

September 2026 Quarterly Activities Report

HIGHLIGHTS

Graphene Additives

- First delivery of **ecosparc®** to a tier 1 global coatings manufacturer marking another significant step in commercial roll-out
- Pipeline of >20 active testing programs targeting multiple additional **ecosparc®** enhanced coating product releases over the next 6-12 months
- 16-week cyclic corrosion testing demonstrated a 25% improvement in corrosion resistance using **ecosparc®** additives containing HydroGraph's Fractal Graphene
- Subsequent to quarter end, Sparc and Levidian Nanosystems entered an MoU for the commercialisation of **ecosparc®** enhanced protective coatings in the Middle East

Sparc Hydrogen

- Collaboration agreement signed with US-based SunHydrogen to assess the potential for combined technologies to increase hydrogen yields and reduce production costs
- SHARP pilot plant achieved nine months of continuous operation
- Appointment of a Manager of Advanced Materials to broaden water-splitting materials sourcing
- Subsequent to quarter end, a further A\$1.3M was committed to Sparc Hydrogen, with Sparc Technologies, Fortescue and Adelaide University participating pro-rata

Sparc Technologies Limited (ASX: SPN | FRA: NLR | OTCQB: SPTCF) is pleased to provide its September 2026 Quarterly Activities Report.

Sparc holds globally leading technology positions within two multibillion-dollar industry verticals:

- The commercialisation of graphene additives in a growing number of high-performance coatings segments valued at >US\$50bn; and
- The development of next-generation green hydrogen production technology via our investment in Sparc Hydrogen.



Graphene Additives

Within the Graphene Additives business, 2026 has marked the transition from technical validation to genuine product adoption. In Q2, AkzoNobel – a tier 1 global coatings manufacturer – commercially released an **ecosparc**® enhanced version of its Interzone® 954 protective coating in Australia, representing the first widely used protective coating product to offer an **ecosparc**® enhanced version. In early September, the Company despatched its first shipment of **ecosparc**® for use in Interzone® 954. The 160kg order was fulfilled from Sparc's production facility in Adelaide, South Australia, which has capacity to supply additives for ~4.5 ML of protective coatings annually and is sufficient for ramp-up of commercialisation without additional capital expenditure.

During the quarter, Sparc released the results of 16-week cyclic corrosion testing of Hydrograph Fractal Graphene in Sparc's **ecosparc**® additives within solvent-based protective coatings. The testing was conducted in Sparc's laboratories under [ISO 12944-6¹](#) methodology and demonstrated a 25% improvement in the corrosion resistance (scribe creep²) of a commercially available solvent-based coating dosed with **ecosparc**® containing HydroGraph Fractal Graphene. The 16-week results correspond to the cyclic ageing exposure specified under ISO 12944-6 for C5 Very High (C5-VH) durability. ISO 12944 is an international standard for assessing the corrosion protection of steel structures by protective coating systems. Subject to successful results from extended 25-week (4,200 hour) testing, due in November 2026, the parties intend to negotiate a definitive commercial supply and collaboration agreement relating to Sparc's **ecosparc**® additives.

Subsequent to quarter end, Sparc and UK-based Levidian Nanosystems (**Levidian**) executed a memorandum of understanding (**MoU**) regarding the development, production and commercialisation of **ecosparc**® enhanced protective coatings in the Middle East. The collaboration provides a pathway to engage major regional asset owners and end users while developing **ecosparc**® enhanced coatings incorporating Levidian's graphene for protective and industrial coating applications in the GCC region.

Sparc will develop **ecosparc**® formulations, conduct testing in its ISO-accredited laboratories and work with coatings manufacturers and end users to progress qualification testing, field trials and product specification. Levidian will supply graphene for formulation development, provide technical support and facilitate access to major regional end users, including large infrastructure owners and national oil operators. Execution of the MoU follows Levidian having supplied graphene for testing by Sparc within **ecosparc**® enhanced coatings.

The parties will jointly plan commercial arrangements, including market volumes, manufacturing and distribution, quality requirements, geographical scope and target pricing. A joint technical committee will meet monthly to agree priorities and review progress, with the parties aiming to establish a binding joint development or commercial supply agreement within 12 months. The parties will also assess the feasibility of local manufacturing of **ecosparc**® additives in the UAE within 24 months, subject to an agreed business case. The market for protective and marine coatings in the Middle East is estimated to be >200ML by 2030³ and by comparison is greater than that of North America. The MoU is non-exclusive and contains customary intellectual property and confidentiality protections which are binding on both parties.

Other activities conducted within the Graphene Additives business during the quarter included:

¹ ISO 12944-6:2018 Paints and varnishes — Corrosion protection of steel structures by protective paint systems. Part 6: Laboratory performance test methods.

