,030,769	-	208,334	-	3,239,103
Simon Kidston[2]	-	-	133,334	-	133,334
Nick O'Loughlin[3]	154,545	-	133,334	-	287,879

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Adrien Wing[4]	312,351	-	-	-	312,351
Total	**3,497,665**	**-**	**475,002**	**-**	**3,972,667**

1. At 30 June 2026 Mr Daniel Eddington holds 3,139,103 ordinary shares in joint names with Julie Eddington. Dejul Trading Pty Ltd is a nominee of Mr Eddington and holds 100,000 ordinary shares.
2. At 30 June 2026 KFT Capital Pty Ltd <Gundimaine A/C> a nominee of Mr Simon Kidston holds 133,334 ordinary shares.
3. At 30 June 2026 Hutley Wharf Pty Ltd a nominee of Mr Nick O'Loughlin, holds 287,879 ordinary shares.
4. At 30 June 2026 Northern Star Nominees Pty Ltd a nominee of Mr Adrien Wing holds 312,351 ordinary shares.

Details of the number of performance shares and performance rights held by Directors and KMP in the Company as at 30 June 2026 are set out below:

	Balance 1 July 2025	Received as part of remuneration	Additions	Disposals/ Other	Balance 30 June 2026
Daniel Eddington[1]	2,000,000	-	-	(2,000,000)[1]	-
Nick O'Loughlin	3,000,000	-	-	-	3,000,000
Adrien Wing[1]	750,000	-	-	(750,000)[1]	-
Total	**5,750,000**	**-**	**-**	**(2,750,000)**	**3,000,000**

1. On 12 November 2025, 2,750,000 performance shares expired without exercise or conversion.

Details of the number of options held by Directors and KMP in the Company as at 30 June 2026 are set out below:

	Balance 1 July 2025	Received as part of remuneration	Additions	Disposals/ Other	Balance at 30 June 2026
Daniel Eddington [1,3]	2,075,000	-	-	(1,075,000)[1,3]	1,000,000
Simon Kidston [2]	1,500,000	-	750,000[2]	-	2,250,000
Nick O'Loughlin [3]	327,273	-	-	(77,273)[3]	250,000
Adrien Wing	1,000,000	-	-	-	1,000,000
Denis Wright	1,000,000	-	-	-	1,000,000
Kristen Kubank	750,000	-	-	-	750,000
Total	**6,652,273**	**-**	**750,000**	**(1,152,273)**	**6,250,000**

1. On 30 September 2025, 1,000,000 options expired which were issued to Mr Daniel Eddington exercisable at $1.00.
2. On 23 October 2025, 750,000 unlisted options were issued to Mr Simon Kidston exercisable at $0.25 with expiry date 28 October 2029.
3. On the 29 April 2026, 75,000 options expired which were issued to Mr Daniel Eddington and 77,273 options expired which were issued to Mr Nick O'Loughlin exercisable at $0.35.

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

9. OTHER TRANSACTIONS WITH DIRECTORS AND KMP

There are no transactions during the reporting period between the disclosing entity, or any of its subsidiaries, and a key management person, a close member of the family of that person, or an entity over which the key management person or the family member has, directly or indirectly, control, joint control or significant influence.

This concludes the Remuneration Report, which has been audited.

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Shares under option

The following ordinary shares of Sparc Technologies Limited were reserved for issue during the year ended 30 June 2026 and up to the date of this report on the exercise of options granted:

Grant Date	Expiry Date	Exercise Price	Number under option
30-Nov-21	30-Sep-25	$1.00	1,000,000
19-Aug-22	1-Jul-26	$0.90	250,000
18-Jul-22	1-Jul-26	$0.90	250,000
18-Jul-22	1-Jul-26	$0.90	250,000
20-Dec-23	21-Dec-27	$0.35	1,000,000
20-Dec-23	21-Dec-27	$0.35	1,000,000
20-Dec-23	21-Dec-27	$0.35	750,000
20-Dec-23	21-Dec-27	$0.35	500,000
19-Jun-24	29-Apr-26	$0.35	75,000
19-Jun-24	29-Apr-26	$0.35	77,273
6-Dec-24	6-Dec-28	$0.25	1,500,000
23 Oct 25	28 Oct 29	$0.25	750,000

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

Performance Shares and Performance Rights

On 29 January 2024, Mr Nick O'Loughlin was appointed Managing Director. Material terms of Mr O'Loughlin's employment contract included long-term incentive Performance Rights subject to the following:

- Performance Rights that have not been exercised by the 5th anniversary of the Commencement Date expire.
- Performance and vesting conditions are as follows:
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.35, subject to the Managing Director being employed 12 months from the Commencement Date;
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.50, subject to the Managing Director being employed 24 months from the Commencement Date; and
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.75, subject to the Managing Director being employed 36 months from the Commencement Date.
- Performance Rights were issued pursuant to ASX Listing Rule 10.12 (Exception 12) and do not require shareholder approval.

The exercise price is nil as per ASX notice 2 January 2024. The Performance Rights have been expensed over 3 years. The value of the Performance Rights was determined based on the Monte Carlo model using the following assumptions:

- Dividend yield: nil
- Expected volatility: Tranche 1 - 84.20%, Tranche 2 - 85.20%, Tranche 3 - 89.10%. A historical volatility was calculated for the respective period.
- Risk free interest rate: Tranche 1 - 3.82%, Tranche 2 – 3.82%, Tranche 3 – 3.75%. Government bond rates were used for periods 1 & 3.
- Expected life of options: (years): 3
- Exercise price: nil
- Spot price: $0.265
- Fair value per performance right: Tranche 1 - $0.183, Tranche 2 - $0.147, Tranche 3 - $0.197
- Probability factor applied: Tranche 1 – 90%, Tranche 2 – 75%, Tranche 3 – 50%

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Performance Shares

7,000,000 performance shares have been issued in previous financial years with no fixed vesting date, all expiring on 12 November 2025. 2,750,000 performance shares expired related to current-year KMP disclosures, with the remaining 4,250,000 relating to Directors who resigned or retired in prior years.

