

Provaris Energy Ltd (ASX: PV1, Provaris, the Company) is pleased to provide the following summary of the Company's development activities for the **quarter that ended 31 March 2024**.

HIGHLIGHTS

H2NEO SHIPPING APPROVALS & PROTOTYPE TANK DEVELOPMENT

- World-leading Classification Society DNV engaged to issue a Front-End Engineering Design Statement for Provaris' proprietary H2Neo carrier design and approval of its proprietary hydrogen prototype tank.
- Following extensive design and pre-production activities, a groundbreaking milestone was achieved with the commencement of fabrication for the H2Neo carrier prototype tank, signifying a major step forward in Provaris' innovative and proprietary hydrogen storage and marine transportation solutions.
- Successful testing will secure Class Approval for the H2Neo carrier, a world-first achievement in bulk-scale hydrogen marine transportation.
- Final Class Approvals from marine classification societies DNV and ABS will mark a significant milestone and accelerate the development of Provaris' hydrogen value chain in collaboration with major energy and trading companies across Europe.
- Prototype tank completion also unlocks an early revenue venture identified through the production and sale of smaller-scale hydrogen tanks from Norway to EU based industrial users of hydrogen, in late 2024.
- Design optimization program for the full-scale H2Neo carrier containment tank has identified the potential for a remarkable 30% weight reduction, promising lower build cost, enhanced propulsion efficiency, reduced fuel consumption, and lower emissions.
- Updated H2Neo ship outline and specification provides flexibility during construction and installation of tanks, and increased reach and competition amongst shipyards.

EUROPEAN SUPPLY CHAIN DEVELOPMENTS

- Further momentum in end user interest with the third signing of an MOU with a prominent international energy company, underlining growing interest from European utilities in our compressed hydrogen solutions.
- Post quarter end, further traction was made with a pioneering collaboration agreement with Global Energy Storage (GES) to develop a new gaseous hydrogen import facility at the GES terminal in the Port of Rotterdam, Netherlands.

NORWAY COLLABORATION FOR H2 SUPPLY

- Completion of the collaboration and prefeasibility study with Gen2 Energy for the Afjord project in Norway demonstrated a competitive delivered cost of hydrogen to Europe using the Provaris' H2Neo carriers.
- Post quarter end, Provaris announced the extension of our partnership with Norwegian Hydrogen, building on the successful feasibility work completed in Norway, with Finland added to the export locations being jointly evaluated in the Nordics.

Provaris Managing Director and CEO, Martin Carolan, commented: "The March quarter has been a pivotal period in the lead up to the commencement of fabricating a world first compressed hydrogen prototype tank. Our unique proprietary tank design 'unlocks' significant market opportunity for low-cost storage and transport for shipping and other industrial storage applications creating potential for early commercialisation of proprietary tank IP late 2024.

Provaris continues to receive strong engagement from hydrogen supply developers and demand for alternative pathways to import hydrogen into Europe, which is evidenced by the continued growth in MOUs with major utilities focused on alternatives to reduce delivered cost and address the uncertainty in other technologies and timelines. Compression is now recognized as a low-cost approach to deliver bulk scale hydrogen before 2030. The addition of our collaboration with GES for a hydrogen import terminal can provide market access to industrial users in Rotterdam and further into the European network.

Europe continues to demonstrate leadership in developing the hydrogen economy and that is evident with further announcements made by industry for hydrogen industrial offtake tenders and ongoing regulatory and financing initiatives announced to assist the industry towards FID for early large-scale projects."

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H2NEO COMPRESSED HYDROGEN CARRIER DEVELOPMENT

Construction of Prototype Tank underway

Fabrication for the H2Neo carrier prototype tank commenced during the March quarter. The commencement of fabrication and testing is a groundbreaking milestone, with Provaris' prototype scale compressed hydrogen tank a world first.

