

SPARC TECHNOLOGIES LIMITED
ACN 009 092 068
(COMPANY)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 28 August 2025 and has been approved by the Board of the Company.

This Corporate Governance Statement discloses the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (4th edition) (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practices were adopted in lieu of the recommendation during that period.

The Company has adopted a Corporate Governance Pack which provides the written terms of reference for the Company's corporate governance duties. During the reporting period covered by this Corporate Governance Statement, the Company undertook a review of its corporate governance policies and procedures, including in the context of the ASX Corporate Governance Policies and Procedures (4th Edition). As a result of this review, the Company adopted new and amended corporate governance policies and procedures during the reporting period covered by this Corporate Governance Statement.

The Company's corporate governance policies and procedures are available on the Company's website at <https://sparctechnologies.com.au/corporate-information/>.

It is noted that the Board does not consider that the Company will gain any benefit from individual Board committees (other than the audit committee) and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

RECOMMENDATION	RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>			
Recommendation 1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	The Company has adopted a Board Charter (

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			information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Board Charter, which is part of the Company's Corporate Governance Pack, is available on the website of the Company.
Recommendation 1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes	(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Pack. The Company's Board Charter and the Remuneration and Nomination Committee Charter (both contained in the Company's Corporate Governance Pack) requires that appropriate checks are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. The Board Charter further provides that prospective Directors will be requested to provide the Company with a consent to undertaking background and other checks. These checks may include checks in respect of character, experience, education, criminal history and bankruptcy history (as appropriate). (b) Under the Board Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.
Recommendation 1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Board Charter requires that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for ensuring that the Company has a written agreement with each of its Directors and senior executives. The Company has had written agreements with each of its Directors and senior executives for the past financial year.
Recommendation 1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary (or joint Company Secretaries). In accordance with this, the Company Secretary (or joint Company Secretaries) is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
Recommendation 1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives		

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	(c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.		(c) The Board did not set measurable gender diversity objectives for the past financial year, because: • the Board did not anticipate there would be a need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; • if it became necessary to appoint any new Directors or senior executives, the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit; and • The Company has one woman in a senior position and across the organisation women represent 6.25% of staff. Due to the current size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender diversity. The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments and is satisfied that the composition of employees, senior executives and members of the Board is appropriate.
Recommendation 1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes	(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluation the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for evaluating the performance of the Board, its committees and individual Directors is set out in the Corporate Governance Pack which is available on the website

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Recommendation 1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes	(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The Board may do so with the aid of an independent advisor. The process for evaluating the performance of senior executives is set out in the Corporate Governance Pack which is available on the website of the Company. The performance of the executives was assessed by the Board on an informal basis.
Principle 2: Structure the Board to add value			
Recommendation 2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Yes	(a) The Company's Remuneration and Nomination Committee Charter provides for the creation of a Remuneration and Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. (b) The Company did not have a Remuneration and Nomination Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties

