

PROVARIS ENERGY LTD

ABN 53 109 213 470

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 13 May 2024 (**Prospectus**), issued by Provaris Energy Ltd (ACN 109 213 470) (**Company**).

This Supplementary Prospectus is dated 5 June 2024 and was lodged with ASIC on that date. ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms and abbreviations defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued as an electronic prospectus and may be accessed at www.computersharecas.com.au/PV1SPP.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

1. Reasons for the Supplementary Prospectus

This Supplementary Prospectus has been prepared to:

- (a) provide supplementary disclosure in relation to the Prodtex Industri Bankruptcy (defined below);
- (b) amend the timetable for the SPP and SPP Options Offer; and
- (c) offer withdrawal rights to SPP Subscribers.

2. Prodtex Industri Bankruptcy

The Company refers SPP Subscribers to the Company's ASX announcement released on 5 June 2024 (**5 June Announcement**) in relation to Prodtex Industri AS (**Prodtex Industri**) which announced bankruptcy on 3 June 2024 (**Prodtex Industri Bankruptcy**).

A copy of the 5 June Announcement is attached at Annexure A.

SPP Subscribers are strongly encouraged to read the 5 June Announcement in full.

3. Amended Indicative Timetable for the SPP and SPP Options Offer

The Closing Date for the SPP and SPP Options Offer was 5.00pm (AWST) on Friday 31 May 2024. Accordingly, the Company will not be accepting any further applications under the SPP.

The issue date for the New Shares and SPP Options was intended to occur on Wednesday 5 June 2024, however due to the new circumstances in relation to the Prodtex Industri Bankruptcy (and the subsequent withdrawal rights being offered to SPP Subscribers as described below), the issue date and the date to announce the results of the SPP has been extended to 11 July 2024.

Accordingly, the Prospectus is amended by this Supplementary Prospectus by:

- (a) amending the reference to “Wednesday 5 June 2024” in section 2.5 of the Prospectus to “Thursday 11 July 2024”; and
- (b) deleting the indicative timetable in the Prospectus, and replacing it with the following indicative timetable. Shaded line items refer to dates that have already passed.

INDICATIVE TIMETABLE FOR THE SPP AND SPP OPTIONS OFFER*

Record Date for SPP	5.00pm (AWST), Thursday 2 May 2024
Prospectus lodged with ASIC and released on ASX	Monday 13 May 2024
Opening Date	Monday 13 May 2024
Closing Date	5.00pm (AWST) on Friday 31 May 2024
SPP Options issue date and announcement of results of SPP**	11 July 2024

* These dates are indicative only. Subject to the Corporations Act, Listing Rules and other applicable laws, the Company reserves the right to vary any or all of the dates and times of the SPP Options Offer or to withdraw the SPP Options Offer without any prior notice.

** The issue of SPP Options to LR 10.11 Parties is subject to Shareholder approval. Accordingly, the Company will issue the SPP Options to the LR 10.11 Parties as soon as practicable after any such Shareholder approval is obtained.

4. Withdrawal rights

Due to the Prodtex Industri Bankruptcy, the Company is giving applicants who have previously made an application under the SPP (each an **Existing Applicant**) a copy of this Supplementary prospectus and one (1) month to withdraw their application (if they wish to) and be repaid their application money in accordance with section 724(2) of the Corporations Act.

Any repayment made by the Company pursuant to an Existing Applicant exercising their right to withdraw their application will be made in full without interest.

An Existing Applicant who wishes to withdraw their application under the SPP and obtain a refund has one (1) month to do so and must contact the Provaris Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside of Australia) between 8.30am to 5.00pm (AEST) Monday to Friday (excluding public holidays) to process the withdrawal request. Refunds will be paid by direct credit if the Existing Applicant has a bank account registered with the Company’s share registry (Computershare), otherwise cheques will be issued.

Withdrawal requests must be received by Computershare by no later than **5.00pm (AWST) on 5 July 2024**.

5. Directors’ Authorisation

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

This Supplementary Prospectus has been signed for and on behalf of Company by:



Martin Carolan
Managing Director & CEO
Provaris Energy Ltd

Dated: 5 June 2024
Annexure A – 5 June Announcement

Proactive measures taken for expected delays to Prototype Tank completion

Highlights:

- **Construction and testing of the Prototype Tank to be delayed due to the unexpected bankruptcy process of appointed sub-contractor Prodtex Industri AS.**
- **Proactive measures and strategic planning underway to develop viable plans for recommencement of the prototype tank program as soon as possible.**
- **Withdrawal rights offered under Share Purchase Plan with underwriters maintaining support for the offer.**

Provaris Energy Ltd (ASX.PV1) (Provaris or the Company) wishes to provide an update to the market in relation to the matters that resulted in the Company entering into a trading halt on Friday 31 May 2024 and the request for voluntary suspension on Tuesday 4 June 2024.