Indemnity and insurance of officers

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

During the financial year, the company paid a premium in respect of a contract to ensure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 22 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2026/183, 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 thousand dollars, or in certain cases, the nearest dollar.

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Officers of the company who are former partners of BDO Audit Pty Ltd

There are no officers of the Company who are former partners of BDO Audit Pty Ltd.

Auditor's independence declaration

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

Auditor

BDO Audit Pty Ltd will be nominated to continue in office in accordance with section 327 of the Corporations Act 2001 at the Company's forthcoming annual general meeting.

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

On behalf of the Directors:

Nicholas O'Loughlin
Managing Director
28 August 2026 (Adelaide)

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DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF SPARC TECHNOLOGIES LIMITED

As lead auditor of Sparc Technologies Limited for the year ended 30 June 2026, 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 Sparc Technologies Limited and the entities it controlled during the period.

Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 28 August 2026

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General information

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

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

Registered office

Sparc Technologies Limited
Level 2
480 Collins Street
Melbourne VIC 3000

Principal place of business

Sparc Technologies Limited
51 Rundle Street
Adelaide SA 5067

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 August 2026. The Directors have the power to amend and reissue the financial statements.

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Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2026

	Note	Consolidated Group Year ended 30 Jun 2026 $	Consolidated Group Year ended 30 Jun 2025 $
Revenue			
Sales Revenue		23,230	-
Other Income	3	1,154,125	2,236,325
Expenses			
Research and development		475,852	315,847
Professional and consulting fees		334,904	510,564
Travel		56,992	26,940
Share based payments	14	152,236	477,589
Employee Expenses		1,730,245	1,617,945
Depreciation and amortization	4	207,086	211,717
Finance Costs	4	69,949	35,701
Share of loss from associate	9	140,478	552,911
Other expenses	4	761,571	763,770
Total Operating expenses		**3,929,313**	**4,512,984**
(Loss) before income tax expense	18	**(2,751,958)**	**(2,276,659)**
Income tax expense		-	-
(Loss) for the year		**(2,751,958)**	**(2,276,659)**
Other comprehensive income		-	-
Total comprehensive loss attributable to equity holders of the parent entity		**(2,751,958)**	**(2,276,659)**
Earnings per share for loss attributable to equity holders of the parent entity:			
Basic (cents per share)	28	(2.33)	(2.31)
Diluted (cents per share)	28	(2.33)	(2.31)

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

Consolidated statement of financial position as at 30 June 2026

	Note	Consolidated Group	
		Year ended 30 Jun 2026 $	Year ended 30 Jun 2025 $
Current assets			
Cash and cash equivalents	5	1,471,079	3,294,030
Receivables		26,263	12,862
Other		72,377	39,099
Provision for Company Tax	6	888,404	1,014,310
Total current assets		**2,458,124**	**4,360,301**
Non-current assets			
Property, plant and equipment	7	387,967	344,937
Other assets		30,000	30,000
Intangible assets		36,878	36,878
Right of use asset	8	350,463	58,596
Investment in Associate	9	362,840	503,318
Total non-current assets		**1,168,148**	**973,729**
Total assets		**3,626,272**	**5,334,030**
Current liabilities			
Trade and other payables	10	278,116	235,967
Employee benefits		116,932	94,855
Lease liability	11	139,138	70,938
R&D advance	12	680,000	730,000
Sundry creditor		17,047	-
Total current liabilities		**1,231,233**	**1,131,760**
Non-current liabilities			
Lease liability	11	215,108	-
Total non-current liabilities		**215,108**	**-**
Total liabilities		**1,446,341**	**1,131,760**
Net assets		**2,179,931**	**4,202,270**
Equity			
Issued capital	13	26,771,750	26,244,392
Reserves	14	2,381,946	8,940,814
Accumulated (losses)	18	(26,973,765)	(30,982,936)
Total equity		**2,179,931**	**4,202,270**

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

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Consolidated statement of changes in equity for the year ended 30 June 2026

	Note	Contributed Equity	Share based payment	Accumulated Losses	Total
Balance at 1 July 2024		**23,176,088**	**9,996,315**	**(30,239,367)**	**2,933,036**
Shares issued, net of transaction costs, in the year		3,068,304	-	-	3,068,304
Options expired		-	(1,533,090)	1,533,090	-
Share based payment expense in the year		-	477,589	-	477,589
(Loss) for the year				(2,276,659)	(2,276,659)
Total comprehensive income for the year				(2,276,659)	(2,276,659)
Balance at 30 June 2025		**26,244,392**	**8,940,814**	**(30,982,936)**	**4,202,270**
Balance at 1 July 2025		**26,244,392**	**8,940,814**	**(30,982,936)**	**4,202,270**
Shares issued, net of transaction costs, in the year	13	166,633	50,025	-	216,658
Shares issued on exercise of options		360,725	-	-	360,725
Options and performance shares expired		-	(6,761,129)	6,761,129	-
Share based payment expense in the year		-	152,236	-	152,236
(Loss) for the year				(2,751,958)	(2,751,958)
Total comprehensive income for the year				(2,751,958)	(2,751,958)
Balance at 30 June 2026		**26,771,750**	**2,381,946**	**(26,973,765)**	**2,179,931**

