Metal Powder Works Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Metal Powder Works Limited
ABN:	28 158 307 549
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$
Revenues from ordinary activities	up	40.0%	to	469,324
Loss from ordinary activities after tax attributable to the owners of Metal Powder Works Limited	up	100.0%	to	(12,380,890)
Loss for the year attributable to the owners of Metal Powder Works Limited	up	100.0%	to	(12,380,890)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $12,380,890 (30 June 2025: $6,191,571).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	9.16	5.67

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

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

11. Attachments

Details of attachments (if any):

The Annual Report of Metal Powder Works Limited for the year ended 30 June 2026 is attached.

12. Signed

Signed ______________________________ Date: 31 August 2026

Stuart Carmichael
Non-Executive Chairman

METAL POWDER WORKS

Annual Report 2026

ABN 28 158 307 549

www.metalpowderworks.com

Corporate directory

Directors	**Stuart Carmichael,** Non-Executive Chairman **Bruno Campisi,** Non-Executive Director **Darryl Abotomey,** Non-Executive Director **Jim McDowell,** Non-Executive Director **John Barnes,** Managing Director
Company secretary	**Jack Rosagro**
Registered office	Level 5, 191 St Georges Terrace, Perth, WA 6000
Principal place of business	1300 Clinton Rd, Clinton PA 15026 United States of America
Share register	**Automic Group** Level 5, 191 St Georges Terrace, Perth, WA 6000
Auditor	**Grant Thornton Audit Pty Ltd** Level 43 Central Park 152 - 158 St Georges Terrace Perth WA 6000
Solicitors	**Hamilton Locke** Level 27, 152-158 St Georges Terrace Perth, WA 6000
Stock exchange listing	Metal Powder Works Limited shares are listed on the Australian Securities Exchange **(ASX code: MPW)**
Website	**https://www.metalpowderworks.com/**

Contents

Letter from the Managing Director

Dear Shareholders,

FY26 was the year Metal Powder Works moved from proving what DirectPowder™ could do to proving what it could sell. We finished the year at a genuine inflection point, with the technology validated by independent customers, our first order into a new multi-billion-dollar market, and a materially larger pipeline up 12% over the year.

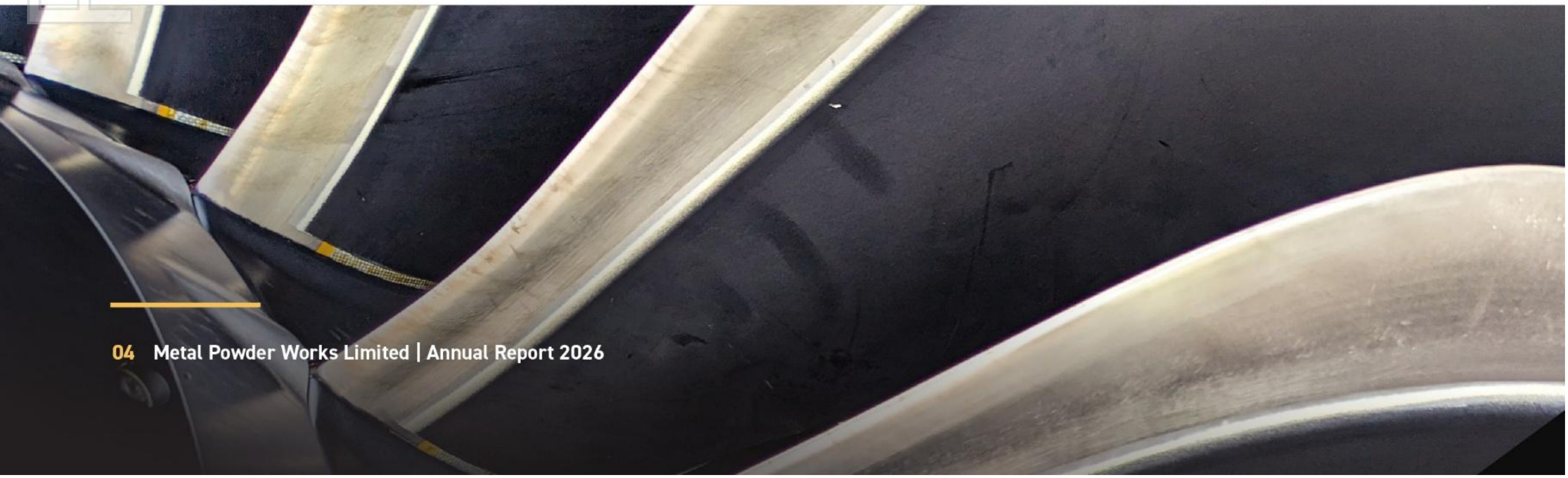
Powder sales volumes grew 25% on pcp, and total revenue increased 40% year-on-year to $1.6 million, with gross profit margin reaching 48%, a strong outcome by industry standards and a direct result of the efficiency of our DirectPowder™ process. We delivered powders to 104 customers, of which ~37% were repeat, and overall customer engagement increased 35%. This is a business that is growing on terms that give us confidence in the returns available as we scale.

Better by Design

We own the IP behind DirectPowder™ outright, rather than building our business on someone else's atomisation equipment. That ownership is what lets us set our own machine cost, control our own design, and control our own production cost and performance, instead of being a price-taker on someone else's roadmap. NextGen proves it at commercial scale: roughly three months to build and commission, a fraction of the footprint of legacy atomisation equipment, and roughly 25 times more space-efficient by design. With that design now proven, the Board has approved a further acceleration of our build-out, four additional NextGen machines greenlit, long-lead hardware ordered for four more, bringing our target of approximately 800 tonnes of installed annual capacity forward from CY2028 to the first half of CY27. We are investing ahead of confirmed demand because we intend to be ready for it, not reacting to it.

Inflection Point

Everything we built in FY26, we built to sell in FY27. The capacity above is coming online now. The sales organisation we rebuilt this year around a new Chief Sales Officer and three Sales Directors is still young, but it is already growing our pipeline and the orders are starting to arrive. Our Powder Partner Program agreement with Jet Metals, followed by our first production order from Advantage, proves that DirectPowder™ copper meets the same specification the press-and-sinter industry has run on for decades. That timing matters: North America's P&S copper powder supply is effectively controlled by a single dominant producer, and equipment damage has left the market with only a fraction of the supply it needs. Eighteen months ago I would not have told you we could compete head-to-head with water-atomized copper powder on cost and quality. We can now. On the operating side, Dr Ahmed El Desouky joins us as Chief Operating Officer on 31 August, from Veeco, to run this business at the scale we are building toward. Capacity, people, and orders are all coming online at the same time, on purpose.



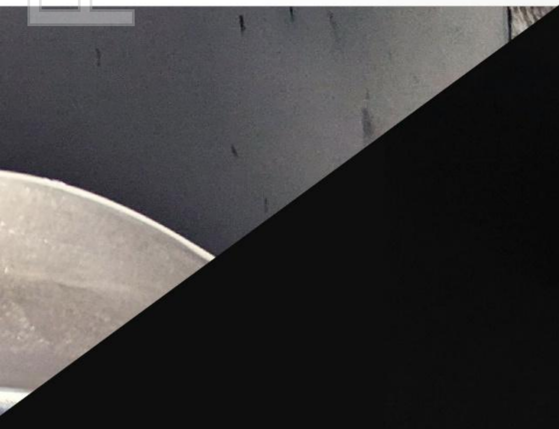
We spent FY26 proving DirectPowder™ works. FY27 is when we prove what it's worth.

John Barnes
Founder & Managing Director

I often tell the team that 'fortune favors the prepared'. We're prepared. Thank you to our shareholders for your continued support, to our customers and partners for the trust you have placed in MPW, and to our team for turning FY26 into the inflection point described above.

Yours faithfully,

John Barnes
Founder & Managing Director



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or "MPW") consisting of Metal Powder Works Limited (referred to hereafter as the 'company' or "group or consolidated entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors
The following persons were directors of Metal Powder Works Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Stuart Carmichael, Non-Executive Chairman
Bruno Campisi, Non-Executive Director
Darryl Abotomey, Non-Executive Director
Jim McDowell, Non-Executive Director
John Barnes, Managing Director

Principal activities
The principal activity of the consolidated entity during the half-year was the development, manufacture and supply of high-quality metal powders and related technologies for advanced manufacturing applications, including additive manufacturing (3D printing), defence, aerospace, nuclear, and other industrial uses.

The Company operates its patented DirectPowder™ process, which enables efficient production of tailored powders across a broad range of alloys. The Group continues to focus on scaling production capacity, improving process efficiency, and expanding its product offering into high-value markets.

There were no significant changes in the nature of the Group's principal activities during the year.

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

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $12,380,890 (30 June 2025: $6,191,571).