² Scribe creep describes the scribing of coated samples through the coating layer and into steel panels using a scribe tool and the resultant corrosion. The less corrosion creep on either side of the scribe, the higher the corrosion resistance performance.

³ Source: Orr & Boss, 2025.



- Marketing of **ecosparc**® enhanced protective coatings to a wide range of asset owners and end users in Australia with a view towards use and inclusion in specifications.
- Progression of >20 active testing programs across anti-corrosion and conductivity related coatings development projects with third party coatings manufacturers across the globe.
- Ongoing technology development in collaborative projects related to anti-fouling, sustainable packaging and AI based corrosion assessment.
- Dr Denis Wright presented to the Advanced Carbons Council on 1 July 2026. A recording can be accessed here: [link](#)

Sparc Hydrogen

Sparc Hydrogen, a joint venture between Sparc Technologies, Fortescue Ltd and the Adelaide University, has been developing patented photocatalytic water splitting (**PWS**) reactor technology since 2022. Commercialisation of Sparc Hydrogen's PWS reactor technology is expected to support the emerging green hydrogen industry, which is forecast to be worth US\$1.4 trillion annually by 2050 requiring US\$9.0 trillion of cumulative investment⁴.

In August, Sparc Hydrogen announced a 24-month Collaboration and Mutual IP Protection Agreement (**Collaboration Agreement**) with SunHydrogen, Inc. (OTCQB: HYSR), a leading US based developer of solar-driven systems for green hydrogen production utilising advanced semiconductor materials. Execution of the Collaboration Agreement followed highly encouraging results from the preliminary testing of SunHydrogen modules in Sparc Hydrogen's laboratories demonstrating solar-to-hydrogen (**STH**) efficiencies of above 10%. Double-digit STH efficiency represents a significant performance milestone for direct solar water-splitting technologies and supports the potential for further scale-up and commercial development.

The purpose of the collaboration is to assess the technical and economic feasibility of integrating SunHydrogen's photoelectrochemical (**PEC**) and integrated PV-electrolysis (**IPV-E**) modules with Sparc Hydrogen's reactors operating under concentrated sunlight. The collaboration will initially involve laboratory testing at increasing solar concentrations before progressing to on-sun testing at the SHARP pilot plant at Roseworthy for real-world validation. Results from this testwork will form the basis for a jointly funded techno-economic assessment (**TEA**) to be based on an agreed methodology for levelised cost of hydrogen (**LCOH**) calculation and cost reduction potential. The parties are aligned in a common goal for the collaboration which is to jointly achieve a meaningful reduction in the LCOH via integration of their compatible technology platforms.

As at the date of this report, Phase 1 testing has been completed, with SunHydrogen's modules demonstrating substantially increased hydrogen production per module (yield) under increased solar concentration within Sparc Hydrogen's reactor platform. Producing more hydrogen from each module could improve system economics and reduce hydrogen production costs, with this potential to be assessed through the testing program and TEA. Phase 2 is focused on optimising the integration of the two technologies ahead of Phase 3 which involves on-sun testing at the SHARP pilot facility early in the new year.

The Collaboration Agreement provides Sparc Hydrogen with exclusive rights during the term (with a 12-month post-termination non-compete in certain circumstances) in relation to the application of SunHydrogen's

⁴ Green hydrogen: Energizing the path to net zero, Deloitte's 2023 global green hydrogen outlook.



technology in concentrated-light applications above an agreed solar concentration threshold, reinforcing Sparc Hydrogen's strategic position in this field. Subject to successful completion of the collaboration, Sparc Hydrogen also has an irrevocable option, exercisable for 18 months, to negotiate either a long-term commercial supply agreement or a manufacturing licence for SunHydrogen's modules for integration into its reactors, together with a right of first offer over competing third-party arrangements during the option period.

Subsequent to quarter end, the shareholders of Sparc Hydrogen committed a further A\$1.3M to Sparc Hydrogen, with all shareholders participating pro-rata. The investment follows Sparc Hydrogen's successful progression from early stage operation of its first-of-a-kind SHARP pilot facility and a progression to the second phase of laboratory testing with SunHydrogen. The new funding will support Sparc Hydrogen's ongoing technology scale-up, partnerships and commercial delivery.

Sparc Technologies' pro-rata equity investment of ~A\$468K in Sparc Hydrogen is being made under the terms of an Offer Notice and Subscription Deed which has been executed by each shareholder. Sparc Technologies' shareholding in Sparc Hydrogen will remain unchanged at 36% following the investment. A shareholders agreement pertaining to Sparc Hydrogen exists between Sparc Technologies, Fortescue (via MIH2 Pty Ltd) and Adelaide University (via Innovation and Commercial Partners Pty Ltd) which contains customary provisions for a private company of this nature and remains unchanged.

