

**CLEARVUE TECHNOLOGIES LIMITED  
AND ITS CONTROLLED ENTITIES**

ABN 45 071 397 487

Consolidated Annual Report

30 June 2023

For personal use only

**CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES**  
**ABN 45 071 397 487**

**COMPANY INFORMATION**

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**DIRECTORS**

Mr Victor Rosenberg, Non-Executive Chairman  
Mr Stuart Carmichael, Non-Executive Director (resigned 30 June 2023)  
Mr Roger Steinepreis, Non-Executive Director (resigned 10 February 2023)  
Mr John Downes, Non-Executive Director (resigned 10 February 2023)  
Mr Jamie Lyford, Executive Director (appointed 10 February 2023)  
Mr Gerd Hoenicke, Non-Executive Director (appointed 1 May 2023)  
Mr Charles Mowrey, Non-Executive Director (appointed 1 May 2023)

**COMPANY SECRETARY**

Mr Harry Miller  
Mr Brett Tucker  
Ms Deborah Ho (resigned 31 March 2023)

**REGISTERED OFFICE**

Suite 9 / 567 Newcastle Street  
West Perth  
WA 6005

**PRINCIPAL BANKERS**

National Australia Bank Limited  
Level 12, 100 St Georges Terrace  
Perth WA 6000

**AUDITORS**

Grant Thornton Audit Pty Ltd  
Level 43, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

**SOLICITORS**

Steinepreis Paganin  
16 Milligan Street  
Perth WA 6000

**SHARE REGISTRY**

Automic Group  
Level 5, 191 St George Terrace  
Perth WA 6000

**STOCK EXCHANGE LISTING**

Shares are listed on the Australian Securities Exchange (ASX code: CPV)

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## **CHAIRMAN'S LETTER TO SHAREHOLDERS**

Dear Shareholders,

On behalf of the Board I am pleased to present to you the ClearVue Technologies Limited Annual Report for the financial year ended 30 June 2023 and provide you with an update on the significant progress made by our company during that period.

ClearVue is an Australian smart building technology company that operates in the building sustainability solutions sector supplying glazing products responding to the global need for construction decarbonisation in a world where buildings and construction contribute nearly 43% of global greenhouse gas emissions. ClearVue's solar photovoltaic glazing integrates solar technology into glass and building surfaces helping building owners to reach net zero through the generation of on-site electricity whilst at the same time improving the energy efficiency of the building envelope.

Specifically, ClearVue has developed advanced glass technology that preserves glass transparency to maintain building aesthetics whilst generating electricity from windows. Solar PV cells are incorporated around the edges of an insulated glass unit (IGU) used in windows, and the lamination interlayer between the glass in the IGU incorporates ClearVue's patented proprietary nano and microparticles as well as a spectrally selective coating on the rear external surface of the IGU.

One of the most important developments during the last year was the enhancement of our leadership and governance. We welcomed Martin Deil as the new Chief Executive Officer, Clifton Smyth as the new Chief Business Development Officer, and Gerd Hoenicke (Germany) and Charles Mowrey (USA) as new board members, each bringing valuable industry expertise to our team. Their collective experience and vision have already begun to materially shape the future of our company.

In terms of product innovation, we were excited to announce the successful development of our second-generation product. This breakthrough simplifies the assembly process and significantly reduces the cost and time required for producing our ClearVue PV energy generating integrated glazing units (IGUs). This innovation has not only increased the appeal of our offering but has also made it more competitive for potential manufacturing licensees. These licensees can now seamlessly integrate ClearVue PV IGUs into their production processes, expanding sales opportunities for both them and our company.

Furthermore, we've expanded our product portfolio by in-licensing photovoltaic solutions for the spandrel gap and wall cladding, covering the entire building envelope. This strategic move enables us to offer a comprehensive range of sustainable building solutions to meet evolving market demands.

In May 2023, we proudly showcased our new second-generation product and spandrel gap solution at a successful launch event in London. This event marked a significant milestone in our journey toward sustainability and innovation.

Throughout the year, we actively participated in various trials and evaluations, including thermal and power performance testing with the Singapore Building and Construction Authority's Skylab (continuing), paid-for trials with the Hong Kong government and in Gröbming, Austria, a small trial with Luxembourg's Building Training Institute, and an ongoing evaluation with the US Air Force in Florida (in partnership with Nodis Pte Ltd). We anticipate receiving the results of the US Air Force evaluation by the end of this calendar year.

**CHAIRMAN'S LETTER TO SHAREHOLDERS - Continued**

In addition to these achievements, we expanded our visual communication capabilities by acquiring the intellectual property and assets of Lusoco B.V., a Netherlands-based company specializing in outdoor advertising solutions for bus shelters and signage applications. We also welcomed the founders of Lusoco to our team, strengthening our technical expertise, product offerings, and approach in this domain.

As we continue to focus on our key target markets in the US and Europe, we are preparing for the launch of our second-generation product. We remain committed to marketing and commercializing our technology to address the growing demand for sustainable building solutions in these regions.

In closing, I would like to express my gratitude to you, our valued shareholders, for your unwavering support. The year 2023 has been marked by remarkable achievements, and we are enthusiastic about the future prospects of our company under the leadership of our new team members.

Thank you for your trust and investment in our company. We look forward to an exciting and prosperous future together.

Sincerely

ClearVue Technologies Limited

A handwritten signature in dark ink, appearing to read 'Victor Rosenberg', with a stylized flourish at the end.

Victor Rosenberg

Non-Executive Chairman

**CHIEF EXECUTIVE OFFICER LETTER TO SHAREHOLDERS**

Dear Shareholders,

I am delighted to share with you the remarkable progress and achievements of our company in the financial year that ended 30 June 2023.

First and foremost, I am honored to have joined the company as the new Chief Executive Officer, alongside other key additions to our leadership team, including Clifton Smyth as the Chief Business Development Officer, and the appointment of esteemed board members Gerd Hoenicke and Charles Mowrey. Together, we are working tirelessly to steer the company towards a future of growth and innovation.

One of the pivotal accomplishments of the year was the successful development of our second-generation product. This innovation simplifies the assembly process and significantly reduces production costs and timelines for our ClearVue PV energy generating integrated glazing units (IGUs). This advancement not only bolsters the attractiveness of our offerings but also enhances our competitiveness for potential manufacturing licensees. They can now effortlessly incorporate ClearVue PV IGUs into their production processes, expanding our market reach and sales opportunities.

Moreover, we broadened our product portfolio by in-licensing photovoltaic solutions for the spandrel gap and wall cladding, addressing the entire building envelope. This strategic expansion allows us to meet the diverse demands of the construction industry with sustainable and cutting-edge solutions.

Just before I officially joined I was very pleased to have been invited to attend the Company's well-received launch event in London where our second-generation product and spandrel gap solution was revealed for the first time. This event served as a testament to the Company's commitment to innovation and sustainability, and it garnered significant attention from industry stakeholders.

Our expansion efforts extended to the realm of visual communication as well. We acquired the intellectual property and assets of Lusoco B.V., a Netherlands-based company specializing in outdoor advertising solutions for bus shelters and signage applications. Furthermore, we were fortunate to bring the founders of Lusoco into our team, augmenting our technical capabilities, product offerings, and overall approach to innovation management.

In line with our strategic objectives, we have continued to market and commercialize our technology in our key target markets, the US and Europe. We are diligently preparing for the launch of our second-generation product, aiming to seize the significant opportunities that lie ahead.

I extend my sincere gratitude to our esteemed shareholders for your steadfast support. Your belief in our company is the driving force behind our accomplishments, and we are excited about the promising future ahead. I am pleased to confirm that I have joined your ranks as a proud shareholder.

Thank you for entrusting us with your investment, and we look forward to achieving greater milestones together during this next year.

Warm regards,

Martin Deil  
Chief Executive Officer  
ClearVue Technologies Limited

## **DIRECTORS' REPORT**

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The directors are pleased to present the audited consolidated financial report of ClearVue Technologies Limited ABN 45 071 397 487 ("the Company") and its controlled entities ("the Group") for the year ended 30 June 2023.

### **DIRECTORS**

The name of the directors in office at any time during or since the end of the year are:

Mr Victor Rosenberg, Non-Executive Chairman  
Mr Stuart Carmichael, Non-Executive Director (resigned 30 June 2023)  
Mr Roger Steinepreis, Non-Executive Director (resigned 10 February 2023)  
Mr John Downes, Non-Executive Director (resigned 10 February 2023)  
Mr Jamie Lyford, Executive Director (appointed 10 February 2023)  
Mr Gerd Hoenicke, Non-Executive Director (appointed 1 May 2023)  
Mr Charles Mowrey, Non-Executive Director (appointed 1 May 2023)

The qualifications, experience and special responsibilities of each director are as follows:

#### **Mr Victor Rosenberg**

##### **Dip Pham, MPS (SA)**

Non-Executive Chairman

Mr V Rosenberg started Tropiglas Pty Ltd in 1996 and is its driving force and major shareholder. Mr V Rosenberg is a qualified pharmacist with extensive business experience in senior management and sales related positions. He has been in the industry for over 27 years having started and owned a number of private businesses, including pharmaceutical, toiletry and food manufacturing businesses. Mr V Rosenberg has previously won an international innovation award for developments in food processing technologies. He consults to a number of public and private companies in the areas of pharmaceuticals, biotechnology and health foods. Mr V Rosenberg is presently not a director of any other listed companies, nor held a directorship within the last 3 years before the end of 30 June 2021.

#### **Mr Gerd Hoenicke**

Non-Executive Director (appointed 1 May 2023)

Mr Gerd Hoenicke is a recognized industry leader in facades and curtain wall systems – a senior level executive with more than 35 years of progressively responsible experience in the international façade industry. Mr Hoenicke has served as CEO of Gebrüder Schneider GmbH a German Façade contractor before he joined Seele GmbH in 2009 as its Technical Director. He has also served as Director Consulting International Projects for Schüco International KG. Mr Hoenicke currently operates an independent building envelope consultancy that engages with architects and façade engineers on large construction projects in the US and Europe.

Mr Hoenicke's impressive project portfolio includes the German Chancellery building in Berlin, Central St. Giles in London, EZB in Frankfurt, the Kimbell Art Museum in Dallas, 5 Broadgate in London and The Broad Museum in Los Angeles. Each of these and many other projects reflect his attention to detail in façade design and innovation. In 2019 Mr Hoenicke established his own façade consultancy business where he has continued to be involved in various prestigious projects in the US and the UK, recently including Parcel 9 in Washington DC and Landmark Pinnacle London.

**DIRECTORS' REPORT**

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**Mr Charles Mowrey**

Non-Executive Director (appointed 1 May 2023)

Mr Charles ('Chuck') Mowrey has over 5 decades of experience in the commercial glass and glazing industries. Mr Mowrey is currently CEO of leading US contract glazier 8G Solutions. Mr Mowrey who was formerly President and CEO of Harmon Inc. (a part of Apogee NASDAQ APOG), was brought into 8G Solutions in 2019 to lead it through a growth strategy that includes growth by project size, scope, and geography with a vision to expand across the US. Prior to 8G Solutions and whilst at Harmon, Mr Mowrey was responsible for increasing revenue from USD \$87m to over \$300m and assisted with various acquisitions and internal startups. Mr Mowrey is passionate about innovation in the glazing industry.

After 22 years with Harmon / Apogee, he spent approximately 3 years with View Inc. (NASDAQ VIEW) from 2008 as Executive Vice President assisting it to complete its Series B funding to get it to full commercial manufacturing. Mr Mowrey then spent the next 8 years from 2011 with Guardian Glass (a part of Koch Industries) as its Managing Director of Emerging Technologies.

**Mr Jamie Lyford**

**BCom, LLB, LLM, PGradDip IT**

Executive Director (appointed 10 February 2023)

Mr Lyford has over 20 years' experience working in the areas of intellectual property (IP), commercialisation and technology both as an IP and commercialisation lawyer and as a commercialisation adviser. In his work as a lawyer he has worked with a number of well-known local and interstate law and patent firms and internationally with a specialist IT law firm as well as in-house with BHP and multinational IT services provider ATOS. As a commercialisation adviser, Mr Lyford has assisted a number of start-up and early stage companies both as an adviser and a director (of which he retains a number of current positions). He has also operated and managed the Western Australian government's Innovation Centre incubator under two separate outsourced consultancy terms where he was responsible for assisting innumerable innovative West Australian businesses on their path to successful commercialisation.

**Mr Stuart Carmichael**

**BCom, CA**

Non-Executive Director (resigned 30 June 2023)

Mr Carmichael is a Chartered Accountant with over 20 years' of experience in the provision of corporate advisory services both within Australia and internationally. Mr Carmichael is a principal and director of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialises in the provision of corporate and financial advice to small cap ASX listed companies including capital raisings, initial public offerings, corporate restructures and mergers and acquisitions. Mr Carmichael graduated from the University of Western Australia with a Bachelor of Commerce degree, gaining experience with KPMG Corporate Finance in Perth and London before joining ASX listed property services and engineering company UGL Limited (ASX:UGL).

Mr Carmichael is currently the Non-Executive Chairman of K-TIG Limited (ASX:KTG), Non-Executive Director of De.mem Limited (ASX:DEM), Non-Executive Director of Harvest Technology Group Limited (ASX:HTG) and Non-Executive Director of Orexplore Technologies Limited (ASX:OXT).

**DIRECTORS' REPORT**

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**Mr Roger Steinepreis**

**BJuris, LLB**

Non-Executive Director (resigned 10 February 2023)

Mr. Steinepreis is a corporate and resources lawyer with over 30 years' experience. He is the legal adviser to several public companies on a wide range of corporate related matters, with a focus on company restructures, initial public offerings and takeovers. Mr. Steinepreis serves as the Executive Chairman of Steinepreis Paganin, one of the largest specialist corporate law firms in Perth, Australia. He currently serves as Non-Executive Director on Meeka Metals Limited (ASX: MEK)

**Mr John Downes**

**MSc Façade Engineering**

Non-Executive Director (resigned 10 February 2023)

Mr. Downes is currently the Global Head of Façade Supply Chain at LendLease based in its London, United Kingdom office and brings approximately 30 years' experience in glazing and façade systems and construction project management to the ClearVue board. In addition to his extensive practical experience. Mr Downes has a MSc Façade Engineering from the University of Bath, is a Fellow of the Society of Façade Engineers and a sponsor's board member of the Centre for Window and Cladding Technology where he chairs the sub-committee on Sustainability in Facades.

**CHIEF EXECUTIVE OFFICER**

**Mr Martin Deil**

**BSc**

Mr Deil brings a deep knowledge of the international façade and architectural envelopes business to ClearVue having spent the past 22 years in various senior management roles of increasing responsibility including as CEO, Deputy CEO and COO within the Permasteelisa Group in different locations globally.

Mr Deil has a Bachelor of Science (Honours) Degree in Management and Systems from City University London.

**COMPANY SECRETARY**

**Mr Harry Miller**

**BCom**

Mr Miller has over 8 years of company secretarial and accounting experience having previously worked with a leading global accounting firm and is currently acting as Company Secretary to a number of ASX listed companies.

**Mr Brett Tucker**

**BCom, CA**

Mr Tucker is a qualified Chartered Accountant who has acted as Company Secretary to a number of ASX listed and private companies.