FY2026 was a year of commercial build-out for the Company. During the first half, MPW scaled production capability, expanded its alloy portfolio and deepened its engagement across defence, aerospace and nuclear markets, supported by a A$15.0 million capital raising completed in September 2025. During the second half, the Company completed a deliberate restructure of its commercial operations, appointing a Chief Sales Officer and three Sales Directors aligned to dedicated Additive Manufacturing, Powder Metallurgy and Defence segments. The new sales structure, is designed to fill the Company's production capacity while preparing for a step change in capacity that Next Gen #1 will enable. The Company ended the year with 100 active customers, a materially larger sales pipeline, installed production capacity of 28 tons per annum ('tpa') across its Alpha units, and its first Next Gen production unit proven at 100 tpa and entering service in July 2026.

Commercial growth and customer expansion

The Group experienced strong and broadening demand for its proprietary DirectPowder™ technology and tailored alloy powders throughout the year. In the first half, CP-Ti order volumes increased by more than three times as multi-alloy customer programs expanded and five new customers commenced qualification activities. MPW received an order for over 150kg of CP-Ti and multiple bronze alloys as part of a progressing multi-year program with Powders On Demand, moving toward final series-production qualification, and validation activities with Hardchrome Engineering.

In the second half of the year, the restructured sales organisation delivered an immediate and material improvement in commercial performance with increased customer engagement as the Company strategically positioned itself to capitalise on growing opportunities in the additive and powder metallurgy market.

The active customer base grew to 100 customers by 30 June 2026. New lead contacts increased by 221 companies during the fourth quarter and active pipeline deals grew by 12%, positioning the Company to enter FY2027 with a strengthened pipeline and a clear focus on converting opportunities to revenue.

Defence and nuclear market progress

The Group materially strengthened its strategic position in defence and nuclear markets during the year.

The Company's relationship with Westinghouse Electric Company progressed through three phases across the year. A follow-on contract was signed in the December quarter to advance powder optimisation for nuclear-grade applications; that contract was completed on time and on budget during the March quarter; and on 27 May 2026 the contract was extended for a further three months, focused on the next gate in the product roadmap. The work supports Westinghouse's broader initiatives in advanced manufacturing and materials innovation for the nuclear energy sector, with the objective of improving end-product performance and advancing the Technology Readiness Level of the components under development.

During the March quarter, MPW was selected as a supplier under Project TAMPA, the UK Ministry of Defence's ('MOD') flagship program to accelerate additive manufacturing adoption across the defence supply chain, for the supply of a titanium component manufactured via the Company's in-house powder production and additive manufacturing capabilities. This represents the Company's first engagement with a NATO defence program and positions MPW as a US-based production node within the MOD's emerging global defence additive manufacturing supply network.

The Company delivered its expeditionary DirectPowder™ production unit on schedule to the U.S. Naval Postgraduate School during the first half, and during the June quarter the expeditionary M-175 system began deployment to RIMPAC 2026, the world's largest international maritime exercise, with subsequent transfer to the Royal Canadian Navy vessel HMCS Asterix for at-sea operational evaluation. This is the first occasion on which powder production has been undertaken within a forward-deployed exercise to support repairs and the supply of spare parts.

The Group also entered into a Powder Partnership Agreement with Austal (ASX: ASB) during the first half, establishing a pathway toward a commercial offtake agreement and potential further funding aligned to defence-related manufacturing applications, and delivered titanium and aluminium alloys to the University of Dayton Research Institute (UDRI) for qualification, which, if approved, may enable MPW powders to be procured directly through U.S. Department of Defense command centres under applicable logistics frameworks.

Partnerships and routes to market

The Company materially expanded its partner network during the year, establishing routes to market across its three commercial segments:

- CenterLine (Windsor) Limited – a Powder Partner agreement executed in March 2026 for cold spray applications, with CenterLine becoming the sixth cold spray manufacturer to adopt DirectPowder™ materials;
- Jet Metals – a Powder Partner Program ('PPP') agreement executed in June 2026 to develop add-mix copper for the press and sinter market. Jet Metals is the first Tier 1 material blender to engage with DirectPowder™ materials, positioning MPW to compete for a share of the powder metallurgy market estimated at approximately US$5.5 billion; and
- Titomic (ASX: TTT) – independent testing generated under the parties' PPP agreement demonstrated promising results and technical feasibility for maritime applications. The partnership explores the pairing of MPW's powder production with Titomic's cold spray equipment and application expertise. Testing highlighted MPW's copper nickel alloy (C71500 CuNi 70/30) met or exceeds the mechanical requirements of the legacy casting process.

These partnerships complement the Company's continuing programs with Powders On Demand, Hardchrome Engineering and other industrial customers, and provide MPW with routes to market and application expertise across additive manufacturing, powder metallurgy and defence.

Technology validation

The year delivered strong third-party validation of MPW's powders across multiple advanced manufacturing processes, including cold spray, binder jetting and laser powder bed fusion, with MPW powders in several instances meeting or exceeding performance requirements and outperforming atomised powders.

Airbus successfully demonstrated the processability of MPW's Al-Sc and F357 powders in Laser Powder Bed Fusion, with technical validation highlighting that MPW's lower cost to production powders performed as well as incumbent industry standard spherical powder manufacturing approaches, and that mechanical performance of strength and ductility were comparable to traditional powders.

The University of Waterloo Multi-Scale Additive Manufacturing (MSAM) Lab developed build parameters for MPW's copper powder (OFHC Cu C10100) using a 60 µm layer thickness, achieving a 50% faster build-rate over legacy gas atomised processing while maintaining greater than 99.8% density and 100% IACS conductivity after heat treatment. This independently validated performance and cost advantage supports broader adoption of MPW's powder in copper additive manufacturing. Separately, test coupons of MPW Ti 6Al 4V were printed for the UK Ministry of Defence's Project TAMPA, and funded development work saw MPW C90700 CuSn10 powder achieve its target porosity and metal densities above 99.5%.

Production, technology and operational scaling

Operationally, the Company continued scaling production capacity and improving manufacturing efficiency throughout the year.

During the first half, MPW in-sourced DirectPowder™ tooling production, increasing tool life by approximately 1.5 times and improving supply chain security, product quality and cost efficiency. The in-house tooling capability became fully operational during the March quarter, enabling the manufacture of new tools and the re-dressing of existing tools for multiple reuse cycles. Tooling is typically the second-largest cost driver in powder production, and in-house manufacturing has materially reduced this cost.

The Next Gen #1 production unit met its development milestones on schedule and on budget across the year, producing its first powder during the March quarter and completing successful prove-out testing at 100 tonnes per annum during the June quarter before entering service in July 2026. The Next Gen system is designed to deliver approximately a 25-fold improvement in production output relative to the current Alpha system at approximately twice the capital cost, underpinning a clear pathway to producing 800 MT of powder by the first half of calendar year 2027, . Two additional Alpha DirectPowder™ units were commissioned during the June quarter to support near-term demand for CP Titanium products while Next Gen #1 ramps to full output. After year end the Company highlighted it had ordered four additional Next Gen #1 machines to assist with the scaling of production to reach 800MT by the first half of calendar year 2027.

Discontinued operation – K-TIG Welding Technology ("K-TIG")

During the year, the Board resolved to abandon the operations of the Welding Technology segment, comprising Keyhole TIG Pty Ltd, Keyhole TIG USA Inc. and Keyhole TIG (UK) Pty Ltd (the "K-TIG group"). This decision aligns to the Group's strategic focus of scaling the DirectPowder™ metal powders business.

The results of the K-TIG group have been presented as a discontinued operation in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, with comparative information restated accordingly, and remaining inventory of the segment has been written down to nil. The wind-down is expected to be substantially complete during FY2027 and is not expected to require material further expenditure by the Group. Refer to note 7 of the financial statements for further details.

Significant changes in the state of affairs

During the reporting period, the Company strengthened its capital position and advanced its commercial and strategic initiatives. Metal Powder Works completed a capital raising during the half-year, raising A$15.0 million, further enhancing liquidity and supporting the continued scaling of production capacity, product qualification programs and commercial expansion into defence, aerospace and nuclear markets. These funding initiatives materially strengthened the Company's balance sheet and provide flexibility to accelerate planned growth and operational efficiency improvements.

The Company also expanded its commercial and technical position through the progression of strategic customer engagements and supply agreements. This included advancing qualification programs with key defence and aerospace customers, securing additional orders, and further demonstrating the capability of the DirectPowder™ process across a broader range of alloys. The Group continued to invest in production optimisation and process improvements to enhance material utilisation, reduce unit costs and increase throughput, while strengthening its executive and technical leadership to support the next phase of growth.

During the year the Board resolved to wind down the operations of the Welding Technology segment, comprising Keyhole TIG Pty Ltd, Keyhole TIG USA Inc. and Keyhole TIG (UK) Pty Ltd (the "K-TIG group").

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

Matters subsequent to the end of the financial year

On 23 July 2026, the Company announced the appointment of Dr Ahmed El Desouky as Chief Operating Officer.

