NODESTREAM

SECURE, ULTRA-RESILIENT COMMUNICATIONS
FOR MISSION-CRITICAL OPERATIONS

NODESTREAM LTD
ABN: 77 149 970 445

28 August 2026

Appendix 4E Preliminary Final Report

I. DETAILS OF THE REPORTING PERIODS

Reporting period: For the year ended 30 June 2026

Previous period: For the year ended 30 June 2025

II. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				30 June 2026	30 June 2025
			%	$	$
(i)	Revenue from ongoing ordinary activities	Decrease	(37)	1,582,614	2,495,951
(ii)	Net loss from ordinary activities attributable to members	Increase	18	(8,293,270)	(7,010,118)
(iii)	Net loss for the year attributable to members	Increase	7	(7,580,117)	(7,057,744)
(iv)	Dividends			Nil	Nil
(v)	Record date for determining entitlements for dividend			n/a	n/a

Further details on the results for the year are set out in the 2026 Preliminary Report as below.

III. DIVIDENDS

The Board did not declare nor pay any dividends for the financial year ended 30 June 2026 and it is not proposed to pay any dividends in relation to the financial year end.

IV. NET TANGIBLE ASSETS PER SECURITY

Net tangible assets are defined as the net assets of the Group less intangible assets. Assets classified as intangible assets include goodwill, software and intellectual property.

	30 June 2026	30 June 2025
Net tangible assets per ordinary share (cents per share)	(0.66)	(1.20)

V. CONTROL GAINED OR LOSS OF CONTROL OVER ENTITIES HAVING MATERIAL EFFECT

Not applicable

VI. ASSOCIATES AND JOINT VENTURE ENTITIES

Not applicable

VII. AUDIT QUALIFICATION OR REVIEW

This report is in the process of being audited. At the date of this report, the Directors are not aware of any matter that will result in a qualification of the audit report.

VIII. ATTACHMENTS

Preliminary Financial Report for the year ended 30 June 2026.

This announcement was authorised for release by Jeffery Sengelman, Executive Chair.

Date: 28 August 2026

Mr. Jeffery Sengelman

Executive Chair

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the Year Ended 30 June 2026

	Note	2026 $	2025 $
Revenue			
Sales	2.2	1,582,614	2,495,951
Research and development tax incentive	2.3	1,279,436	1,590,178
Debt forgiveness	5.3	500,000	-
Other income	2.3	32,518	30,933
		3,394,568	**4,117,062**
Expenses			
Cost of goods sold		(211,027)	(308,980)
Marketing and business development		(185,383)	(164,932)
Personnel expenses – other	2.4	(1,752,582)	(2,097,633)
Personnel expenses – research and development	2.4	(2,300,955)	(2,932,713)
General and administration		(824,713)	(758,268)
Professional fees		(1,756,463)	(1,200,153)
Depreciation and amortisation		(224,646)	(364,067)
Research and development		(159,220)	(346,458)
Property, plant and equipment impairment		-	(333,044)
Right of use leased assets impairment		-	(548,771)
Inventories written down		-	(235,600)
Impairment of advances to a sales agent		(434,591)	-
Other investment impairment	5.3	(500,000)	-
Derivative financial liabilities – fair value expense		(356,120)	-
Cost of fundraising – derivative financial liabilities		(756,208)	-
Finance expenses	2.5	(2,225,930)	(1,836,561)
Loss before income tax		**(8,293,270)**	**(7,010,118)**
Income tax expense	2.6	-	-
Net loss for the year from continuing operations		**(8,293,270)**	**(7,010,118)**
Income/(Loss) after tax from discontinued operations	3	713,153	(47,626)
Loss attributable to owners of the Company		**(7,580,117)**	**(7,057,744)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences		(19,218)	21,323
Total comprehensive loss for the year		**(7,599,335)**	**(7,036,421)**
Total comprehensive loss attributable to owners of the Company		**(7,599,335)**	**(7,036,421)**

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the Year Ended 30 June 2026 (Continued)

	Note	2026 $	2025 $
Loss for the year is attributable to:			
Continuing operations		(8,293,270)	(7,010,118)
Discontinued operations		713,153	(47,626)
		(7,580,117)	**(7,057,744)**
Total comprehensive loss for the year is attributable to:			
Continuing operations		(8,312,488)	(6,988,795)
Discontinued operations		713,153	(47,626)
		(7,599,335)	**(7,036,421)**
Loss per share			
Basic and diluted loss per share (cents per share)	2.7	(0.70)	(0.82)
Basic and diluted loss per share (cents per share) from continuing operations	2.7	(0.77)	(0.81)
Basic and diluted earning/(loss) per share (cents per share) from discontinued operations	2.7	0.07	(0.01)

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2026

	Issued Capital	Unissued Capital	Share-based Payment Reserve	Equity Component of Convertible Note	Foreign Exchange Reserve	Accumulated Losses	Total Equity
	$	$	$	$	$	$	$
Balance at 1 July 2024	**48,076,797**	**1,278,761**	**5,600,833**	**499,385**	**(14,803)**	**(61,134,917)**	**(5,693,944)**
Net loss for the year	-	-	-	-	-	(7,057,744)	(7,057,744)
Foreign exchange translation	-	-	-	-	21,323	-	21,323
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**21,323**	**(7,057,744)**	**(7,036,421)**
Shares issued	203,370	-	-	-	-	-	203,370
Share issue costs (net of tax benefit)	(6,334)	-	-	-	-	-	(6,334)
Convertible note issued	-	-	-	249,663	-	-	249,663
Deferred consideration on acquisition of subsidiary	1,278,761	(1,278,761)	-	-	-	-	-
Shares in lieu of bonus	246,608	235,288	-	-	-	-	481,896
Shares in lieu of advisory services	454,506	-	-	-	-	-	454,506
Shares in lieu of financing interest	361,200	-	-	-	-	-	361,200
Share-based payments (Refer note 7.1)	-	-	226,066	-	-	-	226,066
Balance at 30 June 2025	**50,614,908**	**235,288**	**5,826,899**	**749,048**	**6,520**	**(68,192,661)**	**(10,759,998)**
Balance at 1 July 2025	**50,614,908**	**235,288**	**5,826,899**	**749,048**	**6,520**	**(68,192,661)**	**(10,759,998)**
Net loss for the year	-	-	-	-	-	(7,580,117)	(7,580,117)
Foreign exchange translation	-	-	-	-	(19,218)	-	(19,218)
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**(19,218)**	**(7,580,117)**	**(7,599,335)**
Shares issued for cash	4,219,260	-	-	-	-	-	4,219,260
Shares and options issued on conversion of convertible notes	915,357	-	184,643	-	-	-	1,100,000
Shares issued on conversion of derivatives financial liabilities	890,882	-	-	-	-	-	890,882
Share issue costs (net of tax benefit)	(1,001,876)	-	-	-	-	-	(1,001,876)
Convertible note issued	-	-	423,733	10,479	-	-	434,212
Proceed from LFSP	88,000	-	-	-	-	-	88,000
Share based payment - LFSP	-	-	205,749	-	-	-	205,749
Shares in lieu of bonus	235,288	(235,288)	-	-	-	-	-
Shares in lieu of advisory services	708,232	-	-	-	-	-	708,232
Shares in lieu of financing interest	145,360	-	-	-	-	-	145,360
Share-based payments (Refer note 7.1)	-	-	641,022	-	-	-	641,022
Balance at 30 June 2026	**56,815,411**	**-**	**7,282,046**	**759,527**	**(12,698)**	**(75,772,778)**	**(10,928,492)**

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASHFLOWS
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		2,479,087	2,307,517
Receipts from R&D tax incentive		1,279,436	1,590,178
Payments to suppliers and employees		(7,218,163)	(8,023,314)
Interest paid		(416,864)	(408,529)
Interest paid on lease liabilities		(31,503)	(42,463)
Interest received		35,390	6,196
Net cash used in operating activities	5.1(b)	**(3,872,617)**	**(4,570,415)**
Cash flows from investing activities			
Payments for plant and equipment		(14,358)	(5,563)
Other investment	5.3	(500,000)	-
Net cash (used in) / from investing activities		**(514,358)**	**(5,563)**
Cash flows from financing activities			
Proceeds from issue of share capital and options exercise		4,219,260	-
Proceed from convertible notes	6.2	420,000	4,479,877
Proceed from Loan Funded Share Plan	6.1	88,000	-
Loan from Directors	6.2	230,000	540,000
Repayment to Directors	6.2	(120,000)	(150,000)
Repayment of convertible loan notes	6.2	(1,200,000)	-
Proceed from derivatives financial liabilities	6.3	2,500,000	-
Repayment of derivatives financial liabilities	6.3	(200,000)	-
Short term loan		-	420,000
Repayment of short term loan		-	(420,000)
Proceed from loan note financing		-	183,000
Repayment of loan note financing		-	(585,000)
Proceed from convertible loan notes		-	1,400,000
Payment of fund-raising costs		(550,356)	(513,814)
Repayment of principal lease liabilities	6.4	(341,870)	(331,964)
Repayment of borrowings and premium funding facility	6.2	(149,386)	(168,604)
Net cash from financing activities		**4,895,648**	**4,853,495**
Net increase in cash and cash equivalents		508,673	277,517
Cash and cash equivalents at 1 July		722,496	444,943
Effect of exchange rate fluctuations on cash held		30	36
Cash and cash equivalents at 30 June	5.1(a)	**1,231,199**	**722,496**

The accompanying notes are an integral part of these financial statements

Section 1: Basis of Preparation

The notes to the consolidated financial statements have been grouped into sections under seven key categories:

- Basis of preparation
- Results for the year
- Business Combination
- Assets and Liabilities
- Working capital disclosures
- Equity and funding
- Other disclosures

Significant accounting policies specific to one note are included within that note and where possible, wording has been simplified to provide clearer commentary on the financial report of the Group. Accounting policies determined non-significant are not included in the financial statements. There have been no changes to the Group's accounting policies during the year.