**Ms Deborah Ho (resigned 31 March 2023)**

## DIRECTORS' REPORT

### REMUNERATION REPORT (AUDITED)

This report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of ClearVue Technologies Limited for the financial year ended 30 June 2023. The information provided in this remuneration report has been prepared in accordance with the requirements of the Corporations Act 2001 and its Regulations and have been audited as required by Section 308(3C) of the Corporations Act 2001.

#### Key Management Personnel

The KMP of the Company during or since the end of the financial year were as follows:

##### Directors

Mr Victor Rosenberg, Executive Chairman  
Mr Stuart Carmichael, Non-Executive Director  
Mr Roger Steinepreis, Non-Executive Director  
Mr John Downes, Non-Executive Director  
Mr Jamie Lyford, Executive Director  
Mr Gerd Hoenicke, Non-Executive Director  
Mr Charles Mowrey, Non-Executive Director

##### Period of Employment

Appointed 13 November 1995 to present  
Appointed on 19 January 2018 to 30 June 2023  
Appointed 24 August 2020 to 10 February 2023  
Appointed 18 October 2021 to 10 February 2023  
Appointed 10 February 2023 to present  
Appointed 1 May 2023 to present  
Appointed 1 May 2023 to present

#### Key Management Personnel

Martin Deil, Chief Executive Officer  
Mr Jamie Lyford, Chief Operating Officer  
Mr Geoff Edwards, Chief Financial Officer  
Mr Earl Harper, Chief Commercial Officer  
Mr Clifton Smyth, Chief Business  
Development Officer

Appointed 1 June 2023 to present.  
Appointed 17 January 2017 to 9 February 2023  
Appointed 1 April 2023 to present  
Appointed 1 June 2022 to present  
Appointed 9 November 2022 to present

#### Remuneration Policy

The Company's remuneration policy for its KMP has been developed by the Board taking into account the size of the Company, the size of the management team, the nature and stage of development of the Company's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- Sales contract awards;
- Technology development milestones; and
- The performance of the Company's shares as quoted on the Australian Securities Exchange.

#### Remuneration Committee

Due to the current size of the Company, the Board did not implement a Remuneration Committee during the year, as such the Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the Directors and the executive team.

#### Remuneration Structure

In accordance with best practice corporate governance, the structure of Non-Executive Director and executive remuneration is separate and distinct.

## DIRECTORS' REPORT

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### Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. The Constitution states that the Company may pay to the Non-Executive Directors a maximum total amount of director's fees, determined by the Company in general meeting, or until so determined, as the Directors resolve. Fees for the Non-Executive Directors' are presently set at \$350,000 per annum including superannuation. These fees cover main board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Company.

The Non-Executive salary remuneration became effective from the date of the appointment of the Company to the Official List of the Australian Securities Exchange.

### Executive Remuneration

The Company's remuneration policy is to provide a fixed remuneration component and a short- and long-term performance-based component. The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

### Fixed Remuneration

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

### Performance Based Remuneration – Short Term Incentive

The Board has not implemented a system where Executives are entitled to annual cash bonuses. The Company may provide pay performance bonuses to Executives as determined by the Board from time to time.

### Company Performance Shares and Rights

The Board has previously chosen to issue Performance Shares and Rights (where appropriate) to some executives as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the executives and to provide an incentive linked to the performance of the Company.

## DIRECTORS' REPORT

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### **Performance Based Remuneration – Long Term Incentive**

In the future the Board may grant Options to executives and key consultants to provide incentive-based remuneration, with exercise prices at and/or above market share price (at the time of agreement). As such, Incentive Options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Company increases sufficiently to warrant exercising the Incentive Options granted. It is considered the performance of the executives and the performance and value of the Company are closely related.

The Company prohibits executives entering into arrangements to limit their exposure to Performance Shares or Incentive Options granted as part of their remuneration package.

### ***Long-Term Incentive Plans***

The Company has implemented an Employee Incentive Plan, a Loan Funded Share Plan, the Director and Employee, the ClearVue Officer, Employee and Adviser Share Plan and the Incentive Option Plan,

#### Employee Incentive Plan

Under the Employee Incentive Plan, the Company may grant options to subscribe for Shares entitling the holder to be issued Shares on terms and conditions set by the Board at its discretion.

The material terms of the Employee Incentive Plan are as follows:

(a) The purpose of the Plan is to:

- assist in the reward, retention and motivation of eligible persons;
- to align the interests of eligible persons more closely with the interests of shareholders, by providing an opportunity for eligible persons to receive an equity interest in the form of Awards; and
- to provide eligible persons with the opportunity to share in any future growth in value of the Company.

(b) The following persons can participate in the Plan if the Board makes them an offer to do so:

- a director;
- a full-time or part-time employee;
- a contractor; or
- a casual employee of the Company or an associated body corporate and includes a person who may become an eligible person within (i) to (iv) above subject to accepting an offer of engagement for that role.

(c) Plan Options issued under the Plan are subject to the terms and conditions set out in the Rules, which include:

- Vesting Conditions – which are time-based criteria, requirements or conditions (as specified in the offer and determined by the Board) which must be met prior to Awards vesting in a participant, which the Board may throughout the course of the period between the grant of an Award and its vesting, waive or accelerate as the Board considers reasonably appropriate;
- Performance Conditions – which are conditions relating to the performance of the Group and its related bodies corporate (and the manner in which those conditions will be tested) as specified in an offer and determined by the Board; and
- Exercise Conditions – which are criteria, requirements or conditions, as determined by the Board or under the Plan, which must be met (notwithstanding the satisfaction of any Vesting Conditions and/or Performance Conditions) prior to a Participant being entitled to exercise vested Awards in accordance with clauses 8 and 9. Clause 8 prohibits the disposal of any

**DIRECTORS' REPORT**

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incentive plan 12 months from the date the Plan Shares were issued to the holder, unless there is prior written approval of the Directors, or pursuant to an IPO or Takeover. Subject to the approval of the Directors, the employee may request that Plan Shares be allotted to a Related Entity of the employee under Clause 9.

(d) In accordance with ASIC Class Order 14/1000, the total Awards that may be issued under the Plan will not exceed 5% of the total number of Shares on issue. In calculating this limit, Awards issued to participants under the Plan other than in reliance upon this Class Order are discounted.

(e) The Board has the unfettered and absolute discretion to administer the Plan.

(f) Awards issued under the Plan are not transferable and will not be quoted on the ASX.

The Rules otherwise contain terms and conditions considered standard for long-term incentive plan rules of this nature.

There were no options issued under the Employee Incentive Plan during the year (2022: Nil).

Loan Funded Share Plan

Under the Loan Funded Share Plan, the Company may grant Shares to a participant and may provide a loan to facilitate the acquisition of the Plan Shares. The terms of the loan and price of the Shares is determined by the Board.

The material terms of the Loan Funded Share Plan are as follows:

(a) The purpose of the Plan is to:

- assist in the reward, retention and motivation of eligible persons;
- to align the interests of eligible persons more closely with the interests of shareholders, by providing an opportunity for eligible persons to increase their ownership interest in the Company; and
- to provide eligible persons with the opportunity to share in any future growth in value of the Company.

(b) The following persons can participate in the Plan if the Board makes them an offer to do so:

- a director;
- a full-time or part-time employee;
- any other person who the Board determines is eligible to participate in the Plan.

(c) Loans offered under the Plan to facilitate the acquisition of Plan Shares will be interest free and end on 10 years from the Share Grant Date, or earlier in accordance with the Plan Rules.

(d) The total Shares that may be issued under the Plan in the previous five years, excluding any offers made in accordance with s708 of the Corporations Act, will not exceed 10% of the total number of Shares on issue.

(e) The Board has the unfettered and absolute discretion to administer the Plan.

(f) Shares issued under the Plan are not transferable.

The Rules otherwise contain terms and conditions considered standard for loan funded share plan rules of this nature.

There were no Shares issued under the Loan Funded Share Plan during the current financial year.

## DIRECTORS' REPORT

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During the year ended 30 June 2017, shares were issued under the Loan Funded Share Plan to then members of the Board. All loans are outstanding at 30 June 2023 and at the date of this report. Such loans are to be settled on or before 19 September 2027.

| Holder              | Position                      | No of shares | Loan amount |
|---------------------|-------------------------------|--------------|-------------|
| Mr Victor Rosenberg | Executive Chairman            | 1,000,000    | \$150,000   |
| Mr Jamie Lyford     | Former Executive Director     | 1,950,000    | \$292,500   |
| Mr Sean Rosenberg   | Former Non-Executive Director | 125,000      | \$18,750    |
| Mr Ian Rosenberg    | Former Non-Executive Director | 125,000      | \$18,750    |

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

### ClearVue Officer, Employee and Adviser Share Plan

The Company has also adopted a share plan called the 'ClearVue Officer, Employee and Adviser Share Plan' (**OEASP**) pursuant to which the Company may issue shares in the Company to participants. The difference between the OEASP and the Loan Funded Share Plan is that participants in the OEASP can be issued Shares at no cost and without loans being made by the Company. The OEASP was approved by Shareholders on 13 April 2017 (and is referenced at page 141 of the IPO Prospectus). A summary of the rules of the OEASP is set out below:

- (a) (Eligibility): The Company may issue Shares to full time or part time officers, employees and advisers of the Company or any associated body corporate, or any other person who the Board determines is eligible to participate in the OEASP.
- (b) (Consideration): No subscription price is payable for Shares issued under the OEASP. Shares issued under the OEASP vest on issue but cannot be transferred for 12 months. The Board may waive the transfer restrictions, including in circumstances where a takeover offer is made for the Company. Shares issued under the OEASP carry with them the same rights to vote and receive dividends or capital distributions as other ordinary shares of the Company which are on issue.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

During the year ended 30 June 2023, 131,413 shares were issued to consultants under the plan (47,599 shares were issued during the prior year). No shares were issued to key management personnel or directors under this plan for the year.

## DIRECTORS' REPORT

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### Director and Employee Fee plan

The Company has adopted a Director and Employee Fee Plan (Fee Plan) to enable the Company to issue Shares to eligible participants in lieu of accrued cash remuneration. Eligible participants are full or part-time employees, officers, consultants, contractors and directors of the Company or any related entity or any nominee of such parties. Under the Fee Plan, eligible participants can elect to be paid some or all of the cash remuneration accrued to them by the issue of Shares. Any issues of Shares then made are at the discretion of the Board. The Fee Plan was approved by shareholders on 2 November 2020.

There were no shares issued under the Fee Plan during the year.

### Employee Securities incentive plan

The Company has adopted an Employee Securities Incentive Plan (ESIP) to enable the Company to issue Options, Performance Rights, Shares and / or Loan Funded Shares to eligible participants. Eligible participants are any Director or a person who is a full-time or part-time employee of the Company or its Related Bodies Corporate who is declared by the Board in its sole and absolute discretion to be eligible and any other person providing services to the Group and who is declared by the Board in its sole and absolute discretion to be eligible.

The material terms of the Employee Incentive Plan are as follows:

(a) The purpose of the Plan is to:

- assist in the reward, retention and motivation of eligible persons;
- to align the interests of eligible persons more closely with the interests of shareholders, by providing an opportunity for eligible persons to receive an equity interest in the form of Awards; and
- to provide eligible persons with the opportunity to share in any future growth in value of the Company.

(b) Terms of Options and Performance Rights

Each Option and/or Performance Right (Convertible Security) represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

During the year, 500,000 options were issued to employees under the plan (No options were issued during the prior year)

(b) Share Awards

The Board may from time to time make an invitation to an Eligible Participant to acquire Share Awards under the Plan. The Board will determine in its sole and absolute discretion the acquisition price (if any) for each Share Award which may be nil. The Share Awards may be subject to performance hurdles and/or vesting conditions as determined by the Board. Where Share Awards granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Share Awards will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules. Following the issue of a

## DIRECTORS' REPORT

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vesting notification to the Participant, the Share Awards held by the Participant will no longer be subject to any restrictions and may be transferred or sold by the Participant, subject to compliance with applicable laws, the Company's Securities Trading Policy and the terms of the Plan.

During the year ended 30 June 2023, 4,000,000 shares were issued to employees under the plan. (300,000 shares were issued under the plan during the prior year)

### (c) Loan Funded Shares

The Board may from time to time make an invitation to an Eligible Participant to acquire Loan Funded Shares under the Plan. The Board will determine in its sole and absolute discretion the acquisition price (if any) for each Loan Funded Shares which may be nil. The Loan Funded Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board. Where Loan Funded Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Loan Funded Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules. Following the issue of a vesting notification to the Participant, the Loan Funded Shares held by the Participant will no longer be subject to any restrictions and may be transferred or sold by the Participant, subject to compliance with applicable laws, the Company's Securities Trading Policy and the terms of the Plan. When the Company makes an Invitation to an Eligible Participant to acquire Loan Funded Shares, the Company will also offer the Eligible Participant a Loan on terms and conditions to be determined by the Board, for the amount of the acquisition price of the Loan Funded Shares, for the purposes of acquiring all or part of the Loan Funded Shares the subject of the invitation. The loan amount may accrue interest as determined by the Board. No shares were issued under the plan during the year (no shares were issued under this plan during the prior year)

### Incentive Option plan

The Company has adopted an Incentive Option Plan to enable the company grant Options to any Director, full or part time employee, or casual employee or contractor who falls within ASIC Class Order 14/1000, of the Company or an associated body corporate (Eligible Participant).

The material terms of the Employee Incentive Plan are as follows:

#### (a) The purpose of the Plan is to:

- assist in the reward, retention and motivation of eligible persons;
- to align the interests of eligible persons more closely with the interests of shareholders, by providing an opportunity for eligible persons to receive an equity interest in the form of Awards; and
- to provide eligible persons with the opportunity to share in any future growth in value of the Company.

(b) The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an Offer) to apply for Options, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (Offer).

## DIRECTORS' REPORT

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(c) In exercising that discretion, the Board may have regard to the following (without limitation):

- (i) the Eligible Participant's length of service with the Group;
- (ii) the contribution made by the Eligible Participant to the Group;
- (iii) the potential contribution of the Eligible Participant to the Group; or
- (iv) any other matter the Board considers relevant.

(d) For the avoidance of doubt, nothing in this document obliges the Company at any time to make an Offer, or further Offer, to any Eligible Participant.

(e) All offers and sales of Options shall be in compliance with U.S. securities laws, if applicable, as well as securities laws of states within the U.S., to the extent applicable.

During the year, 3,000,000 options were issued under the plan (refer note 13 of the consolidated financial statements). 3,000,000 options were issued during the prior year.

### Executive Director Service Agreements

The Company has entered into employment agreements with both Mr V Rosenberg and Mr Lyford dated 18 January 2018 respectively (both varied by letter on 1 January 2020), pursuant to which the Company has engaged Mr V Rosenberg as Executive Chairman and Mr Lyford as Executive Director. Mr Lyford resigned as a director on the 25 August 2020 and was appointed the Chief Operating Officer and General Counsel. Mr Lyford was reappointed as Executive Director on 10 February 2023 and remains as General Counsel. Mr Rosenberg resigned as Executive Chairman on 15 March 2023 and continued as the Non-Executive Chairman.

The material terms and conditions of the Employment Agreements are summarised below:

(a) Term: The Employment Agreements commenced on the date of the Company's admission to the Official List (on 23 May 2018) and each Employment Agreement continues until terminated in accordance with its terms. The Employment Agreements were varied on 12 December 2019 with variations becoming effective 1 January 2020.