On 11 August 2026, the Company announced an acceleration of its planned capacity expansion program, bringing forward its total installed capacity target from approximately 800 metric tonnes (MT) by CY2028 to approximately the first half of calendar year 2027 (1H CY27).

Estimated total capital cost of the planned capacity is approximately US$2.0 million. It is expected to be fully funded from existing cash reserves.

On 24 August 2026, the Company announced it had received a purchase order valued at approximately US$200,000 (~A$275,000) from Embassy Powdered Metals, Inc. ("Embassy") for pure copper powder. The order is the Company's largest to date and its first in the copper infiltration segment of the Press-and-Sinter (P&S) market.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation and is not aware of an environmental breaches.

Information on directors

Name:	Stuart Carmichael
Title:	Non-Executive Chairman
Qualifications:	B Com & C.A (Aust)
Experience and expertise:	Mr Carmichael has extensive international corporate advisory, mergers and acquisitions, and operational experience. Mr Carmichael held various senior executive leadership positions with UGL, DTZ, AJG and KPMG Corporate Finance. Mr Carmichael has extensive corporate and operational experience across multiple geographies, having lived and worked in the US, UK, Europe, the Middle East and Australia. Mr Carmichael’s sector experience includes the construction, transportation and logistics, facilities management, corporate real estate and professional services sectors. Mr Carmichael graduated from the University of Western Australia with a Bachelor of Commerce degree, majoring in Accounting and Finance and is a qualified Chartered Accountant.
Other current directorships:	None
Former directorships (last 3 years):	Non-Executive Director of De.mem Limited (ASX:DEM) - Resigned November 2023 Non-Executive Director of Orexplore Technologies Limited (ASX:OXT) - Resigned November 2023

Name:	John Barnes
Title:	Managing Director
Qualifications:	B.S and M.S in Material Engineering (USA)
Experience and expertise:	Mr Barnes has a 30+ year career in product development and aerospace with Honeywell, Lockheed Martin Skunk Works™, Australia's CSIRO, and Arconic. He's been involved in metal AM throughout his career since the late 1990s when he was part of the Sandia National Labs LENS™ CRADA. Since then, he has been in and around AM, working on technical and business cases for implementation and development efforts in materials, powders, processing, and printing to mature the technology for applications. Mr Barnes is recognized internationally for his contributions to additive manufacturing, commonly referred to as 3D printing, as well as product development and leadership in engineering. Mr Barnes is a Materials Engineer by background but has developed expertise in manufacturing, airframe structures, gas turbines, and low observables. He has over 14 patents or patents in application. In 2014, he was Purdue University's Materials Engineer of the Year. His team won the Silver Medal in the U.S. Air Force AM Olympics in 2020. In 2017, he was invited to join the Additive Manufacturing Technical Community as an SME Advisor based on his active industry contributions, reputation, and personal commitment to expand the use of additive manufacturing. In 2022, he was named vicechair of SME's AM Technical Leadership Committee
Other current directorships:	None
Former directorships (last 3 years):	None

Name:	Darryl Abotomey
Title:	Non-Executive Director
Qualifications:	B.Com, FCPA, MAICD
Experience and expertise:	Mr Abotomey brings over 40 years of executive leadership and financial expertise having held Board and executive leadership roles across manufacturing, global paper and packaging distribution and automotive aftermarket industries. Mr Abotomey was most recently Chief Executive Officer and Managing Director of Bapcor Limited, Asia Pacific's leading provider of vehicle parts, accessories, equipment, service and solutions, where during his 10 years in that role he was instrumental to the successful growth and expansion of the business in line with its strategic growth plan. Between 2006 and 2010, Mr Abotomey served as CFO/COO and Director of the Board of Exego Group Pty Limited (Repco) and as an independent director of CPI Group Ltd. From 2000, Mr Abotomey served as a Board Director and CFO of Paperlinx Limited, where he led the due diligence, funding and settlement negotiations for international acquisitions. He successfully transitioned the business involving multi-country legal, financial, statutory, business culture, cultural, tax and insurance issues. During his time at Amcor, Mr Abotomey was CFO of Sunclipse Inc, a subsidiary of Amcor based in the USA and held roles of regional and group general manager at Amcor Fibre Packaging and Amcor Printing Papers Group in Australia, where he was responsible for international trade, including logistics and supply chain. Mr Abotomey also gained extensive experience in strategy, business restructuring, information technology and product launching.
Other current directorships:	Nil
Former directorships (last 3 years):	Adrad Limited (ASX: AHL) - Resigned September 2025

Name:	Bruno Campisi
Title:	Non-Executive Director
Qualifications:	B.Bus (Accounting)
Experience and expertise:	Mr Campisi has over 40 years' experience in business services and manufacturing and has a broad range of skills in strategic planning, implementation and business development. Mr Campisi has held senior positions in private enterprises, including Finance Director and later Managing Director roles
Other current directorships:	Nil
Former directorships (last 3 years):	Nil

Name:	Jim McDowell
Title:	Non-Executive Director
Experience and expertise:	Mr McDowell has more than 35 years of executive leadership experience in defence, aerospace, advanced manufacturing, and public sector organisations. He has held senior roles including CEO of BAE Systems Australia, CEO of BAE Systems Saudi Arabia, Managing Director of Nova Systems, and Chief Executive of the South Australian Department of the Premier and Cabinet. Most recently, Mr McDowell served as Deputy Secretary Naval Shipbuilding and Sustainment at the Australian Department of Defence, where he oversaw Australia's largest-ever naval shipbuilding and sustainment program. In this role, he was responsible for the delivery of complex, high-value defence projects, industrial engagement, and the development of sovereign manufacturing capabilities. Mr McDowell has extensive experience in strategy, program management, government procurement, and industrial policy. He has led large, multidisciplinary teams across multiple countries and has a strong track record in delivering defence and aerospace programs on time and within budget.
Other current directorships:	Micro-X Limited (ASX: MX1)
Former directorships (last 3 years):	Nil

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

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

Company secretary
Jack Rosagro

Mr Rosagro is an experienced company secretary and corporate governance advisor to a portfolio of companies including ASX listed and unlisted public companies across a number of industries. Jack is a Fellow member of the Governance Institute of Australia.

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

	Full Board	
	Attended	Held
Stuart Carmichael	7	8
John Barnes	8	8
Darryl Abotomey	8	8
Bruno Campisi	8	8
Jim McDowell	7	8

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The Board is responsible for determining and reviewing directors and senior executives compensation arrangements. The Board assesses the appropriateness of the nature and amount of emoluments of such officers yearly by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a highquality board and executive team. The expected outcome of this remuneration structure is to retain and motivate the Directors and Senior Executives.

The Board has adopted a formal Remuneration Committee Charter and Remuneration Policy as part of its Corporate Governance Policies and Procedures. Currently, the entire Board performs the function of the Remuneration Committee. However, given that the consolidated entity remains at an early stage of development, the Board's overall approach to compensation remains subject to change. Accordingly, it will continue to evolve as the consolidated entity grows and develops its business.

Non-executive directors remuneration
The Constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum determined by a general meeting of shareholders. The remuneration of executive Directors will be set by the Directors and may be paid by way of a fixed salary or consultancy fee.

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Board.

The maximum aggregate amount which has been approved to be paid to non-executive Directors is currently set at A$500,000 per annum.

Executive Directors
Executive Directors are not entitled to receive any additional compensation, including employee options, in their capacity as Directors

Chairman's fees
The chairman's fees are determined independently of the fees of non-executive Directors based on comparative roles in the external market.

Additional fees
A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out-of-pocket expenses incurred as a result of their directorship or any special duties.

Retirement allowances for directors
Superannuation contributions required under the Australian Superannuation Guarantee Legislation continue to be made and are deducted from the Directors' overall fee entitlements where applicable.

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

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

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

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

Voting and comments made at the company's 30 June 2025 Annual General Meeting ('AGM')
At the 30 June 2025 AGM, 86.33% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2026	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Stuart Carmichael	138,000	-	-	-	-	636,568	774,568
Darryl Abotomey	63,600	-	-	-	-	318,284	381,884
Bruno Campisi	67,200	-	-	-	-	318,284	385,484
Jim McDowell	60,000	-	-	-	-	318,284	378,284
Executive Directors:							
John Barnes	587,209	433,714	-	-	-	1,727,415	2,748,338
Other Key Management Personnel:							
Charles Joseph (*)	55,754	-	-	-	-	-	55,754
	971,763	433,714	-	-	-	3,318,835	4,724,312

* Commenced in May 2026

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2025	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Stuart Carmichael	33,332	-	-	-	-	-	33,332
Anthony McIntosh	10,000	-	-	-	-	-	10,000
Bruno Campisi	50,153	-	-	-	-	-	50,153
Jim McDowell	5,600	-	-	-	-	-	5,600
Darryl Abotomey	32,300	-	-	-	-	-	32,300
Executive Directors:							
John Barnes	192,816	-	-	-	-	-	192,816
	324,201	-	-	-	-	-	324,201

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2026	2025	2026	2025	2026	2025
Non-Executive Directors:						
Stuart Carmichael	18%	100%	-	-	82%	-
Darryl Abotomey	17%	100%	-	-	83%	-
Bruno Campisi	17%	100%	-	-	83%	-
Jim McDowell	16%	100%	-	-	84%	-
Anthony McIntosh	-	100%	-	-	-	-
Executive Directors:						
John Barnes	21%	100%	16%	-	63%	-
Other Key Management Personnel:						
Charles Joseph	100%	-	-	-	-	-

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

Name:	John Barnes
Title:	Managing Director
Agreement commenced:	28 February 2025
Term of agreement:	The Company will pay Mr Barnes USD$350,000 per annum. Mr Barnes will receive a short term incentive fee of up to 100% of the base salary. The Board may, in its absolute discretion invite Mr Barnes to participate in bonus and / or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporation Act and Listing Rules. Mr Barns' agreement is for indefinite term continuing until terminated by either the Company or Mr Barnes giving not less than three month's written notice of termination. Mr Barnes is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases on terms which are otherwise considered standard for agreements of this nature.