1.1 General Information

The Company, Nodestream Limited, (formerly Harvest Technology Group Ltd), is an ASX-listed public company domiciled in Australia. The Company's registered office is located at 7 Turner Avenue, Technology Park, Bentley WA 6102.

The Group is primarily involved in:

- remote communications technology based around data transmission protocols; and
- bespoke solutions for the offshore energy, resources and renewables sectors, specialising in subsea and asset integrity risk mitigation technology.

The consolidated financial statements of the Group as at and for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and were authorised for issue by the Board of Directors. The financial statements are general purpose financial statements which:

- have been prepared in accordance with Australian Accounting Standards (**AASBs**) adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (**IFRSs**) as issued by the International Accounting Standards Board (**IASB**);
- have been prepared on a historical cost basis, except for financial assets held at fair value through profit or loss. The basis of measurement is discussed further in the individual notes;
- are presented in Australian Dollars;

1.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as at 30 June each year.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability, to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

1.3 Foreign Currency Translation

The primary economic environment in which the Group operates is Australia. The consolidated financial statements are therefore presented in Australian dollars.

Transactions in foreign currencies are initially recorded in Australian dollars at the exchange rate on that day. Foreign currency monetary assets and liabilities are translated into Australian dollars at the year-end exchange rate. Where there is a movement in the exchange rate between the date of the transaction and the year-end, a foreign exchange gain or loss may arise. Any such differences are recognised in the profit or loss. Non-monetary assets and liabilities measured at historical cost are translated into Australian dollars at the exchange rate on the date of the transaction.

The functional currency of the Group's UK based subsidiary, Nodestream (UK) Ltd, is British Pound Sterling (GBP) and Ireland based subsidiary Nodestream Europe Ltd, is Euro (EUR).

As at the balance date the assets and liabilities of these subsidiaries are translated into the presentation currency of Nodestream Limited at the rate of exchange ruling at balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the date of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

1.4 Research and Development Expenditure Tax Offset

The Group undertakes expenditure on activities that are categorised as 'eligible expenditure' under the Research & Development Tax Concession which, dependent upon certain criteria, may be subject to a tax offset. The Group will submit a claim for the 2026 financial year and have not recognised a receivable pending the review and approval of the claim by the Australian Taxation Office.

1.5 Impairment

Non-financial assets

At each reporting date, the Group reviews the carrying amount of its non-financial assets, other than deferred tax assets, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

1.6 New, Revised or Amending Accounting Standards and Interpretations Adopted

Standards and Interpretations Applicable to 30 June 2026

The Directors have reviewed all Standards and Interpretations on issue not yet adopted for the period ended 30 June 2026. As a result of this review, the Directors have determined that there is no material impact of the Standards and Interpretations on issue not yet adopted by the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have a material impact on Group Accounting policies.

1.7 Accounting Judgements and Estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements and information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment are included in the following notes:

- Note 2.3 - Other income (Research and development tax incentive)
- Note 2.6 - Income tax expense
- Note 5.2 - Recoverability of Trade Receivables
- Note 6.2 - Borrowings
- Note 6.3 - Derivatives financial liabilities
- Note 7.1 - Share-based payments

1.8 Going Concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business and at the amounts stated in the financial statements. Notwithstanding the working capital deficiency of $9,110,742 (2025: $2,734,869), incurred a loss of $7,580,117 (2025: $7,057,744) and a net operating activities cash outflow of $3,872,617 (2025: $4,570,415) for the year, the Directors are of the opinion that the Group is a going concern for the following reasons:

- Undrawn funding facility of $3,500,000 as at balance date.
- Expected receipt of 2026 R&D tax incentive rebate by November 2026.
- Receipt of $3,500,000 (before capital raising costs) in July 2026 from institutional and sophisticated investors on completion of Tranche 2 of the capital raising, following shareholder approval on 16 July 2026 (refer to note 7.6).
- Access to additional capital from institutional and sophisticated investors, consistent with the Group's history of successfully completing capital raisings.
- The ability to seek an extension of the maturity date of the Convertible Notes; and
- The Company continues to closely monitor its cash position and the range of funding options available.

After consideration of the above factors together with a review of the Group's financial position and forecast cash flows, the Directors reasonably expect the Group will be able to generate sufficient future cashflows to ensure the Group is able to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. However, should results be materially less than expected and/or the Group is unable to generate any additional funding required, there would exist a material uncertainty which could cast significant doubt as to whether the Group would in such circumstances be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

Section 2: Results for the Year

This section focuses on the results and performance of the Group, with disclosures including segment information, components of the operating profit, taxation and earnings per share.

2.1 Operating Segments

The Group's operating segments have been determined with reference to the management accounts used by the Chief Operating Decision Maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole, has been determined as the Chief Operating Decision Maker.

The Group operated in two distinct segments during the past year:

- Remote communications technology sector; and
- Subsea and asset integrity risk mitigation technology-based solutions within the energy, resources and renewables sectors.

The remote communications technology segment generates income from the provision of data transfer, encryption and compression services to clients operating in offshore and remote environments.

The offering of bespoke subsea and asset integrity risk mitigation technology-based solutions segment generates income from subsea infrastructure and assets in the energy, resources and renewables sectors. This segment is now discontinued.

Segment Assets and Liabilities

The following is an analysis of the Group's assets and liabilities by reportable operating segment as at the end of the reporting period:

	Assets		Liabilities	
	2026 $	**2025 $**	**2026 $**	**2025 $**
Remote communications technology	317,900	525,221	(679,547)	(548,811)
Subsea and asset integrity risk mitigation	-	-	-	(30,196)
Total segment assets and liabilities	**317,900**	**525,221**	**(679,547)**	**(579,007)**
Corporate and other segment assets/liabilities	2,675,083	2,179,011	(13,241,928)	(12,885,223)
Total	**2,992,983**	**2,704,232**	**(13,921,475)**	**(13,464,230)**

Segment Revenue and Results

The following is an analysis of the Group's revenue and results from continuing operations by reportable operating segment.

	Revenue		Segment Profit / (Loss)	
	2026 $	2025 $	2026 $	2025 $
Remote communications technology	1,582,614	2,495,951	(1,897,289)	(2,133,631)
Total for continuing operations	**1,582,614**	**2,495,951**	**(1,897,289)**	**(2,133,631)**
Subsea and asset integrity risk mitigation (discontinued operation)	-	-	713,153	(47,626)
Total for continuing and discontinued operations	**1,582,614**	**2,495,951**	**(1,184,136)**	**(2,181,257)**
Other income			18,166	14,011
Research and development incentive			1,279,436	1,590,178
Finance income			14,352	16,922
Central and administration expenses			(5,482,005)	(4,661,037)
Finance expense			(2,225,930)	(1,836,561)
Loss before tax			**(7,580,117)**	**(7,057,744)**
Income tax benefit/ (expense)			-	-
Loss after tax			**(7,580,117)**	**(7,057,744)**

Segment revenues represent revenue generated from external customers. There were no inter-segment revenues in the current period.

The accounting policies of the reportable segments are the same as the Group's accounting policies.

Management do not consider the cashflows of each segment separately.

Geographical Information

	Geographical Non-Current Assets	
	2026 $	2025 $
Australia	768,000	821,969
United Kingdom/ Europe	-	623
	768,000	**822,592**

	Sales to External Customers	
	2026 $	2025 $
Americas	118,581	129,609
Australia & Asia Pacific	524,807	1,427,946
Europe	222,301	126,410
Middle East & Africa	155,273	202,914
United Kingdom	561,652	609,071
	1,582,614	**2,495,951**

2.2 Revenue

Accounting Policy

Revenue from contracts with customers is recognised in consolidated statement of profit or loss and other comprehensive income when the performance obligations are considered met, per the specific requirements of contract for the goods or services being provided by the Group, as disclosed further below.

The Group determines whether each performance obligation within a contract is satisfied over time or at a point in time.

Revenue is recognised at an amount that reflects the consideration the Group expects to be entitled to, net of goods and services tax (or other valued added taxes as applicable). Invoiced amounts are reflected in trade receivables.

Revenue Recognition

The Group recognises revenue from the following key sources:

- Sale of hardware products
- Hire of hardware products
- Software licence subscription fees
- Services

The accounting policies for each of these sources has been set out below:

Sale of hardware products
The Group sells hardware products direct to customers and through distribution partners. Revenue is recognized when control of the hardware has transferred, being when the hardware has been shipped to the customer/distributor's specified location (delivery). Any income derived from shipping charges is also recognised at the time of delivery. It is at this point in time at which the right to consideration becomes unconditional.
Where customers/distributors are responsible for arranging shipment, revenue is recognized on an ex-warehouse basis when collected by the customer/distributor (or their shipping agent).

When a customer/distributor initially places the order, the customer or distributor is invoiced and the transaction price at that point in time is recognised by the Group as deferred revenue, until control of the hardware has transferred to the customer or distributor and revenue is recognised.