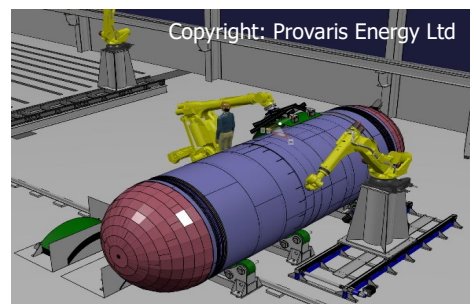
Construction will use advanced automation and robotic laser-welding and will mark a significant step forward in showcasing the safety and performance benefits of Provaris' proprietary tank design, which utilizes multiple layers of carbon steel plate and an inner stainless-steel liner.

In early January 2024, Provaris engaged DNV to issue a Front-End Engineering Design Statement for the design and approval of its proprietary hydrogen prototype tank.

By mid-2024, upon successful testing, final Class Approvals from marine classification societies DNV and ABS will be obtained, marking a significant milestone and accelerating the development of hydrogen value chains in collaboration with major energy and trading companies across Europe.

Fabricated at Prodtex's facility in Fiskå, Norway, the prototype tank showcases Provaris' proprietary design, utilizing layered carbon steel and a stainless-steel liner. With dimensions of approximately 2.5m diameter and 9m length, it boasts a capacity for 650 kg of hydrogen at a design pressure of 250 barg. Testing will confirm the full-scale tank design can safely store hydrogen through a set of fatigue and over pressurization tests representative of 25 years of operations.

Location of Prodtex's fabrication facility, in Fiska (Norway) and Illustration of the prototype tank



Development of early commercialisation of IP through small-scale tank production in 2024

Importantly, the completion of fabrication and testing will lead to the development of an early revenue opportunity in 2024 with the focus to also include the production and sale of smaller-scale hydrogen tanks to cater to a wide range of applications, including maritime bunkering and industrial storage.

For the hydrogen industry to scale-up, there is a need for high quality carbon steel hydrogen tanks that focuses on safety in operation, whilst delivering a low-cost and energy efficient storage solution. Final approvals will radically advance the opportunities available to Provaris for the immediate need for industrial storage and the supply and transport of gaseous hydrogen.

Additionally, further validating our innovative approach to hydrogen technology; during the March quarter Provaris secured support from the Research Council of Norway under the SkatteFUNN R&D tax credit scheme.

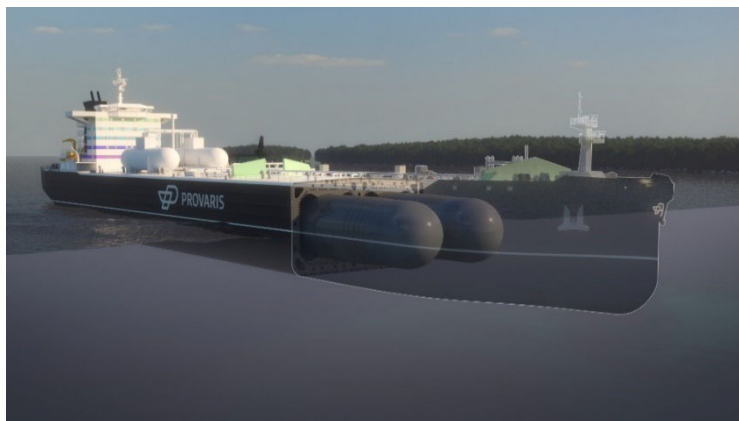
Design optimization of the full-scale H2Neo carrier and containment tanks delivers material CAPEX and OPEX savings.

The optimized design of the full-scale H2Neo carrier and containment tanks delivers substantial CAPEX and OPEX savings. By employing updated construction methods and material selection, including carbon steel and stainless steel liner plates, a remarkable 30% weight reduction has been achieved. The reduction allows for further optimization of speed, power, and fuel consumption, translating to material fuel savings and emission reductions.

Moreover, the final tank design boasts an 8% increase in storage capacity to 450 tonnes, with potential further upsides based on trading patterns and operational practices.