(b) Remuneration: From 1 January 2020, Mr V Rosenberg and Mr Lyford received annual salaries *inclusive* of statutory superannuation of approximately \$232,000 and \$202,000 respectively.

(c) Incentive Programs: The Executives may participate in any incentive plan that the Company may introduce from time to time.

(d) Termination: The Company may immediately terminate the employment of Mr V Rosenberg and Mr Lyford by written notice for a number of standard events including, but not limited to, if at any time such Executive:

- (i) commits a serious or repeated or continual breach of the obligations under their Executive Agreement;
- (ii) is guilty of any serious misconduct or serious neglect or dishonesty in the discharge of their duties under their Executive Agreement; or
- (iii) act in a manner which, in the reasonable opinion of the Company, brings the name or reputation of the Company or any member of the Company group into serious disrepute or prejudices the interests of the business of the Company.

The Company or the Executives may terminate the Executive Agreements for any reason by giving 6 months' written notice. The Employment Agreements contains other standard terms and conditions expected to be included in contracts of this nature.

## DIRECTORS' REPORT

### Relationship between Remuneration of KMP and Shareholder Wealth and Earnings

The Board anticipates that the Company will retain earnings (if any) and other cash resources for the development of its business activities. The Company does not currently have a policy with respect to the payment of dividends and returns of capital however this will be reviewed on and in relation to, the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous four financial years.

The Company did not consider appreciation of the Company's shares when setting remuneration.

The Board did issue Performance Shares and Performance Rights to Key Management Personnel and has implemented a Loan Funded Share Plan which will generally be of value if the Company's shares appreciate over time. However, it should be noted that all Director Shares granted under the Loan Funded Share Plan and all Performance Shares had been imposed in escrow (sale) restriction period for two years after listing. This is in line with the Company policy that Company securities be used for long term incentive for Directors.

### Amount of Remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables. The proportion of remuneration linked to performance and the fixed proportion are as follows:

| Name                            | Fixed remuneration |      | At risk - STI |      | At risk - LTI |      |
|---------------------------------|--------------------|------|---------------|------|---------------|------|
|                                 | 2023               | 2022 | 2023          | 2022 | 2023          | 2022 |
| <b>Directors</b>                |                    |      |               |      |               |      |
| Mr V Rosenberg                  | 100%               | 100% | -             | -    | 100%          | 100% |
| Mr Downes                       | 100%               | 100% | -             | -    | -             | -    |
| Mr Steinepreis                  | 100%               | 100% | -             | -    | -             | -    |
| Mr Carmichael                   | 100%               | 100% | -             | -    | -             | -    |
| Mr Lyford                       | 100%               | 100% | -             | -    | -             | -    |
| Mr Hoenicke                     | 100%               | 100% | -             | -    | -             | -    |
| Mr Mowrey                       | 100%               | 100% | -             | -    | -             | -    |
| <b>Key Management Personnel</b> |                    |      |               |      |               |      |
| Mr Deil                         | 100%               | 100% | -             | -    | -             | -    |
| Mr Edwards                      | 100%               | 100% | -             | -    | -             | -    |
| Mr Harper                       | 100%               | 100% | -             | -    | -             | -    |
| Mr Smyth                        | 100%               | 100% | -             | -    | -             | -    |

DIRECTORS' REPORT

|                                     | 2023                    |                                                   |                  |        |                                 |       |                    |           |                                         |                                    | Total     |
|-------------------------------------|-------------------------|---------------------------------------------------|------------------|--------|---------------------------------|-------|--------------------|-----------|-----------------------------------------|------------------------------------|-----------|
|                                     | Salary, Fees<br>& Leave | Short-term Benefits<br>Profit<br>Share &<br>Bonus | Non-<br>monetary | Other* | Post-<br>employment<br>Benefits |       | Long-term Benefits |           | Equity-settled Share-<br>Based Payments |                                    |           |
|                                     |                         |                                                   |                  |        | Super                           | Other | Incentive<br>Plans | Leave     | Shares /<br>Units                       | Options /<br>Performance<br>Shares |           |
| <i>Directors</i>                    |                         |                                                   |                  |        |                                 |       |                    |           |                                         |                                    |           |
| Mr V Rosenberg <sup>1</sup>         | 410,100                 | -                                                 | -                | 7,083  | 30,909                          | -     | -                  | (118,923) | -                                       | -                                  | 329,169   |
| Mr Steinepreis <sup>2</sup>         | 28,000                  | -                                                 | -                | -      | -                               | -     | -                  | -         | -                                       | -                                  | 28,000    |
| Mr Carmichael <sup>3</sup>          | 48,000                  | -                                                 | -                | -      | 5,040                           | -     | -                  | -         | -                                       | -                                  | 53,040    |
| Mr Downes <sup>4</sup>              | 65,760                  | -                                                 | -                | -      | -                               | -     | -                  | -         | -                                       | -                                  | 65,760    |
| Mr Lyford <sup>5</sup>              | 75,003                  | -                                                 | -                | 3,836  | 7,875                           | -     | -                  | 5,192     | -                                       | -                                  | 91,906    |
| Mr Hoenicke <sup>6</sup>            | 10,000                  | -                                                 | -                | -      | -                               | -     | -                  | -         | -                                       | -                                  | 10,000    |
| Mr Mowrey <sup>7</sup>              | 10,000                  | -                                                 | -                | -      | -                               | -     | -                  | -         | -                                       | -                                  | 10,000    |
| <i>Key Management<br/>Personnel</i> |                         |                                                   |                  |        |                                 |       |                    |           |                                         |                                    |           |
| Mr Deil (CEO) <sup>8</sup>          | 35,980                  | -                                                 | -                | -      | -                               | -     | -                  | 4,088     | -                                       | 10,593                             | 50,661    |
| Mr Lyford (COO) <sup>5</sup>        | 120,540                 | -                                                 | -                | 6,164  | 12,657                          | -     | -                  | 8,345     | 760,000                                 | -                                  | 907,706   |
| Mr Edwards (CFO) <sup>9</sup>       | 45,000                  | -                                                 | -                | -      | 4,725                           | -     | -                  | 4,500     | -                                       | 24,570                             | 78,795    |
| Mr Harper (CCO) <sup>10</sup>       | 163,636                 | -                                                 | -                | -      | 17,182                          | -     | -                  | 13,217    | -                                       | -                                  | 194,035   |
| Mr Smyth (GBDO) <sup>11</sup>       | 190,358                 | -                                                 | -                | -      | -                               | -     | -                  | -         | -                                       | -                                  | 190,358   |
|                                     | 1,202,377               | -                                                 | -                | 17,083 | 78,388                          | -     | -                  | (83,581)  | 760,000                                 | 35,163                             | 2,009,430 |

\* Relates to motor vehicle allowances

<sup>1</sup> Mr V Rosenberg retired from the positions of Executive Chairman and CEO, and continued as non-executive chairman effective 15 March 2023. Mr Rosenberg was paid a retirement benefit of 12 months base salary, including 6 months in lieu of notice period.

<sup>2</sup> Mr Steinepreis resigned from the board effective 10 February 2023

<sup>3</sup> Mr Carmichael resigned from the board effective 30 June 2023

**DIRECTORS' REPORT**

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<sup>4</sup> Mr Downes resigned from the board effective 10 February 2023

<sup>5</sup> Mr Lyford was appointed to the board effective 10 February 2023

<sup>6</sup> Mr Hoenicke was appointed to the board effective 1 May 2023

<sup>7</sup> Mr Mowrey was appointed to the board effective 1 May 2023

<sup>8</sup> Mr Deil was appointed to the board effective 1 June 2023

<sup>9</sup> Mr Edwards was appointed CFO effective 1 April 2023

<sup>10</sup> Mr Harper was appointed CCO effective 1 June 2022

<sup>11</sup> Mr Smyth was appointed CBDO effective 9 November 2022. Mr Smyth was employed by way of his consulting company based in the UK, CTS Consultants Pty Ltd

DIRECTORS' REPORT

|                                 | 2022                 |                                 |                       |        | Post-employment Benefits |       | Long-term Benefits |        | Equity-settled Share-Based Payments |                              | Total   |
|---------------------------------|----------------------|---------------------------------|-----------------------|--------|--------------------------|-------|--------------------|--------|-------------------------------------|------------------------------|---------|
|                                 | Salary, Fees & Leave | Short-term Profit Share & Bonus | Benefits Non-monetary | Other* | Super                    | Other | Incentive Plans    | Leave  | Shares / Units                      | Options / Performance Shares |         |
| <i>Directors</i>                |                      |                                 |                       |        |                          |       |                    |        |                                     |                              |         |
| Mr V Rosenberg <sup>1</sup>     | 211,872              | 22,624                          | -                     | 10,000 | 23,563                   | -     | -                  | 32,273 | -                                   | -                            | 300,332 |
| Mr Steinepreis                  | 47,500               | -                               | -                     | -      | -                        | -     | -                  | -      | -                                   | -                            | 47,500  |
| Mr Carmichael                   | 45,000               | -                               | -                     | -      | 4,500                    | -     | -                  | -      | -                                   | -                            | 49,500  |
| Mr Downes <sup>2</sup>          | 58,806               | -                               | -                     | -      | -                        | -     | -                  | -      | -                                   | -                            | 58,806  |
| <i>Key Management Personnel</i> |                      |                                 |                       |        |                          |       |                    |        |                                     |                              |         |
| Mr Lyford                       | 184,475              | -                               | -                     | 10,000 | 18,447                   | -     | -                  | 10,570 | -                                   | -                            | 223,492 |
|                                 | 547,653              | 22,624                          | -                     | 20,000 | 46,510                   | -     | -                  | 42,843 | -                                   | -                            | 679,630 |

\* Relates to motor vehicle allowances

<sup>1</sup> Mr V Rosenberg was granted a cash bonus of \$25,000 (inclusive of superannuation) on 27 June 2022. The bonus awarded by the board following a remuneration review of market conditions and as recognition for Mr Rosenberg's performance during the period.

<sup>2</sup> Mr Downes was appointed as a director on 18 October 2021

## DIRECTORS' REPORT

### Performance Shares

No performance shares were issued as remuneration to directors and other key management personnel in this financial year. Refer to Related Party Transaction note for details of options issued to associates of Directors.

### Options

3,500,000 options were issued to key management personnel during the year. Refer to Related Party Transaction note for details of options issued to associates of Directors. There were no options issued to directors or key management staff during the prior year.

### Shareholding

The number of shares held during the financial year by each director and members of key management personnel of the Company, including their personally related parties, is set out below:

|                                     | Balance at the<br>start of the<br>year/appointment<br>date | Received as<br>part of<br>remuneration | Additions | Disposals /<br>Other | Balance at<br>the end of<br>the year /<br>Resignation<br>date |
|-------------------------------------|------------------------------------------------------------|----------------------------------------|-----------|----------------------|---------------------------------------------------------------|
| <i>Ordinary shares</i>              |                                                            |                                        |           |                      |                                                               |
| Directors                           |                                                            |                                        |           |                      |                                                               |
| Mr V Rosenberg                      | 27,070,198                                                 | -                                      | -         | -                    | 27,070,198                                                    |
| Mr Steinepreis <sup>1</sup>         | 1,052,632                                                  | -                                      | -         | -                    | 1,052,632                                                     |
| Mr Carmichael <sup>2</sup>          | 100,000                                                    | -                                      | -         | -                    | 100,000                                                       |
| Mr Downes <sup>3</sup>              | -                                                          | -                                      | -         | -                    | -                                                             |
| Mr Lyford <sup>4</sup>              | 5,456,618                                                  | 4,000,000                              | -         | -                    | 9,456,618                                                     |
| Mr Hoenicke <sup>5</sup>            | -                                                          | -                                      | -         | -                    | -                                                             |
| Mr Mowrey <sup>6</sup>              | -                                                          | -                                      | -         | -                    | -                                                             |
|                                     | 33,679,448                                                 | 4,000,000                              | -         | -                    | 37,679,448                                                    |
| <i>Key Management<br/>Personnel</i> |                                                            |                                        |           |                      |                                                               |
| Mr Deil <sup>7</sup>                | -                                                          | -                                      | -         | -                    | -                                                             |
| Mr Edwards <sup>8</sup>             | -                                                          | -                                      | -         | -                    | -                                                             |
| Mr Harper <sup>9</sup>              | 675,000                                                    | -                                      | -         | -                    | 675,000                                                       |
| Mr Smyth <sup>10</sup>              | -                                                          | -                                      | -         | -                    | -                                                             |
|                                     | 675,000                                                    | -                                      | -         | -                    | 675,000                                                       |

<sup>1</sup> Mr Steinepreis resigned from the board effective 10 February 2023

<sup>2</sup> Mr Carmichael resigned from the board effective 30 June 2023

<sup>3</sup> Mr Downes resigned from the board effective 10 February 2023

<sup>4</sup> Mr Lyford was appointed to the board effective 10 February 2023

<sup>5</sup> Mr Hoenicke was appointed to the board effective 1 May 2023

<sup>6</sup> Mr Mowrey was appointed to the board effective 1 May 2023

<sup>7</sup> Mr Deil was appointed to the board effective 1 June 2023

<sup>8</sup> Mr Edwards was appointed CFO effective 1 April 2023

<sup>9</sup> Mr Harper was appointed CCO effective 1 June 2022

<sup>10</sup> Mr Smyth was appointed CBDO effective 9 November 2022. Mr Smyth was employed by way of his consulting company based in the UK, CTS Consultants Pty Ltd

DIRECTORS' REPORT

**Convertible Security Holding**

The number of convertible securities held during the financial year by each director and members of key management personnel of the Company, including their personally related parties, is set out below:

|                           | Balance at<br>the start of<br>the year/<br>appointment<br>date | Granted   | Exercised | Expired /<br>Forfeited /<br>Other | Balance at the<br>end of the year<br>/ Resignation<br>date |
|---------------------------|----------------------------------------------------------------|-----------|-----------|-----------------------------------|------------------------------------------------------------|
| <b>Performance Shares</b> |                                                                |           |           |                                   |                                                            |
| Directors                 |                                                                |           |           |                                   |                                                            |
| Mr Lyford                 | 3,000,000                                                      | -         | -         | 3,000,000                         | -                                                          |
|                           | 3,000,000                                                      | -         | -         | 3,000,000                         | -                                                          |
| Key Management Personnel  |                                                                |           |           |                                   |                                                            |
| Mr Deil                   | -                                                              | 3,000,000 | -         | -                                 | 3,000,000                                                  |
| Mr Edwards                | -                                                              | 500,000   | -         | -                                 | 500,000                                                    |
|                           | -                                                              | 3,500,000 | -         | -                                 | 3,500,000                                                  |
| <b>Performance Rights</b> |                                                                |           |           |                                   |                                                            |
| Mr V Rosenberg            | 10,000,000                                                     | -         | -         | -                                 | 10,000,000                                                 |
|                           | 10,000,000                                                     | -         | -         | -                                 | 10,000,000                                                 |

**DIRECTORS' REPORT**

**Other Transactions with Key Management Personnel and Their Related Parties**

|                                                                        | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                        | <b>\$</b>                           | <b>\$</b>                           |
| Legal services from Steinepreis Paganin <sup>1</sup>                   | 30,078                              | 42,537                              |
| Company secretarial services from Ventnor Capital Pty Ltd <sup>2</sup> | 63,400                              | 46,862                              |
| Consultancy services from Luminate Pty Ltd <sup>3</sup>                | 70,000                              | -                                   |

<sup>1</sup>Director-related entity of Mr Steinepreis

<sup>2</sup>Director-related entity of Mr Carmichael

<sup>3</sup>Director related entity of Mr Rosenberg

*Receivable from and payable to related parties*

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

|                                                       | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                       | <b>\$</b>                           | <b>\$</b>                           |
| Trade payable to Ventnor Capital Pty Ltd <sup>1</sup> | 5,500                               | 3,300                               |
| Accrual to Mr Deil                                    | 35,980                              | -                                   |
| Accrual to Mr Downes                                  | -                                   | 33,806                              |
| Accrual to Mr Steinepreis                             | -                                   | 4,000                               |
| Accrual to Mr V Rosenberg                             | -                                   | 25,000                              |
| Accrual to Gerd Hoenicke                              | 8,000                               | -                                   |
| Accrual to Charles Mowrey                             | 8,000                               | -                                   |
| Share plan reserve to Mr V Rosenberg <sup>2</sup>     | 150,000                             | 150,000                             |
| Share plan reserve to Mr S Rosenberg <sup>3,6</sup>   | 18,750                              | 18,750                              |
| Share plan reserve to Mr I Rosenberg <sup>3,6</sup>   | 18,750                              | 18,750                              |
| Share plan reserve to Mr Lyford <sup>4</sup>          | 292,500                             | 292,500                             |
| Accrual to Luminate Pty Ltd <sup>5</sup>              | 10,000                              | -                                   |

<sup>1</sup>Director-related entity of Mr Carmichael

<sup>2</sup>For the purchase of 1,000,000 shares at an issue price of \$0.15

<sup>3</sup>For the purchase of 125,000 shares at an issue price of \$0.15

<sup>4</sup>For the purchase of 1,950,000 shares at an issue price of \$0.15

<sup>5</sup>Director related entity of Mr V Rosenberg

<sup>6</sup>Former key management personnel, further details provided on page 9

***End of Remuneration Report***

**DIRECTORS' REPORT**

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**PRINCIPAL ACTIVITIES**

The principal activities of the Company during the year were developing a sales and leads pipeline for the Company's products, licensing activities to appoint new manufacturers and distributors, as well as research and development activities applied to the Company's world leading solar glass technology. There were no significant changes in the nature of the activities of the Company during the financial year.