Name:	Charles Joseph
Title:	Chief Sales Officer
Agreement commenced:	1 May 2026
Term of agreement:	The Company will pay Mr Joseph USD$220,000 per annum. Mr Joseph will receive a short term incentive fee of up to 30% of the base salary. The Board may, in its absolute discretion invite Mr Joseph to participate in bonus and / or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporation Act and Listing Rules. Mr Josephs' agreement is for indefinite term continuing until terminated by either the Company or Mr Joseph giving not less than three month's written notice of termination. Mr Joseph is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases on terms which are otherwise considered standard for agreements of this nature.

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

Share-based compensation

Issue of shares
Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below:

Name	Date	Shares	Issue price	Value of shares granted during the year $
Stuart Carmichael	28/11/2025	250,000	$1.88	271,990
Darryl Abotomey	28/11/2025	125,000	$1.88	135,995
Bruno Campisi	28/11/2025	125,000	$1.88	135,995
James McDowell	28/11/2025	125,000	$1.88	135,995
John Barnes	28/11/2025	750,000	$1.88	815,972

* Escrowed for 1 year from issuance

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

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

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
PERFORMANCE RIGHTS - CLASS D	1,500,000	28/11/2025	28/11/2029	30/11/2030	$1.880
PERFORMANCE RIGHTS - CLASS E	1,500,000	28/11/2025	31/07/2028	30/11/2030	$1.880
PERFORMANCE RIGHTS - CLASS F	1,500,000	28/11/2025	30/11/2030	30/11/2030	$1.665
PERFORMANCE RIGHTS - CLASS G	1,500,000	28/11/2025	30/11/2030	30/11/2030	$1.592

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below:

Name	Number of rights granted during the year 2026	Number of rights granted during the year 2025	Number of rights vested during the year 2026	Number of rights vested during the year 2025
Stuart Carmichael	1,200,000	-	-	-
Darryl Abotomey	600,000	-	-	-
Bruno Campisi	600,000	-	-	-
Jim McDowell	600,000	-	-	-
John Barnes	3,000,000	-	-	-

Values of performance rights over ordinary shares granted, vested and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below:

Name	Value of rights granted during the year $	Value of rights vested during the year $	Value of rights lapsed during the year $	Remuneration consisting of rights for the year %
Stuart Carmichael	364,577	-	-	47%
Darryl Abotomey	182,289	-	-	48%
Bruno Campisi	182,289	-	-	47%
James McDowell	182,289	-	-	48%
John Barnes	911,443	-	-	39%

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Stuart Carmichael	1,542,764	250,000	280,770	-	2,073,534
Darryl Abotomey	384,616	125,000	-	-	509,616
Bruno Campisi	6,697,593	125,000	-	-	6,822,593
Jim McDowell	-	125,000	-	-	125,000
John Barnes	19,267,133	750,000	-	(376,143)	19,640,990
	27,892,106	1,375,000	280,770	(376,143)	29,171,733

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Stuart Carmichael	192,308	-	-	-	192,308
Darryl Abotomey	192,308	-	-	-	192,308
Bruno Campisi	-	-	-	-	-
Jim McDowell	-	-	-	-	-
John Barnes	-	-	-	-	-
	384,616	-	-	-	384,616

Performance rights holding
The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Stuart Carmichael	46,154	1,200,000	(46,154)	-	1,200,000
Darryl Abotomey	-	600,000	-	-	600,000
Bruno Campisi	5,239,696	600,000	-	-	5,839,696
Jim McDowell	-	600,000	-	-	600,000
John Barnes	17,515,580	3,000,000	-	-	20,515,580
	22,801,430	6,000,000	(46,154)	-	28,755,276

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Metal Powder Works Limited under option at the date of this report are as follows:

Options	Expiry date	Exercise price	Number under option
MPWOPT01 - UNL OPT @ $0.26 EXP 27/02/2028	27/02/2028	$0.26	4,215,383
MPWOPT02 - UNL OPT @ $0.13 EXP 27/02/2028	27/02/2028	$0.13	5,615,386
MPWOPT03 - UNL OPT @ $0.13 EXP 27/02/2028 - ESC 24M FROM QUOTATION	27/02/2028	$0.13	576,924
MPWOPT04 - UNLISTED OPTIONS @ $NIL EXP 19/09/2030	19/09/2030	$0.00	41,250
			10,448,943

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

Shares under performance rights
Unissued ordinary shares of Metal Powder Works Limited under performance rights at the date of this report are as follows:

Grant date	Exercise price	Number under rights
MPWPERA - PERFORMANCE RIGHTS - CLASS A	$0.00	15,385
MPWPERB - PERFORMANCE RIGHTS - CLASS B	$0.00	11,870,158
MPWPERC - PERFORMANCE RIGHTS - CLASS C	$0.00	13,129,842
MPWPERA1 - PERFORMANCE RIGHTS A	$0.00	15,385
MPWPERA2 - PERFORMANCE RIGHTS A - ESC 24M FROM QUOTATION	$0.00	11,870,158
MPWPERB1 - PERFORMANCE RIGHTS B	$0.00	13,129,842
MPWPERB2 - PERFORMANCE RIGHTS B - ESC 24M FROM QUOTATION	$0.00	61,540
MPWPERD - PERFORMANCE RIGHTS - CLASS D	$0.00	1,500,000
MPWPERE - PERFORMANCE RIGHTS - CLASS E	$0.00	1,500,000
MPWPERF - PERFORMANCE RIGHTS - CLASS F	$0.00	1,500,000
MPWPERG - PERFORMANCE RIGHTS - CLASS G	$0.00	1,500,000
		56,092,310

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

Shares issued on the exercise of options
There were no ordinary shares of Metal Powder Works Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Shares issued on the exercise of performance rights
The following ordinary shares of Metal Powder Works Limited were issued during the year ended 30 June 2026 and up to the date of this report on the exercise of performance rights granted:

Rights	Exercise price	Number of shares issued
Performance rights converted to shares	$0.00	280,770

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

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

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

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

Proceedings on behalf of the company
No person has applied to the Court for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Officers of the company who are former partners of Grant Thornton Audit Pty Ltd
There are no officers of the company who are former partners of Grant Thornton Audit Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors

____
Stuart Carmichael
Non-Executive Chairman

31 August 2026

Grant Thornton

Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000

Auditor's Independence Declaration

To the Directors of Metal Powder Works Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Metal Powder Works Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 31 August 2026

General information

The financial statements cover Metal Powder Works Limited as a consolidated entity consisting of Metal Powder Works Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Metal Powder Works Limited's presentation currency and functional currency is United States dollars.

Registered office

Level 5, 191 St George's Terrace
Perth, WA 6000

Principal place of business

1300 Clinton Road
Suite 200, Clinton PA 15026 USA

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2026.