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

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Consolidated statement of cash flows for the year ended 30 June 2026

	Note	Consolidated Group Year ended 30 Jun 2026 $	Consolidated Group Year ended 30 Jun 2025 $
Cash flows from operating activities			
Receipts from customer		23,230	-
Payments to suppliers and employees		(3,203,647)	(3,245,482)
Interest paid		-	-
Interest received		81,691	83,367
R&D tax refund		1,004,197	1,116,124
Other Income		170,283	28,484
Net cash (used in) operating activities	25	**(1,924,246)**	**(2,017,507)**
Cash flows from investing activities			
Payment for intangible assets		-	(1,600)
Payment for property, plant and equipment		(121,428)	(25,711)
Payment of further investment in associate		-	(1,025,000)
Deposit Paid		(1,292)	-
Net cash provided by/(used in) investing activities		**(122,720)**	**(1,052,312)**
Cash flows from financing activities			
Proceeds from issue of shares		420,725	3,166,224
Share issue costs		-	(97,920)
Payment for lease liabilities (principal and interest)		(146,710)	(141,804)
Proceeds from FY25 R&D borrowings	12	-	730,000
Repayment of FY25 R&D borrowings	12	(730,000)	-
Proceeds from FY26 R&D borrowings	12	680,000	-
Net cash provided by financing activities		**224,015**	**3,656,500**
Net increase/(decrease) in cash and cash equivalents		**(1,822,951)**	**586,682**
Cash and cash equivalents at the beginning of the year		3,294,030	2,707,349
Cash and cash equivalents at the end of the year	5	**1,471,079**	**3,294,030**

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Notes to the Financial Statements

Note 1: Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

A number of new and amended accounting standards are effective for the current reporting period, however, the change to the Group's accounting policies arising from these standards has not required the Group to make retrospective adjustments as a result of adopting these standards. The adoption of the new and amended accounting standards has therefore had no material impact on the Group for the year ended 30 June 2026.

Other amendments and interpretations relevant to the Group in a future period

A number of new and amended Accounting Standards and Interpretations have been issued that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of these new and amended pronouncements.

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 IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going Concern

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

As presented in the financial statements, the Group incurred a loss before comprehensive income of $2,751,958 and had net cash outflows from operating activities of (1,924,246) for the year ended 30 June 2026.

The Directors believe it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report given the ability of the Group to raise additional capital either through an additional placement of shares and/or exercise of options and the receipt of the net balance of the FY26 & FY27 advance R&D Incentive Payment.

However, there remains a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the entity does not continue as a going concern.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 24.

Income tax

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

The Group has incurred significant losses in conducting its business. No income tax expense has been provided; however, tax losses may be available when the Group is able to generate sufficient income in the future. The Group is not currently consolidated under the tax consolidation regime.

Plant and equipment

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

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

Leasehold improvements	3-10 years
Plant and equipment	3-10 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Employee benefits

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

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

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

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

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

R&D Income

The Group is eligible for the Australian Government's Research and Development Tax Incentive (R&DTI). R&D income is recognised as other income in profit or loss when there is reasonable assurance that the entity has complied with the program requirements and the income will be received. The refundable R&D tax offset is accrued over the period in which eligible expenditure is incurred, based on estimates prepared with reference to the advice of external R&D tax specialists.

R&D Advance Loan

The Group has entered into an advance funding arrangement secured against its expected R&D tax refund. The R&D advance loan is recognised as a financial liability initially at fair value, net of transaction costs. Interest expense is recognised in profit or loss as incurred. The loan is repayable upon receipt of the R&D tax refund, with any excess refund retained by the Group.

Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2026/183, 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.

Note 2: Critical accounting judgements, estimates and assumptions

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

FY26 R&D Tax Incentive revenue estimation

An accrual for the FY26 R&D Tax refund has been recognised based on actuals approved by an external tax specialist for the period from 1 July 2025 to 28 February 2026, with the same methodology applied by management to the remaining period. The calculation involves judgement in determining eligible activities, allocating qualifying expenditure and applying the correct offset rate. The final amount may differ from the estimate once the claim is lodged and assessed. The R&D registered company, Sparc Operations Pty Ltd has successfully submitted and received approved R&D Tax Incentive rebates since 2020 complying with eligible expenditure under subsection 355-205 of the ITAA 1997.

Note 3: Other Income

	Consolidated	
	2026	**2025**
Interest	81,691	83,367
Other	160,170	22,525
Government Funding	24,971	-
FY24 R&D Incentive	-	1,116,124

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FY25 R&D Provision	-	1,014,310
FY26 R&D Provision	887,293	-
Total	1,154,125	2,236,325

Recognition of the FY26 R&D revenue of $887,293 has been prepared and approved by the external R&D Tax Specialist. The Company successfully attained a $680,000 advance via Rockford Capital Pty Ltd against the tax incentive actual calculations for the period 1 July 2025 to 28 February 2026. The balance of refund for the remaining period is to be paid to the group, less interest of 15% per annum, upon receipt of the refund around October 2026. The estimate may vary from the actual refund upon approval by The Australian Taxation Office.

Other income of $160,170 includes re-imbursement by agreement with collaborative partners for testing materials and associated costs.