**REVIEW OF OPERATIONS AND FINANCIAL RESULTS**

The operating loss of the Group for the financial year after providing for income tax amounted to \$7,497,092 (2022: \$3,806,151), with net cash used in operating activities of \$5,453,878 (2022: \$3,255,238).

The Company made significant progress in the financial year ended 30 June 2023, by enhancing its leadership and governance with the appointment of Martin Deil as the new Chief Executive Officer, Clifton Smyth as the new Chief Business Development Officer, and Gerd Hoenicke (Germany) and Charles Mowrey (USA) as new board members with industry expertise.

The Company also developed its second generation of product, which simplifies the assembly and materially reduces the cost and time of producing the ClearVue PV energy generating integrated glazing units (IGUs). This product innovation has increased the attractiveness and competitiveness of the Company's offering to potential manufacturing licensees who, with minimal change to their production processes, can produce and distribute ClearVue PV IGUs in their local markets and expand the sales opportunities for the Company.

Furthermore, the Company diversified its product portfolio by in-licensing photovoltaic solutions for the spandrel gap and wall cladding, which can cover the entire building envelope.

The Company showcased its new second generation product and spandrel gap product at a launch event in London in May 2023.

The Company also participated in several important trials and evaluations, such as: thermal and power performance testing with the Singapore Building and Construction Authority's Skylab; a paid-for trial with the Hong Kong government; a paid-for trial in Gröbming, Austria; a small trial with Luxembourg's Building Training Institute; and an Evaluation with the US Air Force in Florida (in partnership with Nodis Pte Ltd) – the Evaluation is currently in its third and final phase with results expected before the end of calendar year.

The Company has expanded its visual communication capabilities by acquiring the IP and assets of Lusoco B.V., a Netherlands-based company that specialises in outdoor advertising solutions for bus shelters and signage applications. The Company has also hired the founders of Lusoco to enhance its own technical team, product offering and approach in this area.

The Company has continued to market and commercialise its technology in the US and Europe, its key target markets, as it prepares to launch the second-generation product.

DIRECTORS' REPORT

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**Personnel**

- 18 Jul 2023 Through a Market Update ClearVue confirmed changes to its Leadership team including the appointment of Anna Abrossimova on 6 June 2023 as ClearVue's new Head of Marketing. Anna brings over 20 years of experience in marketing and advertising to the Company. Additionally reported was a change in role of Earle Harper to Chief Commercial Officer. Earle brings 25+ years' corporate and government experience to the Company. The update also confirmed the resignation of Basil Karampelas as ClearVue's North American CEO.
- 23 May 2023 ClearVue announced the appointment of global industry leader Martin Deil as ClearVue's new Chief Executive Officer. Mr Deil brings a deep knowledge of the international façade and the architectural envelopes business to ClearVue having spent the past 22 years in various senior management roles of increasing responsibility within the Permasteelisa Group ([www.permasteelisagroup.com](http://www.permasteelisagroup.com)) in different locations globally. Mr Deil's most recent role has been as CEO Permasteelisa in the United Kingdom.
- 1 May 2023 ClearVue announced the appointment of two new Board Members with strong industry expertise – Charles Mowry (USA) and Gerd Hoenicke (Germany):
- Mr Charles Mowrey, based in California, has over five decades of experience in the commercial glass and glazing industries. Mr Mowrey is currently CEO of leading US contract glazier 8G Solutions.
  - Mr Gerd Hoenicke, based in Germany, is a recognised industry leader in facades and curtain wall systems – a senior level executive with more than 35 years of progressively responsible experience in the international facade industry.
- 10 Feb 2023 ClearVue announced board changes confirming the resignation of Non-Executive Directors Mr Roger Steinepreis and Mr John Downes effective immediately, and the resignation of Stuart Carmichael effective by 30 June 2023. Chief Operating Officer and General Counsel, Mr Jamie Lyford was reappointed to the Board as Executive Director effective immediately. Additionally, and further to the ASX announcement dated 22 November 2022, the Company advised that Mr Victor Rosenberg would stand down as CEO and Executive Chairman on 15 March 2023 and continue as Non-executive Chairman and consult back to the Company to onboard the new global CEO.
- 9 Nov 2022 ClearVue confirmed the appointment of Clifton Smyth as its Global Business Development Director (with his title subsequently changed to Chief Business Development Officer to better reflect his role in the Company). Mr Smyth brings 20+ years of experience in senior executive positions in the façade industry across multiple geographies.

DIRECTORS' REPORT

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***Suppliers, Manufacturers & Distributors***

19 Jul 2022 ClearVue announced the appointment of Advanced Impact Technologies Inc. in the Tampa Bay Area in Florida USA as a new licensed manufacturer and distributor for the US with *exclusive* manufacturing and distribution rights to Massachusetts and Florida, *sole* rights to supply the rest of the US territories (excluding Pennsylvania) and Canada and OEM manufacturing rights to supply ClearVue for on-supply in those same territories. The Agreement with AIT runs for two years with the expectation that the parties will move towards entry into a formal joint venture within the two years but only after 12 months. AIT and its associated group companies have operated in commercial glazing and lamination for over 40 years.

***Sales & Sales Focussed Collaborations***

22 Nov 2022 Through the Company's Newsletter ClearVue confirmed progress on the Evaluation with the US Air force and Nodis Pte Ltd that had entered the third and final phase (Phase 3) with a production quality completed window to now be produced and installed and the Air Force evaluating group (the Air Force Civil Engineering Command (AFCEC)) carrying out a review of the production capability of Nodis and ClearVue to produce commercial-ready products at commercial scales. At this stage installation and commissioning of Nodis' manufacturing equipment has been delayed and not completed to satisfy this phase but is expected before the end of the calendar year.

17 Oct 2022 ClearVue announced that it had received its first order and deposit for the installation of its products into its first residential project for a luxury residence in Griffith in the Australian Capital Territory. A key aspect of that sale for the Company is that it is also the first sale of the ClearVue PV solar glazing for use in skylights throughout the project - skylights and roof windows being an attractive target market for the Company representing a commoditised product opportunity. All of the ClearVue PV skylights are installed and the project is generally nearing completion.

2 Mar 2023 The Company announced that it had won a tender with the Hong Kong government's Electrical and Mechanical Services Department (EMSD) to undertake a paid-for Study to look at the energy harvesting and energy performance aspects of ClearVue's photovoltaic glazing. EMSD provides electrical and mechanical services for the Hong Kong SAR and is responsible for the assessment of, and making improvements to, building efficiency in the region.

22 Feb 2023 ClearVue confirmed via its February Newsletter that it had signed a Letter of Intent (LOI) with AZ Group Co., Ltd and its subsidiary MyWindow in Cambodia. AZ Group is a highly diversified conglomerate operating in Cambodia and Southeast Asia comprising many companies across a broad range of industries and industry verticals.

DIRECTORS' REPORT

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**Marketing & Promotion Efforts**

- 18 Jul 2023 ClearVue confirmed that ClearVue presented at industry leading glazing industry conference Glass Performance Days in Finland.
- 22 Nov 2022 In the Company's November Update ClearVue also reported on its invited participation in EY's 2022 'Strategic Growth Forum®' (and interactive 'Illumination Experience' innovation display). The Forum is described by EY as the most prestigious gathering of CEOs, high-growth entrepreneurs, C-suite executives representing global market leaders.

**Demonstration Projects**

- 18 Jul 2023 Through its Newsletter ClearVue confirmed that it showcased its products in Luxembourg at an event at Luxembourg's Building Training Institute (IFSB) headquarters. In attendance were a select group of major construction company CEOs plus Luxembourg's Minister of the Economy and Minister of Energy.
- 28 Apr 2023 The Company confirmed through its Quarterly Activities report that ClearVue completed its first installation of a paid-for (approx. €4,000) 45m<sup>2</sup> trial in Central Europe at Gröbming (close to Salzburg) in Austria.
- 19 Apr 2022 ClearVue released a detailed technical update on the performance of the solar greenhouse at Murdoch both in terms of power and thermal performance but also in terms of performance in growing plants and the effect on yield and mass of crop material when grown under the ClearVue glazing. The Company also reported on progress with the installation of the greenhouse by Tomita Technologies at Aqua Ignis, Sendai City in Japan.

**Technology & Product Development**

- 4 Sep 2023 After the end of Financial Year ClearVue confirmed demonstration of mass-scale manufacturing by completing an on mass-scale production run (continuous production of 80 IGUs) in an industry standard IGU production line confirming the ease with which the Generation 2 ClearVue PV IGU can be manufactured in any new or existing manufacturing licensee production line. The addition of ClearVue's components to produce a fully assembled and sealed IGU adding only five minutes to the production cycle time on the line.
- 12 Jul 2023 After the end of the Financial Year ClearVue reported, through its Newsletter, publication of a new scientific paper entitled "Field Performance Monitoring of Energy-Generating High-Transparency Agrivoltaic Glass Windows" highlighting the outcomes of the ClearVue Greenhouse trial at Murdoch University was published in peer-reviewed journal MDPI Technologies. Amongst other findings, the paper showed that significant energy savings were demonstrated in greenhouse grow-rooms fitted with ClearVue solar windows – which demonstrated approximately 40% of total (season-averaged) energy self-sufficiency, due to the renewable energy generated.

## DIRECTORS' REPORT

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- 18 May 2023 ClearVue confirmed the official release of its improved Generation 2 product design for its ClearVue PV® solar vision glass integrated glazing unit or IGU. At the same time, the Company officially released new integrated Solar Façade Solutions at an event in London. The new IGU design represents a step-change for how ClearVue's core product is manufactured – substantially simplifying the assembly and fabrication of ClearVue's world leading triple and newly engineered double glazed IGU with such design improvements reducing the fabrication time for our licensed manufacturers of a finished IGU by over 90% (compared against the earlier design).
- 17 May 2023 ClearVue announced that it had signed an asset Purchase Agreement with Netherlands-based Lusoco B.V. (Lusoco) to acquire its intellectual property and associated assets. Lusoco is a deep tech company, which was established as a spin out from the Eindhoven University of Technology (Technische Universiteit Eindhoven) (TU/e) by co-founders Teun Wagenaar and Dr Jeroen ter Schiphorst who as part of the arrangement have since joined the ClearVue team. Lusoco's technology has multiple applications including: building and glazing façades (for advertising, artwork and directional messaging); public infrastructure (such as bus shelters, road barriers, as well as public art and advertising); automotive (glass and plastics); autonomous self-powered street signs and other directional signage; self-powered safety, security and exit signs; and a range of other signage types.

### ***Product Certifications and related***

- 18 Jul 2023 After the end of the Financial Year ClearVue confirmed through its Newsletter that phase two testing had formally commenced with Singapore's Building and Construction Authority (BCA) world-leading BCA Skylab on its improved Generation 2 product design for its ClearVue PV® solar vision glass and new spandrel glass solution (announced 18 May 2023). Whilst data collection has concluded completion of reporting and validation on the Generation 2 product and spandrel solution is under way with reporting expected by the end of September 2023.

### ***Grants & Rebates***

- 18 Jul 2023 After the end of the Financial Year ClearVue confirmed that ClearVue research partner Macquarie University was announced as the recipient of a \$566,000 Australian Research Council Linkage project grant for a 3-year research project entitled "Highly Efficient Solar Window Technology Enabled by Quantum Dots".
- 25 May 2023 ClearVue announced that it signed a Financial Assistance Agreement with the then Western Australian Minister for State Development, Jobs and Trade, the Hon. Roger Cook MLA (now Premier of Western Australia) to receive a grant of up to AUD \$2 million made under the WA Government's Investment Attraction Fund to assist with the establishment of a WA-based Photovoltaic and Nanoparticle Components Manufacturing Facility.
- 12 Dec 2022 ClearVue announced that it had received an R&D tax credit made pursuant to the Commonwealth Government Research & Development Tax Incentive Program of AUD c. \$812,830. The claim related to R&D work completed during the last

**DIRECTORS' REPORT**

year on activities including: the Company's research program with research partner D2 Solar in the US; greenhouse research work being conducted at Murdoch University in Western Australia; development work on productisation of the ClearVue Smart Façade platform amongst a range of other R&D work.

**Corporate Governance & ESG**

30 Sep 2022 ClearVue confirmed release of its first Baseline ESG Report.

1 Sep 2022 ClearVue announced it had committed to ESG reporting by making disclosures against the World Economic Forum (WEF) Stakeholder Capitalism framework and its Stakeholder Capitalism Metrics as the most appropriate ESG disclosure framework to start out on its ESG journey. The WEF framework is a set of common metrics for sustainable value creation captured in 21 core ESG disclosures. The Board of ClearVue resolved to use this universal ESG framework to align mainstream reporting on performance against ESG indicators.

**Additional Information**

|                                        | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> |
|----------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Revenue                                | 63,310      | 287,613     | -           | -           | 23,029      |
| EBITDA                                 | (7,127,567) | (3,583,633) | (6,682,951) | (1,854,429) | (3,746,706) |
| EBIT                                   | (7,484,316) | (3,791,365) | (6,878,110) | (2,021,190) | (3,842,692) |
| Loss after income tax                  | (7,497,092) | (3,806,151) | (6,900,493) | (2,049,191) | (3,852,963) |
| Share price (\$)                       | 0.165       | 0.20        | 0.44        | 0.125       | 0.22        |
| Dividend (cents per share)             | -           | -           | -           | -           | -           |
| Basic loss per share (cents per share) | (3.5)       | (1.8)       | (4.7)       | (1.8)       | (4.0)       |

**DIVIDENDS**

No dividend has been declared or paid since the start of financial year. The Directors do not recommend the declaration of a dividend.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

No significant changes in state of affairs from prior year.

