

Ionic Industries Limited

ACN 168 143 324

Interim Report - 31 December 2022

Ionic Industries Limited

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31 December 2022

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Ionic Industries Limited
Corporate directory
31 December 2022

Directors	Mr Peter Armitage (Executive Chairman) Mr Simon Savage (CEO and Managing Director) Mr Neil Wilson (Non-Executive Director)
Company secretary	Mr Justin Mouchacca
Registered office	Level 21, 459 Collins Street Melbourne VIC 3000 Ph: +61 3 8630 3321
Principal place of business	Unit 2/247 Ferntree Gully Road Mt Waverly VIC 3149
Auditor	William Buck Level 20, 181 William Street Melbourne Victoria 3000 Telephone: +61 3 9824 8555
Website	www.ionicindustries.com.au
Share register	Computershare Investor Services Pty Ltd Yarra Falls 452 Johnston Street Abbotsford, Victoria, 3067 Phone No. (03) 9415 5000

Ionic Industries Limited
Directors' report
31 December 2022

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Ionic Industries Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Peter Armitage (Executive Chairman)
Mr Simon Savage (CEO and Executive Director)
Mr Neil Wilson (Non-Executive Director)

Principal activities

During the financial period the principal continuing activities of the company consisted of graphene research and development.

There were two primary streams of activity: graphene supercapacitors and graphene conductive coating for sensing applications.

The supercapacitor stream involves further development of commercial prototype devices to demonstrate the value and potential for graphene materials to be used in supercapacitors. The supercapacitor program has split into three distinct streams of research and development work:

- (1) Ongoing materials research, exploring and refining the nature of our materials for optimum use in energy storage applications. This work has been conducted largely at Monash University in the laboratory, under contract to Ionic.
- (2) Related to the ongoing research work, we have had significant engagement with external parties and industry players in order to understand the target specifications and characteristic that will be most important to a commercially viable product.
- (3) Scaling up the manufacturing methods for production of the active materials and large scale coating of ink materials onto the current collector substrate. This work has been conducted by consulting engineers working at off-site facilities and in collaboration with the Monash research team.

The conductive coatings work has been focused on progressing the work that was previously undertaken by Imagine Intelligent Materials, which was acquired by Ionic under a deed of company arrangements in January 2022. This work has involved several distinct streams:

- (1) Recommissioning plant and equipment for large scale production of graphene materials used in the X3 product
- (2) Reestablishing relationships with various partners and customers of the conductive coatings products
- (3) Progressing product development for products in different target markets, including: leak detection with smart geotextile products, smart floorings and sensing conveyor belts.

This work has been undertaken at the company's manufacturing facility in Mt Waverley.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$477,447 (31 December 2021: \$451,023). This includes research and development costs of \$224,318 and depreciation expense of \$79,306.

The net assets of the Company decreased by \$351,649 to \$2,449,654 as at 31 December 2022 (30 June 2022: net assets of \$2,098,005).

Working capital, being current assets less current liabilities, decreased by \$410,128 to a surplus of \$45,177 (30 June 2022: surplus of \$455,305). The Company had negative cash outflows from operating activities for the period of \$693,488 (31 December 2021: \$567,792 cash outflow). The total cash and cash equivalents at the end of the financial half-year amounted to \$97,176 (31 December 2021: \$829,022).

Significant changes in the state of affairs

On 12 October 2022 the Company agreed to issue 1,051,885 fully paid ordinary shares, with an issue price of \$0.05 (5 cents) per share, to settle \$525,941 worth of deferred creditors in Imagine.

Ionic Industries Limited
Directors' report
31 December 2022

The Company made an offer to the remaining shareholding of Imagine Intelligence for cash consideration of \$0.021 (2.1 cents) per share which was completed in October 2022 with the Company acquiring the remaining 4.19% of the shares in Imagine.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

During May 2023 the Company raised \$491,750 through the issue of 28,100,002 fully paid ordinary shares to professional and sophisticated investors with an issue price of \$0.0175 (1.75 cents) per share.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Mr Peter Armitage
Executive Chairman

30 May 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF IONIC INDUSTRIES LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