Other Sparc Hydrogen activities during the quarter included:

- SHARP completed its first winter of continuous operation, with the spring and summer program now underway. The upcoming campaign will test the facility across a wider operating conditions, validate improvements and generate data needed to support next-generation reactor design for higher performing water-splitting materials.
- A successful SHARP site tour was hosted on 2 September 2026 as part of the APAC Hydrogen Summit held in Adelaide on 3 and 4 September.
- Generation 1 reactor patents were granted in three further jurisdictions: Japan, Saudi Arabia, and South Africa, taking the total number of patents granted to five.
- Photocatalyst sourcing strategy broadened to incorporate high-performing PEC and IPV-E materials, with a new Manager of Advanced Materials, Sam Core, appointed in August.
- Several new materials producers were identified during the quarter, with materials procurement underway ahead of lab testing.

Looking Ahead

Sparc's immediate focus is on expanding adoption of its flagship **ecosparc**® product across additional coatings companies and products. Sparc has two commercial customers and >20 active testing and qualification programs across the global coatings industry including the involvement of several oil & gas majors. This existing pipeline of projects offers exposure to more than 50 million litres of coatings annually. To put that in perspective, every litre of coating sold containing Sparc's graphene additives delivers ~US\$1.2 of revenue to Sparc at gross margins of ~50%. The Company is targeting multiple new commercial coatings product launches over the next 6 to 12 months which will not only set the platform for revenue growth and positive cash flow generation, but also firmly establish Sparc as the leading graphene additive supplier to the global coatings industry.



Sparc's additive technology portfolio is expanding beyond protective coatings. SparcES™, launched in June, is a graphene additive range targeting conductive and electrostatic discharge coatings used in data centres, semiconductor fabrication and EV battery manufacturing. In addition, customer-led programs are progressing in powder coatings, water-based coatings and other applications. Across the coatings segments being targeted through active customer programs, the estimated 2030 market opportunity is approximately US\$51 billion and 11.7 billion litres.

For Sparc Hydrogen, the follow-on investment announced in October 2026 provides a strong platform for the next phase of activities with SunHydrogen and other emerging testing programs through 2027. The technology has progressed to pilot-scale validation at the SHARP facility at Roseworthy, South Australia, where hydrogen has been produced under real-world operating conditions for over 9 months. With approximately A\$10 million invested since Sparc Hydrogen was established in 2022, the focus is now on further technology validation, partnership development and commercial scale-up. Sparc Technologies retains significant upside exposure through its 36% interest in Sparc Hydrogen, alongside Fortescue (36%) and Adelaide University (28%). Increasingly, the business is being managed on a standalone basis and Sparc Technologies expects that additional funding will be sourced from external investors during 2027 to allow for further growth.

Corporate

Other Activities

Notable corporate activities and events undertaken during the quarter include:

- Managing Director, Nick O'Loughlin, presented at the OTCQB Virtual Investor Conference on 6 August 2026. The presentation can be accessed here: [link](#) and a recording is here: [link](#)
- The Company's FY26 Annual Report was released to the ASX on 28 August 2026 and can be accessed here: [link](#)
- A letter to Sparc Technologies shareholders was published on 3 September 2026 and can be accessed here: [link](#)

Placement

During August 2026, the Company completed a share placement (**Placement**) to sophisticated and professional investors, comprising 4,285,714 new fully paid ordinary shares in the Company (New Shares) issued at 17.5 cents per New Share (A\$0.175) to raise A\$750K before costs. Sparc's Directors subscribed for a total of 397,858 New Shares in the Placement, totalling ~A\$70K (**Director Placement Shares**). The issuance of the Director Placement Shares is subject to shareholder approval, which is to be sought at the Company's annual general meeting to be held on 19 November 2026.

Cash

As at 30 September 2026, the Company had a reported cash position of A\$1.14M. In October 2026, the Company completed a share purchase plan (**SPP**) at the same issue price as the Placement (A\$0.175) which raised an additional A\$901.5K before costs. The Company also filed its FY26 tax return in October 2026, which included an expected R&D tax rebate of ~A\$881K.

Cash expenditure for the quarter was in line with expectations.



Related Party Payments

In line with its obligations under ASX Listing Rule 5.3.5, Sparc Technologies Limited notes that the only payments to related parties of the Company, as advised in Appendix 4C for the period ended 30 September 2026, pertain to payments to directors in arrears for Directors Fees, salaries and superannuation in the amount of A\$195K.

-ENDS-

Authorised for release by: Nick O'Loughlin, Managing Director.