## DIRECTORS' REPORT

### EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

### FUTURE DEVELOPMENTS

A discussion of likely developments in the Company's and the expected results of those operations is set out in the Executive Chairman's Letter.

### DIRECTORS' MEETINGS

The meetings of the Company's Board of Directors held during the year ended 30 June 2023. The number of meetings attended by each director were:

|                             | Board Meeting      |          | Audit & Compliance Committee Meetings <sup>1</sup> |          |
|-----------------------------|--------------------|----------|----------------------------------------------------|----------|
|                             | Eligible to Attend | Attended | Eligible to Attend                                 | Attended |
| Mr V Rosenberg              | 8                  | 8        | -                                                  | -        |
| Mr Carmichael <sup>2</sup>  | 8                  | 8        | -                                                  | -        |
| Mr Steinepreis <sup>3</sup> | 4                  | 3        | -                                                  | -        |
| Mr Downes <sup>4</sup>      | 4                  | 4        | -                                                  | -        |
| Mr Lyford <sup>5</sup>      | 4                  | 4        | -                                                  | -        |
| Mr Hoencike <sup>6</sup>    | 1                  | 1        | -                                                  | -        |
| Mr Mowrey <sup>7</sup>      | 1                  | 1        | -                                                  | -        |

<sup>1</sup> Committee meetings are performed by the Board as a whole.

<sup>2</sup> Resigned as director on 30 June 2023

<sup>3</sup> Resigned as director on 10 February 2023

<sup>4</sup> Resigned as director on 10 February 2023

<sup>5</sup> Appointed as director 10 February 2023

<sup>6</sup> Appointed as director 1 May 2023

<sup>7</sup> Appointed as director 1 May 2023

During the financial year, the Directors met regularly on Company matters on an informal basis..

### ENVIRONMENTAL REGULATIONS

The Group's operations are not regulated by any significant environmental regulation under a law of the commonwealth or of a State or Territory of Australia.

### INDEMNIFYING OFFICER OR AUDITOR

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the Company.

**DIRECTORS' REPORT**

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**PROCEEDINGS ON BEHALF OF COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any proceedings during the year.

**NON-AUDIT SERVICES**

There were no provision of non-audit services to the Company during the financial year, by the auditor.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors.



.....  
Victor Rosenberg  
Chairman

Perth WA

Date: 28 September 2023

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## Auditor's Independence Declaration

### To the Directors of ClearVue Technologies Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of ClearVue Technologies Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



J C Esterhuizen  
Partner – Audit & Assurance

Perth, 28 September 2023

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023

|                                                                         | <u>Note</u> | <u>Consolidated</u><br><u>30 Jun 2023</u><br>\$ | <u>Consolidated</u><br><u>30 Jun 2022</u><br>\$ |
|-------------------------------------------------------------------------|-------------|-------------------------------------------------|-------------------------------------------------|
| Revenue from contracts with customers                                   | 14          | 63,310                                          | 287,613                                         |
| Other income                                                            | 15          | 1,152,716                                       | 1,121,739                                       |
|                                                                         |             | <u>1,216,026</u>                                | <u>1,409,352</u>                                |
| <b>Expenses</b>                                                         |             |                                                 |                                                 |
| Consulting expense                                                      |             | (2,629,563)                                     | (1,745,062)                                     |
| Depreciation and amortisation expense                                   |             | (343,971)                                       | (207,732)                                       |
| Employee benefits expense                                               |             | (1,566,054)                                     | (1,192,188)                                     |
| Finance costs                                                           | 16          | (12,777)                                        | (14,786)                                        |
| Legal fees                                                              |             | (72,447)                                        | (193,429)                                       |
| Material costs                                                          |             | (618,851)                                       | (591,653)                                       |
| Royalty expense                                                         |             | (21,483)                                        | -                                               |
| Share-based payments expense                                            | 19          | (1,562,838)                                     | (411,787)                                       |
| Travel expenses                                                         |             | (499,418)                                       | (158,902)                                       |
| Other expenses                                                          | 17          | (1,385,716)                                     | (699,964)                                       |
|                                                                         |             | <u>(8,713,118)</u>                              | <u>(5,215,503)</u>                              |
| <b>Loss before income tax</b>                                           |             | <b><u>(7,497,092)</u></b>                       | <b><u>(3,806,151)</u></b>                       |
| Income tax expense                                                      | 27          | -                                               | -                                               |
| <b>Loss for the year</b>                                                |             | <b><u>(7,497,092)</u></b>                       | <b><u>(3,806,151)</u></b>                       |
| Other comprehensive income / (loss)                                     |             | -                                               | -                                               |
| <b>Total comprehensive loss for the year</b>                            |             | <b><u>(7,497,092)</u></b>                       | <b><u>(3,806,151)</u></b>                       |
| <b>Loss per share attributable to the owners of the Company (cents)</b> |             |                                                 |                                                 |
| Basic loss per share                                                    | 28          | (3.5)                                           | (1.8)                                           |
| Diluted loss per share                                                  | 28          | (3.5)                                           | (1.8)                                           |

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023

|                                | <u>Note</u> | <u>Consolidated</u><br><u>30 Jun 2023</u><br>\$ | <u>Consolidated</u><br><u>30 Jun 2022</u><br>\$ |
|--------------------------------|-------------|-------------------------------------------------|-------------------------------------------------|
| <b><u>ASSETS</u></b>           |             |                                                 |                                                 |
| <b>Current Assets</b>          |             |                                                 |                                                 |
| Cash and cash equivalents      | 3           | 5,164,663                                       | 11,753,873                                      |
| Trade and other receivables    | 4           | 1,008,835                                       | 941,873                                         |
| Other assets                   | 5           | 382,304                                         | 261,112                                         |
|                                |             | <u>6,555,802</u>                                | <u>12,956,858</u>                               |
| <b>Non-Current Assets</b>      |             |                                                 |                                                 |
| Plant and equipment            | 6           | 316,804                                         | 282,517                                         |
| Right of use asset             | 7           | 158,984                                         | 172,220                                         |
| Intangible assets              | 8           | 5,115,101                                       | 4,096,043                                       |
| Other assets                   | 5           | 56,682                                          | 56,682                                          |
|                                |             | <u>5,647,571</u>                                | <u>4,607,462</u>                                |
| <b>Total Assets</b>            |             | <u><u>12,203,373</u></u>                        | <u><u>17,564,320</u></u>                        |
| <b><u>LIABILITIES</u></b>      |             |                                                 |                                                 |
| <b>Current Liabilities</b>     |             |                                                 |                                                 |
| Trade and other payables       | 9           | 1,170,876                                       | 688,670                                         |
| Lease liabilities              | 10          | 126,757                                         | 71,025                                          |
| Provisions                     | 11          | 107,203                                         | 209,423                                         |
|                                |             | <u>1,404,836</u>                                | <u>969,118</u>                                  |
| <b>Non-Current Liabilities</b> |             |                                                 |                                                 |
| Lease liabilities              | 10          | 30,724                                          | 102,823                                         |
| Provisions                     | 11          | 45,492                                          | 35,804                                          |
|                                |             | <u>76,216</u>                                   | <u>138,627</u>                                  |
| <b>Total Liabilities</b>       |             | <u><u>1,481,052</u></u>                         | <u><u>1,107,745</u></u>                         |
| <b>Net Assets</b>              |             | <u><u>10,722,321</u></u>                        | <u><u>16,456,575</u></u>                        |
| <b><u>EQUITY</u></b>           |             |                                                 |                                                 |
| Share capital                  | 12          | 32,360,091                                      | 31,373,822                                      |
| Share-based payments reserve   | 13          | 6,039,351                                       | 5,742,782                                       |
| Accumulated losses             |             | <u>(27,677,121)</u>                             | <u>(20,660,029)</u>                             |
| <b>Total Equity</b>            |             | <u><u>10,722,321</u></u>                        | <u><u>16,456,575</u></u>                        |

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023

|                                       | Share<br>Capital<br>\$ | Share-Based<br>Payments<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$       |
|---------------------------------------|------------------------|------------------------------------------|-----------------------------|-------------------|
| <b>Balance at 1 July 2021</b>         | <b>31,040,246</b>      | <b>5,627,363</b>                         | <b>(17,077,246)</b>         | <b>19,590,363</b> |
| Loss for the year                     | -                      | -                                        | (3,806,151)                 | (3,806,151)       |
| Other comprehensive income            | -                      | -                                        | -                           | -                 |
| Total comprehensive loss for the year | -                      | -                                        | (3,806,151)                 | (3,806,151)       |
| Options exercised                     | 258,576                | (223,368)                                | 223,368                     | 258,576           |
| Share based payments                  | 75,000                 | 336,787                                  | -                           | 411,787           |
| Options issued                        |                        | 2,000                                    |                             | 2,000             |
| <b>Balance at 30 June 2022</b>        | <b>31,373,822</b>      | <b>5,742,782</b>                         | <b>(20,660,029)</b>         | <b>16,456,575</b> |
| <b>Balance at 1 July 2022</b>         | <b>31,373,822</b>      | <b>5,742,782</b>                         | <b>(20,660,029)</b>         | <b>16,456,575</b> |
| Loss for the year                     | -                      | -                                        | (7,497,092)                 | (7,497,092)       |
| Other comprehensive income            | -                      | -                                        | -                           | -                 |
| Total comprehensive loss for the year | -                      | -                                        | (7,497,092)                 | (7,497,092)       |
| Options exercised                     | 200,000                | -                                        | -                           | 200,000           |
| Share based payments                  | 786,269                | 776,569                                  | -                           | 1,562,838         |
| Performance shares lapsed             |                        | (480,000)                                | 480,000                     | -                 |
| <b>Balance at 30 June 2023</b>        | <b>32,360,091</b>      | <b>6,039,351</b>                         | <b>(27,677,121)</b>         | <b>10,722,321</b> |

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023

|                                                 | <u>Note</u> | <b>Consolidated<br/>30 Jun 2023</b><br>\$ | <b>Consolidated<br/>30 Jun 2022</b><br>\$ |
|-------------------------------------------------|-------------|-------------------------------------------|-------------------------------------------|
| <b>Cash flows from operating activities</b>     |             |                                           |                                           |
| Loss before income tax                          |             | (7,497,092)                               | (3,806,151)                               |
| Adjustment for:                                 |             |                                           |                                           |
| Effects of currency translation on cash         |             | (108,010)                                 | (207,677)                                 |
| Depreciation of plant and equipment             |             | 140,991                                   | 92,544                                    |
| Amortisation of intangible assets               |             | 202,980                                   | 115,188                                   |
| Share based payments                            |             | 1,562,838                                 | 411,787                                   |
| <b>Operating loss before working capital</b>    |             | <b>(5,698,293)</b>                        | <b>(3,394,309)</b>                        |
| Changes in working capital:                     |             |                                           |                                           |
| Decrease/(Increase) in trade receivables        |             | (66,963)                                  | (2,855)                                   |
| Decrease in other assets                        |             | (121,192)                                 | (67,448)                                  |
| (Decrease)/Increase in trade and other payables |             | 525,103                                   | 141,721                                   |
| Increase in provisions                          |             | (92,533)                                  | 67,653                                    |
| <b>Net cash (used in) operating activities</b>  |             | <b>(5,453,878)</b>                        | <b>(3,255,238)</b>                        |
| <b>Cash flows from investing activities</b>     |             |                                           |                                           |
| Patents and trademarks expenditure              |             | (842,463)                                 | (603,322)                                 |
| Development expenditure                         |             | (379,573)                                 | (648,015)                                 |
| Purchase of plant and equipment                 |             | (62,690)                                  | (30,739)                                  |
| <b>Net cash (used in) investing activities</b>  |             | <b>(1,284,726)</b>                        | <b>(1,282,076)</b>                        |
| <b>Cash flows from financing activities</b>     |             |                                           |                                           |
| Options exercised                               |             | 200,000                                   | 258,576                                   |
| Options issued                                  |             | -                                         | 2,000                                     |
| Proceeds from borrowings                        |             | -                                         | 84,560                                    |
| Loan repayments                                 |             | (42,897)                                  | (77,575)                                  |
| Lease payments                                  |             | (115,719)                                 | (71,534)                                  |
| <b>Net cash from financing activities</b>       |             | <b>41,384</b>                             | <b>196,027</b>                            |
| Net (decrease) in cash and cash equivalents     |             | (6,697,220)                               | (4,341,287)                               |
| Effects of currency translation on cash         |             | 108,010                                   | 207,677                                   |
| Cash and cash equivalents at beginning of year  |             | 11,753,873                                | 15,887,483                                |
| <b>Cash and cash equivalents at end of year</b> | <b>3</b>    | <b>5,164,663</b>                          | <b>11,753,873</b>                         |

See accompanying notes to the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial report:

**1. CORPORATE INFORMATION AND CONSOLIDATED STATEMENT OF COMPLIANCE**

The consolidated financial report covers ClearVue Technologies Limited ("the Company") and its controlled entities ("the Group"). The Company is a Company limited by shares, incorporated and domiciled in Australia; whose shares are publicly traded on the Australian Stock Exchange. The address of its registered office and its principal place of business is 16 Ord Street, West Perth, WA 6005, Australia.

The consolidated annual report for the year ended 30 June 2023 was authorised for issue, in accordance with a resolution of Directors, on 28 September 2023. The Directors have the power to amend and reissue the financial statements.

The consolidated annual report is a general-purpose financial report that have been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

*Nature of Operations*

The principal activities of the Group during the course of the year were research and development activities applied to the Company's world leading solar glass technology.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the consolidated annual report. The accounting policies have been consistently applied, unless otherwise stated.

**2.1 BASIS OF PREPARATION**

Except for cash flow information, the consolidated annual report is prepared on an accruals basis and is based on historical costs. The consolidated annual report has been prepared under the assumption that the Group operates on a going concern basis. The financial statements have been presented in Australian dollars (AUD), which is the Group's functional and presentation currency.

**2.2 GOING CONCERN**

The Group incurred an operating loss after income tax for the year ended 30 June 2023 of \$7,497,092 (\$3,806,151 loss for 2022) and reported net cash outflows from operating activities of \$5,453,878 (\$3,255,238 outflows for 2022) and investing activities of \$1,284,726 cash outflow (\$1,282,076 outflow for 2022). As at 30 June 2023, the Group had available cash and cash equivalents of \$5,164,663 (\$11,753,873 at 30 June 2022). The Company has the ability to defer or reduce its operating expenditure. However, based on its current projected work program, it is anticipated that the Group has sufficient funds to operate for approximately 9 months if no further funds are received. The Company has initiated discussions with investors for equity capital investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.2 GOING CONCERN (CONTINUED)**

The continuing viability of the Group and its ability to continue as a going concern is dependent upon the Group being successful in its continuing efforts in development projects and accessing additional sources of funding to meet the commitments within one year from the date of signing the financial report.

In assessing the appropriateness of the going concern assumption, the directors have considered the Group's successful history of capital raising, its discussions with potential capital investors and the ability to moderate expenditure.

