

**Transmetro Corporation Limited** ABN 45 001 809 043  
and Controlled Entities

**Appendix 4D and Half-Year Financial Report**  
**31 December 2021**

This half-year report is for the six months ended 31 December 2021. The previous corresponding period is the half-year ended 31 December 2020.

The information in this report should be read in conjunction with the most recent annual financial report.

**Results for announcement to the market**

\$A'000

Revenues from ordinary activities – continuing operations	Down	12.3%	to	6,939
Net Profit from ordinary activities after tax attributable to members	Up	1,939%	to	958
Net Profit for the period attributable to members	Up	1,939%	to	958
Earnings before interest, tax, depreciation and amortisation from continuing operations	Up	59.5%	to	1,647
<b>Dividends</b>		Amount per security		Franked amount per security
Final dividend		- ¢		- ¢
Interim dividend		- ¢		- ¢
Record date for determining entitlements to the dividend				
Brief explanation of any of the figures reported above:				
Refer to comments in the attached Directors' Report.				
<b>NTA Backing</b>		31 December 2021		30 June 2021
Net tangible asset backing per share		\$1.29		\$1.19

**Transmetro Corporation Limited ABN 45 001 809 043  
and Controlled Entities  
Interim Financial Report**

**DIRECTORS' REPORT**

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2021.

**Directors**

The names of directors who held office during or since the end of the half-year:

John McEvoy (Chairman)	Director since November 1979
Alan Notley (Non-Executive Director)	Director since October 1994
David Lloyd (Non-Executive Director)	Director since March 2002
Susan Notley (Non-Executive Director) (Alternate for Alan Notley)	Director since September 2008

Total Revenue from continuing operations decreased \$972k to \$6.9M which is a 12.3% decrease from the corresponding period in December 2020.

The consolidated entity's EBITDA from continuing operations increased \$614k to \$1.64M a 59.5% increase on the previous corresponding period.

Net Profit after tax from continuing operations for the period was \$958k compared to a Net Profit after tax of \$47k for the previous corresponding period.

***Rounding of Amounts***

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

***Auditor's Declaration***

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 16 for the half-year ended 31 December 2021.

This report is signed in accordance with a resolution of the Board of Directors.



Director

John McEvoy

Dated this 28<sup>th</sup> February 2022

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**CONSOLIDATED INCOME STATEMENT FOR THE HALF-YEAR ENDED**

**31-Dec-21**

	Note	Consolidated Group	
		31.12.2021	31.12.2020
		\$000	\$000
Sales Revenue		6,539	6,442
Other revenue – government assistance		400	1,465
Interest income		-	4
<b>Total Revenue</b>		<b>6,939</b>	<b>7,911</b>
Cost of Sales		(415)	(451)
Employee benefits expense		(2,223)	(2,874)
Other expenses		(2,654)	(3,553)
<b>Earnings Before Interest, Tax, Depreciation and Amortisation</b>		<b>1,647</b>	<b>1,033</b>
Rent concession gain		819	1,530
Depreciation and amortisation expense		(398)	(450)
Amortisation of right of use assets		(688)	(2,205)
Interest expense on lease liabilities		(103)	(182)
Finance costs		-	(7)
<b>Profi/(loss) before income tax</b>		<b>1,277</b>	<b>(281)</b>
Income tax benefit/(expense)	2	(319)	328
<b>Profit from continuing operations</b>		<b>958</b>	<b>47</b>
Profit /(loss) from discontinued operations	9	-	(15)
Profit from operations attributable to:			
Members of the parent entity		958	32
<b>Earnings per share</b>			
From continuing operations:			
Basic and diluted earnings per share (cents)		7.16	0.24

The accompanying notes form part of this financial report.

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED  
31-Dec-21**

	<b>Consolidated Group</b>	
	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>\$000</b>	<b>\$000</b>
Profit for the period	958	32
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the period</b>	<b>958</b>	<b>32</b>
Total comprehensive income attributable to:		
Members of the parent entity	958	32

The accompanying notes form part of this financial report.