Metal Powder Works Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Revenue			
Sales revenue	4	1,652,603	1,183,279
Cost of sales		(867,424)	(369,535)
Gross profit		**785,179**	**813,744**
Other income	5	310,873	52,529
Expenses			
Raw materials and consumables used		(48,473)	-
Research & Development		(241,817)	(310,353)
Other expenses		(364,769)	(102,723)
Finance costs		(13,661)	(117,046)
Marketing		(280,955)	(60,571)
Occupancy		(499,315)	(103,015)
Corporate expenses	8	(6,131,143)	(3,203,473)
Workshop expense		(265,757)	(83,413)
Travel expense		(173,394)	(92,757)
Share based payments expense		(3,532,975)	-
Impairment of goodwill		-	(1,963,263)
Loss before income tax expense from continuing operations		**(10,456,207)**	**(5,170,341)**
Income tax expense	6	-	-
Loss after income tax expense from continuing operations		(10,456,207)	(5,170,341)
Loss after income tax expense from discontinued operations	7	(1,924,683)	(1,021,230)
Loss after income tax expense for the year attributable to the owners of Metal Powder Works Limited		**(12,380,890)**	**(6,191,571)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(150,885)	97,409
Other comprehensive income for the year, net of tax		(150,885)	97,409
Total comprehensive loss for the year attributable to the owners of Metal Powder Works Limited		**(12,531,775)**	**(6,094,162)**
Total comprehensive loss for the year is attributable to:			
Continuing operations		(10,607,092)	(5,081,932)
Discontinued operations		(1,924,683)	(1,012,230)
		(12,531,775)	**(6,094,162)**

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

Metal Powder Works Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Metal Powder Works Limited			
Basic earnings per share	30	(11.77)	(6.22)
Diluted earnings per share	30	(11.77)	(6.22)
Earnings per share for loss from discontinued operations attributable to the owners of Metal Powder Works Limited			
Basic earnings per share	30	(2.17)	(1.23)
Diluted earnings per share	30	(2.17)	(1.23)

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

Metal Powder Works Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	10,523,522	6,310,431
Trade and other receivables	10	592,650	320,937
Inventories	11	531,869	1,840,216
Financial assets		5,000	5,000
Other current assets		498,029	100,163
Total current assets		**12,151,070**	**8,576,747**
Non-current assets			
Property, plant and equipment	13	3,348,996	995,010
Right-of-use assets	12	217,339	380,076
Intangibles	14	315,230	375,423
Total non-current assets		**3,881,565**	**1,750,509**
Total assets		**16,032,635**	**10,327,256**
Liabilities			
Current liabilities			
Trade and other payables	15	1,664,466	907,669
Borrowings	16	-	645,119
Lease liabilities	17	187,693	182,934
Employee benefits		56,866	50,953
Contract liabilities	18	30,467	38,955
Other current liabilities		-	33,842
Total current liabilities		**1,939,492**	**1,859,472**
Non-current liabilities			
Lease liabilities	17	46,105	245,277
Total non-current liabilities		**46,105**	**245,277**
Total liabilities		**1,985,597**	**2,104,749**
Net assets		**14,047,038**	**8,222,507**
Equity			
Issued capital	19	35,386,571	20,563,240
Foreign currency reserve		(56,884)	94,001
Reserves	20	2,135,513	(1,397,462)
Accumulated losses		(23,418,162)	(11,037,272)
Total equity		**14,047,038**	**8,222,507**

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

Metal Powder Works Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $	Share based payments reserve $	Reverse acquisition reserve $	Foreign currency reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	4,164,345	-	-	(3,408)	(4,845,701)	(684,764)
Loss after income tax expense for the year	-	-	-	-	(6,191,571)	(6,191,571)
Other comprehensive income for the year, net of tax	-	-	-	97,409	-	97,409
Total comprehensive income for the year	-	-	-	97,409	(6,191,571)	(6,094,162)
Transactions with owners in their capacity as owners:						
Issue of shares, net of transaction costs	8,928,363	-	-	-	-	8,928,363
Consideration shares for acquisition	1,128,129	-	-	-	-	1,128,129
Issue of MPW Shares on conversion of convertible notes	5,617,238	-	-	-	-	5,617,238
Issue of shares to advisors	648,242	-	-	-	-	648,242
Issue of shares to directors	76,923	-	-	-	-	76,923
Options issued to convertible note holders	-	1,720,982	-	-	-	1,720,982
MPW Ltd balance upon reverse acquisition	-	-	(3,118,444)	-	-	(3,118,444)
Balance at 30 June 2025	**20,563,240**	**1,720,982**	**(3,118,444)**	**94,001**	**(11,037,272)**	**8,222,507**

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

Metal Powder Works Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $	Share based payments reserve $	Reverse acquisition reserve $	Foreign currency reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	20,563,240	1,720,982	(3,118,444)	94,001	(11,037,272)	8,222,507
Loss after income tax expense for the year	-	-	-	-	(12,380,890)	(12,380,890)
Other comprehensive loss for the year, net of tax	-	-	-	(150,885)	-	(150,885)
Total comprehensive loss for the year	-	-	-	(150,885)	(12,380,890)	(12,531,775)
Transactions with owners in their capacity as owners:						
Share-based payments	-	3,532,975	-	-	-	3,532,975
Issue of shares, net of transaction costs	15,000,000	-	-	-	-	15,000,000
Options exercised	1,099,999	-	-	-	-	1,099,999
Share issue costs	(1,276,668)	-	-	-	-	(1,276,668)
Balance at 30 June 2026	**35,386,571**	**5,253,957**	**(3,118,444)**	**(56,884)**	**(23,418,162)**	**14,047,038**

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

Metal Powder Works Limited
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		2,350,892	1,037,107
Payments to suppliers and employees		(9,942,082)	(3,513,963)
		(7,591,190)	(2,476,856)
Interest received		50,555	19,313
Other revenue		253,916	33,218
Interest and other finance costs paid		(1,000)	(117,011)
Net cash used in operating activities	29	**(7,287,719)**	**(2,541,336)**
Cash flows from investing activities			
Payments for property, plant and equipment		(2,967,363)	(531,937)
Cash acquired on acquisition of subsidiary		-	230,898
Net cash used in investing activities		**(2,967,363)**	**(301,039)**
Cash flows from financing activities			
Proceeds from issue of shares	19	15,000,000	9,029,015
Proceeds from exercise of options		1,099,999	-
Share issue transaction costs		(1,276,669)	-
Repayment of borrowings		(687,000)	-
Repayment of lease liabilities		(44,311)	(64,900)
Net cash from financing activities		**14,092,019**	**8,964,115**
Net increase in cash and cash equivalents		3,836,937	6,121,740
Cash and cash equivalents at the beginning of the financial year		6,310,431	188,691
Effects of exchange rate changes on cash and cash equivalents		376,154	-
Cash and cash equivalents at the end of the financial year	9	**10,523,522**	**6,310,431**

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

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Metal Powder Works Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2026. The directors have the power to amend and reissue the financial statements.

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Going concern
The consolidated financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the year ended 30 June 2026, the Group incurred a loss after income tax expense of $12,380,890 (30 June 2025: $6,191,571) and net operating cash outflows of $7,287,719 (30 June 2025 : $2,541,336).

The ability of the Company to continue as going concerns and to pay their debts as and when they fall due is dependent on the following:
- achieving revenue targets in line with management's forecasts;
- managing all costs in line with management's forecasts; and
- continued support of the Company's major shareholders and funders;

The Directors believe that the Company can raise capital as required based on the success of $15m being raise during the current period and the continued support from the Company's major shareholders. The Directors have a reasonable expectation that the Company has this support and have therefore determined that the Company will continue in operational existence for the foreseeable future. The company's 12 month outlook remains strong on the back of new income streams, a healthy pipeline and expected price growth in addition to a thorough review of our cost base being undertaken.

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

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

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

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Note 1. Material accounting policy information (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Metal Powder Works Limited ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Metal Powder Works Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Metal Powder Works Limited's presentation currency. The functional currency of the group is United States dollars.

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

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

Revenue recognition
The consolidated entity recognises revenue as follows:

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Revenue from sale of goods comprises the sale of metal powders, specialised welding equipment and associated consumables, recognised at the point in time when control of the goods transfers to the customer.

Note 1. Material accounting policy information (continued)

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

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

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

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

Note 1. Material accounting policy information (continued)

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

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

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the consolidated statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the consolidated statement of financial position.

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

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

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

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

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

Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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

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

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

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

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

Plant and equipment	7-10 years
Fixture and fittings	7-10 years
Computer equipment	1-10 years

Note 1. Material accounting policy information (continued)

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

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

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

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

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

Right-of-use assets that meet the definition of investment property are measured at fair value where the consolidated entity has adopted a fair value measurement basis for investment property assets.

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

Intangible assets
Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

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

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

Note 1. Material accounting policy information (continued)

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

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

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

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

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

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

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Note 1. Material accounting policy information (continued)

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

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

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

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

Issued capital
Ordinary shares are classified as equity.

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

Earnings per share

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the consolidated statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the consolidated statement of profit or loss and other comprehensive income.

Note 2. Critical accounting judgements, estimates and assumptions

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

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

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segments:

Metal Powders – Manufacture and supply of high-quality metal powders and related technologies for advanced manufacturing, additive manufacturing (3D printing), and other industrial applications.