This financial report has been prepared on a 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. Should the Group be unable to defer or reduce its operating expenditure or obtain the funding as described above, there is a material uncertainty as to whether the Group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

**2.3 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

**2.4 PLANT AND EQUIPMENT**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is computed on a straight line basis over the estimated useful lives of the assets as follows:

|                  |             |
|------------------|-------------|
| Furniture        | 10% - 15%   |
| Office equipment | 28% - 33.3% |
| Machinery        | 13% - 15%   |

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual value, useful life and depreciation method are reviewed at the end of each financial year to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.5 INTANGIBLE ASSETS

#### Patents and Trademarks

Patents and trademarks costs are capitalised in the period in which they are incurred and amortised over their useful lives. Patents and trademark are amortised over 20 years from the date of purchase.

#### Research and Development

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised over the period of their expected useful life, when the asset is determined available for use. The useful life, when available for use has been determined to be 20 years based on the expected viability of the product. Patents costs that relate to projects that are in the development phase are capitalised.

Research and development grants receivable are matched to their classification of expenditure. In the periods where research costs are expensed, the related research and development grant is reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as other income. In periods where the Group incurs Development Costs, the related Research and Development grant is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The carrying value of development expenditure, intangible assets and intellectual property is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period.

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Other than goodwill, all other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

2.7 PROVISIONS

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

2.8 FINANCIAL INSTRUMENTS

*Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

*Classification and subsequent measurement of financial assets*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortised cost
- Fair value through profit or loss (FVPL)
- Equity instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 FINANCIAL INSTRUMENTS (CONTINUED)

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

*Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

There are no FVPL and FVOCI instruments for the group.

*Impairment of Financial assets*

AASB 9's impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.8 FINANCIAL INSTRUMENTS (CONTINUED)**

*Trade and other receivables and contract assets*

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

*Classification and measurement of financial liabilities*

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Group's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below. The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

**2.9 IMPAIRMENT OF NON-FINANCIAL ASSETS**

At each reporting date, the directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is recognised in profit or loss.

Impairment testing is performed annually for intangible assets with indefinite lives. This includes any capitalised internally developed software that is not yet complete is not amortised, but is subject to impairment testing. Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

**2.10 CURRENT AND NON-CURRENT CLASSIFICATION**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 CURRENT AND NON-CURRENT CLASSIFICATION (CONTINUED)

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

2.11 ISSUED CAPITAL

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

*Basic loss per share*

Basic loss per share is determined by dividing the operating profit/(loss) after income tax attributable to members of ClearVue Technologies Limited by the weighted average number of ordinary shares outstanding during the financial year

*Diluted loss per share*

Diluted loss per share adjusts the amounts used in the determination of basic loss per share by taking into account unpaid amounts on ordinary shares and any reduction in loss per share that will probably arise from the exercise of options outstanding during the financial year.

2.12 REVENUE AND OTHER INCOME RECOGNITION

*Revenue from contracts with customers*

The company has generated income from the sale of integrated glass unit windows. Revenue from the sale of the goods is recognised when control has passed to the customer.

Control is considered passed when:

- Physical possession and inventory risk is transferred
- Payment for the goods has been received
- The customer has no practical ability to reject the product where it is within contractual specified limits.

*Grant income*

Grant income is recognised in the income statement, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured. If the grant has conditions attached which must be satisfied before the entity is eligible to receive the grant, the recognition of the income will be deferred until those conditions are satisfied.

Where the entity incurs an obligation to deliver economic value back to the grant contributor, the transaction is considered a reciprocal transaction and the income is recognised as a liability in the Consolidated Statement of financial position until the required service has been completed, otherwise the income is recognised on receipt.

Government grants are recognised when it is received or when the right to receive payment is established.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.12 REVENUE AND OTHER INCOME RECOGNITION (CONTINUED)**

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other income*

Other revenue is recognised when it is received or when the right to receive payment is established.

**2.13 EMPLOYEE BENEFITS**

*Short-term employee benefits*

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The Group's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.14 SHARE-BASED PAYMENTS**

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognized as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired option of the vesting period.
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.14 SHARE-BASED PAYMENTS (CONTINUED)**

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**2.15 INCOME TAX**

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the end of each financial year.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in profit and loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**2.16 GOODS AND SERVICE TAX (GST)**

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Consolidated Statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

When preparing the financial report, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The management is of the opinion that there are no significant judgments made (other than those involving estimates) in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

*Share based payments*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes model, using the assumptions detailed in Note 13.

*Impairment of intangible assets*

Intangible assets are reviewed for impairment whenever there is an indication that these assets may be impaired. This includes any capitalised internally developed software that is not yet complete is not amortised. The Group considers the guidance of AASB 136 in assessing whether there is any indication that an item of the above assets may be impaired. This assessment requires management's judgement. If any such indication exists, the recoverable amount of the assets is estimated to ascertain the amount of impairment loss. The recoverable amount is defined as the higher of the fair value less cost to sell and value in use.

In determining the value in use of assets, the Group applies a discounted cash flow model where the future cash flows derived from such assets are discounted at an appropriate rate. Forecasts of future cash flow are estimated based on financial budgets and forecasts approved by the management. Based on management's assessment, there is no indication of impairment as at the end of the reporting period.

*Useful lives of intangible assets*

The Group reviews the appropriateness of the useful lives and residual values of intangible assets at the end of each reporting period. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of these assets. Where there is a material change in the useful lives and residual values of intangible assets, such a change may impact the future amortisation charge in the financial year in which the change arises.

*Deferred tax*

The Company expects to have carried forward tax losses which have not been recognised as deferred tax assets as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.18 PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ClearVue Technologies Limited ('Company') as at 30 June 2023 and the results of all subsidiaries for the year then ended. The Group and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

**2.19 OPERATING SEGMENTS**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Board of Directors. They are responsible for the allocation of resources to operating segments and assessing their performance.

**2.20 LEASES**

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.20 LEASES (CONTINUED)**

*Measurement and recognition of leases*

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

**2.21 NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE AND NOT EARLY ADOPTED BY THE GROUP**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

3. CASH AND CASH EQUIVALENTS

|              | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|--------------|-------------------------------------|-------------------------------------|
|              | \$                                  | \$                                  |
| Cash at bank | 5,164,663                           | 11,753,873                          |

4. TRADE AND OTHER RECEIVABLES

|                       | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------|-------------------------------------|-------------------------------------|
|                       | \$                                  | \$                                  |
| Trade receivables     | 73,371                              | 48,019                              |
| R&D rebate receivable | 935,464                             | 812,830                             |
| Grants receivable     | -                                   | 81,024                              |
|                       | 1,008,835                           | 941,873                             |

5. OTHER ASSETS

|                                | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|--------------------------------|-------------------------------------|-------------------------------------|
|                                | \$                                  | \$                                  |
| <i>Current</i>                 |                                     |                                     |
| Notary funds held <sup>1</sup> | -                                   | 17,971                              |
| Goods and service tax (GST)    | 39,715                              | 59,004                              |
| Prepayments                    | 316,283                             | 155,976                             |
| Inventory                      | 25,868                              | 25,787                              |
| Other                          | 438                                 | 2,375                               |
|                                | 382,304                             | 261,113                             |
| <i>Non-Current</i>             |                                     |                                     |
| Deposits                       | 56,682                              | 56,682                              |

<sup>1</sup>Euro 11,000 held in trust in the Netherlands pending investment in initial share capital for ClearVue Europe BV.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

6. PLANT AND EQUIPMENT

|                                   | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------------------|-------------------------------------|-------------------------------------|
|                                   | \$                                  | \$                                  |
| <u>Plant and Equipment</u>        |                                     |                                     |
| Cost                              | 499,307                             | 436,618                             |
| Less accumulated depreciation     | (182,503)                           | (154,101)                           |
| Carrying amount                   | <u>316,804</u>                      | <u>282,517</u>                      |
| <b>Cost</b>                       |                                     |                                     |
| Balance at 1 July                 | 436,618                             | 405,879                             |
| Additions                         | 62,689                              | 30,739                              |
| Balance at 30 June                | <u>499,307</u>                      | <u>436,618</u>                      |
| <b>Accumulated depreciation</b>   |                                     |                                     |
| Balance at 1 July                 | 154,101                             | 126,783                             |
| Depreciation for the year         | 28,402                              | 27,318                              |
| Balance at 30 June                | <u>182,503</u>                      | <u>154,101</u>                      |
| <b>Carrying amount at 30 June</b> | <u>316,804</u>                      | <u>282,517</u>                      |

7. RIGHT-OF-USE ASSET

|                                   | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------------------|-------------------------------------|-------------------------------------|
|                                   | \$                                  | \$                                  |
| Cost                              | 434,332                             | 334,980                             |
| Less accumulated amortisation     | (275,348)                           | (162,760)                           |
| Carrying amount                   | <u>158,984</u>                      | <u>172,220</u>                      |
| <b>Cost</b>                       |                                     |                                     |
| Balance at 1 July                 | 334,980                             | 328,114                             |
| Additions                         | 99,352                              | 6,866                               |
| Balance at 30 June                | <u>434,332</u>                      | <u>334,980</u>                      |
| <b>Accumulated amortisation</b>   |                                     |                                     |
| Balance at 1 July                 | 162,760                             | 97,534                              |
| Depreciation for the period       | 112,588                             | 65,226                              |
| Balance at 30 June                | <u>275,348</u>                      | <u>162,760</u>                      |
| <b>Carrying amount at 30 June</b> | <u>158,984</u>                      | <u>172,220</u>                      |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

8. INTANGIBLE ASSETS

|                                 | Consolidated<br>30 Jun 2023<br>\$ | Consolidated<br>30 Jun 2022<br>\$ |
|---------------------------------|-----------------------------------|-----------------------------------|
| Patents and trademarks          | 2,795,872                         | 2,096,921                         |
| Development asset               | 2,319,229                         | 1,999,122                         |
|                                 | <u>5,115,101</u>                  | <u>4,096,043</u>                  |
| <u>Patents and trademarks</u>   |                                   |                                   |
| Cost                            | 3,474,030                         | 2,631,567                         |
| Less accumulated amortisation   | (678,158)                         | (534,646)                         |
| Carrying amount                 | <u>2,795,872</u>                  | <u>2,096,921</u>                  |
| <b>Cost</b>                     |                                   |                                   |
| Balance at 1 July               | 2,631,567                         | 2,028,245                         |
| Additions <sup>1</sup>          | 842,463                           | 603,322                           |
| Balance at 30 June              | <u>3,474,030</u>                  | <u>2,631,567</u>                  |
| <b>Accumulated amortisation</b> |                                   |                                   |
| Balance at 1 July               | 534,646                           | 419,458                           |
| Amortisation for the year       | 143,512                           | 115,188                           |
| Balance at 30 June              | <u>678,158</u>                    | <u>534,646</u>                    |
| Carrying amount at 30 June      | <u>2,795,872</u>                  | <u>2,096,921</u>                  |
| <u>Development asset</u>        |                                   |                                   |
| Cost                            | 2,378,696                         | 1,999,122                         |
| Less accumulated amortisation   | 59,467                            | -                                 |
| Carrying amount                 | <u>2,319,229</u>                  | <u>1,999,122</u>                  |
| <b>Cost</b>                     |                                   |                                   |
| Balance at 1 July               | 1,999,122                         | 1,351,107                         |
| Additions                       | 379,574                           | 648,015                           |
| Balance at 30 June              | <u>2,378,696</u>                  | <u>1,999,122</u>                  |
| <b>Accumulated amortisation</b> |                                   |                                   |
| Balance at 1 July               | -                                 | -                                 |
| Amortisation for the year       | 59,467                            | -                                 |
| Balance at 30 June              | <u>59,467</u>                     | <u>-</u>                          |
| Carrying amount at 30 June      | <u>2,319,229</u>                  | <u>1,999,122</u>                  |
| Net carrying amount at 30 June  | <u>5,115,101</u>                  | <u>4,096,043</u>                  |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

8. INTANGIBLE ASSETS (continued)

<sup>1</sup>On 15 May 2023, the company acquired the assets and Intellectual property of Lusoco BV. Lusoco is a deep tech company, which was established as a spin out from the Eindhoven University of Technology (Technische Universiteit Eindhoven) (TU/e) by co-founders Teun Wagenaar and Dr Jeroen ter Schiphorst who as part of the arrangement have since joined the ClearVue team. Lusoco's technology has multiple applications including: building and glazing façades (for advertising, artwork and directional messaging); public infrastructure (such as bus shelters, road barriers, as well as public art and advertising); automotive (glass and plastics); autonomous self-powered street signs and other directional signage; self-powered safety, security and exit signs; and a range of other signage types.

The acquisition price was EUR200,000. The amounts recognized in respect of assets acquired are as follows.

|                       | \$             |
|-----------------------|----------------|
| Plant and equipment   | 49,060         |
| Inventory             | 82             |
| Intellectual property | 367,221        |
|                       | <u>416,363</u> |

Intangible assets are stated at cost. The useful life of these patents and trademarks is estimated to be finite. No impairment losses were recognised during the financial year (2022: nil).

9. TRADE AND OTHER PAYABLES

|                   | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-------------------|-------------------------------------|-------------------------------------|
|                   | \$                                  | \$                                  |
| Trade payables    | 559,950                             | 369,366                             |
| Prepaid revenue   | 78,636                              | -                                   |
| Unacquitted Grant | 300,000                             | -                                   |
| Other payables    | 115,404                             | 110,186                             |
| Accruals          | 116,886                             | 209,118                             |
|                   | <u>1,170,876</u>                    | <u>688,670</u>                      |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

10. LEASE LIABILITIES

|             | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-------------|-------------------------------------|-------------------------------------|
|             | <b>\$</b>                           | <b>\$</b>                           |
| Current     | 126,757                             | 71,025                              |
| Non-Current | 30,724                              | 102,823                             |

The Group has leases for the office and photocopier. The lease liabilities are secured by the related underlying assets.

Future minimum lease payments at 30 June 2023 were as follows:

|                   | <b>Within 1<br/>Year</b> | <b>Minimum Lease Payments</b> |                          | <b>Total</b>   |
|-------------------|--------------------------|-------------------------------|--------------------------|----------------|
|                   | <b>\$</b>                | <b>1-5 Years</b>              | <b>After 5<br/>Years</b> | <b>\$</b>      |
|                   | <b>\$</b>                | <b>\$</b>                     | <b>\$</b>                | <b>\$</b>      |
| Lease payments    | 132,849                  | 34,373                        | -                        | 167,222        |
| Finance charges   | (6,092)                  | (3,649)                       | -                        | (9,741)        |
| Net present value | <u>126,757</u>           | <u>30,724</u>                 | <u>-</u>                 | <u>157,481</u> |

*Lease payments not recognised as a liability*

Certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred. The expense relating to payments not recognised as lease liability is as follows:

|                               | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-------------------------------|-------------------------------------|-------------------------------------|
|                               | <b>\$</b>                           | <b>\$</b>                           |
| Depreciation expense (Note 7) | 112,588                             | 65,226                              |
| Interest expense              | 12,777                              | 11,241                              |
| Variable lease payments       | 42,086                              | 24,209                              |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

10. LEASE LIABILITIES - CONTINUED

Variable lease payments are expensed on the basis that they are not recognised as a lease liability include excess use charges on office equipment. Variable payment terms are used for a variety of reasons, including minimizing costs for equipment with infrequent use. Variable lease payments are expensed in the period they are incurred.