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	board currently has or is looking to achieve in its membership.		Company and value for the Company's shareholders. As at 30 June 2025, the Board comprised of three Directors from diverse backgrounds with a range of business experience, skills and attributes. The following demonstrates the skills and experience of the Directors across several dimensions that are relevant to the Company: <table> <tr> <th>Managing and leadership</th><th>No of Directors</th></tr> <tr> <td>Senior management positions held outside the Company</td><td>3</td></tr> <tr> <th>Materials technology industry experience</th><td></td></tr> <tr> <td>Management/board representation on other technology based entities (past and present)</td><td>3</td></tr> <tr> <td>Experience in technology-based transactions, joint ventures, acquisitions and/or disposals</td><td>3</td></tr> <tr> <td>Management of technology and development activities</td><td>2</td></tr> <tr> <th>Governance or regulatory</th><td></td></tr> <tr> <td>Experience in governance of listed organisations</td><td>3</td></tr> <tr> <td>Board membership of other listed entities (past and present)</td><td>2</td></tr> <tr> <th>Strategy</th><td></td></tr> <tr> <td>Experience in growing the business, assessing value based opportunities, think strategically and review and challenge management in order to make informed decisions and assess performance against strategy</td><td>3</td></tr> <tr> <th>Financial acumen</th><td></td></tr> <tr> <td>Financial literacy</td><td>3</td></tr> </table>	Managing and leadership	No of Directors	Senior management positions held outside the Company	3	Materials technology industry experience		Management/board representation on other technology based entities (past and present)	3	Experience in technology-based transactions, joint ventures, acquisitions and/or disposals	3	Management of technology and development activities	2	Governance or regulatory		Experience in governance of listed organisations	3	Board membership of other listed entities (past and present)	2	Strategy		Experience in growing the business, assessing value based opportunities, think strategically and review and challenge management in order to make informed decisions and assess performance against strategy	3	Financial acumen		Financial literacy	3
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			In addition, the Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details of the relevant skills and experience of each Director and senior executive are available in the Company's Annual Report.
Recommendation 2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Partial	(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Board considers Mr Simon Kidston to be independent since his appointment on the 6 December 2024. (b) There are no independent Directors who fall into this category. (c) Mr Daniel Eddington has been a director since 12 November 2020. Mr Nicholas O'Loughlin was appointed as a director on the 29 January 2024. Mr Simon Kidston was appointed as a director on the 6 December 2024. Mr Stephen Hunt resigned as a director on the 13 March 2025.
Recommendation 2.4	A majority of the board of a listed entity should be independent directors.	No	The Board currently comprises a total of three directors of which two are considered non-independent. The Board considers its current structure to be an appropriate composition of the required skills and experience, given the experience of the individual directors and the size and development of the Company at the present time. Each individual member of the Board is satisfied that whilst the Company may not comply with Recommendation 2.4, all directors bring

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Principle 3: Act ethically and responsibly			
Recommendation 3.1	A listed entity should articulate and disclose its values.	Yes	The Company has adopted a statement of values (which forms part of the Company's Corporate Governance Pack) that is available on the Company's website.
Recommendation 3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Yes	(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. (b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Pack) is available on the Company's website.
Recommendation 3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Yes	(a) The Company has adopted a whistleblower policy that is available on its website. (b) Breaches of the whistleblower policy are to be reported to the Company secretary who shall be responsible, subject to compliance with the terms of the whistleblower policy, for reporting the breach directly to the Board.

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	(3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: (i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and (ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
Recommendation 4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms. The Company has obtained a sign off on these terms for each of its financial statements in the past financial year.
Recommendation 4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	Periodic financial or other reports released in or for a particular financial period which are not audited or reviewed by the external auditor are to be peer-reviewed internally and signed off on by the CFO (or the person(s) fulfilling that role, if any) and the Board prior to release (including release as an announcement to ASX).

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Principle 5: Make Timely and Balanced Disclosure			
Recommendation 5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	The Company has adopted a Communication and Disclosure Policy that contains its policy for complying with its continuous disclosure obligations under listing rule 3.1. The Communication and Disclosure Policy forms part of the Corporate Governance Pack that is available on the website of the Company.
Recommendation 5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Company Secretary circulates all market announcements to the Board immediately prior to, or shortly after, release to ASX in accordance with the Board Charter and the Communication and Disclosure Policy.
Recommendation 5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on		

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	send communications to, the entity and its security registry electronically.		The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. The Company's email address is provided on the Company's website and management (usually the Company Secretary (with the authority of the Board) or the Executive Director) responds to shareholder communication when received.
Principle 7: Recognise and Manage Risk			
Recommendation 7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and		

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	(b) disclose, in relation to each reporting period, whether such a review has taken place.		management process was undertaken in the past and the Board will consider updating such again in the near future.
Recommendation 7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	Yes	(a) If the Company were to have an internal audit function, the Audit and Risk Committee Charter provides for the Audit and Risk Committee (or, in its absence, the Board) to structure the internal function and define the role it would perform. (b) The Company did not have an internal audit function for the past financial year. The Company employed the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes: (i) the Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations; (ii) the Board periodically undertakes an internal review

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Principle 8: Remunerate Fairly and Responsibly			
Recommendation 8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Yes	(a) The Company's Corporate Governance Pack contains a Remuneration and Nomination Committee Charter that provides for

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Recommendation 8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Yes	The Company had an equity-based remuneration scheme during the past financial year. The Company's Securities Trading Policy prohibits Key Management Personnel entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in equity-based remuneration or in unvested entitlements.