Note 4: Expenses

	Consolidated	
	2026	**2025**
Profit before income tax includes the following specific expenses:		
Other Expenses		
ASX Advisory, secretarial & ASIC	303,227	349,165
Admin & other	402,743	338,636
Other occupancy	55,600	75,970
Total Other Expenses	761,571	763,770
Depreciation and Amortisation		
Leasehold Improvements	20,475	37,041
Plant & Equipment	57,923	59,217
Building right-of use assets	128,689	115,459
Patents	-	-
Patents Impairment Charge	-	-
Total Depreciation and Amortisation	207,086	211,717
Finance Costs		
Interest charges on building lease	9,462	6,301
Interest on borrowings	60,487	29,400
Total Finance Costs	69,949	35,701

Note 5: Current assets - cash and cash equivalents

	Consolidated	
	2026	**2025**
Cash at bank	1,471,079	3,294,030

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	1,471,079	3,294,030
Balance as per statement of cash flows	1,471,079	3,294,030

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Note 6: Current assets - trade and other receivables

	Consolidated	
	2026	2025
Other Debtors	26,263	-
Provision for Company Tax	888,404	1,014,310
GST Credits	-	12,862
Total	914,667	1,027,172

In FY26, $887,293 has been accrued as R&D Tax Incentive revenue based on the estimate expected to be received in October 2026 as per note 12. The Group processed R&D related receivables along with other receivables (FBT related) under the single account 'Provision for Company Tax'

Note 7: Non-current assets - property, plant and equipment

	Consolidated	
	2026	2025
Leasehold improvements at cost	129,146	129,146
Less accumulated depreciation	(123,047)	(102,571)
	6,099	26,575
Plant and Equipment at cost	755.053	635,144
less accumulated depreciation	(373,185)	(316,782)
	381,868	318,363
Total property, plant and equipment	387,967	344,937

Reconciliations

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

	Leasehold Improvements	Plant and equipment	Total
Balance at 30 June 2025	26,575	318,363	344,937
Additions	-	119,910	119,910
Depreciation expense	(20,476)	(56,404)	(76,880)
Balance at 30 June 2026	6,099	381,869	387,967

Note 8: Non-current assets - right-of-use assets

	Consolidated	
	2026	2025
Land and Buildings right-of-use	58,596	170,581
Less Accumulated depreciation	(128,689)	(115,459)
Add modification	420,556	3,474
	350,463	58,596

The Group leases land and buildings for its offices and research facilities under a five-year agreement with an option to extend for a further term. The lease has an annual rent review to CPI and a market review if renewed. The lease has been extended from 1st January 2026 for 3+3 years at a negotiated market rate.

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Note 9: Investment in associate

Investment in Sparc Hydrogen Pty Ltd:

	2026	2025
Opening Balance	503,318	31,228
Contributed Capital	-	1,025,000
Net Loss Attributed	(140,478)	(552,911)
Closing Balance	362,840	503,318

In August 2021, the Group established a wholly owned subsidiary, Sparc Hydrogen Pty Ltd. On 3 February 2022 the Group entered into binding agreements with Fortescue and the University of Adelaide forming the Sparc Hydrogen Joint Venture. These agreements introduced Fortescue and University of Adelaide (UoA) as shareholders of Sparc Hydrogen Pty Ltd, as at 31 December 2021 with Fortescue contributing $1.8m to Sparc Hydrogen Pty Ltd in exchange for a 20% interest. UoA licensed its pre-existing intellectual property in relation to the project in exchange for a 28% interest in Sparc Hydrogen. The Group issued 3 million shares in Sparc Technologies Limited to UoA (2.721m shares) and Flinders University (279k shares).

Prior to the loss of control, the Group provided funding of $1.07m to Sparc Hydrogen Pty Ltd. $450,000 of this funding was converted to equity in Sparc Hydrogen Pty Ltd and the remaining $620,000 was refunded to the Group.

On 14 March 2025, a decision to proceed to Stage 2 was made under the terms and conditions of the subscription agreement entered into between MIH2 Pty Ltd (a subsidiary of Fortescue), Innovation and Commercial Partners Pty Ltd as trustee for The Adelaide Research & Innovation Investment Trust (UoA), Sparc Technologies Limited and Sparc Hydrogen Pty Ltd, dated 31 January 2022 (Subscription Agreement). According to the terms of the Subscription Agreement, MIH2 Pty Ltd and Sparc Technologies Limited contributed A$2.5 million to Sparc Hydrogen for Stage 2, Sparc Technologies Ltd's contribution being $1.025m and Fortescue's contribution being $1.475m.

The Group has recorded its share of loss from the associate for the year ended 30 June 2026 of $140,478 in profit or loss. The shareholdings at the conclusion of the Stage 2 transaction and at 30 June 2026 are:

- Sparc Technologies Limited – 36%
- Fortescue – 36%
- University of Adelaide (UoA) – 28%

Appendix 1: Sparc Hydrogen Funding and Ownership Structure

	University of Adelaide	Sparc Technologies	Fortescue
Sparc Hydrogen Joint Venture			
Stage 1	IP contribution	Pays $0.45m and issues 3m SPN shares	Pays $1.80m
Stage 1 Ownership	**28%**	**52%**	**20%**
Stage 2	Remains the same	Pays $1.025m	Pays $1.475m
Stage 2 Ownership	**28%**	**36%**	**36%**

Note 10: Current liabilities - trade and other payables

	Consolidated	
	2026	2025
Trade payables	114,442	108,253
Other payables	163,674	127,714
	278,116	235,967

Note 11: Current & Non-Current liabilities - lease liabilities

	Consolidated	
	2026	2025
Lease liability - current	139,138	70,938
Lease liability - non-current	215,108	-

Note 12: Current liabilities – R&D advance

	Consolidated	
	2026	2025
R&D Tax Incentive Advance	680,000	730,000

The Company's FY26 R&D tax incentive claim estimate of $887,293 provided the provision for an advance of $680,000 on the 27 March 2026 via Rockford Capital Pty Ltd. Interest accrues at 15% pa from original maturity date until payment application date. The Company intends to repay the advance and accrued interest around October 2026 from received R&D tax proceeds.

