



Graphene Manufacturing Group

Management's Discussion and Analysis
For the years ended 30 June 2026 and 2025
(in Australian dollars)



This Management's discussion and analysis ("MD&A") provides a review of Graphene Manufacturing Group Ltd's ("GMG" or the "Company") operations, performance and financial position for the year ended 30 June 2026 and restated year ended 30 June 2025.

This MD&A should be read in conjunction with the audited consolidated financial statements for the years ended 30 June 2026 and 2025. The purpose of this document is to provide information on GMG's activities. The information contained herein is dated as of 29 September 2026.

Further information about GMG, including the Company's Annual Information Form ("AIF") expected to be dated on or around 15 October 2026, that does not form part of, nor is incorporated within this MD&A, is available on GMG's website and on SEDAR+ (www.sedarplus.ca) (the official site of the Canadian Securities Administrators, which is publicly available), including all news releases.

The period from 1 April 2026 to 30 June 2026 has been referred to as Q4FY26 and the restated period from 1 April 2025 to 30 June 2025 has been referred to as Q4FY25. The financial year ended 30 June 2026 has been referred to as FY26 and the restated financial year ended 30 June 2025 has been referred to as FY25.

The financial statements of GMG and extracts of those financial statements provided in this MD&A have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and Interpretations (collectively "IFRS Accounting Standards" or "IFRS").

In FY26, the Company adopted certain IFRS amendments effective 1 January 2025 and is currently assessing future amendments from 2026 and onwards. None of the IFRS amendments adopted by the Company had any material impact on the financial reporting of the Company during the reporting period for FY26. Please see the "Future Changes in Accounting Policies" section for further details.

References to the symbol AUD or \$ or A\$ means the Australian dollar, the official currency of Australia. References to the symbol CAD or C\$ mean the Canadian dollar. References to "K" indicate thousands. Except as otherwise set out herein, all amounts expressed herein are in Australian dollars, the functional and presentation currency of the Company. As a result of the rounding of dollar differences, certain total dollar amounts in this MD&A may not add exactly to their constituent amounts.

Throughout this MD&A, percentage changes are calculated using numbers rounded as they appear. Readers are cautioned that this MD&A contains certain forward-looking information. Please see the "Forward Looking Statements" section which follows.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains “forward looking statements” that reflect the Company’s expectations and projections about its future results. When used in this MD&A, forward looking statements can be identified using words such as “may”, or by such words as “will”, “intend”, “believe”, “estimate”, “consider”, “expect”, “anticipate”, and “objective” and similar expressions or variations of such words.

The forward-looking statements contained in this MD&A include, without limitation, statements regarding the competitive and business strategies (including R&D strategies, pricing strategies, go-to market strategies) of the Company; the intention to grow the business, operations and the Company’s potential activities; the Company’s expectations regarding its products, the demand for such products, the development, testing and operational improvements on the products and the effect of such improvements; the development the G+AI Battery including timing and progression of the technology through the BTRL, timing of sample cells, successful customer testing, development and expansion of production and the timing of customer sale contracts and final full commercialization; the Company’s anticipated cash needs and its needs for additional financing; whether the Company will have sufficient working capital and its ability to raise additional financing required in order to develop its business and continue operations; the Company’s intention to build valuable intellectual property around graphene-enhanced products and solutions and the anticipated benefits therefrom including accelerated sales growth and profit margins; future outlook and goals; the performance of the Company’s business and operations; the timing, costs and potential success of the Company’s future activities; offerings and distribution of the Company’s products by strategic partners of the Company and the negotiation entrance into related agreements; the Company’s intention to offer additional products and services, including the offering of THERMAL-XR® products, G® LUBRICANT products, SUPA G® products, energy storage products and graphene powder products, the anticipated timing thereof and the associated revenue models; the expected performance and commercial potential of G FLUID™ in the data centre market; the potential energy density, power density, charging time, cycle life, voltage or safety or materials used or materials not used in the G+AI Battery including the materials used in or on the cathode, anode, electrolyte, separator or the substrates of the cell; the expected substance and timing of the Company’s PMN to the EPA for each of the Company’s products; the timeline for obtaining EPA approval for each of the Company’s products; the Company’s intention and ability to expand its market access and broaden the commercial distribution of its products in international jurisdictions; the use of proceeds under our various offering of securities for financing purposes; analyses and other information based on expectations of future performance, future expansion, future product development and future revenue generation; the work undertaken by the Company towards bolstering production capacity; the successful commissioning and operation of the Gen 2.0 Plant; expected production enhancements including increased production capacity as a result of the successful commissioning and operation of the Gen 2.0 Plant; the Company’s plan to pursue large scale commercial production; commissioning timeline and operational capabilities of the Company’s Fulcrum Facility; the amount of proceeds that may be raised by the exercise of the warrants and options of the Company; the Company’s expectations regarding research and development timing and its qualification for the Australian research and development tax incentive regime; GMG’s expectations regarding focus on carbon footprint reductions; the Company’s expectation regarding its ability to maintain sufficient liquidity to fund its working capital, manage cash resources and future financings.

Forward looking statements are, by their nature, not guarantees of the Company's future operational or financial performance and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. No representation or warranty is intended with respect to anticipated future results, or that estimates, or projections will be sustained.

In developing the forward-looking statements in the MD&A, the Company has applied several material assumptions, including, without limitation,

- assumptions that the Company will proceed with its current product research and development and commercialisation strategy as anticipated,
- that THERMAL-XR® ENHANCE will have potential in the HVAC aftermarket and the potential and application of the Company's other products, including SUPA G® and G®LUBRICANT,
- that the BTRL of the Company's Graphene Aluminium-Ion technology will advance in 2026 as anticipated to BTRL 7 and 8,
- that the Company will continue as a going concern,
- that the G®LUBRICANT patent will be approved,
- that the Company will commence large scale commercial production,
- that the testing of SUPA G® will yield favourable results,
- that the Company's new graphene manufacturing plant (the "Fulcrum Facility") will be constructed and operational as planned,
- that G FLUID™ will achieve commercial acceptance in the data centre market,
- that the Company's targeted battery performance metrics will be achieved,
- that regulatory approvals, including EPA approvals, will be obtained in the expected timeframes, proceeds raised by exercise of the warrants and options will be in line with forecasts,
- the Company's qualifications under the Australian research and development tax incentive regime, that the Company will continue to focus on its four critical business objectives as anticipated,
- that there will be ongoing improvement of graphene quality from the Company's graphene production process,
- that the Gen 2.0 Plant will be successfully commissioned and operational and will deliver the expected production enhancements,
- that focusing on developing and strengthening its product value chain partnerships will de-risk and accelerate the Company's energy savings and G+AI Battery technology success,
- the availability of financing on reasonable terms,
- the Company's ability to maintain sufficient liquidity, manage its cash resources and obtain future financings and general business and economic conditions.

Many risks, uncertainties and other factors could cause the actual results of GMG to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements.

These risks, uncertainties and other factors include, but are not limited to the following:

- that the Company will not proceed with its current commercialisation strategy as anticipated,
- that THERMAL-XR® ENHANCE will not have potential in the HVAC aftermarket,
- that the G®LUBRICANT patent will not be approved, that the potential and performance of the Company's products, including SUPA G® and G®LUBRICANT, will be different than expected,
- that the Company will not continue to focus on its four critical business objectives as anticipated, that there will not be ongoing improvement of graphene quality from the Company's graphene production process,
- that the BTRL of the Company's Graphene Aluminium-Ion technology will not advance in 2026 as expected,
- that the Gen 2.0 Plant will not be successfully commissioned and operational, or that the Gen 2.0 Plant will not deliver production gains as anticipated,
- Fulcrum Facility may not be constructed or become operational as planned or within the anticipated budget, that G FLUID™ may not achieve commercial acceptance or the expected performance in the data centre market,
- that the Company's targeted battery performance metrics may not be achieved, that regulatory approvals may not be obtained in the expected timeframes or at all,
- changes in global trade policies, tariffs and geopolitical conditions that may affect the Company's supply chain and international operations,
- that the Company will not commence large scale commercial production as planned,
- that the testing of SUPA G® will not lead to favourable results and/or generate any sales,
- that focusing on developing and strengthening its product value chain partnerships will not de-risk and accelerate the Company's energy savings and G+AI Battery technology success,
- inability of the Company to obtain future research and development tax incentives,
- inability to obtain future financing or raise capital from the exercise of warrants or options, insufficient liquidity or significant negative impacts to the Company's cash flow,
- overall economic conditions and growth or contraction of global markets in which the Company operates,
- technical de-risking and market acceptance for GMG's products and solutions,
- negative cash flow of the Company, stock market volatility,
- failure to commercialise products,
- the Company's graphene-enhanced products and solutions not achieving the expected performance benefits which could negatively impact adoption by prospective customers,
- the Company's ability to produce graphene or graphene-enhanced products may not be in sufficient volumes to meet customer demand, or it may take longer than expected to achieve those rates,
- the Company's ability to carry out current planned manufacturing, production, and sales and marketing programs for its graphene and graphene-enhanced products and solutions with its current financial resources,
- the introduction of competing technologies/products, environmental and regulation requirements, competitive pressures, change in market conditions and other factors that may cause the actual results, performance or achievements to differ materially from those expressed or implied in these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of the MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements contained in the MD&A are expressly qualified in their entirety by this cautionary statement.

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BUSINESS OVERVIEW

RESTATED FOR YEAR ENDING 30 JUNE 2025

During FY26 the Company determined that it had not correctly followed the required treatment of transaction costs associated with warrants classified as financial liabilities at fair value through profit or loss was not in accordance with IFRS 9, paragraph 5.1.1.

Transaction costs directly attributable to the issue of these warrants were amortised over the life of the warrants, rather than being expensed immediately in the period incurred as required for financial liabilities measured at fair value through profit or loss.