Prodtex Industri AS - Bankruptcy

In July 2023, Provaris entered into a contract with Norwegian-based Prodtex AS (**Prodtex**) as a Technology Collaboration Partner and contractor to develop a prototype-scale tank (**Prototype Tank**) required for Final Class Approvals from DNV for Provaris' proprietary H2Neo carrier (**Prototype Tank Contract**). These approvals are essential to transition the tank design into a smaller-scale production phase at Prodtex's facility in Fiska, Norway.

Provaris has now been informed that Prodtex's subsidiary, Prodtex Industri AS (**Prodtex Industri**), which operates the Fiska facility and is responsible for constructing the Prototype Tank, announced bankruptcy on 3 June 2024 (**Prodtex Industri Bankruptcy**).

Importantly, Prodtex (the head contractor) is not included in the bankruptcy process and, as far as the Company is aware, remains solvent. Under the Prototype Tank Contract the intellectual property being developed remains the property of Provaris.

The bankruptcy will halt all engineering and construction activities of Prodtex Industri (including in relation to the Prototype Tank) and it is likely to result in senior secured lenders of Prodtex Industri, including Innovation Norway (the Norwegian Government's national development bank), taking control of Prodtex Industri's facilities and equipment.

The difficulties faced by Prodtex Industri (and its subsequent bankruptcy) were linked to negative economic developments relating to the ongoing construction of five fish cages for a third party and were not related to the Prototype Tank Contract or construction of the Prototype Tank.

Navigating Through These Challenges

It is currently unclear what impact the bankruptcy will have on the Prototype Tank Contract but at a minimum the Company expects there to be delays in the completion of the Prototype Tank.

Provaris has scheduled a meeting with Innovation Norway this week to discuss alternative pathways for reopening the Fiska facility. The Company's primary goal is to have construction recommence on the Prototype Tank as soon as possible to minimise the overall impact of the Prodtex Industri Bankruptcy on the Company.

Additionally, Provaris management will look to work closely with Prodtex to develop an alternative plan to ensure work continues on the Prototype Tank. If such an alternative plan develops and is agreed, then further announcements will be made.



Positive Outlook and Continued Commercialisation Activities

The Company is proactively seeking optimal solutions to minimize disruption and ensure the successful completion of the Prototype Tank as soon as possible. Based on discussions held to date, Provaris currently remains confident that a solution can be reached whereby tank testing will remain on track to be completed in 2024 (which, if achieved, would not materially affect the advancement of ongoing commercialisation activities under existing Collaboration Agreements or Memoranda of Understanding).

The Company will keep shareholders informed as matters develop.

High Quality of Prototype Tank Construction

The construction of the Prototype Tank to date has provided Provaris management confidence that high-quality tanks can be produced with the aid of automation. The transition from the 'digital twin' (design) to robotic handling and welding has been successful, demonstrating the capability to create complex steel structures in a highly cost-effective manner. This approach significantly reduces the typical labor resource component of capital expenditure for complex steel construction projects.

Robotic-laser welding is key to lowering the capital cost for the tanks by removing a significant amount of labour cost, enabling up to 80% to 85% of costs to be related to materials, providing increased certainty of future margins.

The Company's primary focus has been to shift the cost ratio from the typical 50/50 split between material and labor to a target of 80/20 split, favoring material costs. Our experience to date indicates that we are on track to achieve this goal, showcasing the efficiency and quality of our automated production process.

Figure 1: From Digital Twin to Precision Material Handling Robot and Mounting of Plate.