Note 13: Equity - issued capital

	30 June 2026		30 June 2025	
	No.	$	No.	$
Balance at beginning of year	116,981,103	26,244,392	95,872,947	23,176,088
Shares issued to consultants[3,5]	904,025	156,658	-	-
Shares issued to directors[2]	400,002	60,000	-	-
Share placement	-	-	21,108,156	3,166,223
Shares issued on exercise of options[4]	1,030,644	360,725	-	-
Share issue costs[1]	-	(50,025)	-	(97,920)
Balance at end of year	119,315,774	26,771,750	116,981,103	26,244,392

[1] On 9 July 2025, 750,000 call options at exercise price $0.25 with expiry date 10 July 2028 were issued to Mr Stuart Campbell for services related to capital raising. The value of the options was determined based on the Black Scholes model using the following assumptions:

- Dividend yield: nil%
- Expected volatility: 81.70%
- Risk free interest rate: 3.44%
- Expected life of options (years): 3 years
- Exercise price: $0.25
- Grant date share price: $0.155
- Fair value per option: $0.07

[2] On 23 October 2025, 400,002 placement shares, ratified by shareholders, were issued to Directors, Mr Simon Kidston, Mr Daniel Eddington and Mr Nick O'Loughlin at issue price $0.15, resulting in share capital proceeds of $60,000.

[3] On 18 November 2025, overseas consultant, Mr Ian Rowell achieved a success-based bonus payable upon a public announced agreement or collaboration with a major customer, distributor or end-user in relation to ecosparc. A $119,000 share-based bonus calculated based on 2x the difference between USD 5,000 per month from the Commencement Date and the Monthly Variable Fees actually billed and paid was paid by equity settled transaction on 1 December 2025 in the form of 794,872 issued securities.

[4] On 7 May 2026, 1,030,644 unlisted options with expiry date 29 April 2026 and exercise price $0.35 were converted to ordinary shares resulting in $360,725 contributed equity. The remaining 6,332,996 were not exercised and subsequently expired. There was no fair value reallocated to the accumulated losses.

[5] On 29 April 2026, overseas consultant, Mr Aidan Mernin achieved success-based bonus payable upon a publically announced agreement or collaboration with a major customer, distributor or end-user in relation to ecosparc. A $37,658 share-based bonus calculated based on a contractual arrangement payment of £20,000, AUD share price $0.35 and GBP share price 0.1832 was paid by equity settled transaction on 1 May 2026 in the form of 109,153 issued securities.

Capital risk management

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

Capital is regarded as total equity, as recognised in the statement of financial position. The Group has borrowings of $680,000 being an advance of its expected FY26 R&D tax incentive claim ($887,293) provided by Rockford Capital Pty Ltd as outlined in note 7.

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In order to maintain or adjust the capital structure, the Group may, return capital to shareholders, issue new shares or sell assets to increase cash.

Performance Shares and Performance Rights

As at 12 November 2025, 7,000,000 performance shares issued with nil exercise price expired.

As at 30 June 2026 there are 3,000,000 performance rights on issue as part of Mr Nick O'Loughlin's remuneration with his appointment as Managing Director on 29 January 2024.

- Performance Rights that have not been exercised by the 5th anniversary of the Commencement Date expire.
- Performance and vesting conditions are as follows:
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.35, subject to the Managing Director being employed 12 months from the Commencement Date;
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.50, subject to the Managing Director being employed 24 months from the Commencement Date; and
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.75, subject to the Managing Director being employed 36 months from the Commencement Date.
- Performance Rights were issued pursuant to ASX Listing Rule 10.12 (Exception 12) and do not require shareholder approval.

Note 14: Equity - reserves

	30 June 2026 $	30 June 2025 $
Option reserve	1,974,195	7,424,683
Performance shares and performance rights reserve	407,751	1,516,131
Share based payment reserve at end of year	2,381,946	8,940,814

The Share based payment reserve arises on the grant of share options and performance shares and rights to executives, employees, consultants and advisors and upon issue of share options and performance shares to shareholders or buyers. Amounts are transferred out of the share-based payment reserve and into accumulated losses when the share options and performance shares expire or lapse.

Movement in Share based payment reserve - options

	30 June 2026 $	30 June 2025 $
Balance at beginning of year	7,424,683	8,824,273
Issue of options to employees, consultants and management[1]	50,025	-
Exercise of Options	-	-
Issue of options to directors[2]	59,325	133,500
Expiry of Options[3,4,5,]	(5,559,837)	(1,533,090)
Balance at end of year	1,974,195	7,424,683

[1] On 9 July 2025, 750,000 options were issued with an exercise price of $0.25 to consultant, Mr Stuart Campbell. The options have fair value $0.07 and an expiry date 10 July 2028.

[2] On 23 October 2025, 750,000 unlisted options were granted upon appointment to Director, Mr Simon Kidston, under the Company ESOP with fair value per option equal to $0.08 and expiry date 28 October 2029. The value of the options was determined based on the Black Scholes model using the following assumptions:

- Dividend yield: nil%
- Expected volatility: 86.75%
- Risk free interest rate: 3.38%
- Expected life of options (years): 4 years
- Exercise price: $0.25
- Grant date share price: $0.1475
- Fair value per option: $0.08

[3] On 30 September 2025, 3,050,000 options issued to Directors, employees and consultants expired resulting in the reallocation of the reserve to accumulated losses.

[4] On 28 February 2026, 1,000,000 options issued to Directors, employees and consultants expired resulting in the reallocation of the reserve to accumulated losses.