This error resulted in an understatement of other expenses in the statement of profit or loss and other comprehensive income, an understatement of financial liabilities in the statement of financial position, and a corresponding understatement of accumulated losses and an understatement of basic/diluted losses per share.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

(a) Consolidated Statement of Profit or Loss and Other Comprehensive Income – 30 June 2025

	As Previously Reported 30-Jun-25 \$	Adjustment \$	Restated 30-Jun-25 \$
Other expenses	(1,390,975)	(118,190)	(1,509,165)
Loss before income tax	(8,573,660)	(118,190)	(8,691,850)
Loss after tax	(8,573,660)	(118,190)	(8,691,850)
Total Comprehensive Loss	(8,573,660)	(118,190)	(8,691,850)
Basic and diluted loss per share	(0.0871)	(0.0012)	(0.0883)

(b) Consolidated Statement of Financial Position – 30 June 2025

	30June 2025 As Reported	Increase/ (decrease)	30 June 2025 Restated
Current liabilities			
Financial liabilities	5,537,309	928,940	6,466,249
	7,286,802	928,940	8,215,742
Total Liabilities	8,311,857	928,940	9,240,797
Net Assets	8,908,415	(928,940)	7,979,475
Equity			
Accumulated losses	(49,407,903)	(928,940)	(50,336,843)
Total Equity	8,908,415	(928,940)	7,979,475

(c) Consolidated Statement of Financial Position – 1 July 2024

	1 July 2024 As Reported	Increase/ (decrease)	1 July 2024 Restated
Current liabilities			
Financial liabilities	2,974,796	810,750	3,785,546
	5,631,410	810,750	6,442,160
Total liabilities	6,697,254	810,750	7,508,004
Net Assets	8,539,956	(810,750)	7,729,206
Equity			
Accumulated losses	(40,834,243)	(810,750)	(41,644,993)
Total Equity	8,539,956	(810,750)	7,729,206

Company Brief

GMG is a clean-technology company which seeks to offer energy saving and energy storage solutions, enabled by graphene, including that manufactured in-house via a proprietary production process.



GMG is listed on the TSX Venture Exchange ("TSX-V") under the ticker "GMG" and is quoted on the Frankfurt Stock Exchange under the trading symbol "0GF". On 27 February 2024, GMG began trading on the OTCQX® market under the symbol "GMGMF". Certain warrants to purchase common shares of GMG trade on the TSX-V under the ticker "GMG.WT.A".

GMG Graphene

GMG has developed a proprietary production process to decompose natural gas (i.e. methane) into its elements, carbon (as graphene), hydrogen and some residual hydrocarbon gases. This process produces high quality, scalable, 'tuneable' and low/no contaminant graphene with low-cost inputs suitable for use in clean-technology and other applications. The Company's present focus is to de-risk and develop commercial scale-up capabilities, while continuing to develop and expand market applications.

As a technology development company, GMG has matured its strategy over time. While GMG graphene may be suitable for a wide range of industries, GMG has narrowed its focus to target select applications and sectors that will provide it the best traction in specific markets. GMG's management team ("**Management**") believes that focusing on these end customer opportunities will provide a higher return on in-house graphene production. Also, the vertically integrated approach will enable it to build a long-term competitive advantage. In line with this approach, GMG's initial focus has been developing applications for energy savings and energy storage.

Energy Savings

Within energy savings, GMG has focused on THERMAL-XR®, a graphene enhanced coating platform that enhances heat transfer and corrosion protection. Initial commercial applications are in the heating, ventilation, air conditioning and refrigeration ("HVAC-R") sector. Other industry sector applications are being pursued. GMG recently successfully patented THERMAL-XR® ENHANCE in Australia for 20 years and is progressing the patent in numerous other countries.

G®LUBRICANT, a graphene enhanced lubricant additive that seeks to reduce fuel consumption and carbon emissions by reducing internal friction in engines is also being demonstrated. After many years of performance testing G®LUBRICANT, the Company has produced University of Queensland ("**UQ**") verified results showing increases in fuel efficiency of up to 8.4% in a diesel engine. The Company has also produced results using the same testing equipment, systems and processes showing a 10% increase in energy efficiency and a 33% reduction in exhaust particulate matter emissions from a diesel engine. On the back of those encouraging results, GMG has commenced both website sales and direct sales to end customers in a number of countries around the world, including Australia, the United Kingdom, Europe, China, Canada and the United States. The patent application for G®LUBRICANT was successfully patented in the USA and accepted in China and Europe and is progressing well in many other countries for the in-country patent.

Since the Australian Government approval for GMG to produce and sell THERMAL-XR® at scale in early 2023, the Company is driving sales activities and is in the process of bolstering related production capacity. Additionally, the Company has identified a number of markets outside the HVAC-R segment, where it also sees expanded opportunities for application of the THERMAL-XR® platform – most notably the electronics and data centre sectors.

Energy Storage

GMG and UQ are working to progress further research and development (“R&D”) and commercialisation of graphene aluminium-ion batteries (“**Graphene Aluminium-Ion Batteries**” or “**G+AI Batteries**”). Additionally, since May 2023 GMG and Rio Tinto have been working together under a joint development agreement (the “**Joint Development Agreement**” or “**JDA**”) with the goal of accelerating the development and application of GMG’s Graphene Aluminium-Ion batteries for use in the mining and minerals industry (refer to page 13 for further details). The funding component of the Joint Development Agreement was set at A\$6 million over a two-year period, while the remaining provisions of the Joint Development Agreement are still valid and in effect. The Company is currently optimising the battery and is pleased overall with its progress and its growing ability to develop and manufacture battery prototypes in-house and with the Battery Innovation Centre of Indiana (“**BIC**”) in the United States of America to support the next phase of development of the Graphene Aluminium-Ion Battery.

As part of the Company’s G+AI Battery development program it is beginning to launch its 4th product – SUPA G[®]. SUPA G[®] is a graphene slurry which has been developed by GMG over the last 3 years for GMG’s own Graphene Aluminium-Ion Battery, which has unique properties of high electrical conductivity, low charge transfer resistance and high density compared to other carbon battery additives and materials used in lithium-ion batteries. SUPA G[®] can be used as a cathode additive (1%) and has the potential to be used as an anode alternative to graphite (which is largely export controlled from China) after further development work.

Corporate and Governance

As at 30 June 2026, GMG had a cash position of \$9,935K, excluding restricted cash of \$321k and no debt other than lease liabilities. The net loss for the year was \$29,794K, including the change in fair value of warrants. As outlined in more detail below, the adjustments included in net results, required by IFRS to account for certain warrants on issuance, are a non-cash item and largely result from movements in GMG’s share price during the period.

The ability of the Company to continue as a going concern is principally dependent upon the ability to raise additional capital or secure other forms of financing, to augment its current cash position, as and when necessary to meet the levels of expenditure required for the Company. This is required to continue its ongoing development and commercialisation of energy saving and energy storage solutions and to meet the Company’s working capital requirements. In addition to this, the Company is dependent on the ability to commercialise its products to generate sustainable, sufficient operating cash flows. These conditions give rise to material uncertainty which may cast significant doubt over the Company’s ability to continue as a going concern.

For Q4FY26, GMG had an adjusted loss of \$3,974K. Please note that adjusted loss is not a standardised IFRS financial measure under the financial reporting framework used to prepare GMG’s financial statements and might not be comparable to similar financial measures disclosed by other issuers. Refer to page 25 for details for non-IFRS adjustments.

On 7 July 2025, GMG announced that G®LUBRICANT has commenced both website sales and direct sales to end customers in a number of countries and regions around the world, including Australia, the United Kingdom, Europe, China, Canada and the United States.

On 11 July 2025, GMG announced that it entered into an equity distribution agreement dated July 11, 2025 (the "Distribution Agreement") with Cantor Fitzgerald Canada Corporation (the "Agent"). Pursuant to the Distribution Agreement, the Company will be entitled, at its discretion and from time-to-time during the term of the Distribution Agreement, to sell, through the Agent, such number of ordinary shares of the Company (the "Ordinary Shares") that would result in aggregate gross proceeds to the Company of up to C\$20 million (the "ATM Facility").

On 14 July 2025, GMG announced that the patent for the Company's Graphene Aluminium Ion Battery has been granted in Australia and GMG is progressing its patenting process in various other countries. The UQ holds the patent, and GMG has a worldwide exclusive commercialisation license. Furthermore, GMG has signed a Collaborative Research Agreement with UQ – Australian Institute for Bioengineering and Nanotechnology (AIBN) to continue its collaboration on the Graphene Aluminium Ion Battery. UQ is also a recipient of AU\$880,000 of Australian Government grant funding to further develop the Graphene Aluminium Ion Battery.

On 22 July 2025, GMG provided an update to the composition of the Company's Technical Advisory Committee which will support the Company as it proceeds into its next phase of development. The Company is pleased to announce the addition of Professor Emeritus Doug Hargreaves AM (Australia) to the Company's Technical Advisory Committee, adding deep insight, experience and connections to GMG. Doug is a highly respected Professor Emeritus of Engineering at Queensland University of Technology (QUT), a member of the Order of Australia, previous National President and an Honorary Fellow of the Engineers Australia, Board Member of the Federation of Engineering Institutions in the Asia Pacific and the Executive Officer of the Australian Council of Engineering Deans. Doug has a Doctor of Philosophy (PhD) and a Masters of Science (MSc) with Distinction in Tribology from the University of Leeds. He serves on multiple Committees and Technical Advisory Boards.

On 4 September 2025, GMG announced that it completed its previously announced bought deal offering of 7,666,667 units at a price of \$0.90 per unit for aggregate gross proceeds of C\$6,900,000, which includes the exercise in full of the underwriter's over-allotment option for 1,000,000 units (the "**September 2025 Offering**").

On 15 September 2025, GMG announced that THERMAL-XR® ENHANCE powered by GMG Graphene is now successfully patented in Australia for a period of 20 years from the date of its grant. GMG is progressing this patent in various other countries and remains optimistic about the successful granting of this patent in other countries as well.

On 17 September 2025, GMG announced the launch of its new global product catalogue (see below). The product range includes both G®LUBRICANT and THERMAL-XR®, including a new THERMAL-XR® Kit with an electric spray gun for easy use.



On 6 October 2025, GMG announced it has received REACH registration in Europe – enabling THERMAL-XR® to be sold in Europe. Registration, Evaluation, Authorisation and Restriction of Chemicals (“**REACH**”) is the process mandated by the European Union (“**EU**”) regulation for companies manufacturing or importing chemical substances into the EU in quantities of one tonne or more per year.

GMG also launched its “GMG SPRAY ACADEMY” – which is a training program designed to enable more distributors and contractors around the world to understand how to clean, prepare and coat surfaces with GMG’s patented graphene coating system – THERMAL-XR®. The training programs are conducted in person, online and eventually through video-training. Customers can receive the 5-year warranty for the THERMAL-XR® coating if the coating is provided by a trained and accredited technician.