Outside of warranties, customers/distributors do not have the right to return hardware sold therefore no "right to returned goods" asset is recognised.

Hire of hardware products
The Group offers customers the ability to hire certain hardware products over time. Typically, the minimum hire period is one month and may stretch up to a maximum term of 36 months. Hire revenues are recognized on a daily basis over the term of the hire period. The Group considers the performance obligation in respect of those services is satisfied over time.

The transaction price allocated to these hire activities is recognized as deferred revenue ("revenue received in advance" liability) at the time of the initial sales transaction and is released on a straight-line basis over the hire period.

Software licence subscription fees
The Group provides customers with a licence to access its software for the duration of the contract term. Such services are recognized as a performance obligation satisfied over time.

The transaction price allocated to these hire activities is recognized as deferred revenue ("revenue received in advance" liability) at the time of the initial sales transaction and is released on a straight-line basis over the period of the licence.

Services
The Group provides project and consulting services to customers. Revenue from these services is recognised over time as services are rendered, typically in accordance with the achievement of project milestones and/or hours expended.

Transaction price
The total transaction price at the start of the contract is estimated as the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to the customer, net of goods and services tax. The transaction price does not include estimates of consideration resulting from change orders for additional goods or services unless these are agreed. Once the total transaction price is determined, the Group allocates this to the identified performance obligations in proportion to their relative stand-alone selling prices and recognises revenue when or as those performance obligations are satisfied.

Disaggregation of revenue
AASB 15 requires entities to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group has determined that a disaggregation of revenue using existing segments and the nature of revenue best depicts the Group's revenue.

	Provision of services		Hardware sales		Total	
	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Revenue earned over time	1,269,067	1,498,936	-	-	1,269,067	1,498,936
Revenue at a point in time	-	-	313,547	997,015	313,547	997,015
	1,269,067	**1,498,936**	**313,547**	**997,015**	**1,582,614**	**2,495,951**

The Group has 3 customers where the revenue generated from these customers is more than 10% of the Group's revenue. Customer A generated 20% (2025: 25%), Customer B generated 12% (2025: 16%), Customer C generated 10% (2025: 4%) of the Group's revenue for the year.

2.3 Other Income

Accounting Policy

Research and development tax incentive
Research and development tax incentive from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to historical expenditure for Research & Development and Export Market Development are recognised in full in the period that they are received.

Key judgements and estimates
The recognition and measurement of the Research & Development tax incentive requires significant judgement in determining the eligibility of activities and expenditure under the relevant legislation. Management engages an external Research & Development specialist to assist in preparing and supporting the claims.

	2026 $	2025 $
Research and development tax incentive	1,279,436	1,590,178
Others		
Government grants	-	10,370
Interest income	14,352	16,922
Reimbursement of travelling costs from a customer	18,166	-
Other	-	3,641
	32,518	**30,933**

2.4 Personnel Expenses and Employee Benefits

Accounting Policy

Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits
The Group's net obligation in respect of long-term employee benefits is the amount of the future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

Share-based payments
The policy relating to share-based payments is set out in note 7.1.

The table below sets out personnel costs expensed during the year.

	Note	2026 $	2025 $
Wages and salaries		2,722,136	3,618,096
Directors' remuneration	7.4	624,096	575,000
Other KMP remuneration	7.4	30,154	-
Contributions to superannuation		278,006	377,338
Increase/(Decrease) in liability for annual leave		103,571	(137,123)
Equity-settled share-based payments including loan funded share plan		205,749	481,896
Other associated personnel expenses		89,825	115,139
Total personnel costs		**4,053,537**	**5,030,346**
Shown as:			
Non-research and development expenses		1,752,582	2,097,633
Research and development related personnel expenses		2,300,955	2,932,713
		4,053,537	**5,030,346**

Further information relating to Directors' and KMP remuneration is set out in note 7.4.

The table below sets out employee benefits payable as at reporting date.

	2026 $	2025 $
Current		
Salary accrual	(23,524)	(9,808)
Superannuation	(82,990)	(83,437)
Liability for annual leave	(255,318)	(214,979)
	(361,832)	**(308,224)**
Non-current		
Liability for long service leave	(96,608)	(33,375)
	(458,440)	**(341,599)**

2.5 Finance Costs

Accounting Policy

Finance costs comprise interest and other finance charges on borrowings and banking arrangements. Interest expense on short term borrowings is recognised as it accrues in profit or loss, using the effective interest method.

	Note	2026 $	2025 $
Interest expense on financial liabilities measured at amortised cost			
Interest expense on convertible notes & loan notes	6.2	2,162,804	1,667,114
Interest on lease liabilities		31,503	42,463
Interest expense on loan from Directors		971	12,022
Interest on short term loan		-	88,200
Interest expense on other borrowings		21,267	11,252
Other finance charges		9,385	15,510
Finance expense recognised in profit or loss		**2,225,930**	**1,836,561**

2.6 Income Tax Expense

Accounting Policy

Income tax expense comprises current and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is based on tax rates enacted or substantively enacted at the balance date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used for calculating taxable profits. Deferred tax balances are disclosed net to the extent that they relate to taxes levied by the same authority and the Group has the right of set-off.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on substantively enacted rates at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Key judgements and estimates - Deferred taxation

The Group has unrecognised carried forward tax losses which can be utilised against future taxable profits.

Deferred tax assets are recognised only where management considers it probable that sufficient future taxable profits will be available to utilise these tax losses.

(a) Amounts recognised in profit or loss

	2026 $	2025 $
Current tax benefit / (expense)		
Current tax	-	-
Under provision in prior year	-	-
Total income tax benefit / (expense)	-	-

(b) Reconciliation of Income Tax

	2026 $	2025 $
Loss after tax*	(7,580,117)	(7,010,118)
Total income tax (benefit) / expense	-	-
Loss excluding income tax	**(7,580,117)**	**(7,010,118)**
Income tax at the Australian tax rate of 25% (2025: 25%)	(1,895,029)	(1,752,530)
Tax effect of amounts which are non-deductible (taxable) in calculating taxable income:		
Entertainment	5,728	474
Share-based payments	51,437	119,444
Impairment of property, plant and equipment and leased assets	-	220,454
Inventories written down	-	58,900
Other permanent differences	213,892	184,604
Difference in foreign income tax rates	54,783	14,528
Foreign tax losses not brought to account	54,783	74,021
Deferred tax assets not brought to account	1,514,406	1,080,105
	-	-

* Loss for the year is inclusive of continued operations only.

(c) Recognised Deferred Tax Assets and Liabilities

Recognised deferred tax assets and liabilities are attributable to the following:

	2026 $	2025 $
Deferred tax liabilities at 25% (2025: 25%)		
Fixed Assets	19,727	2,968
Right of use assets	(53,247)	74,603
Other temporary differences	12,297	(2,860)
	(21,223)	74,711
Offset of deferred tax assets	21,223	(74,711)
Net deferred tax liability recognised	-	-

All movements are charged to income tax throughout the year.

(d) Deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2026 $	2025 $
Deferred tax assets		
Tax losses	21,223	74,711
Capital raising costs	-	-
Employee entitlements	-	-
Right of use assets lease liability	-	-
Provision for restoration	-	-
Other temporary differences	-	-
	21,223	**74,711**
Offset of deferred tax liabilities	(21,223)	(74,711)
Net deferred tax assets recognised	**-**	**-**
Net deferred tax assets unrecognised	**10,783,321**	**9,248,192**

2.7 Loss Per Share

Basic and Diluted Loss Per Share

Earnings / (loss) per share (EPS) is the amount of post-tax profit or loss attributable to each share. The calculation of basic loss per share has been based on the loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

Diluted EPS considers the dilutive effect of all potential ordinary shares, being share options on issue.

Loss per share attributable to ordinary shareholders

	2026 $	2025 $
Net loss for the year from continuing operations	(8,293,270)	(7,010,118)
Net earnings/(loss) for the year from discontinued operations	713,153	(47,626)
Net loss for the year attributable to ordinary shareholders	**(7,580,117)**	**(7,057,744)**
Issued ordinary shares at 1 July	895,946,837	811,857,938
Effect of shares issued	182,111,979	44,768,654
Weighted average number of ordinary shares at 30 June	**1,078,058,816**	**856,626,592**
Basic and diluted loss per share from continuing operations (cents per share)	(0.77)	(0.81)
Basic and diluted earnings/(loss) per share from discontinued operations (cents per share)	0.07	(0.01)
Basic and diluted loss per share (cents per share) *	**(0.70)**	**(0.82)**

* At 30 June 2026, 234,014,119 options (2025: 85,947,247 options), 455,221,682 convertible note shares (2025: 486,926,227), and nil performance rights (2025: 1,000,000 performance rights) were excluded from diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

Section 3: Discontinued Operations

Accounting Policy

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

In August 2021, the Group announced the long-term charter of the offshore support vessel VOS Shine would finish and returned to the vessel owner. As such, the subsea and asset integrity risk management operations to which the VOS Shine was related, are shown as discontinued operations in this report.

The Group executed a final settlement agreement with the owners of the VOS Shine in October 2025. The agreement resolves all outstanding matters to a claim lodged by the vessel's owners. Under the Settlement Agreement, the owners have paid Harvest a total of $730,649.