This operating segments is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Note 4. Sales revenue

	Consolidated	
	2026	**2025**
	$	**$**
Sale of goods	1,366,681	301,331
Contracted R&D	203,426	797,014
Other revenue	82,496	84,934
	1,652,603	**1,183,279**

Note 4. Sales revenue (continued)

Timing of revenue recognition

	Consolidated 2026 $	Consolidated 2025 $
Revenue recognised at a point in time	1,366,681	301,331
Revenue recognised over time	285,922	881,948
	1,652,603	**1,183,279**

Geographical regions

	Consolidated 2026	Consolidated 2025
United States of America	**1,652,603**	**1,183,279**

Note 5. Other income

	Consolidated 2026 $	Consolidated 2025 $
Sublease income	6,533	14,511
Other income	253,784	35,770
Interest received	50,556	2,248
Other income	**310,873**	**52,529**

Note 6. Income tax expense

	Consolidated 2026 $	Consolidated 2025 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(10,456,207)	(5,170,341)
Loss before income tax expense from discontinued operations	(1,924,683)	(1,021,230)
	(12,380,890)	(6,191,571)
Tax at the statutory tax rate of 25%	(3,095,223)	(1,547,893)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Amortisation of intangibles	-	490,816
Impairment of goodwill	-	490,816
Share-based payments	883,244	-
Transaction costs	-	8,612
Unrecognised deferred tax losses	2,273,228	557,649
Non-Assessable income	(61,249)	-
Income tax expense	-	-

Note 6. Income tax expense (continued)

	Consolidated	
	2026	**2025**
	$	**$**
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Revenue losses - Australia	23,395,989	20,803,957
Revenue losses - USA	17,062,899	11,687,590
Revenue losses - UK	1,127,596	1,126,989
Capital losses - Australia	2,181,919	2,181,919
Other temporary differences	8,215,520	5,766,525
Total deferred tax assets not recognised	51,983,923	41,566,980

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the consolidated statement of financial position as the recovery of this benefit is uncertain.

Note 7. Discontinued operations

Description
During the period, the Board resolved to abandon the Group’s K-TIG welding technology business, conducted through Keyhole TIG Pty Ltd, Keyhole TIG (USA) Inc. and Keyhole TIG (UK) Pty Ltd (together, “K-TIG”), under a single co-ordinated plan.

K-TIG represented a separate major line of business, and a separate geographical area of operations in respect of its United States activities, distinct from the Group’s continuing metal powder manufacturing business. Its results are therefore presented as a discontinued operation in these financial statements, and the comparative statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

As the K-TIG operation is being abandoned rather than disposed of by sale, its assets and liabilities are not classified as held for sale and are not presented separately on the statement of financial position. Each asset and liability continues to be measured in accordance with the Standard applicable to it, reflecting the wind-down of the business.

Note 7. Discontinued operations (continued)

Results of discontinued operation

	Consolidated 2026 $	Consolidated 2025 $
Sale of goods	550,187	387,647
Rendering of services	46,648	19,884
Other trading revenue	691	9,809
Cost of sales	(854,674)	(896,248)
Total gross loss	**(257,148)**	**(478,908)**
Interest income	132	-
Other expenses	(58,522)	(29,548)
Travel expense	(45,857)	(4,069)
Office and workshop expense	(98,831)	(50,510)
Corporate expenses	(122,436)	(402,384)
Write down of inventory	(1,313,565)	-
Occupancy expenses	(28,456)	(55,811)
Total expenses	**(1,667,667)**	**(542,322)**
Loss before income tax expense	(1,924,683)	(1,021,230)
Income tax expense	-	-
Loss after income tax expense from discontinued operations	**(1,924,683)**	**(1,021,230)**

Cash flows used in discontinued operations

	Consolidated 2026 $	Consolidated 2025 $
Net cash used in operating activities	(611,119)	(749,202)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents from discontinued operations	(611,119)	(749,202)

Note 8. Corporate expenses

	Consolidated 2026 $	Consolidated 2025 $
Salary and Wages	4,443,712	2,448,562
Accounting & Auditing	349,449	192,690
Director Fees	349,122	55,632
Insurance	321,735	38,519
Other	252,464	27,530
Consultants and contractors	246,585	104,300
Legal Fees	168,076	336,240
	6,131,143	**3,203,473**

Note 9. Cash and cash equivalents

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Cash at bank	5,023,522	6,310,431
Cash on deposit	5,500,000	-
	10,523,522	**6,310,431**

Note 10. Trade and other receivables

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Trade receivables	167,264	153,073
BAS receivable	425,386	167,864
	592,650	**320,937**

Allowance for expected credit losses
The Group applies the simplified approach under AASB 9 Financial Instruments to measuring expected credit losses for trade receivables, which requires recognition of a lifetime expected loss allowance. Based on the Group's assessment of the credit risk of its customers, and subsequent collection of receivables in full after year end, no loss allowance has been recognised as at 30 June 2026 (30 June 2025: nil).

Note 11. Inventories

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Raw materials - at cost	155,499	128,829
Finished goods - at cost	1,689,935	1,711,387
Less: Provision for impairment (*)	(1,313,565)	-
	376,370	1,711,387
	531,869	**1,840,216**

* During the period the Company wrote down all inventory belonging to the KTIG operations to Nil - For further detail refer to note 7.

Note 12. Right-of-use assets

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Land and buildings - right-of-use	607,084	607,058
Less: Accumulated depreciation	(389,745)	(226,982)
	217,339	**380,076**

Note 12. Right-of-use assets (continued)

The consolidated entity leases land and buildings for its offices and warehouses under agreements of between 3 to 5 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

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

Consolidated	Land and buildings $	Total $
Balance at 1 July 2024	502,080	502,080
Additions	27,736	27,736
Depreciation expense	(149,740)	(149,740)
Balance at 30 June 2025	380,076	380,076
Depreciation expense	(162,737)	(162,737)
Balance at 30 June 2026	**217,339**	**217,339**

Note 13. Property, plant and equipment

	Consolidated	
	2026 $	**2025 $**
Non-current assets		
Leasehold improvements - at cost	321,297	45,315
Less: Accumulated depreciation	(199,400)	(252)
	121,897	45,063
Plant and equipment - at cost	3,300,257	1,118,357
Less: Accumulated depreciation	(1,040,341)	(691,657)
	2,259,916	426,700
Plant and equipment under construction	910,540	473,074
Fixtures and fittings - at cost	41,310	37,043
Less: Accumulated depreciation	(12,409)	(9,094)
	28,901	27,949
Computer equipment - at cost	160,843	58,427
Less: Accumulated depreciation	(133,101)	(36,203)
	27,742	22,224
	3,348,996	**995,010**

Note 13. Property, plant and equipment (continued)

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

Consolidated	Leasehold improvements $	Plant and equipment $	Plant and equipment under construction $	Fixture and fittings $	Computer equipment $	Total $
Balance at 1 July 2024	45,315	427,820	-	19,897	16,434	509,466
Additions	-	17,031	473,074	13,867	5,038	509,010
Additions through business combinations	6,000	253,706	-	25,150	18,011	302,867
Exchange differences	-	54,870	-	3,098	3,208	61,176
Depreciation expense	(6,252)	(326,727)	-	(34,063)	(20,467)	(387,509)
Balance at 30 June 2025	45,063	426,700	473,074	27,949	22,224	995,010
Additions	137,109	2,129,618	437,466	6,775	11,359	2,722,327
Exchange differences	(54,144)	(163,671)	-	(1,728)	(2,625)	(222,168)
Depreciation expense	(6,131)	(132,731)	-	(4,095)	(3,216)	(146,173)
Balance at 30 June 2026	**121,897**	**2,259,916**	**910,540**	**28,901**	**27,742**	**3,348,996**

Note 14. Intangibles

	Consolidated 2026 $	2025 $
Non-current assets		
Goodwill - at cost	1,963,263	1,963,263
Less: Impairment	(1,963,263)	(1,963,263)
	-	-
Patents and trademarks	625,705	625,705
Less: Accumulated amortisation	(310,475)	(250,282)
	315,230	375,423
	315,230	**375,423**

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

Consolidated	Patents and trademarks $	Total $
Balance at 1 July 2024	408,837	408,837
Amortisation expense	(33,414)	(33,414)
Balance at 30 June 2025	375,423	375,423
Exchange differences	(17,934)	(17,934)
Amortisation expense	(42,259)	(42,259)
Balance at 30 June 2026	**315,230**	**315,230**

Note 15. Trade and other payables

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Trade payables and accruals	1,227,220	734,477
Other payables	437,246	173,192
	1,664,466	**907,669**

Refer to note 22 for further information on financial instruments.

Note 16. Borrowings

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Loan - TGBA borrowings	**-**	**645,119**

Loans from related parties
Prior to the business acquisition, Metal Powder Works Inc entered into a bridging loan agreement with The Barnes Global Advisors LLC ("TBGA"), a related party entity of Executive Director John Barnes. The loan bears interest at 8% per annum and was fully repaid during the period.

Refer to note 22 for further information on financial instruments.

Note 17. Lease liabilities

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Lease liability	187,693	182,934
Non-current liabilities		
Lease liability	46,105	245,277
	233,798	**428,211**

Refer to note 22 for further information on financial instruments.