On 28 October 2025, GMG announced that Beijer Ref has agreed to offer the Company’s proprietary THERMAL-XR® ENHANCE heat transfer coating as an optional coating solution on Beijer Ref and Kirby branded refrigeration evaporator coils, including the Beijer Patton and Kirby Guardian lines as seen in the figure below, across all of Beijer Ref’s and Kirby’s approximately 73 wholesale locations in Australia starting from November 17, 2025. Beijer Ref customers electing to have the optional coating solution applied to their Beijer Ref or Kirby refrigeration evaporator coils will contract directly with Beijer Ref, who will enter into a bilateral agreement with the Company, subject to GMG’s standard terms and conditions. This collaboration marks a significant milestone in GMG’s commercialisation of its innovative coating products for energy efficiency and corrosion resistance in the HVAC-R industry.

BEIJER REF



On 18 November 2025, the Company announced the results of the G[®]LUBRICANT product demonstration test in a charity car rally across 3,850 kilometres in Australia (the “Charity Rally”). The Charity Rally ran from Australia’s central city of Alice Springs to the country’s Gold Coast. GMG sponsored the GC Strip rally team from the Gold Coast in their participation in the Charity Rally (the “Rally Car Team”). After adding G[®]LUBRICANT, the Ford Falcon Rally Car averaged 9.3ltrs / 100km on the trip, a reduction of 1.5ltrs / 100km, approximately 13.8%, in fuel efficiency savings.

On 15 December 2025, the Company provided an update on the Graphene Aluminium-Ion Battery technology being developed by GMG and UQ under a Joint Development Agreement with Rio Tinto, one of the world’s largest metals and mining groups, and with the support of the BIC. Based on its current state of development as reflected below, the G+Al Battery has similar performance characteristics to those provided by High Power Lithium Titanate Oxide (“LTO”) batteries, which are sold at a premium price of up to US\$1500/kWh. In 2025, sales of LTO batteries, which are used in many applications globally, totalled US\$ 5.61 billion.

On 22 December 2025, we announced that we had received and accepted United States Environmental Protection Agency (“EPA”) consent notice approval conditions relating to the Premanufacture Notice for THERMAL-XR[®] ENHANCE. Subsequently, on March 16, 2026, the EPA issued a consent order authorizing the export, distribution, sale, use and disposal of the applicable chemical substance in the United States, subject to the terms and conditions of the order.

On 20 February 2026, the Company announced a new partnership with Tickford Racing. As part of this partnership, Tickford Racing, one of Australia’s leading Supercars teams, will trial GMG liquid graphene products including G[®] LUBRICANT and THERMAL-XR[®], display the GMG logo on its race cars, promote GMG on its website and in social media and host track/pit customer events.

On 3 March 2026, the Board of Directors of GMG approved the investment of an additional AU\$1.4 million, which is expected to complete the construction of the Company’s Gen 2.0 Graphene Manufacturing Technology plant (the “Gen 2.0 Plant”) capable of producing 10 tons of graphene per annum. The total capital cost for the Gen 2.0 Plant is an estimated AU\$2.3 million, an expenditure that was largely included in the proposed use of proceeds for March 2025 Offering for aggregate gross proceeds of C\$5,796,000.

On 16 March 2026, the Company announced that the United States Environmental Protection Agency ("EPA") has approved the import and sale of GMG's THERMAL-XR graphene based coating system in the United States. The EPA issued a consent order for pre-manufacture notice PMN P 25 0018 in accordance with section 5(e) of the Toxic Substances Control Act, 15 U.S.C. 2604(e) (the "Order"). Under the Order, GMG is authorised to export, distribute, sell, use and dispose of the chemical substance described in the pre-manufacture notice submitted by the Company, and which is used in GMG's THERMAL XR® ENHANCE graphene based coating system for various applications including Heating Venting Air Conditioning and Refrigeration (HVAC R), Data Centres, Liquified Natural Gas Plants (LNG), Automotive and Electronics amongst others in the United States in accordance with the requirements and conditions set out in the Order (the "New Chemical Substance").

On 23 March 2026, a patent relating to G® LUBRICANT was accepted for grant in Europe. On April 20, 2026, a corresponding patent was granted in the United States and allowed in China.

On 23 March 2026, the Company announced it had officially launched its European sales team. The GMG European Sales team numbers more than 10 professional sales executives based in Europe and the UK who focus on lead generation, inside sales and executive sales business development for the Company's two key products.

On 1 April 2026, the Company announced that the Advanced Carbons Council ("ACC") has certified GMG as a **Verified Graphene Producer**. The **Verified Graphene Producer** program is an independent 3rd party verification by the ACC of not just the material itself, but also the production facilities through an in-person site visit. This makes it unique in that the ACC verifies both the source of the material as coming directly from the production stream and the quality of the material using world-class characterization labs. The Company is also pleased to announce it has successfully passed another International Organisation for Standardisation ("ISO") 9001:2015 quality audit, a systematic evaluation of an organisation's Quality Management System to verify it complies with international ISO standards for manufacturing, distributing, and providing technical support for the Company's graphene coating and lubricant additive products.



On 15 April 2026, the Company provided its latest update on the Graphene Aluminium-Ion Battery technology ("G+A CELLS"). The **GMG G+A CELLS have now demonstrated performance characteristics that the Company considers favourable when compared to a representative market leading ultra-fast charging batteries, the LTO batteries**, which can be sold at a premium price of up to US\$1200/kWh.¹

On 20 April 2026, the Company announced that GMG's patent for GMG's Graphene Engine Oil Additive, G® LUBRICANT, has now been granted for 20 years in the USA and allowed in China.

On 22 April 2026, the Company announced the appointment of Stuart Watson – former global Head of Technical Development for Rio Tinto Ltd (ASX.RIO) as Chief Production Growth Officer. Stuart will

¹ [https://www.ritarpower.com/industry_information/The-Price-of-50-kWh-Lithium-Ion-Batteries-A-Comprehensive-Analysis_297.html#:~:text=Lithium%20Titanate%20\(LTO\)%20Batteries%3A, cost%20between%20%2440%2C000%20and%20%2460%2C000](https://www.ritarpower.com/industry_information/The-Price-of-50-kWh-Lithium-Ion-Batteries-A-Comprehensive-Analysis_297.html#:~:text=Lithium%20Titanate%20(LTO)%20Batteries%3A, cost%20between%20%2440%2C000%20and%20%2460%2C000)

immediately begin focussing on how GMG can scale in three expansion projects – two in North America and one in Australia.

On 12 May 2026, we announced that the Company had signed a three-year lease for a facility in Richlands, Brisbane to support anticipated production expansion and workforce growth.

On 19 May 2026, the Company announced the signing of a global distribution agreement with Curran International for THERMAL-XR® and for exclusive application services for the product oil and gas/LNG industry.

On 2 June 2026, we submitted a SNUN to the EPA under PMN P-25-0018 seeking authorization to manufacture, distribute, sell, use and dispose of graphene, graphene coatings, lubricants and fluids across multiple industries in the United States. This application is in addition to our existing authorization under PMN P-25-0018, which permits the export, distribution, sale, use and disposal of graphene coatings in the United States. We expect the EPA review process to be completed by the end of June 2027.

On 12 June 2026, we fulfilled the first commercial bulk shipment of THERMAL-XR® to our exclusive North American distributor, Nu Calgon.

On 6 July 2026, we completed the construction and start-up of the Gen 2.0 Plant. We expect remaining projects for the Gen 2.0 Plant, including optimization and installation activities, among others, to be completed by the end of September 2026 and December 2026, respectively, although timing remains subject to further development, construction and commissioning activities.

On 8 July 2026, our Board approved A\$1.2 million in capital expenditure for the next stage of design, engineering, and long-lead procurement for the Fulcrum Facility. The facility is expected to have an annual production capacity of approximately 100 tons of graphene and be largely self-powered through standalone energy generation. The facility is also expected to assemble and commission up to 12 additional modular production units per annum, equivalent to an additional 240 tons of annual graphene production capacity.

On 9 July 2026, THERMAL-XR® ENHANCE coating surpassed 30,000 hours of external salt-spray testing under ASTM B117-19, with certification of no corrosion from an independent U.S.-based laboratory.

On 21 July 2026, we entered a global exclusive memorandum of understanding with Alstom for collaborative testing and development of graphene products for use in HVAC-R systems in the rail industry.

On 24 August 2026, GMG announced the launch of patent pending G FLUID™ for use as a graphene water-based additive for data centre and industrial cooling circuits to increase heat transfer and reduce microbial and bacterial growth. On the same date, GMG announced that it submitted an amendment application to the EPA seeking approval to manufacture, in addition to sell, graphene and GMG's THERMAL-XR®, G® LUBRICANT and G® FLUID products in the United States.

In September 2026, the Company announced the closing of a non-brokered private placement with a private investor to for US\$10,000,000 (A\$14,068,900) for 6,465,336 ordinary shares of the Company at a price of CA\$2.15 per ordinary share.



Business Objectives

GMG is focused on four critical business objectives:



PRODUCE GRAPHENE & IMPROVE/SCALE PRODUCTION PROCESS.



BUILD REVENUE FROM ENERGY SAVINGS PRODUCTS



DEVELOP NEXT-GENERATION BATTERY



DEVELOP SUPPLY CHAIN, PARTNER & PROJECT EXECUTION CAPABILITY

1: Produce Graphene & Improve/Scale Production Process

The Company recently announced it completed the construction and started up the Company's Generation 2.0 Graphene Manufacturing Technology Plant (the "Gen 2.0 Plant") which is expected to produce 10 tonnes of graphene per annum once remaining works are completed and the Gen 2.0 Plant is optimised. The Gen 2.0 Plant is expected to deliver substantially lower costs of production and an increase in graphene quality. Once it is operating, the Company plans to replicate and establish other modular production units (Gen 2.1 technology) in Australia, Canada and the US to: enable scaled production for potential sales, diversify and lower its production risks, and reduce operating costs.

GMG has successfully maintained its ISO 9001:2015 certification for an internationally recognised standard for quality management systems. The Company has been certified as a Verified Graphene Producer by the Advanced Carbons Council through rigorous in-person facility inspections and world-class material characterisation.

2: Build Revenue from Energy Savings Products



THERMAL-XR®

THERMAL-XR® COATING SYSTEM is a unique method of improving the conductivity of corroded heat exchange surfaces and maintaining the performance of new units at peak levels. The process coats and protects heat exchange surfaces while improving and rebuilding the lost corroded thermal conductivity and increasing the heat transfer rate by leveraging the physics of GMG Graphene resulting in an efficiency improvement and a reduction in energy use.