Results for the year from discontinued operations

	2026 $	2025 $
Doubtful debt recovery	730,469	-
General and administration	(13,627)	(4,066)
Professional fees	(3,689)	(43,560)
Profit / (Loss) after tax from discontinued operations	**713,153**	**(47,626)**

Cash flows from discontinued operations

	2026 $	2025 $
Cash flows from operating activities		
Receipt from vessel owners	730,469	-
Cash paid to suppliers	(47,512)	(92,372)
Net cash from / (used in) operating activities	**682,957**	**(92,372)**
Net increase/(decrease) in cash and cash equivalents	**682,957**	**(92,372)**

Section 4: Assets and Liabilities

This section focuses on the assets and liabilities which form the core of the ongoing business, including those assets and liabilities which support ongoing development as well as capital and other commitments existing at year end.

4.1 Property, Plant and Equipment

Accounting Policy

Recognition and measurement

Items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised net within “other gains and losses” in profit or loss.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a diminishing balance basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of the assets are as follows:

Plant and equipment	3 - 15 years
Motor vehicles	12 - 15 years
Computer equipment & software	2 - 4 years

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

	Plant & Equipment $	Fixtures & Fittings $	Computer Equipment $	Demonstration Equipment $	Equipment for Hire $	Leasehold Improvements $	Total $
Gross carrying amount							
Balance at 1 July 2024	8,483	241,639	337,274	55,699	302,220	1,053,772	**1,999,087**
Additions	-	414	5,149	-	-	-	**5,563**
Disposals/Scrapping	-	-	(4,138)	-	-	-	**(4,138)**
Impairment	-	(905)	-	-	-	(332,139)	**(333,044)**
Foreign currency translation	666	-	402	-	-	-	**1,068**
Balance at 30 June 2025	**9,149**	**241,148**	**338,687**	**55,699**	**302,220**	**721,633**	**1,668,536**
Additions	-	-	14,358	-	-	-	**14,358**
Disposals/Scrapping/Transfer	2,609	(691)	(14,518)	(3,645)	(4,287)	691	**(19,841)**
Foreign currency translation	(1,144)	-	2,530	-	-	-	**1,386**
Balance at 30 June 2026	**10,614**	**240,457**	**341,057**	**52,054**	**297,933**	**722,324**	**1,664,439**
Depreciation							
Balance at 1 July 2024	5,762	151,284	297,702	55,699	258,061	424,510	1,193,018
Depreciation for the period	3,026	40,786	29,402	-	19,694	98,826	**191,734**
Disposals/Scrapping/Transfer	(2,610)	-	(2,760)	-	2,610	-	**(2,760)**
Foreign currency translation	771	-	531	-	-	-	**1,302**
Balance at 30 June 2025	**6,949**	**192,070**	**324,875**	**55,699**	**280,365**	**523,336**	**1,383,294**
Depreciation for the period	1,380	37,288	13,448	-	13,229	61,921	**127,266**
Disposals/Scrapping/Transfer	2,435	469	(14,977)	(3,645)	(4,287)	164	**(19,841)**
Foreign currency translation	(1,025)	-	2,530	-	-	-	**1,505**
Balance at 30 June 2026	**9,739**	**229,827**	**325,876**	**52,054**	**289,307**	**585,421**	**1,492,224**
Carrying amounts							
Balance at 30 June 2025	2,200	49,078	13,812	-	21,855	198,297	285,242
Balance at 30 June 2026	**875**	**10,630**	**15,181**	**-**	**8,626**	**136,903**	**172,215**

4.2 Right-Of-Use Assets

	Plant & Equipment $	Building (i) $	Total $
Gross carrying amount			
Balance taken up 1 July 2024	16,878	1,722,916	1,739,794
Impairment	-	(548,771)	**(548,771)**
Derecognition	(9,144)	-	**(9,144)**
Provision for restoration	-	4,801	**4,801**
Balance at 30 June 2025	**7,734**	**1,178,946**	**1,186,680**
Provision for restoration	-	4,979	**4,979**
Balance at 30 June 2026	**7,734**	**1,183,925**	**1,191,659**
Amortisation			
Balance at 1 July 2024	9,402	715,678	725,080
Amortisation for the period	1,547	170,786	172,333
Derecognition	(9,144)	-	(9,144)
Balance at 30 June 2025	**1,805**	**886,464**	**888,269**
Amortisation for the period	1,547	95,833	**97,380**
Balance at 30 June 2026	**3,352**	**982,297**	**985,649**
Carrying amounts			
Balance at 30 June 2025	**5,929**	**292,482**	**298,411**
Balance at 30 June 2026	**4,382**	**201,628**	**206,010**

(i) Bentley office building lease was entered in 2021 with an initial 7 year term with an option to renew for a further 5 year term. The right of use asset has been calculated over the initial 7 year term.

4.3 Other Bonds and Deposits

	Note	2026 $	2025 $
Non-current			
Cash deposit to provide security over new premises	(i)	217,900	238,939
		217,900	**238,939**

(i) The Group was required to provide a bank guarantee of in respect of the lease of the premises in Technology Park, Bentley, Western Australia.

Section 5: Working Capital Disclosures

This section focuses on the cash funding available to the Group and working capital position at year end.

5.1 Cash and Cash Equivalents

Accounting Policy

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

a) Reconciliation of cash and cash equivalents

	2026 $	2025 $
Cash and cash equivalents in the statement of cash flows	1,231,199	722,496

(b) Reconciliation of cash flows from operating activities

	2026 $	2025 $
Cash flows from operating activities		
Operating loss after tax	(7,580,117)	(7,057,744)
Adjustments for:		
Depreciation and amortisation	224,646	364,067
Equity-settled share-based payment transactions	525,459	1,297,602
Net finance expense	1,835,267	887,799
Net finance income	21,039	(10,726)
Impairment of property, plant and equipment and leased assets	-	881,815
Inventories written down	-	235,600
Derivative financial liabilities – fair value expense	356,120	-
Cost of fundraising – derivative financial liabilities	756,206	-
Impairment of advances to a sales agent	434,591	-
Debt forgiveness	(500,000)	-
Other investment impairment	500,000	-
Change in operating assets and liabilities:		
Change in trade and other receivables	(10,480)	(404,015)
Change in prepayments	(2,105)	8,482
Change in inventories	(104,146)	30,955
Change in other operating assets	(19,130)	22,900
Change in trade and other payables	(543,929)	(269,504)
Change in contract liabilities	117,120	(191,825)
Change in employee entitlements	116,842	(365,821)
Net cash used in operating activities	**(3,872,617)**	**(4,570,415)**

5.2 Trade and Other Receivables

Accounting Policy

Trade receivables are measured on initial recognition at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from seven to thirty days.

Impairment of trade receivables is continually reviewed and those considered uncollectable are written off by reducing the carrying amount directly. An allowance account is used when there is an expectation that the Group will be unable to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term, discounting is not applied in determining the allowance.

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

Key judgements and estimates
The assessment of expected credit loss requires management judgement regarding customer creditworthiness, historical collection experience and, expected future recoverability.

	2026 $	2025 $
Current		
Trade debtors (1)	222,356	490,375
Allowance for expected credit losses	-	(250,749)
	222,356	239,626
Accrued income	-	55,869
Advance to a sales agent	-	393,394
Other receivables	119,658	77,236
	342,014	**766,125**

(1) The average credit period on sales of goods and rendering of services is 30 days. An allowance $Nil (2025: $250,749) has been made for estimated unrecoverable trade receivable amounts arising from the past sale of goods and rendering of services, determined by reference to AASB 9 requirements.

Allowance for expected credit losses

The ageing of the receivables and allowances for expected credit losses provided for above are as follows:

	Trade debtors		Allowance for expected credit losses	
	2026 $	2025 $	2026 $	2025 $
Current	69,776	75,142	-	-
1 to 30 days overdue	141,825	119,773	-	-
31 to 60 days overdue	10,755	7,336	-	-
61 to 90 days overdue	-	19,174	-	-
Over 90 days overdue	-	268,950	-	250,749
	222,356	**490,375**	**-**	**250,749**

Movements in allowance for expected credit losses

	2026 $	2025 $
Balance at 1 July	250,749	250,749
Doubtful Debt recovered	(124,865)	-
Impaired receivables written off	(125,884)	-
Balance at the end of the year	**-**	**250,749**

The Group have individually assessed the recoverability of each receivable balance based predominantly upon age of outstanding debt and communication with the debtor.

5.3 Other Investment

Accounting Policy

On initial recognition, investments are measured at fair value plus directly attributable transaction costs, except for investments classified at fair value through profit or loss ("FVTPL"), for which transaction costs are expensed as incurred.

Subsequent to initial recognition, equity investments are measured at fair value.

The Group assesses at each reporting date whether there is objective evidence that the investment has suffered a significant decline in value or has become unrecoverable and written down to its recoverable amount.

	2026 $	2025 $
Investment in TRU Recognition Holdings Ltd ("TRU Notes")	500,000	-
Impairment	(500,000)	-
Total	-	-

During the year, the Group has subscribed for convertible notes in TRU Recognition Holdings Ltd ("TRU") with key terms as follow:

- Subscription amount: up to $500,000;
- Secured over TRU's Research and Development rebate claim for FY2025 from the Australian Tax Office;
- Interest rate: 33% per annum; and
- Maturity date is the earlier of:
  a) 20th December 2025; or
  b) 30 days after the receipt by TRU of FY2025 tax refund for its Research and Development rebate claim

Mr. Ilario Faenza has entered a Deed of Guarantee with the Group agreeing to guarantee the performance of TRU's obligations to the Group in respect of the TRU Notes.