[5] On 29 April 2026, 2,250,000 options issued to Directors, employees and consultants expired resulting in the reallocation of the reserve to accumulated losses.

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Movement in Share based payment reserve – performance shares and performance rights

	30 June 2026	30 June 2025
	$	$
Balance at beginning of year	1,516,131	1,172,042
Vesting of performance shares to Directors[1]	15,499	134,700
Expiry of performance shares to Directors [2]	(1,201,291)	-
Vesting of performance rights to Director[3]	77,412	209,389
Balance at end of year	407,751	1,516,131

[1,2] On 12 November 2020, 7,000,000 performance shares were issued to Directors with an exercise price of nil. The performance shares expired 12 November 2025 and have been fully expensed. $992,516, being the fully expensed value, has been reallocated from the reserves to accumulated losses. $208,775 has also been fully expensed for the portion allocated to previously resigned and retired Directors.

[3] On 29 January 2024, 3,000,000 unlisted performance rights were issued to Mr Nick O'Loughlin upon his appointment as Managing Director as part of his remuneration. Material terms of Mr O'Loughlin's employment contract included long-term incentive Performance Rights subject to the following:

- Performance Rights that have not been exercised by the 5th anniversary of the Commencement Date expire.
- Performance and vesting conditions are as follows:
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.35, subject to the Managing Director being employed 12 months from the Commencement Date;
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.50, subject to the Managing Director being employed 24 months from the Commencement Date; and
  * 1 million vesting upon Sparc's 5-day VWAP (trading days) being at or above A$0.75, subject to the Managing Director being employed 36 months from the Commencement Date.
- These Performance Rights were issued pursuant to ASX Listing Rule 10.12 (Exception 12) and do not require shareholder approval.

The exercise price is nil as per ASX notice on 2 January 2024. The Performance Rights have been expensed over the 3 year vesting period. The value of the Performance Rights was determined based on Monte Carlo modelling using the following assumptions:

- Dividend yield: nil
- Expected volatility: Tranche 1 - 84.20%, Tranche 2 - 85.20%, Tranche 3 - 89.10%. A historical volatility was calculated for the respective period.
- Risk free interest rate: Tranche 1 - 3.82%, Tranche 2 – 3.82%, Tranche 3 – 3.75%. Government bond rates were used for periods 1 & 3.
- Expected life of options: (years): 3
- Exercise price: nil
- Spot price: $0.265
- Fair value per performance right: Tranche 1 - $0.183, Tranche 2 - $0.147, Tranche 3 - $0.197
- Probability factor applied: Tranche 1 – 90%, Tranche 2 – 75%, Tranche 3 – 50%

Performance shares and performance rights issued by the Company carry no rights to dividends, hold no voting rights, capital or wind up rights and are not transferable.

Share Based Payment Expense for the year	**$**
Options	
Expense of options to employees and consultants	-
Issue of options to Directors	59,325
Performance Rights	
Expense of performance shares to Directors	15,499
Expense of performance rights to Director	77,412
Share Based Payments (employee and Directors)	152,236

Note 15: Segment Information

The directors have considered the requirements of AASB 8 Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded at this time that there are no separately identifiable segments.

Note 16: Subsequent Events

The Group has announced an offer to raise share capital on 18 August 2026 of up to $2.5m

Note 17: Contingent Liability

There are currently no contingent liabilities (2025: Nil).

Note 18: Equity - retained profits

	Consolidated	
	2026	**2025**
Retained earnings at the beginning of the financial year	(30,982,936)	(30,239,367)
Loss after income tax expense for the year	(2,751,958)	(2,276,659)
Reallocation expired options reserves	6,761,129	1,533,090
Retained losses at the end of the financial year	(26,973,765)	(30,982,936)

Note 19: Commitments

Expenditure commitments

The Group does not have any further expenditure commitments as at 30 June 2026.

Leasing commitments

The Group entered into a lease for its office facility at 51 Rundle Street, Kent Town, SA commencing 1 January 2021**.** The Group leased land and buildings for its offices and research facilities under a five-year agreement with an option to extend for a further term. The lease has been extended from 1st January 2026 for 3+3 years at a negotiated market rate. The lease has an annual rent review to CPI and a market review if renewed.

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The incremental borrowing rate applied in the calculation of the initial carrying amount of lease liabilities is 4.39%

Right-of-use asset	**Office Lease**
	$
Balance as at 30 June 2025	58,596
Amortisation for year	(128,689)
Add modification to lease payments	420,556
Carrying amount as at 30 June 2026	350,463

	Office Lease
Lease liability	**$**
Balance as at 30 June 2025	70,938
Interest expense for year	9,462
Payments for lease liabilities for year (change arising from financing activity)	(146,710)
Add modification to lease payments	420,556
Carrying amount as at 30 June 2026	354,246

	30 Jun 2026
Amounts recognised in statement of cash flows	**$**
Interest expense on lease liability for year	9,462
Payments for principal portion of lease liabilities for year	137,248
Total cash outflow in relation to leases for year	146,710

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Note 20: Leasing commitments - additional

Lease commitments

	Consolidated	
	2026	**2025**
Minimum lease commitments payable (undiscounted):		
1 year or less	152,123	70,938
Between 1 and 2 years	236,188	-
3+ years	-	-
	388,311	70.938

Note 21: Key management personnel disclosures

	Consolidated	
Compensation	**2026**	**2025**
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:		
Short term employee benefits	950,820	1,103,930
Share based payments	145,710	477,587
	1,096,530	1,581,517

Note 22: Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the Group's auditors', their network firms and unrelated firms:

	Consolidated	
	2026	**2025**
Audit services – BDO Audit Pty Ltd		
Audit and review of financial statements	37,919	45,740
Other Services – BDO		
Taxation Services	10,666	20,213
Advisory	1,030	1,500
Other Services – BDO	11,696	21,713
Total	49,615	67,453

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Note 23: Related party transactions

Parent entity - Sparc Technologies Limited is the parent entity.
Subsidiaries - Interest in subsidiaries are set out in note 27.
Key management personnel - Disclosures related to key management personnel are set out in note 21 and the remuneration report included in the Directors' Report.
Transactions with related parties - During 2026, there were no payments made to related parties of Directors.
Investment in associate – As per note 9.