	Consolidated 2026 $	Consolidated 2025 $
Balance on 01 July	428,211	544,063
Interest expense	31,650	35,651
Repayments	(226,063)	(151,503)
	233,798	**428,211**

Note 18. Contract liabilities

	Consolidated	
	2026	**2025**
	$	**$**
Current liabilities		
Amounts received in advance	**30,467**	**38,955**

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening balance	38,955	579,585
Deferred revenue acquired as part of business combination	-	38,955
Recognised as revenue	(8,488)	(579,585)
Closing balance	**30,467**	**38,955**

Note 19. Issued capital

	Consolidated			
	2026 Shares	**2025 Shares**	**2026 $**	**2025 $**
Ordinary shares - fully paid	**150,070,008**	**139,339,667**	**35,386,571**	**20,563,240**

Movements in ordinary share capital

Details	**Date**	**Shares**	**$**
Balance	1 July 2024	73,225,030	4,164,345
Share consolidation	18/02/2025	(67,583,305)	-
Acquisition consideration	28/02/2025	55,000,000	1,128,129
Convertible notes converted	28/02/2025	25,072,115	5,617,238
Director shares	28/02/2025	384,616	76,923
Advisor shares – White hutt	28/02/2025	1,346,154	269,231
Advisor shares – Ventnor	28/02/2025	1,345,057	269,011
Advisor shares – Powerhouse	28/02/2025	550,000	110,000
Public offer	28/02/2025	50,000,000	10,000,000
Cost of capital	28/02/2025		(1,071,637)
Balance	30 June 2025	139,339,667	20,563,240
Issued of share capital	16/09/2025	4,285,715	15,000,003
Issued of share capital	17/09/2025	143	501
Conversion of performance rights	24/12/2025	92,560	-
Director shares	29/12/2025	1,375,000	-
Conversion of options @ 26 cents	5/03/2026	1,107,693	288,000
Conversion of options @ 13 cent	5/03/2026	538,464	70,000
Conversion of options @ 26 cents	11/03/2026	2,134,616	555,000
Conversion of options @ 13 cent	11/03/2026	846,150	110,000
Conversion of options @ 26 cents	18/03/2026	80,769	21,000
Conversion of options @ 13 cent	13/04/2026	115,384	15,000
Conversion of options @ 26 cents	14/04/2026	76,923	20,000
Conversion of options @ 26 cents	1/05/2026	38,462	10,000
Conversion of options @ 26 cents	29/05/2026	38,462	10,000
Share issue costs		-	(1,276,173)
Balance	30 June 2026	150,070,008	35,386,571

Note 19. Issued capital (continued)

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

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

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

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

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

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 20. Reserves

	Consolidated	
	2026	**2025**
	$	**$**
Options reserve	5,253,957	1,720,982
Reverse acquisition reserve	(3,118,444)	(3,118,444)
	2,135,513	**(1,397,462)**

Share-based payments reserve
The share based payment reserve is used to recognise share-based payment transactions. Amounts will be transferred to issued share capital upon share options or performance rights being exercised, or long-term incentive shares being converted

Reverse acquisition reserve
On 28 February 2025, Metal Powder Works Limited acquired 100% of the issued capital of Metal Powder Works Inc., a private company incorporated in Delaware, United States of America. The acquisition has been accounted for as a reverse acquisition under AASB 3, with Metal Powder Works Inc. identified as the accounting acquirer and Metal Powder Works Limited as the accounting acquiree. As the acquisition transaction has been accounted for as a reverse acquisition under AASB 3 Business Combinations, a reverse acquisition reserve has been recognised within equity. This reserve arises as a result of applying reverse acquisition accounting and does not represent a distributable reserve.

Note 20. Reserves (continued)

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

Consolidated	Reverse acquisition reserve $	Share-based payments reserve $	Total $
Balance at 1 July 2024	-	-	-
Reverse acquisition	(3,118,444)	-	(3,118,444)
Options issued to convertible note holders	-	1,720,982	1,720,982
Balance at 30 June 2025	(3,118,444)	1,720,982	(1,397,462)
Share based payments reserve	-	3,532,975	3,532,975
Balance at 30 June 2026	(3,118,444)	5,253,957	2,135,513

Fair value for Incentive options granted during the current financial period to employees has been determined by using the Monte Carlo model. The valuation model inputs used to determine the fair value at the grant date, are as follows:

Input	Employee Options
Fair value of option	$1.9691
Exercise price	nil
Valuation date	13 August 2025
Vesting date	30 June 2026
Expiry date	19 September 2030
VWAP hurdle	$0.698
Dividend yield	nil
Expected volatility	90%
Risk-free interest rate	3.487%
Number of iterations	100,000
Number of options	108,750
Model used	Monte Carlo

Fair value for performance rights granted with non-market based vesting conditions during the current financial year has been determined by the share price on the grant date. The inputs used to determine the share based payments expense, are as follows:

Input	Tranche 1	Tranche 2
Number of performance rights issued	1,500,000	1,500,000
Fair value of performance right	$1.88	$1.88
Vesting condition	Contract award or single customer purchase order(s) of A$3m per annum	12 months revenue A$5m+ and achieving 50% GM (MPW Powder business)
Years to expiry	5 years	5 years
Date of grant	28 November 2025	28 November 2025
Estimated vesting date	28 November 2029	31 July 2028

Fair value for performance rights granted with market based vesting conditions during the current financial year has been determined by using the using the Monte Carlo model. The valuation model inputs used to determine the fair value at the grant date, are as follows:

Note 20. Reserves (continued)

Input	Tranche 1	Tranche 2
Number of performance rights issued	1,500,000	1,500,000
Fair value of performance right	$1.6649	$1.5924
VWAP hurdle	4.50	6.00
Years to expiry	5	5
Volatility	90%	90%
Risk free rate	3.97%	3.97%
Dividend yield	nil	nil
Date of grant	28 November 2025	28 November 2025
Estimated vesting date	29 December 2030	29 December 2030

Fair value for the 1,375,000 Director Shares granted during the current financial period to directors has been determined by using the market price on grant date (A$1.88). Issued shares are held in escrow for 12 months from date of issue and will be considered vested contingent on directors remaining engaged to the Group for the escrow period.

Note 21. Dividends

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

Note 22. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

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

	Assets		Liabilities	
	2026	2025	2026	2025
Consolidated	$	$	$	$
US dollars	1,402,069	4,100,682	-	(1,846,581)
Pound Sterling	2,073	2,444	(284,378)	-
	1,404,142	4,103,126	(284,378)	(1,846,581)

Note 22. Financial instruments (continued)

		AUD strengthened			AUD weakened	
Consolidated - 2026	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Australian dollars	10%	168,852	168,852	(10%)	(168,852)	(168,852)

		AUD strengthened			AUD weakened	
Consolidated - 2025	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Australian dollars	10%	225,655	225,655	(10%)	(225,655)	(225,655)

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to any significant interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

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

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

Note 22. Financial instruments (continued)

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

Consolidated - 2026	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,230,752	-	-	-	1,230,752
Contract liabilities	-	30,467	-	-	-	30,467
Lease liabilities	-	233,888	11,389	-	-	245,277
Total non-derivatives		1,495,107	11,389	-	-	1,506,496

Consolidated - 2025	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	941,511	-	-	-	941,511
Contract liabilities	-	38,955	-	-	-	38,955
Borrowings	-	645,119	-	-	-	645,119
Lease liabilities	-	233,888	233,888	11,389	-	479,165
Total non-derivatives		1,859,473	233,888	11,389	-	2,104,750

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

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

Note 23. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2026 $	**2025 $**
Short-term employee benefits	1,405,477	324,201
Post-employment benefits	-	-
Share-based payments	3,318,835	-
	4,724,312	**324,201**

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the company:

	Consolidated 2026 $	Consolidated 2025 $
Audit services - Grant Thornton Audit Pty Ltd		
Audit or review of the financial statements	150,000	110,000
Other services - Grant Thornton Pty Ltd		
Assistance with the tax note	11,000	10,395
	161,000	120,395

Note 25. Related party transactions

Parent entity
Metal Powder Works Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 27.

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Sale of goods and services:		
The Barnes Global Advisors provided consulting related services (director related entity of Mr John Barnes	247,485	317,711

* The Barnes Global Advisors provide engineering, project management, media and communications support.

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

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Current borrowings:		
Related party borrowings *	-	415,551
Payable to the Barnes Global Advisors (revolving credit) *	-	229,568

* Settled in the current period

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates and have been disclosed in note 16.