The lighter cargo tanks offer flexibility during installation, increasing competition among shipbuilders and potentially reducing costs for buyers. Updated ship outline specifications are now being reviewed with a select group of yards with the support of Clarksons appointed as our advisor.

Illustration of Provaris' H2Neo Compressed Hydrogen Carrier with twin hydrogen storage tanks



EUROPEAN SUPPLY CHAIN DEVELOPMENTS

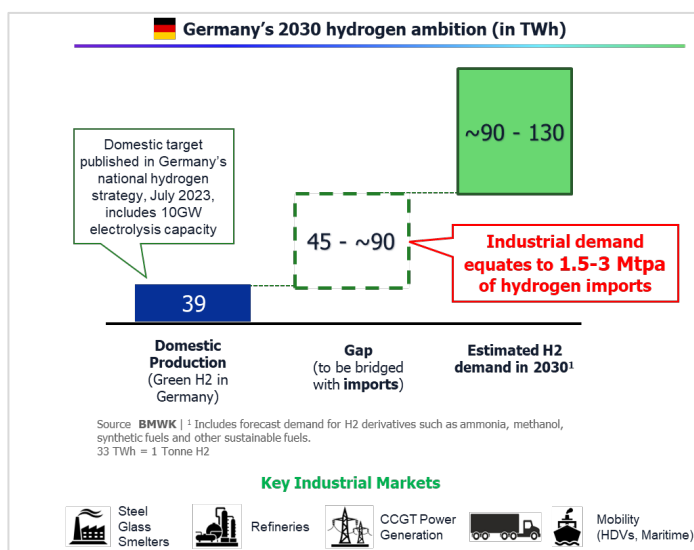
Third non-binding MOU signed with international energy company for development of hydrogen supply to Europe

Following the two non-binding Memorandum of Understanding (MoU) signings in the December 2023 quarter, including Uniper Global Commodities, the March quarter continued to attract increased attention from major energy players, with a third non-binding MoU with a prominent international energy company.

Together, we will assess Provaris' complete hydrogen delivery chain, which includes Provaris' proprietary and innovative H2Neo carriers and H2Leo barge solutions designed for regional gaseous hydrogen delivery. Joint investigations are scheduled for 2024, with any definitive project agreements to be appraised upon completion.

The growing interest in Provaris' hydrogen delivery value chain, leveraging proprietary technology for compressed hydrogen storage and marine transportation, stems from the flexibility and simplicity of the unloading infrastructure, suitable for various locations. Moreover, utilizing regional supply sources results in lower delivered costs when compared to other long-range bulk carrier alternatives, further enhancing the attractiveness of Provaris' solution.

With our third MOU, we are exploring how compressed hydrogen can contribute to the large import requirement of Northwest European ports. Our goal remains to offer the most cost-effective compressed hydrogen supply for regional volumes, aligning with market demand and funding schemes to reduce investment risks.



Joint Development of import facility at Port of Rotterdam provides market access to Europe

The current quarter saw Provaris and GES enter into a collaboration agreement to develop a new hydrogen import facility at the GES terminal in Rotterdam, the largest energy import terminal globally with 4.6Mt hydrogen import required for 2030.

GES is a leading provider of innovative energy storage solutions, offering a comprehensive range of services to meet the evolving needs of the energy industry, and is developing a multi-client, multi-product terminal in Rotterdam, able to import both refrigerated ammonia and compressed hydrogen, with redeliveries into barges, rail, truck and the H2 grid (HyNetwork) operated by Gasunie.

Both parties believe the GES terminal in Rotterdam is an ideal site for bulk scale import of green hydrogen given the early connection to the HyNetwork grid for gaseous supply to industrial users in the Port of Rotterdam and key industrial users in Europe.

Under the collaboration, GES and Provaris will complete a comprehensive prefeasibility study to demonstrate the technical and economic viability of berthing and unloading of Provaris' H2Neo compressed hydrogen carriers.