THERMAL-XR® can also protect both RTPF coils (round tube plate fin) and MCHC coils (microchannel) from accelerated corrosion damage, thereby extending the life of the coil and reducing energy consumption. GMG's THERMAL-XR® is a fully patented technology in Australia and is progressing through the international Patent Cooperation Treaty process.

During the year, the patent for THERMAL-XR® ENHANCE was granted in Australia and the Company received REACH registration in Europe, enabling THERMAL-XR® to be marketed and sold in Europe. As previously announced, the Company received its Consent Order in March 2026 from the EPA authorising the export, distribution, sale, use and disposal of THERMAL-XR® in the United States.

In addition to the Nu Calgon distribution agreement, the Company is now implementing distribution agreements in other parts of the world and in other market segments, including Europe, Southeast Asia, Mexico and the LNG industrial market. Focus is now on manufacturing a quality product that can be distributed to different locations and market segments on a global basis.

G®LUBRICANT

G®LUBRICANT is a graphene liquid concentrate additive designed to enhance the performance of diesel and petrol engines by reducing friction at the nanoscale. The product is added to any mineral or synthetic engine oil at a dosage of 1:100 (1% of G®LUBRICANT to 99% engine oil), resulting in a final graphene concentration in the oil of approximately 1:10,000 — a concentration verified to date to be safe for engine seals, sensors, and catalytic converters.

The patent application for G®LUBRICANT is progressing through to country level – where GMG is currently applying in 20 countries for the in-country patent. In March 2026, a patent was accepted for grant in Europe and in April 2026, a patent was granted in the United States and allowed in China.

Direct-to-market sales launched last year in Australia are now beginning to expand into Canada, China, Europe, Mexico, the United Kingdom and Southeast Asia through newly established sales teams targeting fleet operators and lubricant distributors. The Company continues to pursue commercial adoption through customer testing, product demonstrations and distribution activities.

US distribution discussions are underway, subject to EPA product registration. The Company is seeking authorisation to manufacture, distribute, sell, use and dispose of graphene, graphene coatings, lubricants and fluids across multiple industries in the United States. This application is in addition to our existing authorisation for THERMAL-XR®, and is expected to take up to twelve months with the EPA.

Further Research and Development assessment is in progress.

	G®LUBRICANT
Status of R&D Project compared to the development plan	• GMG's initial round of internal diesel engine fuel testing has recently been completed and has been validated by UQ. G®LUBRICANT has been shown to increase fuel efficiency by up to 8.4% in a diesel engine. • GMG will continue to internally optimise its testing of the product on its diesel engines in varying conditions and concentrations. • GMG is in the process of preparing packaging and marketing materials for G®LUBRICANT, and expects to begin a direct marketing campaign, targeting fleet owners and initially commencing in Australia and then expanding into other markets.
Expenditure for the period	• GMG's internal costs will be allocated to the respective R&D Project. It is likely to involve minimal internal labour costs for the remainder of the R&D Project. • Total R&D expenditure for FY26 was \$362k (FY25 \$489k), consisting predominantly of internal labour, consultants, testing and quality controls.

SUPA G®

SUPA G® is a graphene slurry that has been in development since 2023 as part of our G+AI Battery program, and now being commercialized as a standalone product targeting lithium-ion ("LI") battery manufacturers and their material suppliers globally. The product is designed to function as a cathode additive (at approximately 1% loading) or, subject to further development, as a potential anode material alternative to graphite — a material whose supply is currently dominated by Chinese producers.

SUPA G® can be used to enhance the performance of lithium-ion batteries. The Company believes this breakthrough product has the potential to reshape the future of energy storage, offering battery manufacturers an innovative solution that optimizes efficiency, power, and longevity.

Within days of GMG's initial SUPA G® product launch, GMG received unsolicited inquiries from a number of battery companies interested in testing SUPA G® in their cells. GMG is currently working with several of these companies to facilitate testing.

In addition, BIC Indiana is currently testing SUPA G® with LI batteries, with results expected to be available in the near term.

Further Research and Development assessment is in progress.

	SUPA G®
Status of R&D Project compared to the development plan	• GMG has begun sending out samples of SUPA G® to large battery manufacturers and BIC Indiana for testing in various battery chemistries. • GMG continues to optimise the graphene slurry for its own G+Al battery and third parties.
Expenditure for the period	• GMG's internal costs will be allocated to the respective R&D Project. • Total R&D expenditure for FY26 was \$130k (FY25 \$232k), consisting predominantly of internal labour, graphene, consumables, testing and quality controls.

3: Develop Next-Generation Battery

The patent for the Company's Graphene Aluminium-Ion Battery was granted during the financial year in Australia and GMG is progressing its patenting process in various other countries. UQ holds the patent, and GMG has a worldwide exclusive commercialisation license.

The Company is currently optimising the G+Al Battery pouch cell electrochemistry – which is a standard battery development process step (please see “Battery Technology Readiness Level” section below). The Company has developed significant knowledge regarding the electrochemistry of the pouch cells since achieving the targeted 1 Ah cell capacity in February 2024. The challenges that the G+Al Battery are showing through this phase of its maturation are very similar to other battery chemistries that have been developed into mass production – including lithium-ion batteries.

During FY25, the Company signed a service contract with the BIC in the United States to support the next phase of development of the Graphene Aluminium-Ion Battery. BIC is a collaborative initiative designed to incorporate leadership from renowned universities, government agencies, and commercial enterprises. BIC's mission is to accelerate innovation in the field of battery technology by providing access to the entire spectrum of R&D to commercialization, including low volume production, in a single 40,000 square foot facility, located in Newberry, an hour south of Bloomington, Indiana.

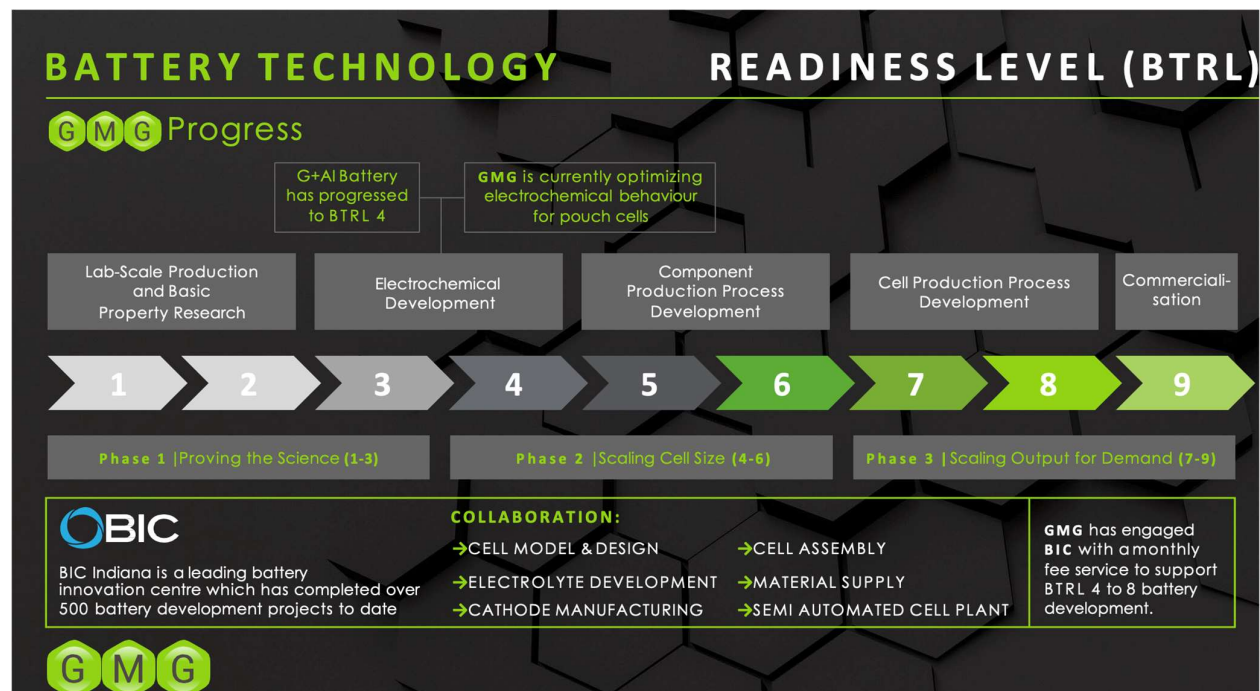
The battery technology readiness level (“BTRL”) of the Graphene Aluminium-Ion technology has progressed to Level 4 (see figure below). GMG is currently optimizing electrochemical behaviour for pouch cells via ongoing laboratory experimentation. Through collaboration with the BIC, it is anticipated that the battery technology readiness will progress to BTRL 7 and 8, since the equipment and process needed to make the Graphene Aluminium-Ion batteries is the same as those employed to make lithium-ion batteries.

As of April 2026, our G+Al Battery has achieved the following verified performance data from multi-layer pouch cells tested by the BIC:

101 Wh/kg Energy Density (60-min charge)	49 Wh/kg Energy Density (6-min charge)	~3.2V Nominal Voltage	6 min Full Charge Time
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The G+Al Battery achieved 62% capacity in just 3.2 minutes at 6-minute charging rates — and maintained performance over hundreds of cycles without the significant degradation typically observed in Li and sodium-ion batteries at equivalent high charging rates. The Company believes the battery can eventually achieve over 150 Wh/kg at 1-hour charging and over 75 Wh/kg at 6-minute charging, with further cathode, anode, electrolyte, and weight optimization.

The Company notes that the data presented here should be considered preliminary, and that test results are not necessarily indicative of realised performance



Source: "The Battery Component Readiness Level (BC-RL) Framework: A technology-specific development framework", Matthew Greenwood et al

Following successful customer trials, GMG expects to pursue large scale commercial production.

Further Research and Development assessment is in progress.

	G+AI Batteries
Status of R&D Project compared to the development plan	• The G+AI Battery R&D Project remains at BTRL 4. • GMG will not progress past BTRL 4 until the electrochemistry of the pouch cell is finalized. • GMG expects to finalise the electrochemistry of its pouch cell in 2026 through R&D battery sprints and support from BIC Indiana prior to scaling up its cell testing and commercialisation stage.
Expenditure for the period	• GMG's internal costs will be allocated to the respective R&D Project. • Total R&D expenditure for FY26 was \$1,336k (FY25 \$1,455k), consisting predominantly of internal labour, consultants, battery development consumables, testing and quality controls and decline in assets.