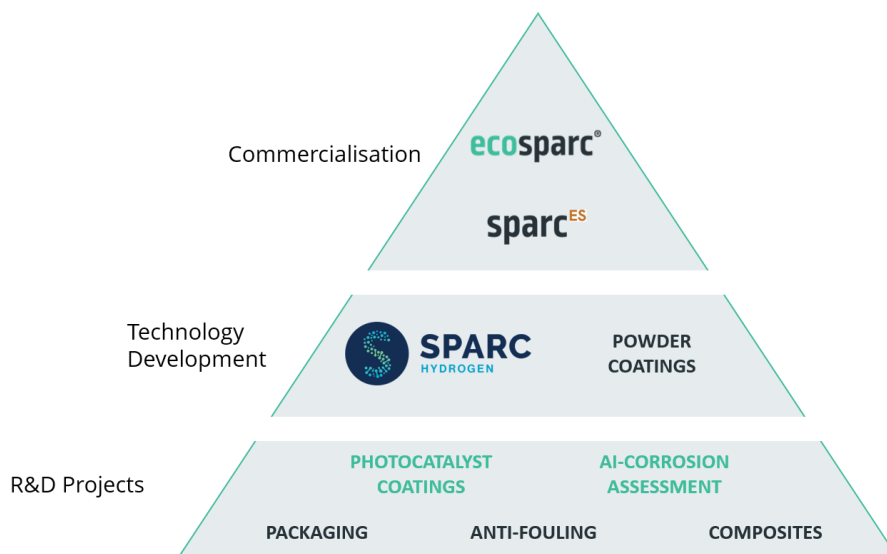
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About Sparc Technologies



Sparc Technologies Limited ('Sparc', ASX: SPN | FRA: NLR | OTCQB: SPTCF) is an Australian technology company developing solutions that enhance environmental and sustainability outcomes for global industries. Sparc has two transformative technology areas in which it works: graphene enhanced materials and green hydrogen. Sparc conducts research and development in-house and has extensive engagement and relationships with the university sector in Australia and globally.

1. Sparc has developed and has commercialised a **graphene additive** product, **ecosparc®**, which at low dosages significantly improves the performance of commercially available epoxy-based protective coatings. Sparc has commissioned a manufacturing facility to produce **ecosparc®** and is engaging with global coatings companies and large asset owners on testing, trials and commercial partnerships.
2. **Sparc Hydrogen** is a joint venture between Sparc Technologies, Fortescue Ltd and the Adelaide University which is pioneering next-generation green hydrogen production technology. Photocatalytic water splitting (**PWS**) is an emerging method to produce green hydrogen without electrolyzers - using only sunlight, water and a photocatalyst. Given lower infrastructure requirements and energy use, PWS has the potential to deliver cost and flexibility advantages over existing hydrogen production methods.

For more information about the company please visit: sparctechnologies.com.au

For more information about Sparc Hydrogen please visit: sparchydrogen.com



Forward Looking Statements

Some information included in this release constitutes forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation the matters set out in this announcement.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.



Appendix 4C

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

Name of entity

Sparc Technologies Limited

ABN

13 009 092 068

Quarter ended ("current quarter")

30 September 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	7	7
1.2 Payments for		
research and development	(673)	(673)
product manufacturing and operating costs	-	-
advertising and marketing	(55)	(55)
leased assets	-	-
staff costs	(121)	(121)
administration and corporate costs	(196)	(196)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	14
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(1)	(1)
1.7 Government grants and tax incentives	31	31
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(995)	(995)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
entities	-	-
businesses	-	-
property, plant and equipment	(12)	(12)
investments	-	-
intellectual property	-	-
other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	entities	-	-
	businesses	-	-
	property, plant and equipment	-	-
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(12)	(12)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	671	671
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	671	671

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,471	1,471
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(995)	(995)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(12)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	671	671

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,135	1,135

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,135	1,471
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,135	1,471

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	195
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other Rockford Capital R & D Advance	679	679
7.4	Total financing facilities	679	679
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	The company successfully attained a \$680k principal cash advance from Rockford Capital Pty Ltd against its expected FY26 R&D Tax Incentive for the period 1 July 2025 to 28 February 2026. The outstanding balance of the advance, which includes interest calculated at 15%pa, is expected to be repaid from the realised R&D tax rebate in November 2026.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(995)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,135
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,135
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.14
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The Company announced on 8 October 2026 that \$901,500 was raised through a successful Share Purchase Plan. The Company has capacity under Listing Rule 7.1 and 7.1A. to place additional securities for the purpose of raising additional capital if and when required.	

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

Answer: In light of the above factors, the Company believes that it will have sufficient cash to fund its existing activities. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.

Compliance statement

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

Date:30/10/2026.....

Authorised by:The Board.....

(Name of body or officer authorising release – see note 4)

Notes

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