A. A. Finnis

A. A. Finnis

Director

Melbourne, 30 May 2023

Ionic Industries Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022

	Note	Consolidated 31 December 2022	31 December 2021
		\$	\$
Other income			
Research & development tax concession		195,113	166,480
Patents income		-	6,844
Forgiveness of debt	8	525,941	-
Interest income		175	1,087
		<u>721,229</u>	<u>174,411</u>
Expenses			
Corporate expenses		(411,840)	(124,707)
Employee benefits expense		(389,930)	(192,682)
Depreciation expense		(79,306)	(10,136)
Bad debts expenses		(19,633)	-
Other expenses		(61,206)	(47,079)
Finance costs		(12,443)	(884)
Research and development costs		<u>(224,318)</u>	<u>(249,946)</u>
Loss before income tax expense		(477,447)	(451,023)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the half-year attributable to the owners of Ionic Industries Limited		(477,447)	(451,023)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain/(loss) on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		<u>(33,498)</u>	<u>273,055</u>
Other comprehensive income for the half-year, net of tax		<u>(33,498)</u>	<u>273,055</u>
Total comprehensive income for the half-year attributable to the owners of Ionic Industries Limited		<u>(510,945)</u>	<u>(177,968)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Ionic Industries Limited
Statement of financial position
As at 31 December 2022

		Consolidated	
	Note	31 December	30 June 2022
		2022	2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		97,176	103,788
Trade and other receivables		627,688	521,507
Financial assets at fair value through other comprehensive income	3	285,468	920,371
Other assets		38,850	211,566
Total current assets		<u>1,049,182</u>	<u>1,757,232</u>
Non-current assets			
Plant and equipment		191,094	216,429
Right-of-use assets		108,484	135,605
Intangibles		2,413,502	2,438,026
Total non-current assets		<u>2,713,080</u>	<u>2,790,060</u>
Total assets		<u>3,762,262</u>	<u>4,547,292</u>
Liabilities			
Current liabilities			
Trade and other payables		846,893	1,182,514
Lease liabilities		65,672	56,216
Employee benefits		37,540	63,197
Accrued expenses		53,900	-
Total current liabilities		<u>1,004,005</u>	<u>1,301,927</u>
Non-current liabilities			
Borrowings		217,460	217,460
Lease liabilities		67,473	100,422
Employee benefits		23,670	19,478
Total non-current liabilities		<u>308,603</u>	<u>337,360</u>
Total liabilities		<u>1,312,608</u>	<u>1,639,287</u>
Net assets		<u>2,449,654</u>	<u>2,908,005</u>
Equity			
Issued capital	4	7,351,699	7,299,105
Reserves	5	223,200	1,082,725
Accumulated losses		<u>(5,125,245)</u>	<u>(5,473,825)</u>
Total equity		<u>2,449,654</u>	<u>2,908,005</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Ionic Industries Limited
Statement of changes in equity
For the half-year ended 31 December 2022

Consolidated	Issued Capital \$	Revaluation Reserve \$	Options reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	6,437,218	985,926	178,320	(4,918,646)	2,682,818
Loss after income tax expense for the half-year	-	-	-	(451,023)	(451,023)
Other comprehensive income for the half-year, net of tax	-	273,055	-	-	273,055
Total comprehensive income for the half-year	-	273,055	-	(451,023)	(177,968)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	14,000	-	-	-	14,000
Transfer to accumulated losses due to expiry, cancellation or forfeiture of options	-	-	(42,273)	42,273	-
Transfer to accumulated losses due to shares sold related to revaluation reserve	-	(200,135)	-	200,135	-
Balance at 31 December 2021	<u>6,451,218</u>	<u>1,058,846</u>	<u>136,047</u>	<u>(5,127,261)</u>	<u>2,518,850</u>
Consolidated	Issued Capital \$	Revaluation Reserve \$	Options reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	7,299,105	946,678	136,047	(5,473,825)	2,908,005
Loss after income tax expense for the half-year	-	-	-	(477,447)	(477,447)
Other comprehensive income for the half-year, net of tax	-	(33,498)	-	-	(33,498)
Total comprehensive income for the half-year	-	(33,498)	-	(477,447)	(510,945)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of shares	52,594	-	-	-	52,594
Transfer to accumulated losses due to shares sold related to revaluation reserve	-	(826,027)	-	826,027	-
Balance at 31 December 2022	<u>7,351,699</u>	<u>87,153</u>	<u>136,047</u>	<u>(5,125,245)</u>	<u>2,449,654</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Ionic Industries Limited
Statement of cash flows
For the half-year ended 31 December 2022