Next Steps Toward Commercialisation & Market Applications

The Company is building its commercial market roadmap to prioritise a wide range of potential applications for a completed GMG Graphene Aluminium-Ion Battery. These capture its unique ultra-high power-density and nominal energy density characteristics.

A range of global companies have confidentially expressed their interest in working with GMG including in the following sectors:

- Diesel engine replacement (high load and power requirements)
- Energy storage (in front of, or behind the meter, safety)
- Personal electronics (fast charging and long life)
- Aviation (including vertical take-off and landing)
- Electric Vehicles
- Rail
- Power tools (fast charging and long life)

4: Develop Supply Chain, Partners & Project Execution Capability

GMG continues to focus on developing and strengthening its product value chain partnerships. The Company's ability to form long-lasting strategic partnerships is a key success factor, supporting its other production and product commercialisation business objectives.

GMG believes this approach will de-risk, position, and accelerate GMG's energy savings and G+AI Battery technology success.

Ongoing engagement between our current partners continued throughout the quarter. Additionally, non-disclosure agreements have been signed with several international, high profile potential customers across a wide range of industry segments to explore opportunities to collaborate, understand their application requirements and priorities for the subsequent development and commercial production of GMG's battery prototypes.

SUSTAINABILITY AND RISK

“No Harm to People or Environment” remains at the core of GMG’s values. GMG also has the opportunity to “improve” through application of our energy saving products. GMG takes a holistic view of sustainability factors with a vision to enrich our environment and society. The United Nations 17 Sustainable Development Goals (“SDGs”) were identified as the benchmark for goal alignment while focussing on improving performance in key areas.

GMG is committed to focus on priority SDGs where the Company can best contribute. These are currently identified as:

- # 7 Ensure access to affordable, reliable sustainable and modern energy for all.
- # 13 Take urgent action to combat climate change and its impact.
- # 9 Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

These goals form part of the sustainability improvement plan and are aligned with goals in GMG’s business plan. GMG is committed to continued focus on environmentally sustainable governance practices to ensure ongoing improvement within its business activities. Through the application and use of GMG’s products and services, the Company will continue to focus on its carbon footprint and carbon footprint reductions through the application of energy saving products and services with our customers.

FINANCIAL HIGHLIGHTS

Income Statement

\$'000 unless otherwise stated	12 month period ended 30 June		Variation	
	2026	Restated 2025	\$'000	%
Revenue from operations	724	238	486	204%
Other income	2,280	4,659	(2,379)	(51%)
Employee benefit expenses	(5,932)	(4,163)	(1,769)	42%
Professional and consulting fees	(4,630)	(2,633)	(1,997)	76%
Depreciation and amortisation expense	(1,504)	(1,827)	323	(18%)
Travel expenses	(360)	(409)	49	(12%)
Raw material and production inputs	(442)	(178)	(264)	148%
Occupancy expenses	(334)	(321)	(13)	4%
Factory expenses	(360)	(179)	(181)	101%
Share based payments expense	(999)	(1,399)	400	(29%)
Other expenses	(3,238)	(1,509)	(1,729)	115%
Finance expenses	(346)	(150)	(196)	131%
Gain / (loss) on change in fair value of warrants	(14,653)	(821)	(13,832)	1,685%
Profit / (loss) before income tax	(29,794)	(8,692)	(21,102)	243%
Income tax expense	-	-	-	-
Profit / (loss) for the period	(29,794)	(8,692)	(21,102)	243%
Basic and diluted profit / (loss) per share (\$)	(0.2487)	(0.0883)	(0.16)	182%
Non-IFRS financial measures ⁽¹⁾				
EBITDA	(13,291)	(5,894)	(7,397)	126%
Adjusted profit / (loss) before income tax	(15,141)	(7,871)	(7,270)	92%
Adjusted basic and diluted profit / (loss) per share (\$)	(0.1264)	(0.0800)	(0.05)	58%

- a) Refer to Non-IFRS financial measures for further information. Adjustment items relate to the change in fair value of warrants.
- b) Refer to business overview section regarding the restatement of financial profit and loss due to incorrect accounting treatment of transaction costs associated with warrant liabilities.

Balance Sheet

	As at	As at
\$'000	30 June 2026	Restated 30 June 2025
Cash and cash equivalents	9,936	7,417
Restricted cash	321	291
Trade receivables, other receivables and contract assets	486	117
Inventories	1,880	1,271
Research and development grants receivable	1,910	1,998
Other current assets	1,048	347
Right-of-use assets	1,521	908
Property, plant and equipment	4,262	3,648
Intangible assets	1,039	1,224
Total assets	22,403	17,220
Trade payables, other payables and contract liabilities	1,957	1,140
Lease liabilities	729	355
Financial liabilities	18,233	6,466
Employee benefit liabilities	334	249
Provisions	-	6
Long term liabilities	1,442	1,025
Total liabilities	22,695	9,241
Total equity	(292)	7,979

Summary of Cash Flows

	For the year ended 30 June, Restated		Variation	
\$'000	2026	2025	\$'000	%
Net cash used in operating activities	(12,163)	(4,445)	(7,718)	(174%)
Net cash used in investing activities	(1,428)	(322)	(1,106)	(343%)
Net cash from financing activities	16,421	8,394	8,027	96%
Net increase in cash and cash equivalents	2,830	3,627	(797)	(22%)

Summary of Historical and Quarterly Financial Information for the years ending and as at

30 June:

\$'000 unless otherwise stated	2026	Restated 2025
Revenue and other income	3,004	4,897
Loss for the year from continuing operations	(29,794)	(8,692)
Basic and diluted loss per share (\$)	(0.2487)	(0.0883)
Total assets	22,403	17,220
Non-current financial liabilities	-	-
Dividends declared per share	-	-

IFRS

\$'000 unless otherwise stated	Revenue	Other income	Restated Profit / (loss)	Basic and diluted profit / (loss) per share (\$)	Notes (IFRS)
Q4-2026 30 June 2026	392	2,023	(7,155)	(0.0570)	1
Q3-2026 31 March 2026	172	132	1,213	0.0097	2
Q2-2026 31 December 2025	73	79	(20,950)	(0.1770)	3
Q1-2026 30 September 2025	87	46	(2,901)	(0.0261)	4
Q4-2025 30 June 2025	83	2,416	(3,163)	(0.0315)	5
Q3-2025 31 March 2025	50	766	(2,107)	(0.0210)	6
Q2-2025 31 December 2024	46	722	(2,148)	(0.0222)	7
Q1-2025 30 September 2024	59	755	(1,273)	(0.0133)	8

NON-IFRS

\$'000 unless otherwise stated	Restated Profit / (loss)	Less: Adjustment items ⁽¹⁾	Adjusted Profit / (loss)	Adjusted basic and diluted profit / (loss) per share (\$)
Q4-2026 30 June 2026	(7,155)	3,182	(3,973)	(0.0317)
Q3-2026 31 March 2026	1,213	(4,946)	(3,733)	(0.0300)
Q2-2026 31 December 2025	(20,950)	17,526	(3,424)	(0.0289)
Q1-2026 30 September 2025	(2,901)	(1,109)	(4,010)	(0.0360)
Q4-2025 30 June 2025	(3,163)	2,274	(889)	(0.0089)
Q3-2025 31 March 2025	(2,107)	(378)	(2,485)	(0.0248)
Q2-2025 31 December 2024	(2,148)	(33)	(2,181)	(0.0225)
Q1-2025 30 September 2024	(1,273)	(1,042)	(2,315)	(0.0241)

- a) Refer to business overview section regarding the restatement of financial profit and loss due to incorrect accounting treatment of transaction costs associated with warrant liabilities.

Notes (IFRS):

- Q4-2026: The loss of \$7,156K for the quarter was primarily influenced by non-cash fair value movements in the warrant liability of \$3,182k, which can fluctuate significantly with changes in the Company's share price and market conditions. Operating expenses for the quarter totalled \$5,927 reflecting increases in employment costs and marketing and sales activities and professional and consulting fees.

2. Q3-2026: The restated \$1,213K (previously stated: \$1,043) profit recorded for the quarter was largely driven by non-cash fair value adjustments gain to the warrant liability of \$4,946K. Operating expenses for the quarter totalled \$3,694K, reflecting increases in both employment costs and marketing and sales activities. These were partially offset by sales for THERMAL-XR® and G®LUBRICANT of \$172K.
3. Q2-2026: The restated loss of \$20,950K (previously stated: \$21,123) for the quarter was primarily influenced by non-cash fair value loss movements in the warrant liability of \$17,526k, which can fluctuate significantly with changes in the Company's share price and market conditions. Core operating costs increased modestly, reflecting higher spending on consulting, testing, insurance, advertising, and employee related costs as the Company continues to progress commercial and development initiatives. These non-cash revaluation effects and strategic operating investments drove the accounting loss for the quarter, while underlying business activity remained stable.
4. Q1-2026: The restated \$2,901K loss (previously stated: \$2,190) in Q1FY26 was mainly due to \$2,941K of operating expenses, offset by sales from THERMAL-XR® and G®LUBRICANT of \$87k and \$1,109K gain in fair value of warrants.
5. Q4-2025: The restated \$3,163k loss (previously stated: \$3,261k) included revenue during the quarter of \$73K for THERMAL-XR® sales, \$9K for G®LUBRICANT sales, \$1,998K of refundable R&D tax incentive and recognition of income of \$359K under the Joint Development Agreement, offset by \$2,882K of operating expenses and a loss from change in fair value of warrants of \$2,274K.
6. Q3-2025: The restated loss of \$2,107K (previously stated: \$1,755k) in Q3FY25 was largely driven by \$2,510K of operating expenses, offset by \$378K gain in fair value of warrants, recognition of \$719K of income under the Joint Development Agreement, foreign exchange gain of \$45K as well as \$50K of THERMAL-XR® and G®LUBRICANT sales.
7. Q2-2025: The restated loss of \$2,148K (previously stated: \$2,216k) in Q2FY25 was primarily \$2,583K of operating expenses, offset by \$647K of income recognised from the JDA, \$74K of foreign exchange gains, \$46K of coating jobs and \$33K gain on the fair value of the warrants outstanding.
8. Q1-2025: The restated \$1,273K loss (previously stated: \$1,341k) in Q1FY25 was mainly due to \$2,715K of operating expenses, offset by \$1,042K gain in fair value of warrants and recognition of \$750K of JDA income.