In November 2025, TRU entered liquidation and a liquidator was appointed. Based on discussions with the liquidator and the assessment of the recoverability of the investment, the Group concluded that the investment is not recoverable and has recognised a full impairment of its carrying value.

On 1 April 2026, the Group has entered a Deed with Mr. Ilario Faenza to apply its right of offset against the outstanding loan in connection with the guarantee obligation (Refer to note 6.2). Following the offset, neither party has any amount owing to the other.

5.4 Inventory

Accounting Policy

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

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

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

	2026	2025
	$	$
Current		
Raw materials – at cost	220,418	105,269
Finished goods – at cost	75,874	86,877
Total	**296,292**	**192,146**

5.5 Trade and Other Payables

Accounting Policy

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months

	2026 $	2025 $
Current		
Trade payables	207,019	471,462
Authorised government agencies	112,627	243,932
Non-trade payables and accrued expenses	1,140,556	645,214
	1,460,202	**1,360,608**

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 7.2.

5.6 Other Liabilities

Accounting Policy

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. As a result of the contracts which the Group enters into, a number of different liabilities are recognised on the Group's balance sheet. These include but are not limited to Deferred income.

Substantially all performance obligations associated with revenue received in advance on 30 June 2026 are expected to be satisfied and recognised as revenue within the 12 months.

	2026 $	2025 $
Current		
Revenue received in advance	**340,051**	**222,931**

Section 6: Equity and Funding

This section focuses on the debt and equity funding available to the Group at year end, most notably covering share capital and loans and borrowings.

6.1 Capital and Reserves

Accounting Policy

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

Share Capital

	Ordinary shares			
	Number of shares		Amount in $	
	2026	2025	**2026**	2025
Movement in ordinary shares on issue:				
On issue at 1 July	895,946,837	811,857,938	50,614,908	48,076,797
Shares issued and expensed during the year:				
Issue of fully paid shares for cash	416,554,286	-	4,219,260	-
Issue of fully paid shares on conversion of convertible notes	67,045,480	9,244,086	915,357	203,370
Issue of fully paid shares on conversion of derivatives financial liabilities (1)	87,225,242	-	890,882	-
Issue of fully paid shares in lieu of interest payments	9,374,445	26,456,176	145,360	361,200
Issue of fully paid shares in lieu of services	16,159,357	31,325,654	708,232	454,506
Issue of fully paid shares in lieu of bonuses	13,071,574	12,728,200	235,288	246,608
Scheme pursuant to Loan Funded Share Plan	78,000,000	-	88,000	-
Deferred consideration on acquisition of subsidiary	-	4,334,783	-	1,278,761
Capital raising costs incurred (net of tax benefit)	-	-	(1,001,876)	(6,334)
On issue at 30 June	**1,583,377,221**	895,946,837	**56,815,411**	50,614,908

(1) Included are 8,225,240 pre-issued/collateral shares issued to the investor under the derivative financial liabilities facility upon the initial drawdown date in September 2025. In January 2026, the investor elected to exercise its conversion right in respect of a portion of the facility with a carrying value of $118,608. The entire 8,225,240 pre-issued/collateral shares were utilised as settlement for the conversion.

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

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

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

During the year the Company issued 78,000,000 ordinary shares under its Loan Funded Share Plan (LFSP) with a 10-year non-recourse loan term. The equity value of these shares is recognised and credited to the Share Capital account as and when the loans are repaid. Refer to note 7.1 for further details of these plans.

Unissued Capital

	2026 $	2025 $
Balance at 1 July	235,288	1,278,761
Deferred consideration shares issued [1]	-	(1,278,761)
Shares in lieu of bonus [2]	-	235,288
Shares in lieu of bonus issued	(235,288)	-
Balance at 30 June	**-**	**235,288**

[1] The shares issued comprises the final tranche of deferred consideration shares for SnapSupport, Inc acquisition.

[2] A total of 13,071,574 shares valued at $0.018 per share were offered to employees in lieu of bonuses that were subsequently issued in July 2025.

Nature and Purpose of Reserves

Movement in reserves are shown within the Statement of Changes in Equity.

Share-Based Payments Reserve

	2026 $	2025 $
Balance at 1 July	5,826,899	5,600,833
Options issued in lieu of fundraising services	1,064,755	226,066
Options issued in conversion of convertible notes	184,643	-
Shares issued in relation to loan funded share plan	205,749	-
Balance at 30 June	**7,282,046**	**5,826,899**

This reserve is used to record the value of:

- equity benefits including the loan funded share plan provided to employees, contractors and Directors as part of their remuneration. Refer to note 7.1 for further details of these plans.
- options issued upon conversion of convertible notes

Options issued in lieu of fundraising services
Valuation of the options are determined by using industry standard Black–Scholes model with key inputs as follow:

	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6
Grant date	29 Sep 2025	7 Oct 2025	19 Dec 2025	19 Dec 2025	20 Apr 2026	3 Jun 2026
Option period	2.5 years	3 years	2.4 years	3 years	2 years	2.14 years
Share price at grant date	$0.0235	$0.0200	$0.0160	$0.016	$0.011	$0.011
Expected volatility	100%	100%	100%	100%	100%	100%
Risk free rate	3.53%	2.908%	4.12%	3.893%	4.59%	4.6%
Value per option	$0.0114	$0.0107	$0.0105	$0.0078	$0.0038	$0.0046

During the year, $423,734 was recognised in the profit or loss and $641,021 was recognised as capital raising costs under share capital.

Options issued on conversion of convertible notes

Valuation of the options are determined by using industry standard Black–Scholes model with key inputs as follow:

	Tranche 1
Grant date	24 Sep 2025
Option period	2 years
Share price at grant date	$0.027
Expected volatility	117%
Risk free rate	3.501%
Value per option	$0.0057

During the year, $184,643 was recognised in the profit or loss.

Loan Funded Share Plan (LFSP)

Valuation of LFSP are determined by using industry standard Options Lattice Exercise Behaviour (OLEB) model with key inputs as follow:

	Tranche 1	Tranche 2
Vesting period	3 years	3 years
Share price at grant date	$0.0210	$0.0200
Expected volatility	100%	100%
Risk free rate	3.40%	3.73%
Fair value per share	$0.0188	$0.0177

During the year, $205,749 was recognised in the profit or loss.

Foreign Currency Translation Reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Convertible Note Reserve

The convertible note reserve is used to record the equity component of convertible notes issued. Refer to note 6.2 for further details of the convertible notes' accounting treatment and terms.

6.2 Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate risk, see note 7.2.

Accounting Policy

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

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Convertible notes

The net proceeds received from the issue of the convertible notes has been split between the financial liability component and an equity component, representing the residual amount attributable to the capacity to convert the financial liability into equity. In addition transaction costs directly related to the convertible notes are offset against the host contract liability and amortised over the life of the notes.

The liability component is measured at amortised cost. The effective interest expense for the year is calculated by applying an effective interest rate to the liability component of the notes. The difference between the carrying amount of the liability component at the date of issue and the amount reported in the statement of financial position reporting date represents the effective interest rate less interest paid to date. The value of the equity and liability components were determined at the date the instruments were issued.

Finance costs

Transaction costs attributable to borrowings are capitalised as part of the liability. All other finance costs are expensed in the period in which they are incurred, including interest on short-term and long-term borrowings.

Key judgement and estimates

Significant judgement is required in determining the allocation of proceeds received from convertible notes between the liability and equity component at initial recognition. This assessment requires estimation of the fair value of an equivalent debt instrument without a conversion feature, including application of an appropriate market interest rate, with residual amount recognised in equity.

	2026	2025
	$	$
Secured		
Convertible notes [1]	4,619,591	4,341,067
Convertible loan notes – FY2025 R&D Incentive [2]	-	1,380,451
Convertible notes 5 [3]	-	120,139
	4,619,591	5,841,657
Unsecured		
Premium funding facility	131,143	109,876
Loan from directors	-	390,000
Convertible notes 1	1,875,957	1,453,090
Convertible notes 2	785,107	829,615
Convertible notes 3	1,431,889	1,336,760
Convertible notes 4	-	413,913
Convertible notes 6	195,065	-
	4,419,161	4,533,254
Total Borrowings	**9,038,752**	**10,374,911**
Current	8,843,687	2,414,379
Non-current	195,065	7,960,532
	9,038,752	**10,374,911**

[1] There is a general security over the assets of the company.
[2] There is a general security over the company's Research and Development rebate for FY2025 from the Australian Tax Office.
[3] There is a general security over Tru Recognition Holdings Limited's ("TRU") R&D rebate for FY2025 from the Australian Tax Office. The Company is an investor via a subscription of secured convertible notes in TRU.