**Transmetro Corporation Limited ABN 45 001 809 043  
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
31-Dec-21**

	Note	Consolidated Group 31.12.2021 \$000	30.06.2021 \$000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,673	1,001
Trade and other receivables		1,374	1,061
Inventories		133	139
<b>TOTAL CURRENT ASSETS</b>		<b>3,180</b>	<b>2,201</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		21,156	21,445
Deferred tax assets		1,812	2,099
Right of use assets		903	1,591
Other financial assets		1	1
Other non-current assets		250	250
<b>TOTAL NON-CURRENT ASSETS</b>		<b>24,122</b>	<b>25,386</b>
<b>TOTAL ASSETS</b>		<b>27,302</b>	<b>27,587</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,508	2,805
Borrowings	3	-	80
Lease liabilities		3,206	3,610
Short-term provisions		766	729
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,480</b>	<b>7,224</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,351	1,319
Lease liabilities		754	2,286
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,105</b>	<b>3,605</b>
<b>TOTAL LIABILITIES</b>		<b>9,585</b>	<b>10,829</b>
<b>NET ASSETS</b>		<b>17,717</b>	<b>16,758</b>
<b>EQUITY</b>			
Issued capital		6,856	6,856
Reserves		3,545	3,544
Retained earnings		7,316	6,358
<b>TOTAL EQUITY</b>		<b>17,717</b>	<b>16,758</b>

The accompanying notes form part of this financial report.

**Transmetro Corporation Limited ABN 45 001 809 043  
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**Interim Financial Report**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED  
31-Dec-21**

	Issued Capital Ordinary	Asset Revaluation Reserve	Capital Contribution Reserve	Retained Earnings	Total
	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1.7.2020</b>	6,856	2,716	378	10,763	20,713
Profit attributable to members of the parent entity	-	-	-	32	32
Other comprehensive income	-	-	-	-	-
<b>Balance at 31.12.2020</b>	<u>6,856</u>	<u>2,716</u>	<u>378</u>	<u>10,795</u>	<u>20,745</u>
<b>Balance at 1.7.2021</b>	6,856	3,166	379	6,358	16,759
Profit attributable to members of the parent entity	-	-	-	958	958
Other comprehensive income	-	-	-	-	-
<b>Balance at 31.12.2021</b>	<u>6,856</u>	<u>2,716</u>	<u>379</u>	<u>7,316</u>	<u>17,717</u>

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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED  
31-Dec-21**

	<b>Consolidated Group</b>	
	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>\$000</b>	<b>\$000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	6,330	6,745
Payments to suppliers and employees	(4,651)	(6,990)
Other Income	400	1,814
Interest received	1	4
Interest paid	(103)	(189)
Income tax (paid)/refund	-	-
Net cash provided by operating activities	<u>1,977</u>	<u>1,384</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of non-current assets	<u>(109)</u>	<u>(53)</u>
Net cash used in investing activities	<u>(109)</u>	<u>(53)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowing	-	796
Repayment of borrowings	(79)	(239)
Repayment of lease principal	<u>(1,117)</u>	<u>(663)</u>
Net cash used in financing activities	<u>(1,196)</u>	<u>(106)</u>
 Net Increase/(decrease) in cash held	672	1,225
Cash and cash equivalents at beginning of period	<u>1,001</u>	<u>727</u>
Cash and cash equivalents at end of period	<u><u>1,673</u></u>	<u><u>1,952</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

**Basis of preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of freehold property and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

**Significant accounting policies**

The accounting policies applied by the Consolidated Entity in this Consolidated Interim Financial Report are the same as those applied by the Consolidated Entity in the Consolidated Annual Financial Report as at and for the year ended 30 June 2021.

**Going Concern**

The financial statements for the half year ended 31 December 2021 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

During the half year, the Consolidated Entity recorded profit before tax from continuing operations of \$1.28 million after recording revenue from government assistance of \$400k. At 31 December 2021 the Consolidated Entity had cash reserves of \$1.67 million, however current liabilities exceeded current assets by \$4.3 million.