Fourth Quarter Results

\$'000 unless otherwise stated	Q4FY26	Restated Q4FY25	Variation \$'000	%
Revenue from operations	393	83	310	373%
Other income	2,023	2,416	(393)	(16%)
Total operating expenses	(5,963)	(3,001)	(2,962)	99%
Loss from change in fair value of warrants	(3,182)	(2,274)	(908)	40%
Depreciation and amortisation	(427)	(602)	175	(29%)
Loss for the period	(7,155)	(3,377)	(3,778)	112%
Basic and diluted loss per share (\$)	(0.0570)	(0.0315)		

Total income in Q4FY26 consisted primarily of other income from the FY26 refundable R&D tax offset of \$1,941k.

- Significant items which drove the loss for Q4FY26 in comparison to the profit for Q4FY25 included:
- Increase in loss from the change in fair value of warrants of \$3,182K in Q4FY26 compared to a loss of \$2,274K in Q4FY25 (see further details in 'Fair value of warrants' below);
- \$2,961k increase in operating expenses driven by employee expenses and professional and consulting fees as the Company shifts focus from research and development into operations.
- Increase of \$310k in sales in Q4FY26 in comparison to Q4FY25 driven by sales and installation of THERMAL-XR® energy saving products and direct web sales of G® Lubricant;

Further details of the Q4FY26 results and their impacts on the FY26 results are provided in the next 'Operations' section.

OPERATIONS

Non-IFRS financial measures

This MD&A refers to Earnings Before Interest, Depreciation, and Amortisation (EBITDA), Adjusted Profit and Loss before income tax for twelve month periods and adjusted basic and diluted loss per share that are measures with no standardised meaning under IFRS.

They are non-IFRS measures and may not be comparable to similar measures presented by other companies.

Their measurement and presentation are consistently prepared and is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management considers this measure appropriate as it reflects the underlying operational performance of the business.

EBITDA

EBITDA is used by management and investors to assess the Company's core operational profitability. EBITDA for the period is calculated by the Company as deducting operating expenses from revenue.

\$'000	12 month period ended 30 June	
	2026	Restated 2025
Revenue from operations	724	238
Other income	2,280	4,659
<i>Less operating expenses:</i>		
Employee expenses	(5,932)	(4,163)
Share based payments expense	(999)	(1,399)
Plant expenses	(802)	(357)
Professional and consulting fees	(4,630)	(2,633)
Occupancy expenses	(334)	(321)
Overheads expenses	(3,598)	(1,918)
EBITDA	(13,291)	(5,894)

Adjusted loss for the period and adjusted loss per share

Adjusted loss for the period and adjusted loss per share are used by management and investors to measure the underlying operating performance of the Company.

Adjusted loss for the period, excludes specific items that are significant but not reflective of the underlying operating performance of the Company, such as the impact of changes in the fair value of warrants.

Adjusted loss per share amounts are calculated using the weighted average number of shares outstanding on a basic and diluted basis as determined by IFRS.

The following table provides the calculation of the adjusted loss for the period and adjusted basic and diluted loss per share, as adjusted and calculated by the Company:

\$'000 unless otherwise stated	12 month period ended 30 June	
	2026	Restated 2025
Profit / (loss) for the year	(29,794)	(8,692)
Less:		
Change in fair value of warrants	14,653	821
Total adjustment items	14,653	821
Adjusted loss for the year	(15,141)	(7,871)
Profit / (loss) per share ⁽¹⁾		
Basic and diluted (\$) ⁽²⁾	(0.2487)	(0.0883)
Adjusted basic and diluted (\$) ⁽³⁾	(0.1264)	(0.0800)
Weighted average number of ordinary shares - basic and diluted	119,816,238	98,400,161

(1) Due to the loss recognised for the years, all outstanding stock options, warrants, broker warrants, restricted share units and performance share units were excluded from the calculation of diluted loss per share due to their anti-dilutive effect.

(2) Calculated using loss for the period over the weighted average number of ordinary shares as per IFRS.

(3) Calculated using adjusted loss for the period over the weighted average number of ordinary shares (non-IFRS measure).

Revenue and other income

\$'000	12 month period ended June 30		Variation	
	2026	2025	\$'000	%
Revenue from operations	724	238	486	204%
Other income	2,280	4,659	(2,379)	(51%)
	3,004	4,897	(1,893)	(39%)

Revenue from operations in FY26 was \$486k higher than FY25, primarily comprising of THERMAL-XR® products and coating services supplied to international and domestic clients in various sectors and G®LUBRICANT web sales.

Foreign regulatory approvals are being sought to further bolster our international THERMAL-XR® revenue streams with an unfortunate delay with the company's EPA application postponing sales into the United States market.

Other income was mainly comprised of \$1,941K of refundable R&D tax offset and \$336k interest income.

Operating costs

Total operating expenses increased significantly by \$5,504K in FY26 compared to FY25 as the Company shifts its focus from research and development into production and sales. Management continues to prudently manage the pace of growth as well as monitor inflationary pressures and control operating expenses where feasible.

Shown in the table that follows, are total operating expenses, which exclude finance costs and depreciation and amortization.

\$'000	12 month period ended 30 June		Variation	
	2026	Restated 2025	\$'000	%
Employee expenses	5,932	4,163	1,769	42%
Share based payments expense	999	1,399	(400)	(29%)
Plant expenses	802	357	445	125%
Professional and consulting fees	4,630	2,633	1,997	76%
Occupancy expenses	334	321	13	4%
Overheads expenses	3,598	1,918	1,680	88%
Total operating expenses	16,295	10,791	5,504	51%

Following is a description of, and commentary on the high-level expense categories of GMG:

Employee expenses

Employee expenses consist of salaries and employee related overheads (primarily government legislated employer contributions to employee retirement funds known as superannuation and payroll tax).

Overall employee expenses increased by \$1,769k from FY25. This is primarily due to the increase in staff as the Company shifts focus from research and development into operations.

Share based payments expense

Share based payments includes share payments for all employees, directors, certain contractors and commercial transactions, such as shares issued for capital raising costs and shares issued for the purchase of IP, trademark & sole distribution rights for THERMAL-XR®.

The total amount to be expensed as employee share-based payments is determined by reference to the fair value of any options granted under the employee share option plan, and share units granted under the Share Incentive Plan:

- including any market performance conditions (e.g. the entity's share price); and
- excluding the impact of any service-based vesting conditions (for example, remaining an employee of the entity for a period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The fair value of shares issued as share-based compensation for goods or services rendered, is measured based on the value of those goods or services provided, expensed at the time of share issue.

Share-based payment expense decreased by \$400k to \$999k for the year ended 30 June 2026 compared to \$1,399k in FY25. No options were granted in either year, and the option component decreased to \$163k in FY26 from \$355k in FY25, as awards granted in prior periods approached the end of their vesting periods. The restricted share unit component decreased to \$836k in FY26 from FY25 \$1,044k, reflecting the grant of the current year awards in May 2026, which contributed less than two months of amortisation.

Plant expenses

This includes raw materials and production inputs, general warehouse expenses, Health, safety and environment and quality control (“HSEQ”), machinery parts and consumables, repairs and maintenance (“R&M”) and other costs.

Plant expenses increased by \$186k to \$369k for the year ended 30 June 2026 (FY2025: \$184k). The increase primarily reflects higher machinery consumables and production equipment purchases and increased electrical contracting as production and battery development activity expanded, together with \$92k of critical spares consumed in maintenance activity during the year and expensed on use. These increases were partly offset by lower general warehouse and health, safety and environment costs.

Professional and consulting fees

Consulting and contracting expenses increased by \$1,186k to \$2,164k for the year ended 30 June 2026 (FY2025: \$977k). The increase primarily reflects \$741k in respect of an outsourced European sales team engaged from November 2025 to support commercialisation in internationally, together with higher business development, contract engineering and recruitment costs.

Investor relations expenses decreased by \$197k to \$634k for the year ended 30 June 2026 (FY2025: \$831k). The decrease is primarily attributable to a prior-year institutional investor meeting program that did not recur in the current year, along with lower news release and market disclosure costs. These reductions were partly offset by additional investor outreach and content production engagements during the year.

Occupancy

Occupancy expenses relate to the rental outgoings and electricity costs at the production facilities located at Richlands, Queensland.

The Company’s Richlands Headquarters and warehouse lease meets the recognition criteria as a right-of-use (“ROU”) asset under IFRS 16. The ROU asset and corresponding lease liability are recognised on the balance sheet with lease payments split between lease liability principal

repayments and interest expense and therefore do not appear under occupancy expenses. Depreciation of the leased asset is recorded on a straight-line basis.

Overall occupancy expenses showed a slight increase of \$13k from prior year. The Company took occupancy of a second production facility in April 2026, located at Richlands, Queensland. This will enable the Company to increase its production of products.

Overheads

Insurance, IT, travel, sponsorships, other R&D related expenses, and various other expenses have been classified as 'Overheads'. While expenses such as IT related expenses, travel and marketing are expected to increase as the business grows, others such as licensing and registration, website, other R&D, filing fees and warrant transaction costs will be uncorrelated to the number of employees, product offerings or number of customers. The following are various operational sub-items that constitute 'Overheads', excluding the expensing of transaction costs:

- IT expenses increased by \$147k, to \$315k for the year ended 30 June 2026 (FY2025: \$168k). The increase was driven primarily by higher managed IT service and support costs, including network remediation and meeting-room infrastructure work, together with new software subscriptions. Approximately \$50k of the increase relates to non-recurring project and hardware costs, with the balance reflecting an increase in the ongoing subscription and support base.
- Marketing and advertising expenses increased by \$698k to \$850k for the year ended 30 June 2026 (FY2025: \$152k). The increase reflects an expanded investor-relations and digital media program, higher paid digital advertising, and increased trade show and exhibition activity supporting product commercialisation.
- Testing and quality control expenses increased from \$172K in FY25 to \$512K in FY26 as the Company engaged with Battery Innovation Centre for external validation of the Company's battery data.

Fair value of warrants

The \$14,653K loss in FY26 resulting from the fair valuation adjustment recognised on the warrant liability was driven by an increase in the unit valuation of all tranches of warrants due to an increase in the share price for the 12 months of 397% and an increase in the price of traded warrants (GMG.WT.A) of 249%.

