

Shareholder Update

Province Resources Limited (**Province** or the **Company**) has been developing the HyEnergy® green hydrogen project for the past three years. During this period, Province has completed all work streams that have been directly under its control, including:

- Scoping Study
- Site selection study
- Prefeasibility Studies on renewable power generation and green hydrogen production
- Land agreements with pastoralists
- Environmental studies and referral to the State Government
- Town planning and rezoning study in conjunction with the Carnarvon Shire,
- Port development studies
- Construction of a met mast and deployment of five sodar trailers (atmospheric data collection systems)
- Marine bathymetric study

Province has, in good faith, completed all these studies and has been in continuous communication with all relevant departments and Ministers over this time with the expectation that the State Government would grant timely and appropriate land tenure for the project. Unfortunately, the State Government has failed to offer tenure for the project on terms which would be acceptable to Province and potential project partners, or in the best interests of the Company's shareholders.

All other stakeholders involved in the project including pastoralists, Traditional Owner groups, the local business sector, and local government, have been overwhelmingly supportive of the project and our activities and we sincerely thank them for this.

Due to the excessive amount of time taken by the State Government to consider appropriate tenure for the HyEnergy® project, the initial opportunity to advance the HyEnergy® project has been lost. These time delays have seen a significant reduction in investor interest in the sector and, ultimately, resulted in many companies deferring their plans to develop their green energy projects.

Notwithstanding this, Province remains positive about the need to decarbonise and the long-term prospects of green hydrogen. We are firmly of the view that the Gascoyne Region of Western Australia has the best complementary wind and solar

resources available at Gigawatt scale that are proximate to the coast and with access to international export markets.

We also remain hopeful that, in time, market and investor interest will come back to the sector and that there is a bright long-term future for the HyEnergy® Project. Province will continue to seek enhanced government support for the development.

With the above in mind, Province intends to maintain the HyEnergy® project in a state of readiness for the next permissive global/local renewable hydrogen demand and development cycle.

Currently, there is no clear pathway involving a relisting of the Company's securities with the HyEnergy® project being Province's main undertaking. As a result, the Board has formed the view that it is in the interests of shareholders to seek a relisting through a return to minerals exploration and development. To this end, the Company has been reviewing a number of mineral exploration projects suitable for a transaction and subsequent recompliance transaction.

Province CEO and Managing Director, David Frances, said: "In all the years I have spent developing projects, the HyEnergy® project is the first time that almost all stakeholders involved or affected by a project have been totally supportive. It is disappointing that the State Government would be the sole stakeholder who was not supportive of the project. This is in direct contrast with the government's public statements of support for the industry."

"We will aim to maintain the HyEnergy® project in a state of readiness for when support is secured from a State Government and the market for green hydrogen returns. However, in the interest of shareholders, we will also seek a solution for the Company's securities to be tradeable once again", Mr Frances said.

This announcement has been approved by the Board.

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