Note 24: Parent entity information

Set out below is supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Consolidated	
	2026	**2025**
Loss of after income tax	(1,452,205)	(2,173,924)
Total comprehensive loss	(1,452,205)	(2,173,924)
Statement of financial position		
Total current assets	10,268,451	10,811,445
Total assets	11,018,632	11,529,629
Total current liabilities	258,706	250,089
Total liabilities	473,813	250,089
Equity		
Issued capital	25,163,112	24,635,754
Reserve	2,314,746	8,873,614
Accumulated losses	(16,933,040)	(22,229,827)
Total equity	10,544,819	11,279,540

Note 25: Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2026	**2025**
Loss after tax	(2,751,958)	(2,276,659)
Non cash flows in profit or loss:		
Depreciation & amortisation	207,087	211,717
Share of loss of Associate	140,478	552,911
Interest RTU Adjustment	9,462	6,301
Share based payments	152,236	477,589
Shares Issues to consultants as bonus	37,658	-
Movements in assets and liabilities:		
Decrease/(Increase) in receivables	(45,388)	5,960
Increase in prepayments	-	14,329
Increase in Tax Receivable	125,906	(1,014,310)
(Decrease)/Increase in trade payables	178,196	(23,247)
Increase in employee benefits	22,077	27,902
Net cash from operating activities	(1,924,246)	(2,017,507)

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Note 26: Financial risk

The Group's financial instruments consist mainly of cash at bank and payables.

The Group has not formulated any specific management objectives and policies in respect of debt financing, derivatives or hedging activity. Should the Group change its position in the future, a considered summary of these policies will be disclosed at that time.

The Group's current exposure to the risk of changes in the market is managed by the Board. The Board is of the opinion that the carrying amount of the Group's financial instruments approximate their fair value.

Liquidity risk

The liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Note 27: Interests in subsidiaries

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

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2026 %**	**2025 %**
Sparc Operations Limited	Australia	100%	100%

Note 28: Earnings per Share

Basic earnings per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Consolidated	
	2026 $	**2025 $**
Loss after income tax	(2,751,958)	(2,276,659)
Loss after income tax attributable to the owners of Sparc Technologies Limited	(2,751,958)	(2,276,659)

	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	117,889,245	98,491,312
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	117,889,245	98,491,312

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	Cents	Cents
Basic earnings per share	(2.33)	(2.31)
Diluted earnings per share	(2.33)	(2.31)

Note 29: Income Tax

	Consolidated 2026 $	Consolidated 2025 $
Profit/(Loss) before tax	(2,751,958)	(2,276,659)
Income tax using Company's statutory income tax rate of 25% (2025: 25%)	(687,990)	(569,165)
Non assessable income	(221,823)	(532,608)
Non deductable expenditure	509,939	505,571
Unrecognised deferred tax from carried forward losses	399,874	596,202
Total income tax expense	0	0

The Sparc Group are not consolidated for taxation purposes and have the following carried forward tax losses at 30 June 2025:

- Sparc Technologies Ltd: $44,917,061
- Sparc Operations Pty Ltd: $3,443,164

Deferred tax assets have not been recognised in respect of carried forward losses due to uncertain recoverability of these balances. The deferred tax assets not recognised for 2025 $ 48,360,225. The FY26 tax preparation has not yet been finalised.

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the Directors:

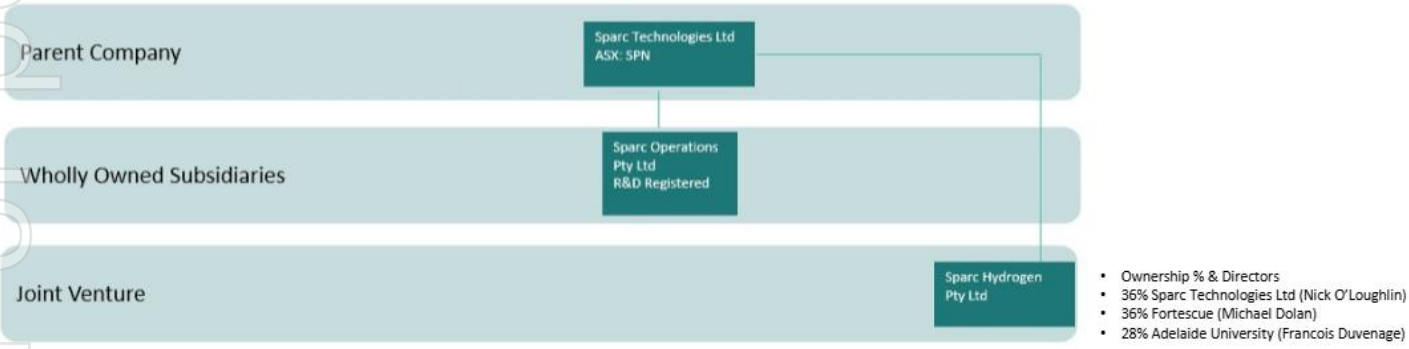
Nicholas O'Loughlin
Managing Director
28 August 2026 (Adelaide)

Consolidated Entity Disclosure Statement

Name of Entity*	Type of Entity	Trustee, partner or participant in joint venture**	% of share capital held	Country of incorporation	Australian resident or foreign resident***	Foreign tax jurisdiction(s) of foreign residents
Sparc Technologies Ltd	Body Corporate	-	N/A	Australia	Australian	N/A
Sparc Operations Pty Ltd	Body Corporate	-	100	Australia	Australian	N/A

Organisation Chart

Sparc Group of Companies



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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SPARC TECHNOLOGY LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sparc Technology Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, 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 2026 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities 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 1 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.