	Consolidated	
	31 December 2022	31 December 2021
Note	\$	\$
Cash flows from operating activities		
Receipts from research and development tax concession	151,334	-
Payments to suppliers and employees (inclusive of GST)	(844,997)	(578,868)
Receipts from customers	-	9,842
Interest received	175	1,234
	<u>(693,488)</u>	<u>(567,792)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for property, plant and equipment	(2,326)	(1,880)
Payments for security deposits	-	(89,980)
Payments for leasehold improvements	-	(21,461)
Proceeds from disposal of investments	689,201	263,354
	<u>686,875</u>	<u>150,033</u>
Net cash from investing activities		
Cash flows from financing activities		
Proceeds from issue of shares	4	14,000
	<u>-</u>	<u>14,000</u>
Net cash from financing activities		
Net decrease in cash and cash equivalents	(6,613)	(403,759)
Cash and cash equivalents at the beginning of the financial half-year	103,789	1,232,781
	<u>97,176</u>	<u>829,022</u>
Cash and cash equivalents at the end of the financial half-year		

The above statement of cash flows should be read in conjunction with the accompanying notes

Ionic Industries Limited
Notes to the financial statements
31 December 2022

Note 1. General information

Ionic Industries Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered Office	Principal place of Business
Level 21, 459 Collins Street Melbourne, Victoria, 3000	Unit 2/247 Ferntree Gully Road Mt Waverly, Victoria 3149

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the consolidated financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 May 2023.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these standards did not have a material impact upon the company.

Going concern

The consolidated financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the financial year ended 31 December 2022, the company incurred a loss after tax of \$477,447 (31 December 2021: loss of \$451,023) and had net cash outflows from operating activities of \$693,488 (31 December 2021: cash outflows of \$567,792).

At 31 December 2022, the company had net asset of \$2,449,654 (30 June 2021: \$2,098,005). The cash balance as at 31 December 2022 was \$97,176 (30 June 2022: \$103,788). The working capital amounted to \$45,177 at 31 December 2022 (30 June 2022: \$455,305). The reduction in working capital during the year was a result of the acquisition of Imagine Intelligent Materials Limited which included deferred creditors amounting to \$884,600, who have all agreed in writing to defer their amounts owed until May 2023.

These conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The company currently has limited sources of income and in order to continue as a going concern is therefore reliant on achieving a combination of the following:

Ionic Industries Limited
Notes to the financial statements
31 December 2022

Note 2. Significant accounting policies (continued)

- Securing additional funding through capital or debt raisings and subsequently to the end of the half-year period, the Company raised \$491,750 through the issue of 28,100,002 fully paid ordinary shares with an issue price of \$0.0175 (1.75 cents) per share.
- Completing an Initial Public Offering (IPO);
- Receiving Research & development tax concession refunds;
- Commercialisation of proprietary technology.
- The group has the ability to defer any uncommitted research and development costs if required.

The directors believe that the company will be able to continue as a going concern on the basis that there is a plan to raise capital through further interim capital raisings or an Initial Public Offering (IPO). These initiatives will be adequate to ensure enough cash resources are available to continue to fund operating costs.

Note 3. Financial assets at fair value through other comprehensive income

	Consolidated	
	31 December	30 June 2022
	2022	2022
	\$	\$
<i>Current assets</i>		
Ordinary shares in Sunrise Energy Metals Ltd (ASX: SRL)	141,024	766,667
Ordinary shares in Clean TeQ Water Ltd (ASX:CNQ)	144,444	153,704
	<u>285,468</u>	<u>920,371</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:

Opening fair value	920,371	-
Transfer from non-current assets	-	1,325,926
Disposals	(601,405)	(754,741)
Revaluation increments	-	349,186
Revaluation decrements	(33,498)	-
Closing fair value	<u>285,468</u>	<u>920,371</u>

Note 4. Issued capital

	Consolidated			
	31 December	30 June 2022	31 December	30 June 2022
	2022	2022	2022	2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,367,519,676</u>	<u>1,366,467,791</u>	<u>7,351,699</u>	<u>7,299,105</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2022	1,366,467,791		7,299,105
Shares for partial settlement of Imagine Intelligent Materials deferred creditors	13 October 2022	<u>1,051,885</u>	\$0.050	<u>52,594</u>
Balance	31 December 2022	<u>1,367,519,676</u>		<u>7,351,699</u>