During 2024, prefeasibility studies will focus on the jetty facilities to discharge the H2Neo carrier, along with scavenging compression, storage, HyNetwork grid connection, risk and safety, emissions, and other permitting and environmental considerations. GES will finance, build, own and operate the terminal. Joint marketing of import capacity is underway for operation in 2027/28.

GES Terminal Site at the Port of Rotterdam (Source: GES)

Peter Vucins, CEO of GES commented, "This collaboration with Provaris showcases the types of partnerships that GES is pursuing to facilitate the Energy Transition through our contribution with storage and logistics solutions, at Rotterdam as well as other existing and future locations. I welcome the opportunity to work closely with Provaris to develop a cost competitive import solution for Rotterdam and European energy customers."



NORWAY PROJECT COLLABORATIONS

Partnership expanded with Norwegian Hydrogen across the Nordics

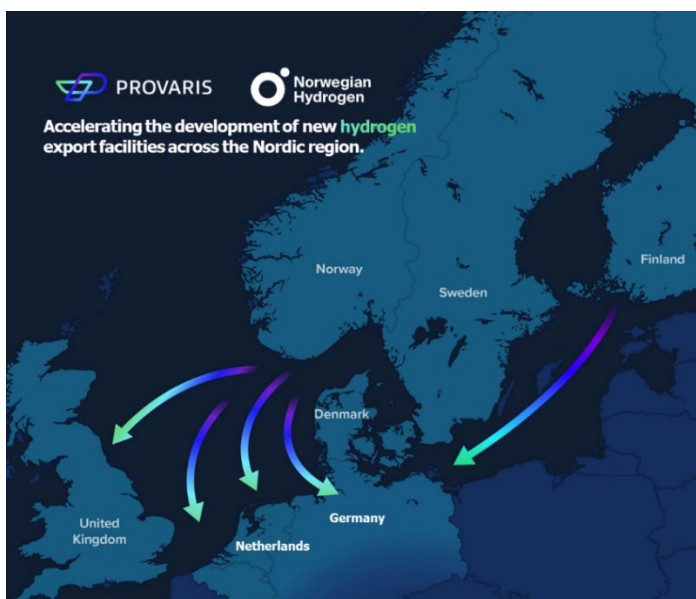
Post the quarter, Provaris expanded a Collaboration Agreement with Norwegian Hydrogen AS to jointly progress the identification and development of several sites in the Nordic region for the large-scale production and export of hydrogen to European markets.

Leveraging the past successes of our relationship the agreement aims to utilize locally available renewable energy to produce hydrogen for shipment to European ports. This will assist energy-intensive industries in making an impact on their decarbonization plans and target a scale and level of innovation that aligns with various European Union funding schemes.

Under the agreement both parties will identify sites in the Nordic region for the potential joint development of hydrogen production projects, for the export of hydrogen to Europe based on Provaris proprietary technology for the storage and marine transportation of hydrogen in compressed form. The aim is to identify strategic locations for new projects, in areas with robust grid and power supplies. These sites will facilitate the construction of state-of-the-art electrolyzers, and hydrogen compression facilities linked to export jetties. Provaris' H2Neo carriers will transport the hydrogen, while the H2Leo barge will serve for storage. The initiatives will also foster circular economies by utilizing by-products like clean oxygen and waste heat in local industries and district heating systems.

Jens Berge, Norwegian Hydrogen's CEO commented: "While we develop a comprehensive network of production sites and distribution infrastructure across the entire Nordic region, to reduce emissions in the Nordics, we have also identified several sites with significant export potential.

While such locations could also be used to produce other derivatives such as e-methanol or green ammonia, we strongly believe that if the end demand is for gaseous hydrogen, nothing would be better than to avoid going via a derivative solely for transportation purposes. Provaris' technology makes it possible to bring hydrogen in gaseous form all the way from production in the Nordics to the customers in continental Europe.



Completion of Prefeasibility and Collaboration with Gen2 Energy

During the quarter a Prefeasibility Study was finalised on the proposed Afjord project site in Norway. The study raised no technical or economic issues to further assess the transport of green hydrogen from Afjord to a port in central Europe.