Note 26. Parent entity information

Statement of profit or loss and other comprehensive income and statement of financial position

	Parent 2026 $	Parent 2025 $
Balance Sheet		
Current assets	1,907,486	4,145,542
Non-current assets	3,664,038	1,580,855
Total assets	5,571,524	5,726,397
Current liabilities	304,509	1,150,343
Non-current liabilities	14,339,391	8,539,730
Total liabilities	14,643,900	9,690,073
Net assets / (liabilities)	(9,072,376)	(3,963,676)
Issued capital	4,164,345	4,164,345
Reserves	(2,298)	(2,298)
Accumulated loss	(13,234,423)	(8,125,723)
Total equity	(9,072,376)	(3,963,676)
Profit / (Loss) for the year	(5,108,700)	(3,280,001)
	8,105,020	15,661,911

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

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

Note 27. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Kabuni USA Inc	United States of America	100%	100%
Stirling Minerals Pty Limited	Australia	100%	100%
Keyhole TIG Pty Limited	Australia	100%	100%
Keyhole TIG (USA) Inc	United States of America	100%	100%
Keyhole TIG (UK) Pty Ltd	United Kingdom	100%	100%
Metal Powder Works Inc	United States of America	100%	100%

Note 28. Events after the reporting period

On 23 July 2026, the Company announced the appointment of Dr Ahmed El Desouky as Chief Operating Officer.

On 11 August 2026, the Company announced an acceleration of its planned capacity expansion program, bringing forward its total installed capacity target from approximately 800 metric tonnes (MT) by CY2028 to approximately the first half of calendar year 2027 (1H CY27).

Estimated total capital cost of the planned capacity is approximately US$2.0 million. It is expected to be fully funded from existing cash reserves.

On 24 August 2026, the Company announced it had received a purchase order valued at approximately US$200,000 (~A$275,000) from Embassy Powdered Metals, Inc. ("Embassy") for pure copper powder. The order is the Company's largest to date and its first in the copper infiltration segment of the Press-and-Sinter (P&S) market.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 29. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2026 $	Consolidated 2025 $
Loss after income tax expense for the year	(12,380,890)	(6,191,571)
Adjustments for:		
Depreciation and amortisation	188,432	518,000
Impairment of intangibles	-	1,963,263
Share-based payments	3,532,975	-
Foreign exchange differences	(547,024)	-
Write down of inventory	1,313,565	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	271,754	-
Decrease/(increase) in inventories	5,216	(34,802)
Decrease in prepayments	371,887	-
Decrease in lease liability	(194,414)	-
Increase in trade and other payables	142,291	596,826
Decrease in income in advance	8,489	606,948
Net cash used in operating activities	**(7,287,719)**	**(2,541,336)**

Note 30. Earnings per share

	Consolidated 2026 $	Consolidated 2025 $
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Metal Powder Works Limited	(10,456,207)	(5,170,341)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	88,802,144	83,187,365
Weighted average number of ordinary shares used in calculating diluted earnings per share	88,802,144	83,187,365
	Cents	**Cents**
Basic earnings per share	(11.77)	(6.22)
Diluted earnings per share	(11.77)	(6.22)

	Consolidated 2026 $	Consolidated 2025 $
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Metal Powder Works Limited	(1,924,683)	(1,021,230)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	88,802,144	83,187,365
Weighted average number of ordinary shares used in calculating diluted earnings per share	88,802,144	83,187,365
	Cents	**Cents**
Basic earnings per share	(2.17)	(1.23)
Diluted earnings per share	(2.17)	(1.23)

	Consolidated 2026 $	Consolidated 2025 $
Earnings per share for loss		
Loss after income tax attributable to the owners of Metal Powder Works Limited	(12,380,890)	(6,191,571)

Metal Powder Works Limited
Consolidated entity disclosure statement
As at 30 June 2026

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
K-Tig Limited	Body Corporate	Australia	100.00%	Australia*
Keyhole Tig (UK) Pty Limited	Body Corporate	United Kingdom	100.00%	Australia*
Keyhole TIG (USA) Inc.	Body Corporate	United States	100.00%	Australia*
Keyhole Tig Pty Limited	Body Corporate	Australia	100.00%	Australia*
Stirling Minerals Pty Limited	Body Corporate	Australia	100.00%	Australia*
Kabuni USA Inc.	Body Corporate	United States	100.00%	Australia*
Metal Powder Works Inc.	Body Corporate	United States	100.00%	United States

*The Company and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Signed in accordance with a resolution of directors.

On behalf of the directors

Stuart Carmichael
Non-Executive Chairman

31 August 2026

Grant Thornton

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Independent Auditor's Report

To the Members of Metal Powder Works Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Metal Powder Works Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

a giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Discontinued operations – Note 7	
At 30 June 2026 the group has classified the K-TIG welding technology business as a discontinued operation under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Management applied significant judgement in determining whether the business met the definition of a discontinued operation, the measurement of assets and liabilities associated with the disposal group, the allocation of costs between continuing and discontinued operations, and the adequacy of financial statement disclosures. This is a key audit matter due to the auditor judgement required to assess management's accounting for the discontinued operation.	Our procedures included: • Evaluating management's accounting memorandum supporting classification as a discontinued operation against the requirements of AASB 5, including the conclusion that the abandoned business represented a separate major line of business or geographical area of operations; • Assessing management's accounting for the K-TIG welding technology business against the requirements of AASB 5; • Assessing the appropriateness of revenues, expenses and cash flows classified as being related to the discontinued operation; and • Evaluating the disclosures included in the financial statements against the requirements of Australian Accounting Standards.

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

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the financial report

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

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

b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

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

i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 12 to 17 of the Directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Metal Powder Works Limited, for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 31 August 2026

Metal Powder Works Limited
Shareholder information
30 June 2026

The shareholder information set out below was applicable as at 31 August 2026.

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

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	1,441	0.25	1	-
1,001 to 5,000	426	0.69	4	0.14
5,001 to 10,000	130	0.69	2	0.14
10,001 to 100,000	331	8.19	6	2.17
100,001 and over	93	90.18	9	97.55
	2,421	100.00	22	100.00
Holding less than a marketable parcel	909	0.05	-	-

Equity security holders

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

	Ordinary shares	
	Number held	% of total shares issued
CITICORP NOMINEES PTY LIMITED	21,891,307	14.58
METAL POWDER HOLDINGS LLC	19,640,990	13.08
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	19,116,639	12.73
GLENEAGLE SECURITIES NOMINEES PTY LIMITED	9,971,148	6.64
STOUPA PTY LTD <K NICOLAKOPOULOS FAMILY A/C>	5,202,853	3.47
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,008,445	3.34
ADVANCED SCIENCE AND INNOVATION COMPANY (ASIC) LLC	4,615,385	3.07
ECA DESIGN LLC	3,840,867	2.56
ANBU INVESTMENTS PTY LTD <B CAMPISI SUPER FUND A/C>	3,777,508	2.52
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,700,293	2.46
RICK SMITH	3,125,000	2.08
MR RICHARD SMITH	2,181,539	1.45
ANBU INVESTMENTS PTY LTD <B CAMPISI SUPER FUND A/C>	1,982,585	1.32
ISAGRIL PTY LTD <THE LINDY HOP SF A/C>	1,631,682	1.09
LAURA ELY	1,518,397	1.01
WHITE HUTT PTY LTD	1,346,547	0.90
VENTNOR EQUITIES & ADVISORY PTY LTD	1,345,057	0.90
MUTUAL TRUST PTY LTD	1,001,923	0.67
EL CHUPACABRA PTY LTD <JAMES FAMILY A/C>	962,798	0.64
RAMAGELA PTY LTD <RAYMOND FAMILY A/C>	962,798	0.64
	112,823,761	75.15

	Options over ordinary shares	
	Number held	% of total options issued
Unlisted Options @ $0.26 EXP 27/02/2028		
MR RICHARD SMITH	1,923,077	18.40
CURRAWEENA PTY LTD <CURRAWEENA INVESTMENT A/C>	1,923,077	18.40
Unlisted Options @ $0.13 EXP 27/02/2028		
ADVANCED SCIENCE AND INNOVATION COMPANY (ASIC) LLC	4,615,385	44.17
	8,461,539	80.97

	Performance rights over ordinary shares	
	Number held	% of total performance rights issued
Performance Rights Holders – A		
METAL POWDER HOLDINGS LLC	8,586,816	15.31
Performance Rights Holders – B		
KOONYA SF PTY LTD <HALL SUPER FUND A/C>	2,618,224	4.67
STOUPA PTY LTD <K NICOLAKOPOULOS FAMILY A/C>	2,569,932	4.58
Performance Rights Holders – D		
METAL POWDER HOLDINGS LLC	750,000	1.34
SBV CAPITAL PTY LTD	300,000	0.53
Performance Rights Holders – E		
METAL POWDER HOLDINGS LLC	750,000	1.34
SBV CAPITAL PTY LTD	300,000	0.53
Performance Rights Holders – F		
METAL POWDER HOLDINGS LLC	750,000	1.34
SBV CAPITAL PTY LTD	300,000	0.53
Performance Rights Holders – G		
METAL POWDER HOLDINGS LLC	750,000	1.34
SBV CAPITAL PTY LTD	300,000	0.53
	17,974,972	32.04

Unquoted equity securities
There are no unquoted equity securities.

Metal Powder Works Limited
Shareholder information
30 June 2026

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Mr John Barnes	19,640,990	13.08
Maybank Securities PTE LTD	17,407,871	11.59

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

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

There are no other classes of equity securities.

METAL POWDER WORKS

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