Results for the half year were significantly adversely impacted by the COVID-19 pandemic. Restrictions imposed by Government resulted in the temporary closure of pubs and some hotel operations. Rent concessions were negotiated with landlords for several leased properties. Although Government eased restrictions, at 31 December 2021 the Consolidated Entity's operations were still significantly impacted by the ban on international travel, the decline in domestic travel, and social distancing requirements. It is anticipated that the COVID-19 pandemic is likely to continue to have an adverse impact on the Consolidated Entity's business, the results of its operations and cash flows during the short to medium term. Management will continue to monitor the impact of COVID-19 on the financial performance of the business and further measures may be required. As a result of these matters there exists a material uncertainty that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern, and therefore it may be unable to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The economic uncertainty associated with the COVID-19 pandemic has been considered by the Board in assessing the financial impact on Consolidated Entity's ability to meet debts as and when they fall due. At the date of this report, the Board are of the opinion that the Consolidated Entity will be successful in managing the impacts of the COVID-19 pandemic and will continue to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**NOTE 2: INCOME TAX BENEFIT/(EXPENSE)**

	<b>Consolidated Group</b>	
	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>\$000</b>	<b>\$000</b>
The prima facie tax on profit/(loss) before income tax from continuing operations is reconciled to the income tax benefit/(expense) as follows:		
Prima facie tax benefit / (expense) at 25% (2020:26.0%)	319	73
Recognition of tax loss carry back	-	244
Other Items	-	11
Income tax benefit/(expense)	319	328

**NOTE 3: BORROWINGS**

	<b>31.12.2021</b>	<b>30.06.2021</b>
	<b>\$000</b>	<b>\$000</b>
<b>CURRENT</b>		
Unsecured loan(i)	-	80

(i) Loan from Principal Finance Pty Ltd for insurance premium instalments with a flat rate of 3.49%.

**NOTE 4: OPERATING SEGMENTS**

**Segment Information**

**Identification of reportable segments**

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on the basis of service offerings and operating segments are therefore determined on the same basis.

Transmetro Corporation Limited's operation during the year related to operation of Hotels, Serviced Apartments, Inns and Theme Pubs.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

**Basis of accounting for purposes of reporting by operating segments**

*Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**NOTE 4: OPERATING SEGMENTS (cont'd)**

*Unallocated items*

The following items of income and expense are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Depreciation and amortisation;
- Finance costs; and
- income tax expense;

**Segment performance**

	<b>Hotels, Inns &amp; Apartments</b>	<b>Theme Pubs</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Six months ended</b>			
<b>31.12.2021</b>			
<b>Revenue</b>			
External sales	5,938	600	6,538
Inter-segment sales	86	-	86
Interest and Other revenue	294	108	402
<b>Total segment revenue</b>	<b>6,318</b>	<b>708</b>	<b>7,026</b>
<i>Reconciliation of segment revenue to group revenue</i>			
Inter-segment elimination	(86)	-	(86)
Total group revenue	6,232	708	6,940
<b>Segment result before tax</b>	<b>1,820</b>	<b>(173)</b>	<b>1,647</b>

*Reconciliation of segment result to group net profit/(loss)*

Unallocated items:

• Gain on rent concession	819
• Depreciation and amortisation	(398)
• Amortisation right of use assets	(688)
• Interest paid on lease liabilities	(103)
• Finance costs	-
• Income tax benefit/(expense)	(319)
Net Profit after tax from continuing operations	<b>958</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**Segment performance**

	<b>Hotels, Inns &amp; Apartments</b>	<b>Theme Pubs</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Six months ended</b>			
<b>31.12.2020</b>			
<b>Revenue</b>			
External sales	4,954	1,488	6,442
Inter-segment sales	71	-	71
Interest and Other revenue	1,069	400	1,469
<b>Total segment revenue</b>	<b>6,094</b>	<b>1,888</b>	<b>7,982</b>
<i>Reconciliation of segment revenue to group revenue</i>			
Inter-segment elimination	(71)	-	(71)
Total group revenue	6,023	1,888	7,911
<b>Segment result before tax</b>	<b>889</b>	<b>144</b>	<b>1,033</b>
<i>Reconciliation of segment result to group net profit/(loss)</i>			
Amounts not included in segment result but reviewed by the Board:			
Unallocated items:			
• Gain on rent concession			1,530
• Depreciation and amortisation			(450)
• Amortisation right of use assets			(2,205)
• Interest paid on lease liabilities			(182)
• Finance costs			(7)
• Income tax benefit/(expense)			328
Net Profit after tax from continuing operations			<u>47</u>

**NOTE 5: ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND BUSINESS OPERATION**

No subsidiaries or businesses were acquired or sold during the period under review

**NOTE 6: CONTINGENT LIABILITIES AND COMMITMENTS**

There has been no change in contingent liabilities and commitments since the last annual reporting date.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

Since the end of the financial period, the directors are not aware of any matter that has significantly affected or may significantly affect the operations of the Company in subsequent financial periods.