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Key audit matters

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

Research and Development (R&D) Tax Incentive

Key audit matter	How the matter was addressed in our audit
Refer to Note 3 and 6 of the financial report and note 1 for the accounting policy. During the year ended 30 June 2026 the Group accrued $887,293 in relation to Research and Development (R&D) Tax Incentive in relation to the current financial year. The R&D Tax incentive was identified as a key audit area because of the extent of judgement involved in considering the recognition of the income and receivable as at the reporting date, the complexity involved in the assessment on the eligibility on the claimed expenditure and computation of the amount.	Our audit procedures included but were not limited to: • Utilising BDO's internal expert to assist in analysing the evidence provided by the Group to support the recognition and carrying value of the R&D Tax Incentive receivable; • Obtaining and reviewing management's expert report regarding the methodology used to prepare the claim, the eligibility of the activities, the calculation of the estimated R&D Tax Incentive receivable and considering the skills, competence and experience of management's expert; • Obtaining and checking the accuracy of the calculation and reconciliation prepared for the R&D Tax Incentive receivable; and • Concluding on the recognition and presentation of the R&D Tax Incentive receivable for the reporting period.

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 2026 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.

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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/bwvjcgre/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 22 to 31 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Sparc Technologies Limited, for the year ended 30 June 2026, 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

Paul Gosnold
Director

Adelaide, 28 August 2026

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Shareholder information

Distribution of equitable securities as at 29 July 2026

Analysis of number of equitable security holders by size of holding:

	Ordinary Shares	
	Number of holders	**% of total shares issued**
1 to 1,000	1,037	28.30
1,001 to 5,000	1,222	33.35
5,001 to 10,000	457	12.47
10,001 to 100,000	787	21.48
100,001 and over	161	4.39
	3,664	100.00
Holding less than a marketable parcel		52.05

Equity security holders

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

	Ordinary Shares	
	Number held	**% Of total shares issued**
CITICORP NOMINEES PTY LIMITED	6,621,756	5.55
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	4,557,259	3.82
ADELAIDE UNIVERSITY	3,842,643	3.22
SHARESIES AUSTRALIA NOMINEE PTY LIMITED	3,841,198	3.22
ALFRED A DEANS PTY LTD <RAYMOND JONES SUPERFUND A/C>	3,750,000	3.14
SB HUNT SUPER PTY LTD <S B HUNT SUPER FUND A/C>	3,660,301	3.07
INNOVATION AND COMMERCIAL PARTNERS PTY LTD <THE ADELAIDE RESEARCH & INNOVATION INVESTMENT A/C>	2,721,000	2.28
DANIEL WILLIAM EDDINGTON & JULIE EDDINGTON <DJ HOLDINGS A/C>	2,680,769	2.25
MR STEPHEN BRIAN HUNT <DFM A/C>	2,578,643	2.16
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,489,413	2.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,237,752	1.88
MS MARNIE JANE EDDINGTON <G & K FAMILY A/C>	2,234,397	1.87
CANE ASSET MANAGEMENT PTY LTD <CANE SUPER A/C>	2,204,187	1.85
BLAMNCO TRADING PTY LTD	2,060,000	1.73
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	1,998,595	1.68
WESTHOEK PTY LTD <WILLEMSTAD A/C>	1,981,750	1.66
MINERALS AND METALS MARKETING PTY LTD	1,523,589	1.28
MR ANDREW GARNET SMITH & MRS SALLYANNE MAREE SMITH <A AND S SMITH SF A/C>	1,372,372	1.15
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,138,398	0.95
JEJM PTY LTD <J O MALOUF FAMILY A/C>	1,100,000	0.92
TOTAL	**54,594,022**	**45.76**
BALANCE OF REGISTER	64,721,752	54.24
GRAND TOTAL	119,315,774	100.00

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Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	10,250,000	18
Performance Rights	3,000,000	1

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% Of total shares issued
Innovation & Commercial Partners Pty Ltd ATF The Adelaide Research & Innovation Investment Trust and The University of Adelaide	6,563,643	5.61

Voting rights

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

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

There are no other classes of equity securities.

Restricted Securities

The Company confirms there are no securities which will be subject to restriction pursuant to the ASX Listing Rules for the periods outlined below:

Class	Number	Restriction Period
Shares	0	
Performance Rights	0	

Other

a. The name of the Company Secretary is Adrien Wing.
b. The registered address in Australia is Level 2, 480 Collins Street, Melbourne VIC 3000
c. Registers of securities are held at the following address: Link Market Services, Tower 4, 727 Collins Street, Melbourne VIC 3008.
d. Stock Exchange Listing: Quotation has been granted for all ordinary shares on all Member Exchanges of the ASX Limited. The Company has also obtained secondary listings on the Frankfurt Stock Exchange (ticker: NLR) and the OTCQB Venture Market (ticker: SPTCF) in the United States.

Corporate Governance: A copy of the Company's Corporate Governance Statement is available on the Company's website at https://sparctechnologies.com.au/.

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