11. PROVISIONS

|                              | <b>Consolidated<br/>30 Jun 2023<br/>\$</b> | <b>Consolidated<br/>30 Jun 2022<br/>\$</b> |
|------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Current</b>               |                                            |                                            |
| Annual leave provision       | 107,203                                    | 154,006                                    |
| Long service leave provision | -                                          | 55,417                                     |
|                              | <u>107,203</u>                             | <u>209,423</u>                             |
| <b>Non-Current</b>           |                                            |                                            |
| Long service leave provision | 45,492                                     | 35,804                                     |
|                              | <u>45,492</u>                              | <u>35,804</u>                              |

12. SHARE CAPITAL

|                                    | <b>30 Jun 2023<br/>NO. OF<br/>SHARES</b> | <b>30 Jun 2022<br/>NO. OF<br/>SHARES</b> | <b>30 Jun 2023<br/>\$</b> | <b>30 Jun 2022<br/>\$</b> |
|------------------------------------|------------------------------------------|------------------------------------------|---------------------------|---------------------------|
| <b>Share issued and fully paid</b> |                                          |                                          |                           |                           |
| Balance at 1 July                  | 212,040,344                              | 210,112,365                              | 31,373,823                | 31,040,246                |
| Options exercised <sup>1</sup>     | 1,000,000                                | 1,580,380                                | 200,000                   | 258,576                   |
| Share based payments <sup>2</sup>  | 4,131,413                                | 347,599                                  | 786,268                   | 75,000                    |
| <b>Balance at 30 June</b>          | <u><b>217,171,757</b></u>                | <u><b>212,040,344</b></u>                | <u><b>32,360,091</b></u>  | <u><b>31,373,822</b></u>  |

<sup>1</sup>On 14 October 2022 a total of 1,000,000 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.20.

<sup>2</sup>On 14 October 2022, 21,008 fully paid ordinary shares were issued at a deemed price of \$0.375

<sup>2</sup>On 7 December 2022, 4,000,000 fully paid ordinary shares were issued were issued to employees under the Company's employee securities incentive plan.

<sup>2</sup>On 20 June 2023, 110,405 fully paid ordinary shares were issued were issued at adeemed price of \$0.17.

The share capital of the Company consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE

|                                             | Consolidated<br>30 Jun 2023<br>\$ | Consolidated<br>30 Jun 2022<br>\$ |
|---------------------------------------------|-----------------------------------|-----------------------------------|
| Share plan for Directors <sup>1</sup>       | 536,900                           | 536,900                           |
| Performance rights to Directors             | 3,840,000                         | 3,840,000                         |
| Options issued to Consultants               | 893,414                           | 396,019                           |
| Options issued under CSIP                   | 353,545                           | 98,941                            |
| Options issued under ESIP                   | 24,570                            | -                                 |
| Options issued to Lead Manager of placement | 390,922                           | 390,922                           |
| Performance shares to Directors             | -                                 | 480,000                           |
|                                             | <u>6,039,351</u>                  | <u>5,742,782</u>                  |

<sup>1</sup>The share plan arises on the grant of loan for a term of 10 years to Directors and related parties for the purchase of the Company's ordinary shares under the ClearVue Loan Funded Share Plan in 2017. Amounts are transferred out of the reserve and into share capital when the loans are settled.

|                                                                    | NO. OF<br>OPTIONS | NO. OF<br>PERFORMANCE<br>RIGHTS | NO. OF<br>PERFORMANCE<br>SHARES | \$               |
|--------------------------------------------------------------------|-------------------|---------------------------------|---------------------------------|------------------|
| <i>Movements in Share based<br/>payment reserve</i>                |                   |                                 |                                 |                  |
| Balance at 1 July 2021                                             | 13,275,247        | 10,000,000                      | 3,000,000                       | 5,627,363        |
| Options issued to consultants <sup>1</sup>                         | 2,000,000         | -                               | -                               | 237,846          |
| Options issued to consultants<br>– cash consideration <sup>1</sup> |                   |                                 |                                 | 2,000            |
| Options issued under IOP <sup>2</sup>                              | 3,000,000         |                                 |                                 | 98,941           |
| Options exercised <sup>3</sup>                                     | (1,580,380)       | -                               | -                               | (223,368)        |
| Balance at 30 June 2022                                            | <u>16,694,867</u> | <u>10,000,000</u>               | <u>3,000,000</u>                | <u>5,742,782</u> |

<sup>1</sup>On 23 September 2021, 2,000,000 unlisted options exercisable at \$0.75, expiring 30 June 2024 were issued at cash consideration of \$2,000 pursuant to a corporate advisory agreement, ratified by shareholders on 25 November 2021.

<sup>2</sup>On 3 February 2022, 3,000,000 unlisted options exercisable at \$0.37, expiring 2 February 2024 were issued to US CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of AUD \$1.50 per Share for at least 30 days), 500,000 tranche 2 options (introduction and procuring a strategic alliance), 500,000 tranche 3 options (introduction and securing a strategic investment), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB US listing onto the NASDAQ), within 18 months from date of grant. Options were issued under the Company's incentive option plan.

<sup>3</sup>On 22 July 2021, 23 September 2021, 19 October 2021, 15 December 2021 and 2 February 2022, a total of 580,380 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.20.

<sup>3</sup>On 9 November 2021 a total of 1,000,000 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.145.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE – continued

|                                                 | NO. OF<br>OPTIONS | NO. OF<br>PERFORMANCE<br>RIGHTS | NO. OF<br>PERFORMANCE<br>SHARES | \$        |
|-------------------------------------------------|-------------------|---------------------------------|---------------------------------|-----------|
| <i>Movements in Share based payment reserve</i> |                   |                                 |                                 |           |
| Balance at 1 July 2022                          | 16,694,867        | 10,000,000                      | 3,000,000                       | 5,742,782 |
| Vesting options issued                          | -                 | -                               | -                               | 244,010   |
| Options issued to consultants <sup>1</sup>      | 8,000,000         | -                               | -                               | 497,396   |
| Options exercised <sup>2</sup>                  | (1,000,000)       | -                               | -                               | -         |
| Options expired <sup>3</sup>                    | (8,144,867)       | -                               | -                               | -         |
| Options issued under ESIP <sup>4</sup>          | 500,000           | -                               | -                               | 24,570    |
| Options issued under IOP <sup>6</sup>           | 3,000,000         | -                               | -                               | 10,593    |
| Performance shares cancelled <sup>5</sup>       | -                 | -                               | (3,000,000)                     | (480,000) |
| Balance at 30 June 2023                         | 19,050,000        | 10,000,000                      | -                               | 6,039,351 |

<sup>1</sup>On 20 June 2023, 2,500,000 unlisted options exercisable at \$0.30 per option, expiring 30 November 2024 were issued pursuant to a corporate advisory agreement.

<sup>1</sup>On 20 June 2023, 2,500,000 unlisted options exercisable at \$0.40 per option, expiring 30 November 2025 were issued pursuant to a corporate advisory agreement.

<sup>1</sup>On 20 June 2023, 3,000,000 unlisted options exercisable at \$0.50 per option, expiring 30 November 2025 were issued pursuant to a corporate advisory agreement.

<sup>2</sup>On 14 October 2022 a total of 1,000,000 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.20.

<sup>3</sup>On 31 December 2022, 8,144,867 unlisted options exercisable at \$0.20 per option, expiring 31 December 2022 lapsed unexercised

<sup>4</sup>On 20 June 2023, 500,000 unlisted options exercisable at \$0.30 per option, expiring 30 November 2024 were issued under the company's employee securities investment plan.

<sup>5</sup>On 31 December 2022, 3,000,000 unlisted performance shares lapsed due to conditions not being met and have become incapable of being satisfied.

<sup>6</sup>On 23 May 2023, 3,000,000 unlisted options exercisable at \$0.2475, expiring 12 July 2027 were granted to the CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of \$1.00 per share for at least 30 days), 500,000 tranche 2 options (introducing and procuring a strategic alliance), 500,000 tranche 3 options (VWAP of \$1.50 per share for at least 30 days), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB listing into the NASDAQ). Options were issued as part of the company's incentive option plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE – continued

Options

The following share-based payment arrangements were in place during the current and prior periods:

|       | Number    | Grant date | Expiry date | Exercise price<br>\$ | Fair value<br>at grant date<br>\$ | Vesting date                   |
|-------|-----------|------------|-------------|----------------------|-----------------------------------|--------------------------------|
| CPVAG | 800,000   | 23/12/2020 | 22/12/2023  | 0.25                 | 0.195                             | Vests at the date of grant     |
| CPVAF | 1,750,000 | 18/11/2020 | 11/07/2024  | 0.1425               | 0.223                             | Vests at the date of grant     |
| CPVAI | 2,000,000 | 23/09/2021 | 30/06/2024  | 0.75                 | 0.163                             | Vests at the date of grant     |
| CPVAJ | 3,000,000 | 03/02/2022 | 02/02/2024  | 0.37                 | 0.12                              | Vests as per note <sup>1</sup> |
| CPVAK | 500,000   | 20/06/2023 | 30/11/24    | 0.30                 | 0.049                             | Vests at date of grant         |
| CPVAL | 2,500,000 | 20/06/2023 | 30/11/2024  | 0.30                 | 0.049                             | Vests at the date of grant     |
| CPVAM | 2,500,000 | 20/06/2023 | 30/11/2025  | 0.40                 | 0.062                             | Vests at the date of grant     |
| CPVAN | 3,000,000 | 20/06/2023 | 30/11/2026  | 0.50                 | 0.073                             | Vests at the date of grant     |
| CPVAO | 3,000,000 | 23/5/2023  | 12/7/2027   | 0.2475               | 0.19                              | Vests as per note <sup>2</sup> |

<sup>1</sup>On 3 February 2022, 3,000,000 unlisted options exercisable at \$0.37, expiring 2 February 2024 were issued to US CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of AUD \$1.50 per Share for at least 30 days), 500,000 tranche 2 options (introduction and procuring a strategic alliance), 500,000 tranche 3 options (introduction and securing a strategic investment), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB US listing onto the NASDAQ), within 18 months from date of grant. Options were issued under the Company's incentive option plan.

<sup>2</sup>On 23 May 2023, 3,000,000 unlisted options exercisable at \$0.2475, expiring 12 July 2027 were granted to the CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of \$1.00 per share for at least 30 days), 500,000 tranche 2 options (introducing and procuring a strategic alliance), 500,000 tranche 3 options (VWAP of \$1.50 per share for at least 30 days), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB listing into the NASDAQ). Options were issued as part of the company's incentive option plan.

There has been no alteration of the terms and conditions of the above share-based payment arrangement since grant date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE – continued

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

|                                      | 2023        |                                    | 2022        |                                    |
|--------------------------------------|-------------|------------------------------------|-------------|------------------------------------|
|                                      | Number      | Weighted average exercise price \$ | Number      | Weighted average exercise price \$ |
| Outstanding at the beginning of year | 16,694,867  | 0.195                              | 13,275,247  | 0.191                              |
| Granted during the year              | 11,500,000  | 0.36                               | 5,000,000   | 0.522                              |
| Exercised during the year            | (1,000,000) | 0.20                               | (1,580,380) | 0.164                              |
| Expired during the year              | (8,144,867) | 0.20                               | -           | -                                  |
| Outstanding at the end of year       | 19,050,000  | 0.378                              | 16,694,867  | 0.293                              |
| Exercisable at the end of year       | 13,050,000  | 0.41                               | 11,694,867  | 0.195                              |

The share options outstanding at the end of the year had a weighted average exercise price of \$0.293 (2021: \$0.191) and a weighted average remaining contractual life of 397 days (2021: 321 days).

The fair value of the equity-settled share options listed below is estimated as at the date of grant using the Black-scholes model taking into account the terms and conditions upon which the options were granted

The conversion of the performance rights is dependent on the following:

|                                 | CPVAK | CPVAL | CPVAM | CPVAN |
|---------------------------------|-------|-------|-------|-------|
| Dividend yield (%)              | -     | -     | -     | -     |
| Expected volatility (%)         | 93.39 | 93.39 | 93.39 | 93.39 |
| Risk-free interest rate (%)     | 5.0   | 5.0   | 5.0   | 5.0   |
| Expected life of option (years) | 1.45  | 1.45  | 2.45  | 3.45  |
| Exercise price (cents)          | 30    | 30    | 40    | 50    |
| Grant date share price(cents)   | 17    | 17    | 17    | 17    |

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**13. SHARE-BASED PAYMENTS RESERVE – continued**

The conversion of the performance rights is dependent on the following:

**(i) Class A Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue (Orders and the ClearVue Payments is equal to or greater than \$2,000,000 within a period of 24 months commencing on the date of issue of the Performance Rights (**Issue Date**) (**Class A Milestone 1**), each Class A Performance Right will vest and be convertible into one Share; or
- (B) in the event that Class A Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (**Class A Milestone 2**), each Class A Performance Right will vest and be convertible into one Share; or
- (C) in the event that neither Class A Milestone 1 or Class A Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class A Performance Right will vest and be convertible into one Share.

**(ii) Class B Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$5,000,000 within a period of 24 to 36 months from the Issue Date (**Class B Milestone 1**), each Class B Performance Right will vest and be convertible into one Share; or
- (B) in the event that Class B Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (**Class B Milestone 2**), each Class B Performance Right will vest and be convertible into one Share; or
- (C) in the event that neither Class B Milestone 1 or Class B Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class B Performance Right will vest and be convertible into one Share.

**(iii) Class C Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$10,000,000 within a period of 36 to 48 months from the Issue Date (**Class C Milestone 1**), each Class C Performance Right will vest and be convertible into one Share; or
- (B) In the event that Class C Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class C Performance Right will vest and be convertible into one Share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE – continued

The fair value of the performance rights is estimated as at the date of grant using the Black-scholes model taking into account the terms and conditions upon which the rights were granted.

|                             |       |
|-----------------------------|-------|
| Dividend yield (%)          | -     |
| Expected volatility (%)     | 100   |
| Risk-free interest rate (%) | 0.625 |
| Vesting probability (%)     | 80    |
| Performance period (years)  | 4.00  |
| Exercise price (cents)      | -     |
| Grant date share price      | 0.48  |

The performance requirements are non-vesting conditions as there is no service requirement and therefore the fair value was expensed immediately.

**Performance shares**

The Performance Shares in the relevant class will convert into Shares upon satisfaction of the milestones as follows:

(i) **Class D Performance Shares:**

- (C) In the event the Company executes two Agreements within a period of 12 months from the Listing Date (**Class D Milestone 1**), each Class D Performance Share will convert into one Share; or
- (D) In the event that the Class D Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class D Performance Share will convert into one Share (**Class D Milestone 2**); or
- (E) In the event that the Class D Milestone 1 or the Class D Milestone 2 are not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class D Performance Share will convert into one Share.

(ii) **Class E Performance Shares:**

- (A) In the event the Company executes two Agreements within a period of 12-24 months from the Listing Date (**Class E Milestone 1**), each Class E Performance Share will convert into one Share; or
- (B) In the event that Class E Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class E Performance Share will convert into one Share (**Class E Milestone 2**); or
- (C) In the event that the Class E Milestone 1 or the Class E Milestone 2 are not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class E Performance Share will convert into one Share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

13. SHARE-BASED PAYMENTS RESERVE – continued

(iii) Class F Performance Shares:

- (A) In the event the Company executes two Agreements within a period of 24-36 months from the Listing Date (**Class F Milestone 1**), each Class F Performance Share will convert into one Share; or
- (B) In the event that Class F Milestone 1 is not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class F Performance Share will convert into one Share.