Ionic Industries Limited
Notes to the financial statements
31 December 2022

Note 4. Issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 5. Reserves

	Consolidated	
	31 December	30 June 2022
	2022	2022
	\$	\$
Financial assets at fair value through other comprehensive income reserve	87,153	946,678
Share based payments reserve	136,047	136,047
	<u>223,200</u>	<u>1,082,725</u>

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 6. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 7. Contingent liabilities

The consolidated entity has given bank guarantees as at 31 December 2022 of \$34,980 (2021: nil) to the landlord of the leased office space.

There were no other contingent liabilities at 31 December 2022 and 30 June 2022.

Note 8. Business combinations

On 13 January 2022 the Company entered into a Deed of Company Arrangement (DOCA) to acquire Imagine Intelligent Materials Limited (Imagine). The Company paid \$598,037 to acquire 95.81% of the issued capital in the Company. The Company subsequently paid the \$23,698 to acquire the remaining 4.19% interest by way of a Compulsory acquisition.. The acquisition has been accounted for as a Business Combination in accordance with AASB 3 Business Combinations.

Imagine is a graphene applications company. It is focused on developing conductive coatings and sensing technologies that deliver valuable data from large surface areas in buildings, infrastructure and logistics and can be manufactured at scale. The Company was incorporated in Australia on 8 September 2014. The Company has developed turnkey graphene products and has attempted to secure licensing partners within the global graphene applications industry to further develop and market its intellectual property but was unable to fully achieve this. The company entered into voluntary administration on 12 October 2021.

The Company also agreed to issue 41,644,325 fully paid ordinary shares, with an issue price \$0.02 (2 cents) per share, to settle deferred creditors which remained in the accounts of Imagine following completion of the DOCA process, representing \$832,887 of deferred creditors during the year ended 30 June 2022.

During the current half-year period, the Company agreed to issue 1,051,885 fully paid ordinary shares, with an issue price of \$0.05 (5 cents) per share, to settle \$525,941 worth of deferred creditors. In addition, the Company made an offer to the remaining shareholding of Imagine for consideration of \$0.021 (2.1 cents) per share which was completed in October 2022 with the Company acquiring the remaining 4.19% of the shares in Imagine. As at the date of this report, the Company owns 100% of Imagine.

This business combinations has been initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

The fair value of the identifiable net assets acquired are noted below:
Details of the acquisition are as follows:

	Fair value \$
Cash and cash equivalents	16,489
Trade receivables	20,705
Other receivables	3,870
Patents and trademarks	466,316
Trade payables	(1,078,864)
Deferred creditors - paid by Ionic	<u>(825,976)</u>
Acquisition-date fair value of the total consideration transferred	<u><u>(1,397,460)</u></u>
Acquisition costs expensed to profit or loss	<u><u>73,956</u></u>
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	598,037
Net cash used	<u><u>598,037</u></u>

Goodwill

Goodwill amounting to \$1,971,799 has resulted from the acquisition of Imagine Intelligent Materials Limited based on the fair value of net liabilities acquired and cash paid for the acquisition. The difference of \$23,696 relates to the additional cash contribution to acquire the remaining 4.19% of Imagine. This amount was expensed to the statement of profit or loss and other comprehensive income as the Consolidated Entity already had control of the Imagine business on the date that the remaining 4.19% was acquired.

Note 9. Events after the reporting period

During May 2023 the Company raised \$491,750 through the issue of 28,100,002 fully paid ordinary shares to professional and sophisticated investors with an issue price of \$0.0175 (1.75 cents) per share.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Ionic Industries Limited
Directors' declaration
31 December 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mr Peter Armitage
Executive Chairman

30 May 2023

Ionic Industries Limited Independent auditor's review report

REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Ionic Industries Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ionic Industries Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial statements which indicates that the consolidated entity during the half-year ended 31 December 2022 incurred a net loss after income tax of \$477,447 and net operating cash outflows of \$693,488. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Our conclusion is not modified in respect of this matter.

Responsibility of Management for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

A. A. Finnis

Director

Melbourne, 30 May 2023