The share purchase warrants impacted by this adjustment are certain warrants that are recognised by the Company as a derivative liability due to their Canadian dollar denominated, fixed exercise price being different to the Company's functional currency which is Australian dollars. IFRS requires such instruments to be treated as a derivative liability and not equity, until the warrants are exercised or expire. The fair value of the warrants is determined using the Black Scholes option pricing model at the period-end date, or the market trading price in respect of GMG's traded warrants.

There are no cash obligations for the Company relating to this liability. Changes in fair value will continue to be reported in subsequent periods until the warrants are exercised or expire at which time the derivative liability ceases.

A number of factors influence the warrant liability valuation including share price, interest rates and a volatility assumption. For example, share price increases may result in an expense recorded in the profit and loss in conjunction with any increase in the fair value of the warrant liability, while share price decreases, warrant exercises or a reduced time to expiry with the passage of time would result in a gain and decrease in the fair value of the warrant liability.

For warrants exercised, the cumulative difference between the fair value of the warrant liability recognised at grant date, and the fair value based on the GMG share price at exercise date, which is applied to profit or loss, is then extinguished as a liability, with the offsetting entry applied to equity.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents amounted to \$9,936k at 30 June 2026, an increase of \$2,519K from a year earlier. Operating cash outflows of \$12,164k together with \$1,428K spend on acquisitions of plant, equipment and intellectual property rights, were offset primarily by gross proceeds of \$7.6 million raised from the September 2025 offering, \$2,029K of R&D tax incentive received, \$8,882k proceeds from the exercise of warrants and options. Further information regarding the share capital movements is disclosed in the financial statements for the years ended 30 June 2026 and 2025.

Trade receivables and other receivables of \$487K as at 30 June 2026, is primarily \$421K of trade receivables from sales of THERMAL-XR® and G®LUBRICANT and \$73K of GST receivables at the end of the quarter.

Inventories comprise both goods held for sale plus critical spares for manufacturing plant. Inventories held for sale increased by \$770K in FY26 to \$1,379K as at 30 June 2026. There was 9% increase in energy saving products and 287% increase in Graphene powder stock held. The Company increased inventory in preparation for the launch of our palletised small pack products.

Critical manufacturing spares in inventory decreased by \$160k due to transferring of items purchased initially for a second graphene manufacturing station from capital work in progress to inventory.

Other current assets of \$1,048K is prepayments, primarily \$284K for insurance, \$273k for prepaid marketing campaigns, \$139K for inventory related items still to be received, \$29K prepaid investor relation costs, \$22K filing fees, \$42K for international travel expenses, \$50k rental costs relating to the warehouse facilities treated as lease liabilities and \$49K for IT expenses costs.

Trade and other payables relate to expenses in the ordinary course of business, including accounts payable, wages payable, PAYG withholding tax payable, superannuation payable, and other accrued expenses. The balance of \$1,798K at 30 June 2026 consists primarily of \$526K of trade payable, \$1,134K of accrued costs and \$138K of superannuation payable.

The financial liability relates to certain share purchase warrants issued with an exercise price denominated in Canadian dollars (as described in detail in the previous section "Fair value of warrants").

Liquidity and capital resources

GMG has generated limited revenue to date. Cash expenses relate to R&D activities and operational expenses. Capital raised has been mainly used to fund the development of the Company's proprietary graphene powder production technology, graphene enhanced products and solutions, and plant and equipment and expenses for developing, testing, manufacturing and marketing these products.

Please see the breakdown of the Company's R&D expenditures under the "Business Objectives" section. Development of G+AI Battery technology, production and commercialisation planning has been an increasing focus area for GMG's employees and intended use of current cash resources.

The table below contains information about the Company's contractual obligations that affect short and long term liquidity and capital needs. The table also includes information about payments due under specified contractual obligations and is aggregated by type of contractual obligation.

	Within 1 Year	Between 1 - 5 years	More than 5 years	Total Contractual Cash Flows	Carrying Amount
30 June 2026	\$	\$	\$	\$	\$
Trade and other payables	1,798,513	-	-	1,798,513	1,798,513
Contract liabilities	-	-	-	-	158,567
Lease liabilities	810,048	796,339	-	1,606,387	1,473,901
Employee benefit liabilities	334,297	103,217	-	437,515	437,515
Provisions	-	593,920	-	593,920	593,920

In FY26, the Company incurred a loss of \$29,794K after income tax and net cash outflows from operating activities of \$12,164K. As at 30 June 2026, the Company had net current liabilities of \$5,672k (30 June 2025: net current assets of \$7,979K) and net liabilities of \$292k (30 June 2025 net assets: \$7,979k)

The ability of the Company to continue as a going concern is principally dependent upon current cash funding held and the ability to raise additional capital, attract further partners or secure other forms of financing, as and when necessary to meet the levels of expenditure required for the Company. This is required to continue its ongoing development and commercialisation of energy saving and energy storage solutions and to meet the Company's working capital requirements.

These conditions continue to give rise to material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

Whilst acknowledging these uncertainties, the Directors have concluded that the going concern basis of preparation of the MD&A is appropriate considering the following circumstances:

As at 30 June 2026, the Company had cash and cash equivalents of \$9,936k (2025: \$7,417k) excluding restricted cash of \$321k (2025: \$291k), which together with the funds which could be received from warrants and options is sufficient to meet the ongoing corporate costs and expected project expenditure in the short to medium term;

- As at the date of this report there are 4,548,022 options and 15,090,158 warrants on issue with exercise prices ranging from AUD\$0.55 to AUD\$3.40. If exercised these could raise up to \$35,891k in additional capital. Of these, 1,548,022 options and 13,002,308 warrants are considered "in the money", amounting to potential proceeds of \$18,651k;
- The Company believes that it will continue to be eligible for the Australian research and development tax incentive scheme with \$2,029k received in cash for the year ending 30 June 2025 and an expected \$1,909k to be received for the year ending 30 June 2026;

- The Company continues to closely monitor expenditure, and the Board is confident that it will be able to manage its cash resources appropriately;
- The Company continues to engage with potential energy saving products customers with the aim to increase sales;
- In September 2026, the Company announced the closing of a non-brokered private placement with a private investor to for US\$10million (A\$14million) for 6,465,336 ordinary shares of the Company at a price of CA\$2.15 per ordinary share; and

- To the extent required, the Company has capacity under the TSXV Listing Rules to raise further funds through the issue or placement of securities and currently has a Base Shelf Prospectus readily available on SEDAR+ for this purpose.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the MD&A. This MD&A does not include any adjustments related to the recoverability and classification of recorded asset amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.

Use of Financing Proceeds

The capital raised pursuant to the March 2025 Offering had funds allocated as per the below table.

Use of Proceeds	Estimated Expenditure A\$	Actual Expenditures A\$	Variance A\$	Comments
Research and development costs to progress pouch cell G+AI Battery to enable scaled production with the Company's employees and service charges with the BIC Indiana.	1,375,000	1,173,183	201,817	Spend to date predominantly includes employee costs for the battery team approx. 50%, testing with the BIC of 20% and materials and consumables 10%
Capital expenditure for sales expansion of Gen 2.0 Plant and G*LUBRICANT Blend Plant.	1,925,000	1,285,554	639,446	Capital proceeds used in the build of Gen 2.0 Plant capital spend to end of June 2026.
Ongoing corporate activities and commercial development of new and established product channels for energy savings products.	596,420	1,520,346	(923,926)	Spend includes approx. 25% of sales team staffing costs and approx. 68% sales contractors.
Ongoing business operation overheads inclusive of occupancy costs, administrative salaries, uplisting preparation and other running costs	1,375,000		1,375,000	
	5,271,420	3,979,083	1,292,338	

The capital raised in the September 2025 Offering had funds allocated as per the below table.

Use of Proceeds	Estimated Expenditure A\$	Expenditures A\$	Variance A\$	Comments
Research and development costs to progress pouch cell G+AI Battery to enable scaled production including service charges with BIC Indiana to accelerate the Company's R&D efforts for both the G+AI Battery and Supa G.	1,650,000	655,766	994,234	Spend to date predominantly includes employee costs for the battery team approx. 50%, testing with the BIC of 20% and materials and consumables 10%
Capital expenditure for sales expansion to deliver the second stage of the Gen 2.0 Plant.	1,540,000	-	1,540,000	
Ongoing corporate activities and commercial development of new and established product channels for energy savings products, build stock for global distribution and palletisation of the Company's inventory.	2,487,837	1,317,540	1,170,297	Spend includes approx. 25% of sales team staffing costs and approx. 68% sales contractors.
Ongoing business operation overheads inclusive of occupancy costs, administrative salaries, and other running costs.	1,100,000		1,100,000	Receipts of funds outside of Capital raising utilised for on-going business until period June 2026
	6,777,837	1,973,307	4,804,531	

In addition to the capital raise, GMG has funded its ongoing operations and working-capital requirements through its ATM Facility, the Government's Research and Development Tax Incentive, and customer receipts.

Financial instruments and risk management

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes party to the contractual provisions of the financial instrument. GMG's financial instruments are its cash and cash equivalents, trade and other receivables, trade and other payables. The Company is exposed to a variety of financial risks, which result from its financing, operating and investing activities. The objective of financial risk management is to contain, where appropriate, exposures in these financial risks to limit any negative impact on the Company's financial performance and position.

The risks arising from the Company's financial instruments are mainly credit risk and foreign currency risk. The risk management policies employed by the Company to manage these risks are discussed below:

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date. The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets.

As the company expands and increases sales, this will become a larger consideration. Management closely monitors, the activities of its counterparties and potential counterparties.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and the maturity of liabilities do not match. Some financial assets may not be able to be monetised in a timely manner. Based on current cash resources, the company's outstanding warrants and options, and the recently completed capital raising the Company believes it will be able to manage its liquidity demands and mitigate risks accordingly. While the company does not have any credit facilities from banks, GMG ensures it maintains enough cash, to fulfil its near-term liabilities.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency.

The Company is exposed to foreign exchange risk, however, at present, this risk is relatively low as revenue is limited and most expenses are denominated in Australian dollars. However, in the past, the Company has sourced funding from investors and will increasingly source capital equipment from overseas. Because of the short-term nature of these foreign currency exposures to date and low level of associated risk, the Company has not considered it necessary to enter into any currency hedging transactions.