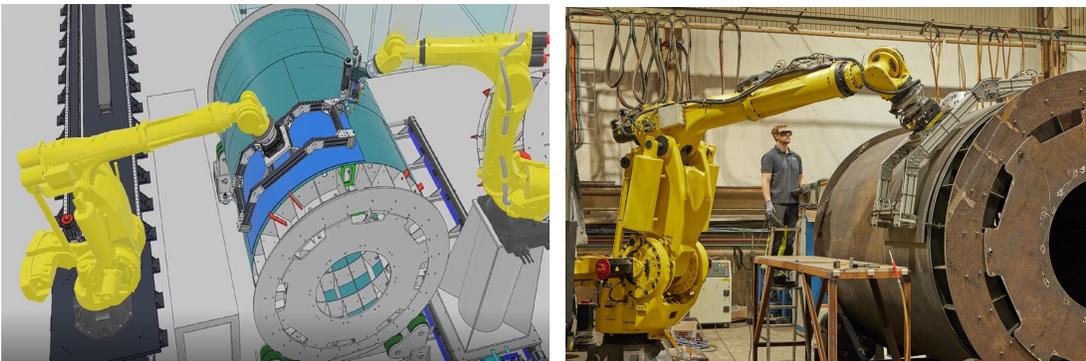
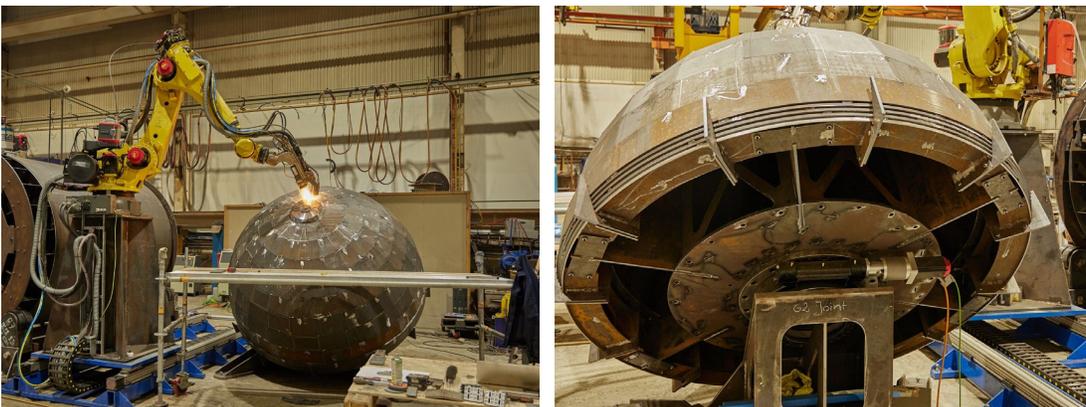


Figure 2: Robotic Laser Welding & End-cap Jig illustrating layering of carbon steel plate



Commitment to Innovation and Excellence:

Provaris remains dedicated to delivering high -quality hydrogen storage solutions and maintaining our reputation for innovation and excellence. We are confident that our strategic approach will not only navigate the current challenges but also position us for future success as both a hydrogen storage tank provider and hydrogen logistics partner.

We continue to receive in-bound enquiries and support for commercialisation opportunities specific to industrial applications seeking an alternative to carbon/glass fibre hydrogen containerised solutions. This is also a key reason to focus on securing a strategic position in the restart of construction activities and future production opportunities for our proprietary tanks from an established facility in Norway.

Share Purchase Plan and Withdrawal Rights

The Company's Share Purchase Plan (**SPP**) that was announced on 3 May 2024 closed at 5.00pm (AWST) on Friday 31 May 2024. The Company will not be accepting any further applications under the SPP.

The issue date for the new shares and SPP options was intended to occur on Wednesday 5 June 2024, however due to the new circumstances in relation to the Prodtex Industri Bankruptcy, the issue date and the date to announce the results of the SPP has been extended to 11 July 2024 to give the Company time to offer withdrawal rights under the SPP as described below.

Due to the Prodtex Industri Bankruptcy, the Company is giving applicants who have previously made an application under the SPP (each an **Existing Applicant**) one (1) month to withdraw their application (if they wish) and be repaid their application money in accordance with section 724(2) of the *Corporations Act 2001* (Cth).

The group of Provaris shareholders underwriting the SPP remain supportive of the offer and have agreed to the extensions to the SPP timetable described above. The Company and the Underwriters have also agreed to amend the underwriting agreement to address the offer of withdrawal rights (and the corresponding impact on the timetable) as these circumstances were not originally contemplated when the underwriting agreement was entered into. Accordingly, the Underwriters will underwrite up to \$1 million worth of shortfall shares that remain under the SPP following the receipt of valid acceptances (and the exercise of any withdrawal rights by Existing Applicants by the withdrawal date), unless the Underwriting Agreement is otherwise terminated in accordance with its terms.

The Company will lodge a supplementary prospectus with ASIC on 5 June 2024 to address this and Eligible Shareholders will be provided with a copy of that document.