Results of the study included various cases of hydrogen production of 22ktpa to 66ktpa for export, resulting in a range of delivered hydrogen prices of EUR 4.57 to 5.67 per kg.

Despite the competitive economic outcomes, when compared with a containerized shipping solution or alternative carriers, and the potential for further development based on interest from German utilities seeking supply alternatives from sites in Norway, no extension to the collaboration will be made at this time.

CORPORATE

Attendance at World Hydrogen Summit 2024, Rotterdam, with Norwegian Delegation

From May 13-15, the Provaris team will be attending WHS 2024 and be included in the Norwegian Hydrogen Pavilion. If you would like to arrange a meeting, please send a message to info@provaris.energy

General Meeting

Following shareholder approval at the General Meeting of Shareholders on 27 February 2024, the Company completed Tranche 2 of the Placement announced on 30 November 2023 for \$1.9 million. Tranche 2 of the Placement comprised the issue of 5,750,000 ordinary shares to the Company's directors who participated at an issue price of \$0.04 per share, raising \$230,000.

Shareholders also approved the issue of 23,750,000 options attached to the Placement shares, which have an exercise price of \$0.075 per share and expiry date of 1 March 2026.

Board Change and Appointment of Product Development Director

As highlighted in the previous quarterly, this quarter saw founding shareholder and Executive Director of the Company Garry Triglavcanin retire as a Director of the Board. Garry remains committed to the company with his appointment to a new executive leadership role as Product Development Officer to focus on the development and optimisation of our compressed hydrogen supply chain with a focus on the European stakeholders and technical due diligence.

Cash balance on 31 March 2024 was \$1.67 million.

Refer to the separately released ASX Appendix 4C for further details. Total operating cash outflows have been reduced from prior quarters.

The aggregate amount for payments to related parties and their associates included in item 6.1 in the Company's ASX Appendix 4C for the quarter ended 31 March 2024 was \$181,000 comprising of fees, salaries and superannuation paid to Directors, including Executive Directors.

- END -

This ASX announcement has been authorised by the Board of Provaris Energy Ltd.

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About Provaris Energy

Provaris Energy Ltd (ASX: PV1) | www.provaris.energy

Provaris Energy (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 hydrogen export projects from Norway and other European locations.

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 any transaction or investment or other decision in relation to Provaris. \$ refers to Australian Dollars unless otherwise indicated.

Appendix 4C

Quarterly cash flow report for entities
subject to Listing Rule 4.7B

Name of entity

Provaris Energy Ltd

ABN

53 109 213 470

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(27)	(199)
(d) leased assets	-	-
(e) staff costs	(622)	(1,928)
(f) administration and corporate costs	(254)	(919)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	62
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.81 Other (R&D Rebate Income)	255	255
1.82 Other (Project & IP development)	(313)	(2,468)
1.9 Net cash from / (used in) operating activities	(948)	(5,197)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	128	1,775
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,488	5,070
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(948)	(5,197)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	128	1,775
4.5	Effect of movement in exchange rates on cash held	-	19
	Cash and cash equivalents at end of period	1,668	1,668

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,668	2,488
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,668	2,488

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	181
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 includes fees, salaries and superannuation paid to directors, relating to varying periods.

7.	Financing facilities Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

7.5	Unused financing facilities available at quarter end	-
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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/a

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(948)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,668
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,668
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.8

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company continues to progress alternative funding and capital raising options either at the subsidiary level or parent Company level, including non-dilutive sources of funds available from innovation and R&D soft funding schemes. The Company remains confident of completing further funding/capital raising required (based on all previous successful capital raisings).

The company has capacity to defer or cancel discretionary project and R&D expenditure if required.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company remains confident in its ability to raise further funding/capital and manage its cash position and outflows, without negatively impacting on its current business and operating objectives.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2024

Authorised by: Martin Carolan
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee –eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.