More recently the Company has become exposed to currency risk relating to the financial liability required by IFRS to be recognised in relation to certain warrants with exercise prices denominated in Canadian dollars. As there is no cash obligation associated with this liability, the Company considers the associated currency risk to be low.

Off-balance sheet arrangements

As of the date of this MD&A, the Company did not have any off-balance sheet arrangements.

Outstanding shares

As at the date of this report, the Company has:

- 133,772,670 ordinary shares issued and outstanding;
- 4,548,022 options outstanding with expiry dates ranging between April 5, 2027 and July 7, 2031, with exercise prices between A\$0.61 and A\$3.40.
- If all the options were exercised, 4,548,022 shares would be issued for proceeds of A\$12,770,259.
- Of these options 1,548,022 are in the money and if exercised proceeds would be A\$2,570,259
- 15,090,158 warrants outstanding with expiry dates ranging between November 30, 2026 and July 24, 2030, with exercise prices between C\$0.55 and C\$3.35.
- If all the warrants were exercised, 15,090,158 shares would be issued for proceeds of A\$23,120,432. Of the outstanding warrants, 13,002,308 warrants are “in the money” and if exercised proceeds would be A\$16,081,091;
- 2,419,502 restricted share units outstanding with a nil exercise price and expiry dates ranging between March 14, 2027 and May 18, 2030.

RELATED PARTY TRANSACTIONS

Key management personnel compensation

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors, companies controlled by officers or directors, and companies with common directors of the Company. The transactions the Company enters into with related parties are made on terms equivalent to those that prevail in arm's length transactions.

		2026 A\$	2025 A\$
Short-term employee benefits	(i)	1,450,447	1,244,877
Post-employment benefits	(ii)	39,371	774
Other long-term benefits	(i)	148,329	125,468
Share-based payments	(iii)	783,460	1,071,175
Total key management personnel compensation		<u>2,421,607</u>	<u>2,442,294</u>

- (i) In accordance with IAS 19 *Employee Benefits*, annual leave is classified as short-term employee benefits and long service leave provision is classified as other long term employee benefit.
- (ii) Superannuation is only applicable for the period in which the directors and non-executive directors are paid as employees, rather than in a consulting capacity.
- (iii) The fair value of the options is calculated at the date of grant using the Black Scholes option-pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

There were no loans to key management personnel and their related parties for the reporting years ended 30 June 2026 and 2025.

Transactions with other related parties

	2026 A\$	2025 A\$
The following transactions occurred with related parties:		
<i>Purchase of services</i>		
Compensation paid to close family members of directors	164,402	137,650
Consulting services	<u>-</u>	<u>20,385</u>

Amounts owing to related parties at 30 June

Galyen Energy, LLC	<u>59,108</u>	59,108
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Robert Galyen is a director and shareholder of Galyen Energy, LLC which provided battery consulting services of \$20,385 to the Company in the year ended 30 June 2025. Total amount owing as at 30 June 2025 to Galyen Energy LLC includes amount owed as at 30 June 2024.

Compensation in the form of directors' fees for all non-executive directors are paid either directly to the directors, or their director-related entities.

All transactions were made on normal commercial terms and conditions and at market rates.

RISKS AND UNCERTAINTIES

In addition to the risks contained herein, the disclosures in this MD&A are subject to, and should be read in conjunction with, the risk factors outlined in the AIF, filed on the Company's SEDAR+ profile at www.sedarplus.ca.

The Company has a history of negative operating cash flow and may continue to generate losses.

The Company currently has a negative operating cash flow and may continue to have that for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows would have a material adverse effect on the Company's financial condition and results of operations.

Graphene prices are volatile and may decline which could adversely impact the Company's operations and profitability.

The price of graphene may be affected by numerous factors beyond the Company's control, including levels of supply and demand, global or regional consumptive patterns, increased production due to new graphene developments and improved production methods, currency values and the like. Declining market prices for graphene could materially adversely affect the Company's future operations and profitability.

Changes to the Australian R&D tax regime could materially affect the Company's financial position.

GMG has obtained substantial income from grants, tax concessions and subsidies. It received approximately AUD\$1,554,070 with regards to fiscal year 2022, AUD\$2,579,757 with regards to fiscal year 2023, AUD\$2,847,866 for the fiscal year 2024, and is expecting to receive AUD\$1,997,992 for the fiscal year 2025 under the Australian R&D tax offset scheme. If this incentive were to be unavailable to GMG going forward, the business may have to raise additional capital from investors, and this may cause further dilution and reduce the returns for existing shareholders.

The Company's technologies may not be successfully commercialized or generate any revenue.

Most of the Company's products and solutions are currently in the R&D, and commercialization phase, at various stages of progression. There is a risk that the technology and the Company's products will not perform as expected (e.g. coatings, lubricants, G+AI Batteries) in certain applications and therefore, the Company may encounter delays to commercialization or may run the risk that the technologies will never be successfully commercialized. This means that the Company may never receive revenues or return on its research and development activities.

The Company has identified material weaknesses in its internal control over financial reporting. Failure to effectively remediate these weaknesses, the emergence of additional material weaknesses, or a failure to maintain effective internal controls could impair the Company's ability to produce timely and accurate financial statements and to comply with applicable laws and regulations.

In connection with the preparation of certain financial statements of the Company, the Company identified material weaknesses in the Company's internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on a timely basis. These material weaknesses relate to deficiencies in the design and implementation of controls are summarized below:

- the Company did not adequately establish, implement, or oversee IT general controls relating to system changes, access management, and segregation of duties across systems that support most financial reporting processes. As a result, automated controls are ineffective, and any manual controls that rely on system-generated information were inappropriately relied upon;
- the Company did not design or implement controls with sufficient precision to enable effective oversight of business processes and the related control activities; and
- the Company did not develop, implement, or consistently maintain formal accounting policies, procedures, and control documentation across the majority of its processes to ensure financial information is recorded, reported, and disclosed in a timely, complete, and accurate manner.

The Company believe these material weaknesses resulted, in part, due to the fact that the Company is a small company with limited resources for addressing internal controls over financial reporting and the controls in place have been more aligned with the operational risks of the business and to address the risk of material fraudulent transactions.

Management has commenced a process to understand the required level of internal control and committed to implementing appropriate remedial actions and initiatives to expand the Company's resources and strengthen the control environment.

The Company may be unable to fully remediate these material weaknesses until the remediation measures have been fully implemented and the Company's internal controls have operated effectively for a sufficient period of time. In addition, the Company cannot predict whether the Company's remediation efforts will be successful or determine the results of any future evaluation of such efforts at this time. Further, the Company is not currently required to comply with the SEC rules in implementing Section 404 of the Sarbanes-Oxley Act of 2002 and, therefore, are not required to perform a formal assessment of the effectiveness of the Company's internal control over financial reporting. As a result, the Company cannot provide assurance that the Company have identified all material weaknesses or that additional material weaknesses will not be identified in the future.

Risks Related to the Company's Financial Position and Need for Capital

The Company's ability to continue as a going concern is contingent on profitable operations and/or additional financings.

The Company's annual financial statements and interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of the Company's assets and to meet the Company's liabilities as they become due. The Company's ability to continue as a going concern is dependent upon the Company's ability to attain profitable operations and generate funds therefrom, and/or to continue to obtain borrowings or issue equity from third parties sufficient to meet current and future obligations. In the event the Company is at any point unable to continue as a going concern, this would have an adverse impact on the Company's business, financial condition, and operating results.

The Company may require significant additional capital, which may not be available.

Substantial additional capital may be required for new manufacturing capacity, expansion of sales or other purposes. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing, or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to us and might involve substantial dilution to existing Shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all and may not obtain the capital required by other means. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations. Any future issuance of Shares to raise required capital will likely be dilutive to Shareholders. In addition, debt and other mezzanine financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the Company's industry in particular), the Company's status as a new enterprise with a limited history, and/or the loss of key management personnel. Further, if the demand for graphene and graphene-enhanced products decreases, then potential revenues will likely decrease or not materialize and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development of revenue streams.

General Risks

The Company is exposed to foreign exchange rate fluctuations that may impact the actual amounts the Company receives from financings.

Fluctuations in currency exchange rates, particularly the weakening or strengthening of the Australian dollar against foreign currencies such as the US dollar or Canadian dollar, could have a significant effect on our results of operations. The Company currently does not engage in any hedging activities in connection with foreign currency requirements.

Currency fluctuations may affect the cash flow which the Company may realize from our financing, since the business will raise money in Canadian dollars, but the Company's functional currency is Australian dollars.

Weaknesses in the Company's internal controls may impact risks associated with the Company's disclosure.

The Company has limited administrative staff, meaning internal controls which rely on segregation of duties in many cases are not possible. The Company does not have the resources, size, and scale to hire additional staff to address this potential weakness currently. To help mitigate the impact of this, the Company relies on the performance of compensating procedures including senior management's review and approval. As a venture issuer, the Company will not be required to certify the design and evaluation of our DC&P and ICFR, and as such has not completed such an evaluation. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR.

Global economic stress may reduce demand for the Company's products.

Reduction in credit, combined with reduced economic activity and the fluctuations in the Australian dollar may adversely affect businesses and industries that are exploring the use of graphene and related products, affecting in unpredictable ways than the normal risks associated with prices for GMG's products. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing more difficult and we are dependent upon the capital markets to raise financing. Any of these events, or any other events causing turmoil in world financial markets, may have a material adverse effect on our business, operating results, and financial condition.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing the financial figures, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, revenue and expense. Actual results may differ from these estimates.

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

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Going concern – whether there are material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern;
- Inventories – whether the net realisable is greater than the carrying value; consideration is made of current and forecast selling prices of the relevant products, together with physical examination of inventory for product obsolescence.

(b) Estimates

Information about assumptions and estimation uncertainties at 30 June 2026 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year are included in the following notes:

- Financial liabilities – key assumptions underlying the basis of measurement of warrant liabilities, valued using the Black-Scholes option pricing model;

(c) Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values for warrant liability. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair values of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1:* quoted prices in active markets for identical assets or liabilities (unadjusted).
- *Level 2:* observable direct or indirect inputs (as prices) for the asset or liability, other than Level 1 inputs.
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

FUTURE CHANGES IN ACCOUNTING POLICIES

In FY26 the Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability – Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

These amendments have no effect on the measurement or presentation of any items in the consolidated financial statements of the Company.

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- Annual Improvements to IFRS Accounting Standards – Volume 11

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Company