Reconciliation of Movement in Borrowings

	Premium funding	**Convertible Notes**	**Convertible Loan Notes**	**Loan from Director**	**Loan Notes**	**Short Term Loan**
	$	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2024	115,714	3,944,850	-	-	1,217,000	-
New fundings	156,966	5,294,877	1,400,000	540,000	183,000	420,000
Fund raising cost	-	(915,366)	(112,000)	-	(16,980)	(25,200)
Equity component	-	(239,151)	(10,512)	-	-	-
Interest costs charged	5,800	1,228,957	277,963	12,022	160,194	88,200
Less repaid [1]	(168,604)	(288,581)	-	(160,962)	(673,023)	(420,000)
Payment in shares	-	-	(210,000)	-	(88,200)	(63,000)
Converted to ordinary shares	-	(203,370)	-	-	-	-
Converted to other borrowings	-	-	-	-	(815,000)	-
Prepayment interest - paid in advance	-	-	35,000	-	-	-
Accrued Interest - other payables movement	-	(327,632)	-	(1,060)	33,009	-
Balance at 30 June 2025	**109,876**	**8,494,584**	**1,380,451**	**390,000**	**-**	**-**
New fundings	163,988	420,000	-	230,000	-	-
Interest costs charged	6,665	2,066,913	95,891	971	-	-
Fund raising cost	-	(7,000)	-	-	-	-
Payment in shares	-	(104,018)	(41,342)	-	-	-
Converted to ordinary shares	-	(1,100,000)	-	-	-	-
Equity component	-	(10,479)	-	-	-	-
Debt Forgiveness	-	-	-	(500,000)	-	-
Less repaid [1]	(149,386)	(408,868)	(1,200,000)	(120,971)	-	-
Rolled over to Convertible Notes	-	200,000	(200,000)	-	-	-
Prepayment interest - paid in advance	-	-	(35,000)	-	-	-
Accrued Interest - other payables movement	-	(643,523)	-	-	-	-
Balance at 30 June 2026	**131,143**	**8,907,609**	**-**	**-**	**-**	**-**

[1] Amounts repaid include interest and loan establishment costs.

Summary of salient terms and accounting treatment are as disclosed below:

	Convertible Notes	Convertible Notes 1	Convertible Notes 2	Convertible Notes 3	Convertible Notes 4	Convertible Notes 5	Convertible Notes 6	Convertible Loan Notes FY2025 R&D Incentive
Deed poll date	13-Feb-25	14-Oct-24	27-Nov-24	25-Feb-25	30-Jun-25	27-Jun-25	13-Nov-25	23-Aug-24
Interest rate (per annum)	15%	15%	15%	15%	15%	33%	15%	15%
Maturity date	1-Oct-26	14-Oct-26	27-Nov-26	25-Feb-27	6-Oct-25	20-Dec-25	13-Nov-27	27-Aug-25
Conversion price (per share on or before maturity)	2.2 cents	2.2 cents	2.2 cents	2.2 cents	1.6 cents	1.6 cents	2.2 cents	2.2 cents
Equity component credited to reserve	$500,321	$96,210	$58,485	$72,157	$10,096	$8,754	$2,992	$10,512
Effective interest rate	15.87%	44.07%	20.07%	21.85%	59.3%	57.96%	38.43%	25.82%

Convertible Notes 4 were fully converted to ordinary shares in September 2025.
Convertible Notes 5 were fully converted to ordinary shares in December 2025.
Convertible Loan Notes FY2025 R&D Incentive were fully repaid in November 2025 with an investor agreed to rollover $200,000 to Convertible Notes 6.

During the financial year, Mr. Ilario Faenza has provided unsecured director's loans to the Group as below:

	Loan A [(i)]	Loan B	Loan C
Loan balance as at 1 July 2025	$390,000	-	-
Loan during the year	$110,000	$100,000	$20,000
Total loan amount	**$500,000**	**$100,000**	**$20,000**
Interest rate	15% per annum	15% per annum	15% per annum
Maturity date	31-Dec-27	5-Oct-25	2-Apr-26
Repaid	1-Apr-26	29-Sep-25	2-Apr-26

(i) Loan A of $500,000 forms part of the guarantee that Mr. Ilario Faenza has provided in respect of TRU's obligations to the Group (refer to note 5.3).

6.3 Derivative Financial Liabilities

Accounting Policy

All derivative financial instruments are stated at fair value. Gains or losses arising from fair value changes on derivatives are recognised in the statement of profit or loss.

Key judgement and estimates
The fair value of derivative financial liabilities is determined using a valuation model which incorporate assumptions including expected volatility, risk-free interest rates, future share price outcomes, and conversion timing. Changes in these assumptions may result in material changes in the carrying amount of the liability.

	2026 $	2025 $
Tranche 1	515,382	-
Tranche 2	1,249,855	-
Balance at 30 June	**1,765,237**	**-**

<u>**Reconciliation**</u>	2026 $	2025 $
Balance at 1 July	-	-
Initial drawdown	2,500,000	-
Redeemed	(200,000)	-
Converted to equity	(890,882)	-
Fair value changes	356,119	-
Balance at 30 June	**1,765,237**	**-**

During the year, the Group has entered into a funding agreement (funding facility) for the provision of funding of up to $6,000,000 by the issue of convertible notes and attaching options**.** As at balance date $2,500,000 has been drawn down from the facility. $3,500,000 remains undrawn and available.

- Funding agreement date: 25 September 2025
- Interest rate: 0% per annum
- Maturity date: 2 years from drawdown date
- Conversion price lower of:
  i. a 15% premium to the Reference Price for each relevant Drawdown (Fixed Premium Placement Pricing)
  ii. a 10% discount to 5 daily VWAPs chosen by the Investor over the 15 trading days immediately preceding the Conversion Notice to issue shares (Variable Placing Price)
- There is a general security over the assets of the Company and general security over the Company's Research and Development rebate for FY2026 from the Australian Tax Office

Accounting Policy

The fair value of the derivative financial liabilities was calculated using a Monte-Carlo model with key inputs as follow:

	Tranche 1	Tranche 2
Drawdown date	29 Sep 2025	19 Dec 2025
Maturity date	29 Sep 2027	19 Dec 2027
Drawdown amount	$1,500,000	$1,000,000
Share price at drawdown date	$0.023	$0.016
Expected volatility	81.55%	93.13%
Risk free rate	3.475%	4.033%
Time to conversion	4.5 months	4.5 months

A fair value loss of $356,120 has been recognised during the year in the profit or loss.

The group has incurred a total of $956,208 in fundraising advisory fee, pre-issued/collateral shares to the investor and legal fee recognised as cost of fundraising – derivative financial liabilities in the profit or loss. The collateral shares are also a contingent asset depending on future events by noteholder. In January 2026, the investor elected to exercise its conversion right in respect of a portion of the facility with a carrying value of $118,608. The entire 8,225,240 pre-issued/collateral shares were utilised as settlement for the conversion.

6.4 Lease Liabilities

	2026 $	2025 $
Balance at 1 July	1,029,676	1,319,177
Lease inception	-	-
Principal repayments	(341,870)	(331,964)
Interest expense	31,503	42,463
Balance at 30 June	**719,309**	**1,029,676**
Classification		
Current	329,953	310,367
Non-current	389,356	719,309
	719,309	**1,029,676**

Refer to Note 7.2 for further disclosures on lease liabilities.

6.5 Provisions

	2026 $	2025 $
Balance at 1 July	134,505	129,704
Recognition of provision for restoration requirements in regard of right-of-use assets	4,979	4,801
Balance at 30 June	**139,484**	**134,505**
Classification		
Current	-	-
Non-current	139,484	134,505
	139,484	**134,505**

Section 7: Other Disclosures

The disclosure in this section focuses on share schemes in operation and financial risk management of the Group. Other mandatory disclosures, such as details of related party transactions, can also be found here.

7.1 Share-Based Payments

Accounting Policy

The share option programme allows Group employees to receive rights to acquire shares of the Company. The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. Options may also be issued to parties for services rendered. The amount recognised is determined on similar principles when the value of options issued approximates the fair value of the services provided. Where the fair value of an employee share option or performance right has been recognised as a share-based payment and the option or right lapses on expiry, the total amount of the share-based payment expense is transferred from the share-based payment reserve to accumulated losses. Where a share option or right has lapsed and the non-market vesting criteria has not been met, any previously recorded share-based payment expense is reversed through the consolidated statement of profit or loss and other comprehensive income. The fair value of share options granted is estimated using the Black-Scholes option pricing model or Options Lattice Exercise Behaviour (OLEB) model.

Key judgement and estimates

The fair value of share options is measured using the Black-Scholes options pricing model or Options Lattice Exercise Behaviour (OLEB) model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on an evaluation of the company's historic volatility, particularly over the historic period commensurate with the expected term) and weighted average expected life of the instruments (based on historical experience), expected dividends (if any) and the risk-free interest rate (based on government bonds). Service and non-market conditions are not considered in determining fair value. In addition, the Group has on issue performance rights as detailed in note 7.1.Significant judgement is required in relation to assessing the degree of probability associated with the non-market vesting conditions being met. The valuation of share-based payment requires judgement in determining key assumptions in pricing models.

The share-based payment expense included within the consolidated financial statements can be broken down as follows:

	2026 $	2025 $
(a) Expensed in personnel expenses		
Shares issued to employees	-	481,896
Loan funded share plan issued to employees	205,749	-
(b) Expensed in professional fees		
Shares issued to consultants of the Company	30,000	118,506
(c) Included in transaction costs under borrowings		
Options issued to consultants	23,802	226,066
Shares issued to consultants	230,732	336,000
Options issued upon exercise of Convertible Notes	184,643	-
Options issued to investors	399,202	-
(d) Included under Issued Capital		
Options issued to consultants	641,021	-
Shares issued to consultants	447,500	-

Shares

Short and Long Term Incentive Plans

The Company operates both Short and Long Term Incentive Plans (Incentive Plans) which give eligible employees (including members of Key Management Personnel) the opportunity to receive share-based incentives as part of their remuneration.