**NOTE 8: FAIR VALUE MEASUREMENT**

The Consolidated Entity measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets; and
- freehold properties.

**Valuation techniques**

The Consolidated Entity selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Consolidated Entity are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Consolidated Entity gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Consolidated Entity's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

**Fair Value Measurement**

	Level	31 December 2021	30 June 2021
		\$	\$
Shares in listed corporations	Level 1	506	506
Freehold Properties	Level 3	17,366,452	17,484,232

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**NOTE 8: FAIR VALUE MEASUREMENT (cont'd)**

**Valuation techniques used to derive level 3 fair values**

Asset Category	Fair Value \$	Valuation Technique	Significant Unobservable Inputs	Range	Relationship of Unobservable Inputs to Fair Value	Sensitivity of fair value measurement to changes in significant unobservable inputs
<b>Freehold Properties</b>	17,366,452	Income Approach using discounted cashflow methodology and capitalisation approach.	Adopted capitalisation rate Adopted terminal yield Adopted discount rate	6.00% - 8.00% 7.00% 9.00%	A significant increase or decrease in the adjustment would result in a significantly lower (higher) fair value.	A significant increase or decrease in the adjustment would result in a significantly lower/higher fair value.

**Valuation process**

The Board reviews the freehold property valuation process on a semi-annual basis. All valuations are performed either by independent professionally qualified external valuers or the directors.

If the external valuation is more than three years old then the property is externally valued. For those with an external valuation less than three year old an assessment is made as to which properties are likely to have had material movements in the book value reported at the last reporting period to determine whether they should be revalued externally. At each reporting date the management will perform initial desktop assessment of current value through a capitalisation of income and discounted cashflow approach. If the result is materially different external independent valuation is conducted.

Reconciliation from opening balances to closing balances for recurring Level 3 fair value measurements

	CONSOLIDATED
Freehold Properties	\$
<b>Opening Balance</b>	17,484,232
Additions by purchase	-
Depreciation	(117,780)
Net revaluation adjustment	-
<b>Closing Balance</b>	<u>17,366,452</u>

**NOTE 9: DISCONTINUED OPERATIONS**

In August 2020 the group discontinued the lease of property known as Metro Hotel & Apartments Gladstone.

The financial performance of discontinued operations for the half year ended 31 December 2020 was:

	31.12.2021 \$000	30.12.2020 \$000
Revenue	-	284
Expenses	-	(305)
Profit/(Loss) before income tax	-	(21)
Income tax benefit/(expense)	-	6
Profit/(Loss) after income tax	<u>-</u>	<u>(15)</u>

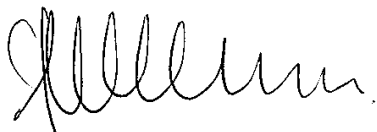
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**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 2 to 12 are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director: John McEvoy

Dated this 28<sup>th</sup> February 2022



# STIRLING INTERNATIONAL

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TRANSMETRO CORPORATION LIMITED AND CONTROLLED ENTITIES

### Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Transmetro Corporation Limited and Controlled Entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2021, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies, other selected explanatory notes and the directors' declaration.

### *Directors' Responsibility for the Half-Year 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 (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2021 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. As the auditor of Transmetro Corporation Limited and Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Transmetro Corporation Limited and Controlled Entities would be in the same terms if given to the directors as at the time of this auditor's report.

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### *Conclusion*

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 Transmetro Corporation Limited 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 2021 and of its performance for the half-year ended on that date; and
- complying with AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

### *Material Uncertainty Related to Going Concern*

We draw attention to the Going Concern section in Note 1 in the financial report, which indicates that the Consolidated Entity's operations have been significantly impacted by the global COVID-19 pandemic in an adverse manner. The conditions disclosed in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

Stirling International  
Chartered Accountants



.....  
Keanu Arya  
Partner  
28<sup>th</sup> February 2022  
370 Pitt St Sydney 2000



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001***  
**TO THE DIRECTORS OF**  
**TRANSMETRO CORPORATION LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2021 there have been:

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

Stirling International  
Chartered Accountants



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Keanu Arya  
Partner

28<sup>th</sup> February 2022  
370 Pitt St Sydney 2000