Any repayment made by the Company pursuant to an Existing Applicant exercising their right to withdraw their application will be made in full without interest.

An Existing Applicant who wishes to withdraw their application under the SPP and obtain a refund has one (1) month do to so and must contact the Provaris Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside of Australia) between 8.30am to 5.00pm (AEST) Monday to Friday (excluding public holidays) to process the withdrawal request. Refunds will be paid by direct credit if the Existing Applicant has a bank account registered with the Company's share registry (Computershare), otherwise cheques will be issued.

Withdrawal requests must be received by Computershare by no later than **5.00pm (AWST) on 5 July 2024**.

A new SPP timetable showing revised (and remaining) dates is set out below:

Event	Date
Lodgement of supplementary prospectus with ASIC	5 June 2024
Final date for Existing Applicants to withdraw their application and obtain a refund	5.00pm (AWST) on Friday 5 July 2024
Announcement of results under SPP SPP Issue Date	11 July 2024
Normal trading commences for new Shares issued under the SPP	12 July 2024

All dates and times are indicative only. The Company reserves the right to amend any or all of these events, dates and times without prior notice, subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. Unless otherwise specified, all dates and times refer to Perth, Australia time (AWST).

Macquarie Facility

As announced to ASX on 3 May 2024, the Company entered into a 2-year \$3 million Convertible Note facility (**Facility**) with Macquarie Bank Limited (**Macquarie**). On 8 May 2024, the Company drew down \$500,000 under Tranche 1 of the Facility and issued 100 Convertible Bonds to Macquarie each with a face value of \$5,000. As at the date of this announcement, the aggregate face value/principal amount of the Convertible Bonds is \$440,000 (following conversion of 12 Convertible Bonds by Macquarie with a total face value of \$60,000 on 23 May 2024.)

Under the terms of the Facility, Macquarie may demand immediate repayment of the principal amount owing under the Convertible Bonds (plus a 3% premium) plus interest accrued if an event of default occurs. Among other things, an event of default under the Facility will occur if Macquarie determines (acting reasonably) that an event has occurred that is material and adverse to the Company (and its subsidiaries) that would prohibit or otherwise interfere with the ability of the Company to perform any of its obligations under the Facility.

At this stage, in light of the discussions referred to above, the Company does not consider that the Prodtex Industri Bankruptcy will trigger such an event of default under the Facility.

- END -

This announcement has been authorised for release by the Board of Provaris Energy Ltd

For further information please contact:

Norm Marshall

Company Secretary
+61 481 148629
nmarshall@provaris.energy

Martin Carolan

Managing Director & CEO
+61 404 809019
mcarolan@provaris.energy

Melanie Singh

NWR Communications
+61 439 748 819
melanie@nwrcommunications.com.au



ASX.PV1



@ProvarisEnergy



Provaris Energy Ltd.



info@provaris.energy

Perth | Sydney | Oslo

About Provaris Energy

For more information: www.provaris.energy

Provaris Energy Ltd (ASX: PV1) is an Australian public company developing a portfolio of integrated green hydrogen projects for the regional trade of Asia and Europe, leveraging our innovative compressed hydrogen bulk storage and carrier. Our focus on value creation through innovative development that aligns with our business model of simple and efficiency hydrogen production and transport can establish an early-mover advantage for regional maritime trade of hydrogen and unlock a world of potential. In August 2022 Provaris Norway AS was established to advance the development of regional hydrogen supply in Europe.

Disclaimer: This announcement may contain forward looking statements concerning projected costs, approval timelines, construction timelines, earnings, revenue, growth, outlook or other matters ("Projections"). You should not place undue reliance on any Projections, which are based only on current expectations and the information available to Provaris. The expectations reflected in such Projections are currently considered by Provaris to be reasonable, but they may be affected by a range of variables that could cause actual results or trends to differ materially, including but not limited to: price and currency fluctuations, the ability to obtain reliable hydrogen supply, the ability to locate markets for hydrogen, fluctuations in energy and hydrogen prices, project site latent conditions, approvals and cost estimates, development progress, operating results, legislative, fiscal and regulatory developments, and economic and financial markets conditions, including availability of financing. Provaris undertakes no obligation to update any Projections for events or circumstances that occur subsequent to the date of this announcement or to keep current any of the information provided, except to the extent required by law. You should consult your own advisors as to legal, tax, financial and related matters and conduct your own investigations, enquiries and analysis concerning