The incentives normally vest based on satisfaction of performance conditions specified in the Incentive Plans, which typically involve both a qualifying period of service and based on achieving performance hurdle conditions specific to their role in the organization. The employee must be actively employed in their full-time position at the time the performance hurdle conditions were met. Any shares proposed to be issued under the Incentive Plans are subject to Board approval. The Company reserves the right to payout the value of the incentive in either cash or shares (at the Company's sole discretion).

During the year the Company issued the following shares to employees at a deemed issue price of nil under the Incentive Plans:

Employees	**Number of Shares Issued**
Key Management Personnel	-
Other employees	13,071,574
Total	13,071,574

For the purposes of calculating the share-based payment expense, the shares are valued on grant date at the market price of the Company's shares on that date. Shares were issued during the year with a fair value of $0.018 per share.

Loan Funded Share Plan

During the year the Company issued 78,000,000 ordinary shares under its Loan Funded Share Plan (LFSP) with a 10-year non-recourse loan term as part of eligible employees remuneration. The shares are subject to vesting condition of continuous employment and carry the same rights as other fully paid ordinary shares. The incentive will vest annually in three equal tranches from the grant date. The LFSP is subject to risk of forfeiture during the vesting periods while the loan remains outstanding.

During the year the Company issued the following shares to employees under the LFSP:

LFSP	**Employees**	**Date**	**Issue price per share**	**Number of Shares Issued**
Tranche 1	Key Management Personnel – Ilario Faenza	1-Dec-25	0.016229	25,000,000
Tranche 2	Other employees	22-Dec-25	0.015712	53,000,000
				78,000,000

During the year, 47,000,000 shares were forfeited following the departure of employees who failed to meet the continuous employment vesting condition. As at the balance date, 31,000,000 shares remained on issue under the LFSP.

Refer to note 6.1 for details on the LFSP valuation adopted.

Equity-Settled Share Option Programme

The Company adopted an Employee Share Options Scheme (ESOS) effective 24 August 2016. Under the ESOS, the Company may grant options and rights to Company eligible participants over a period of 3 years to acquire securities up to a maximum of 15% of the Company's total issued ordinary shares at the date of the grant. The fair value of share options granted is estimated using the Black-Scholes option pricing model.

The options and rights vest on a time scale as specified in the ESOS and are granted for no consideration. Options and rights granted under the plan carry no dividend or voting rights. When exercisable, each option is converted into one ordinary share. The maximum term of an option is 5 years from grant date and the exercise price is settled in cash. Options may not be transferred other than to an associate of the holder.

In addition from time to time options are issued to consultants and investors of the Company. During the year 214,789,729 options were issued as noted below.

Options

The following tables illustrate the share-based payment arrangements in place, and the number and weighted average exercise prices of and movements in share options.

At 30 June 2026, a summary of the Group options issued and not exercised, excluding those options issued free attaching in share placements, are as follows:

Tranche	Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at start of year	Granted during the year	Exercised/ Expired during the year	Balance at year end	Vested and exercisable at year-end
10	17-Jul-23	17-Jul-23	30-Jun-26	7.5	5,000,000	-	(5,000,000)	-	-
11	26-Apr-24	26-Apr-24	26-Apr-27	3	6,000,000	-	-	6,000,000	6,000,000
12	23-Jan-25	23-Jan-25	22-Jan-28	2	22,000,000	-	-	22,000,000	22,000,000
13	7-Oct-25	7-Oct-25	7-Oct-28	3	-	1,500,000	-	1,500,000	1,500,000
14	19-Dec-25	19-Dec-25	19-Dec-28	3	-	1,000,000	-	1,000,000	1,000,000
15	20-Apr-26	20-Apr-26	20-Apr-28	2.5	-	23,310,857	-	23,310,857	23,310,857
16	3-Jun-26 (i)	23-Jul-26	23-Jul-28	2	-	120,000,000	-	120,000,000	120,000,000
17	19-Dec-25	19-Dec-25	19-May-28	2.6	-	17,824,676	-	17,824,676	17,824,676
18	24-Sep-25	24-Sep-25	24-Sep-27	3	-	32,647,406	-	32,647,406	32,647,406
19	29-Sep-25	29-Sep-25	29-Mar-28	3.7	-	18,506,790	-	18,506,790	18,506,790
	Total				**33,000,000**	**214,789,729**	**(5,000,000)**	**242,789,729**	**242,789,729**
	Weighted average exercise price (cents)				3	2.4	7.5	2.4	2.4
	Weighted average remaining contractual life (years)				2.19	1.87	-	1.82	1.82

(i) The options were issued after the balance date, following shareholder approval obtained at the General Meeting held on 16 July 2026. The options have been included in the table as they relate to services provided during the financial year.

Options are settled by the physical delivery of shares.

At 30 June 2025, a summary of the Group options issued and not exercised, excluding those options issued free attaching in share placements, are as follows:

Tranche	Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at start of year	Granted during the year	Exercised/ Expired during the year	Balance at year-end	Vested and exercisable at year-end
9	03-Mar-23	03-Mar-23	03-Mar-25	25	6,000,000	-	(6,000,000)	-	-
10	17-Jul-23	17-Jul-23	30-Jun-26	7.5	5,000,000	-	-	5,000,000	5,000,000
11	26-Apr-24	26-Apr-24	26-Apr-27	3	6,000,000	-	-	6,000,000	6,000,000
12	23-Jan-25	23-Jan-25	22-Jan-2028	2	-	22,000,000	-	22,000,000	22,000,000
	Total				**17,000,000**	**22,000,000**	**(6,000,000)**	**33,000,000**	**33,000,000**
	Weighted average exercise price (cents)				12.4	2	25	3.0	3.0
	Weighted average remaining contractual life (years)				1.82	-	-	2.19	-

Options are settled by the physical delivery of shares.

Key valuation assumptions made at valuation date for options still on issue at year-end are summarised below:

	Tranche 10	Tranche 11	Tranche 12	Tranche 13	Tranche 14	Tranche 15	Tranche 16	Tranche 17	Tranche 18	Tranche 19
Exercise price (cents)	7.5	3.0	2.0	3.0	3.0	2.5	2.0	2.6	3.0	3.7
Grant date	17-Jul-23	16-Apr-24	23-Jan-25	07-Oct-25	19-Dec-25	20-Apr-26	3-Jun-26	19-Dec-25	24-Sep-25	29-Sep-25
Expiry date	30-Jun-26	26-Apr-27	22-Jan-28	07-Oct-28	19-Dec-28	20-Apr-28	23-Jul-28	19-May-28	24-Sep-27	29-Mar-28
Life of the options (years)	2.96	3.03	3.27	3.00	3.00	2.00	2.14	2.42	2.00	2.50
Volatility	93%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Risk free rate	3.86%	3.96%	3.89%	2.91%	3.89%	4.59%	4.60%	4.12%	3.50%	3.53%
Fair Value per option	$ 0.016	$ 0.014	$ 0.004	$ 0.011	$ 0.008	$ 0.004	$ 0.005	$ 0.011	$ 0.011	$ 0.011

Performance Rights

At 30 June 2026, a summary of the Group performance rights on issue are as follows:

Note	Grant date	End of performance period	Expiry date	Tranche	Balance at the start of the year	Granted during the year	Lapsed/ Converted during the year	Balance at year-end	Vested and convertible at year-end	Expensed During the Year ($)
(i)	23-Nov-20	1-Sep-21	10-Nov-25	B	500,000	-	(500,000)	-	-	-
(ii)	23-Nov-20	1-Mar-22	10-Nov-25	C	500,000	-	(500,000)	-	-	-

Each performance right represents a right to be issued one ordinary share, with no exercise price payable on conversion, upon the achievement of the following revenue-based milestones:

(i) Tranche B performance rights will vest upon the Group achieving a VWAP of at least $0.50 over any twenty consecutive trading day period before the milestone date, being 1 September 2021.

(ii) Tranche C performance rights will vest upon the Group achieving a VWAP of at least $0.75 over any twenty consecutive trading day period before the milestone date, being 1 March 2022.

Tranches B and C were granted after receiving shareholder approval at the Company's AGM on 10 November 2020. Both Tranche B and C have not met the conditions of the relevant milestone and the performance rights will not vest.

7.2 Financial Instruments

Accounting Policy

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

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

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

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- equity instruments at fair value through other comprehensive income (FVOCI);
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent remeasurement of financial assets
<u>Financial assets at amortised cost</u>
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised costs using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under AASB 139.

Impairment of financial assets
AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces AASB 139's 'incurred loss model'.

Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

The ‘12-month expected credit losses’ are recognised for the first category whilst ‘lifetime expected credit losses’ are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are initially measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Derivative financial instruments

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL).

Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains consistent since 2025.

The capital structure of the Group consists of cash and cash equivalents, borrowings and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Financial Risk Management Objectives

The Group is exposed to market risk (including foreign currency exchange rate risk and interest rate risk), credit risk and liquidity risk.

The Group seeks to minimise the effect of these risks and the Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed on a continuous basis to reflect changes in market conditions and the Group's activities. The Group does not trade financial instruments, including derivative financial instruments, for speculative purposes.

Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency exchange rate risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the balance date expressed in Australian dollars are as follows:

	Consolidated			
	Assets		Liabilities	
	2026	2025	2026	2025
	$	$	$	$
Currency				
Euro	3,117	425,328	-	202,181
British Pound Sterling	2,471	5,223	14,327	12,392

Foreign Currency Sensitivity Analysis

The sensitivity analysis below details the Group's sensitivity to an increase/decrease in the Australian dollar against the United States Dollar, Euro, and British Pound Sterling. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, including external loans where the denomination of the loan is in a currency other than the currency of the borrower and adjusts their translation balance date for 500 basis point change in foreign currency rates.

At balance date, if foreign exchange rates had been 500 basis points higher or lower, and all other variables were held constant, the impact on profit or loss would be:

	Impact on profit & loss	
	2026	2025
	$	$
If AUD strengthens by 5% (2025: 5%)		
Euro	(156)	(11,157)
British Pound Sterling	593	358
If AUD weakens by 5% (2025: 5%)		
Euro	156	11,157
British Pound Sterling	(593)	(358)

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The Group's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest Rate Risk Sensitivity Analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the balance date.

At balance date, if interest rates had been 50 points higher or lower and all other variables were held constant, the Group's profit or loss would increase / (decrease) by $6,156 / ($6,156) (2025: $3,612 / ($3,612)).

The Group's sensitivity to interest rates has decreased during the year due to the reduction in variable rate debt instruments.

Credit Risk Management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

The Group has adopted a policy of only dealing with creditworthy counterparties.

The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its customers.

The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks or government agencies with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, represents the Group's maximum exposure to credit risk.

Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate banking and borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Non-derivative financial liabilities

The following table details the Group's expected contractual maturities for its non-derivative financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay.

Financial liabilities

The following table details the Group's expected contractual maturities for its financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay.

The table includes both interest and principal cash flows.

Non-derivative	**Weighted Average Interest rate %**	**Less than 6 months $**	**6 months to 1 year $**	**1 – 5 years $**
30 June 2026				
Trade and other payables	-	1,460,202	-	-
Borrowings	5.48	103,747	34,582	-
Lease liabilities	3.66	175,610	176,462	394,245
Convertible notes – level 2	15.00	8,276,670	1,737,539	264,500
Loan notes – level 2	15.00	-	-	-
		10,016,229	**1,948,583**	**658,745**
30 June 2025				
Trade and other payables	-	1,360,608	-	-
Borrowings	12.73	518,854	16,392	-
Lease liabilities	3.66	170,522	171,349	746,317
Convertible notes – level 2	15.24	822,857	208,221	10,386,318
Loan notes – level 2	15.00	1,400,000	-	-
		4,272,841	**395,962**	**11,132,635**

Derivative	**Weighted Average Interest rate %**	**Less than 6 months $**	**6 months to 1 year $**	**1 – 5 years $**
30 June 2026				
Derivatives financial liabilities – Level 3	0	-	-	1,409,118
		-	**-**	**1,409,118**
30 June 2025				
Derivatives financial liabilities – Level 3	0	-	-	-
		-	-	-

Fair Value Measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

The Directors consider that the carrying amounts of cash and cash equivalents, current receivables, current payables, and current interest-bearing borrowings denominated in Australian Dollars, approximate their fair values.

Valuation techniques

Level 2 financial liabilities (Note 6.2 Convertible Notes)

The fair value of the convertible notes is determined using valuation techniques that incorporate observable market inputs including market interest rates for comparable debt instruments.

Level 3 financial liabilities (Note 6.3 Derivative financial liabilities)

The fair value of the derivative financial liabilities is determined using a Monte Carlo valuation model. The valuation incorporates both observable and unobservable inputs, including the company's share price, expected volatility, conversion assumptions and future price outcomes. As the valuation is sensitive to significant unobservable inputs, derivative financial liabilities are classified within Level 3 of the fair value hierarchy.

Increases in expected volatility or longer expected conversion periods would generally result in a higher fair value of the derivative liability, where decreases in assumptions would normally result in a lower fair value of the liability.

Due to the path-dependent nature of the contractual conversion mechanism and the interaction between share-price movements, VWAP-based conversion prices and conversion timing, the effect of changes in individual assumptions cannot be reliably quantified in isolation. Accordingly, sensitivity has been disclosed qualitatively rather than as a quantified range.

7.3 Capital Commitments

At year end, there were no material capital commitments.

7.4 Related Parties

Directors and other Key Management Personnel compensation included in 'personnel expenses' (note 2.4) comprises the following:

	Note	2026 $	2025 $
Short-term employee benefits		643,750	575,000
Post-employment benefits		10,500	-
Share-based payments		-	-
	2.4	**654,250**	**575,000**

During the financial year, Mr. Ilario Faenza has provided unsecured director's loans to the Group as below:

	Loan A [(i)]	Loan B	Loan C
Loan balance as at 1 July 2025	$390,000	-	-
Loan during the year	$110,000	$100,000	$20,000
Total loan amount	**$500,000**	**$100,000**	**$20,000**
Interest rate	15% per annum	15% per annum	15% per annum
Maturity date	31 December 2027	5 October 2025	2 April 2026

i. Loan A of $500,000 forms part of the guarantee that Mr. Ilario Faenza has provided in respect of TRU's obligations to the Group (refer to note 5.3).

On 1 April 2026, the Group has entered a Deed with Mr. Ilario Faenza to apply its right of offset against the outstanding loan in connection with the guarantee obligation. Following the offset, neither party has any amount owing to the other.

On 29 September 2025 the Group repaid Loan B to Mr Ilario Faenza in full amounting to $100,596 including interest of $596.

On 2 April 2026 the Group repaid Loan C to Mr Ilario Faenza in full amounting to $20,375 including interest of $375.

The Board has reviewed the terms with the latest available market information and concluded the terms are equivalent to an arm's length transaction.

7.5 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Financial year end	Proportion of ownership interest and voting power held by the Group 2026 %	2025 %
Nodestream Technology Pty Ltd	Data Transfer Technology, Corporate & Administrative Support	Australia	30 June	100	100
Nodestream Infinity Pty Ltd	Technology Research & Development	Australia	30 June	100	100
Nodestream Europe Ltd	Data Transfer Technology	Ireland	30 June	100	100
Nodestream (UK) Ltd	Data Transfer Technology,	United Kingdom	30 June	100	100
Harvest Defence Pty Ltd (Voluntarily dissolved on 14 June 2026) (i)	Dormant	Australia	30 June	-	100
Shark Attack Mitigation Systems Pty Ltd (Voluntarily dissolved on 14 June 2026) (i)	Dormant	Australia	30 June	-	100
Clever Buoy Australia Pty Ltd (Voluntarily dissolved on 14 June 2026) (i)	Dormant	Australia	30 June	-	100

(i) During the financial year, the Group completed the voluntary dissolution of the subsidiaries. These subsidiaries had ceased operations and remained dormant prior to their dissolution. As the subsidiaries did not have any significant assets, liabilities, income, or expenses at the date of dissolution, the dissolution had no material impact on the Group's financial position, financial performance, or cash flows for the financial year.

7.6 Subsequent Events

In July 2026, following shareholder approval at the general meeting held on 16 July 2026:

- The Group completed Tranche 2 of the capital raising in July 2026 and received $3,500,000 from institutional and sophisticated investors through the issue of 350,000,000 ordinary shares.
- Issued 120,000,000 unlisted options to the Lead Manager as part of the remuneration arrangements associated with the fundraising announced on 27 May 2026.
- Issued 9,233,605 ordinary shares to consultants and Company Secretary as consideration for services provided to the Group.
- Successfully changed the Company's name from Harvest Technology Group Ltd to Nodestream Ltd.

In July 2026, the Group has granted performance rights to eligible employees:

	Number of performance rights
Jeffery Sengelman	25,000,000
Veronica Bainton	35,000,000
An employee	15,000,000
Total	75,000,000

In July 2026, the Group issued 43,384,730 ordinary shares following an investor's election to convert $409,118 of derivative financial liabilities into equity.

Other than disclosed above there have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years.

7.7 Contingent Liabilities

Subsequent to the reporting date, the Company was served with a statement of claim filed in the District Court of New South Wales by a former contractor seeking payment of amounts totalling approximately $200,000, plus interest and costs. The Company believes the claims entirely lack merit and will be defending them. Accordingly, no provision has been recognised in respect of the claim.

7.8 Parent Company Disclosures

As at, and throughout the financial year ended 30 June 2026, the parent entity of the Group was Harvest Technology Group Ltd, which changed its name to Nodestream Limited in July 2026 (refer to note 7.6).

	2026 $	2025 $
Result of the parent entity		
Loss for the year	(7,248,772)	(7,036,421)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(7,248,772)**	**(7,036,421)**
Financial position of parent entity at year end		
Current assets	1,419,302	988,350
Total assets	**1,813,459**	**1,233,218**
Current liabilities	(10,282,723)	(3,215,456)
Total liabilities	**(12,246,179)**	**(11,848,023)**
Total equity of the parent entity comprising of:		
Share capital	56,815,411	50,614,908
Unissued capital	-	235,288
Reserves	8,041,572	6,575,947
Accumulated losses	(75,289,703)	(68,040,948)
Total equity (deficiency)	**(10,432,720)**	**(10,614,805)**

7.9 Auditors' Remuneration

	2026 $	2025 $
HLB Mann Judd:		
Audit and review of financial reports	70,064	90,181
Non-audit services	-	-
TOTAL AUDITORS' REMUNERATION	**70,064**	**90,181**