14. REVENUE FROM CONTRACTS WITH CUSTOMERS

|                            | <u>Consolidated</u><br><u>30 Jun 2023</u><br>\$ | <u>Consolidated</u><br><u>30 Jun 2022</u><br>\$ |
|----------------------------|-------------------------------------------------|-------------------------------------------------|
| Sale of solar glass panels | 63,310                                          | 287,613                                         |

15. OTHER INCOME

|                                                 | <u>Consolidated</u><br><u>30 Jun 2023</u><br>\$ | <u>Consolidated</u><br><u>30 Jun 2022</u><br>\$ |
|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Government grant                                | 53,273                                          | 101,024                                         |
| Exchange gain on foreign currency bank accounts | 108,010                                         | 207,677                                         |
| Research and development tax rebate             | 935,466                                         | 811,013                                         |
| Interest received                               | 55,967                                          | 2,025                                           |
|                                                 | <u>1,152,716</u>                                | <u>1,121,739</u>                                |

Government grants received from the Department of Industry, Innovation and Science in relation to the Commercial Research Centre.

16. FINANCE COSTS

|                   | <u>Consolidated</u><br><u>30 Jun 2023</u><br>\$ | <u>Consolidated</u><br><u>30 Jun 2022</u><br>\$ |
|-------------------|-------------------------------------------------|-------------------------------------------------|
| Interest expenses | 12,777                                          | 14,786                                          |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

17. OTHER EXPENSES

|                             | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------------|-------------------------------------|-------------------------------------|
|                             | <b>\$</b>                           | <b>\$</b>                           |
| Advertising and promotion   | 255,264                             | 220,273                             |
| Freight and Courier fees    | 165,277                             | 42,747                              |
| Insurance expense           | 108,121                             | 86,894                              |
| Listing fees                | 132,334                             | 98,178                              |
| Office expenses             | 110,079                             | 60,538                              |
| Product Development testing | 216,832                             | 7,825                               |
| Rental expenses             | 64,544                              | 19,997                              |
| Staff recruitment           | 98,841                              | 550                                 |
| General expense             | 234,424                             | 162,962                             |
|                             | <u>1,385,716</u>                    | <u>699,964</u>                      |

18. AUDITOR'S REMUNERATION

|                                        | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|----------------------------------------|-------------------------------------|-------------------------------------|
|                                        | <b>\$</b>                           | <b>\$</b>                           |
| Audit / review of the financial report | <u>65,785</u>                       | <u>62,694</u>                       |

19. SHARE-BASED PAYMENTS EXPENSE

|                                            | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|--------------------------------------------|-------------------------------------|-------------------------------------|
|                                            | <b>\$</b>                           | <b>\$</b>                           |
| Shares issued to staff ESIP <sup>1</sup>   | 760,000                             | 60,000                              |
| Shares issued to consultants <sup>2</sup>  | 26,269                              | 15,000                              |
| Options issued to consultants <sup>3</sup> | 497,396                             | 237,846                             |
| Options issued under CSIP <sup>4</sup>     | 244,010                             | 98,941                              |
| Options issued under ESIP <sup>5</sup>     | 24,570                              | -                                   |
| Options issued under IOP <sup>6</sup>      | 10,593                              | -                                   |
|                                            | <u>1,562,838</u>                    | <u>411,787</u>                      |

<sup>1</sup>On 7 December 2022, 4,000,000 fully paid ordinary shares were issued to employees under the employee share plan. Shares issued under the Company's Employee Securities incentive Plan in recognition of service.

<sup>2</sup>On 14 October, 21,008 fully paid ordinary shares were issued at deemed price of \$0.36

<sup>2</sup>On 20 June 2023, 110,405 fully paid ordinary shares were issued at deemed price of \$0.17

<sup>3</sup>On 20 June 2023, 2,500,000 unlisted options exercisable at \$0.30 per option, expiring 30 November 2024 were issued pursuant to a corporate advisory agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

19. SHARE-BASED PAYMENTS EXPENSE - continued

<sup>3</sup>On 20 June 2023, 2,500,000 unlisted options exercisable at \$0.40 per option, expiring 30 November 2025 were issued pursuant to a corporate advisory agreement.

<sup>3</sup>On 20 June 2023, 3,000,000 unlisted options exercisable at \$0.50 per option, expiring 30 November 2025 were issued pursuant to a corporate advisory agreement.

<sup>5</sup>On 20 June 2023, 500,000 unlisted options exercisable at \$0.30 per option, expiring 30 November 2024 were issued under the company's employee securities investment plan.

<sup>6</sup>On 23 May 2023, 3,000,000 unlisted options exercisable at \$0.2475, expiring 12 July 2027 were granted to the CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of \$1.00 per share for at least 30 days), 500,000 tranche 2 options (introducing and procuring a strategic alliance), 500,000 tranche 3 options (VWAP of \$1.50 per share for at least 30 days), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB listing into the NASDAQ). Options were issued as part of the company's incentive option plan.

20. RELATED PARTY TRANSACTIONS

*Key management personnel*

The aggregate compensation made to directors and key management personnel of the Group is set out below.

|                                                      | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                      | \$                                  | \$                                  |
| Short-term employee benefits                         | 1,105,700                           | 483,971                             |
| Post-employment benefits                             | 78,388                              | 46,510                              |
| Long-term employee benefits                          | (83,580)                            | 42,843                              |
| Share-based payments                                 | 795,163                             | -                                   |
| Directors fees from Gerd Hoenicke                    | 10,000                              | -                                   |
| Directors fees from Charles Mowrey                   | 10,000                              | -                                   |
| Consulting fees from John Downes                     | 21,331                              | 25,000                              |
| Directors fees from John Downes                      | 44,429                              | 33,806                              |
| Directors fees from Steinepreis Paganin <sup>1</sup> | 28,000                              | 47,500                              |
|                                                      | <u>2,009,431</u>                    | <u>679,630</u>                      |

*Transactions with related parties*

During the financial year, the following payments were made to director-related entities:

|                                                                        | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                        | \$                                  | \$                                  |
| Legal services from Steinepreis Paganin <sup>1</sup>                   | 30,078                              | 42,537                              |
| Company secretarial services from Ventnor Capital Pty Ltd <sup>2</sup> | 63,400                              | 46,862                              |
| Consultancy services from Luminate Pty Ltd <sup>3</sup>                | 70,000                              | -                                   |

<sup>1</sup> Director-related entity of Mr Steinepreis

<sup>2</sup> Director-related entity of Mr Carmichael

<sup>3</sup> Director-related entity of Mr Rosenberg

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

20. RELATED PARTY TRANSACTIONS - continued

*Receivable from and payable to related parties*

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

|                                                       | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                       | \$                                  | \$                                  |
| Trade payable to Ventnor Capital Pty Ltd <sup>1</sup> | 5,500                               | 3,300                               |
| Accrual to Mr Deil                                    | 35,980                              | -                                   |
| Accrual to Mr Downes                                  | -                                   | 33,806                              |
| Accrual to Mr Steinepreis                             | -                                   | 4,000                               |
| Accrual to Mr V Rosenberg                             | -                                   | 25,000                              |
| Accrual to Gerd Hoenicke                              | 10,000                              | -                                   |
| Accrual to Charles Mowrey                             | 10,000                              | -                                   |
| Accrual to Luminate Pty Ltd <sup>5</sup>              | 10,000                              | -                                   |
| Share plan reserve to Mr V Rosenberg <sup>2</sup>     | 150,000                             | 150,000                             |
| Share plan reserve to Mr S Rosenberg <sup>3,6</sup>   | 18,750                              | 18,750                              |
| Share plan reserve to Mr I Rosenberg <sup>3,6</sup>   | 18,750                              | 18,750                              |
| Share plan reserve to Mr Lyford <sup>4,6</sup>        | 292,500                             | 292,500                             |

<sup>1</sup> Director-related entity of Mr Carmichael

<sup>2</sup> For the purchase of 1,000,000 shares at an issue price of \$0.15

<sup>3</sup> For the purchase of 125,000 shares at an issue price of \$0.15

<sup>4</sup> For the purchase of 1,950,000 shares at an issue price of \$0.15

<sup>6</sup> Former key management personnel, further details provided on page 9

<sup>5</sup> Director related entity of Mr Rosenberg

21. CONTINGENT ASSETS & LIABILITIES

There were no contingent assets or liabilities as at 30 June 2023 (2022: nil).

22. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

23. DIVIDENDS

No dividend has been declared or paid out in the financial year ended 30 June 2023 (2022: nil). The Directors do not recommend the declaration of a dividend.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

24. OPERATING SEGMENTS

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The current Board of Directors monitors the business based on operational and geographic factors and have determined that there is only one relevant business segment being ClearVue Technologies Limited and its controlled entities. The Group is domiciled in Australia and all revenue and expenditure is generated from Australia, and all assets are located in Australia.

25. INTEREST IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy in Note 2.

| Name                           | Country of Incorporation | Ownership Interest |      |
|--------------------------------|--------------------------|--------------------|------|
|                                |                          | 2023               | 2022 |
| ClearVue International Pty Ltd | Australia                | 100%               | 100% |
| ClearVue USA Inc               | United States of America | 100%               | 100% |
| ClearVue (Asia) Pte.Ltd        | Singapore                | 100%               | 100% |
| ClearVue Europe BV             | Netherlands              | 100%               | 100% |
| ClearVue Europe Holdings BV    | Netherlands              | 100%               | -    |

26. PARENT ENTITY INFORMATION

|                                                                                | 30 Jun 2023  | 30 Jun 2022  |
|--------------------------------------------------------------------------------|--------------|--------------|
|                                                                                | \$           | \$           |
| <i>Consolidated Statement of profit or loss and other comprehensive income</i> |              |              |
| Loss after income tax                                                          | (7,491,988)  | (6,900,493)  |
| Other comprehensive income                                                     | -            | -            |
| Total comprehensive income                                                     | (7,491,988)  | (6,900,493)  |
| <i>Consolidated Statement of financial position</i>                            |              |              |
| Total current assets                                                           | 6,560,909    | 17,020,165   |
| Total assets                                                                   | 12,208,480   | 20,546,416   |
| Total current liabilities                                                      | 1,404,836    | 756,353      |
| Total liabilities                                                              | 1,481,052    | 956,053      |
| Share capital                                                                  | 32,360,091   | 31,040,246   |
| Share based payments reserve                                                   | 6,039,352    | 5,627,363    |
| Accumulated losses                                                             | (27,672,015) | (17,077,246) |
|                                                                                | 10,727,428   | 19,590,363   |

*Guarantees*

The parent entity had no guarantees that were entered in relation to the debts of its subsidiaries.

*Contingent Liabilities*

The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

26. PARENT ENTITY INFORMATION - continued

*Capital Commitments*

The parent entity had no capital commitments as at 30 June 2023 and 30 June 2022.

*Significant Accounting Policies*

The accounting policies for the parent entity are consistent with those of the consolidated entity, as disclosed in Note 2.

27. INCOME TAX

|                                                                                                                                | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                                                                                | \$                                  | \$                                  |
| <i>The prima facie tax expense on pre-tax accounting loss from operations reconciles to the income tax expense as follows:</i> |                                     |                                     |
| Current tax expense                                                                                                            | -                                   | -                                   |
| Deferred tax expense                                                                                                           | -                                   | -                                   |
| Income tax expense                                                                                                             | -                                   | -                                   |
| Accounting profit/(loss)                                                                                                       | (7,497,092)                         | (3,806,151)                         |
| Tax at statutory rate of 25%                                                                                                   | (1,874,273)                         | (951,537)                           |
| Non-deductible expenditure                                                                                                     | 397,070                             | 104,753                             |
| Non-assessable income                                                                                                          | (287,139)                           | (202,023)                           |
| Temporary timing difference and loss not recognised                                                                            | 1,173,445                           | 582,394                             |
| Tax gains not brought to account as DTL                                                                                        | -                                   | -                                   |
| Refundable research expenditure                                                                                                | 537,625                             | 467,144                             |
| <b>Income tax expense</b>                                                                                                      | <b>-</b>                            | <b>-</b>                            |
| <b>Deferred tax assets not brought to account</b>                                                                              |                                     |                                     |
| Trade and other payables                                                                                                       | 11,357                              | 6,019                               |
| Accruals                                                                                                                       | 29,222                              | 52,280                              |
| Employee benefits                                                                                                              | 38,173                              | 61,307                              |
| Leases                                                                                                                         | -                                   | 407                                 |
| Tax losses from previous periods                                                                                               | 3,898,329                           | 2,670,815                           |
| <b>Total deferred tax assets not brought to account</b>                                                                        | <b>3,977,081</b>                    | <b>2,790,828</b>                    |
| <b>Deferred tax liabilities not brought to account</b>                                                                         |                                     |                                     |
| NA                                                                                                                             | -                                   | -                                   |
| <b>Total</b>                                                                                                                   | <b>-</b>                            | <b>-</b>                            |

As at 30 June 2022, there was \$10,970,028 tax losses carried forward (2021: \$8,638,025).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

28. LOSS PER SHARE

|                                                                                                     | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                                                     | <b>\$</b>                           | <b>\$</b>                           |
| Loss after income tax used in calculating basic and diluted earnings per share                      | (7,497,092)                         | (3,806,151)                         |
|                                                                                                     | <b>No.</b>                          | <b>No.</b>                          |
| Weighted average number or ordinary shares used in calculating basic and diluted earnings per share | 215,014,429                         | 211,153,859                         |
|                                                                                                     | <b>Cents</b>                        | <b>Cents</b>                        |
| Basic loss per share                                                                                | (3.5)                               | (1.8)                               |
| Diluted loss per share                                                                              | (3.5)                               | (1.8)                               |

As the group incurred a loss for the period, the options on issue have an anti-dilutive effect, therefore the diluted EPS is equal to the basic eps. A total of 16,050,000 share options which could potentially dilute EPS in the future have been excluded from the dilute EPS calculation because they are anti-dilutive for the current period.

29. FINANCIAL INSTRUMENTS

*Financial risk management objectives*

The Company's principal financial instruments comprise cash, receivables, payables and related party loans.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified.

The Company manages its exposure to key financial risks, including interest rate, credit and liquidity risks in accordance with the Company's risk management policy. The primary objective of the policy is to reduce the volatility of cash flows and asset values arising from such movements.

The Company uses different methods to measure and manage the different types of risks to which it is exposed. These include monitoring the levels of exposure to interest rate risk, ageing analysis and monitoring of credit allowances to manage credit risk and the use of future cash flow forecasts to monitor liquidity risk.

*Significant accounting policies*

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

29. FINANCIAL INSTRUMENTS - continued

*Credit risk*

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

|                             | <b>Consolidated<br/>30 Jun 2023</b> | <b>Consolidated<br/>30 Jun 2022</b> |
|-----------------------------|-------------------------------------|-------------------------------------|
|                             | <b>\$</b>                           | <b>\$</b>                           |
| Cash and cash equivalents   | 5,164,663                           | 11,753,873                          |
| Trade and other receivables | 1,032,801                           | 941,873                             |
|                             | <u>6,197,464</u>                    | <u>12,695,746</u>                   |

The Company's maximum exposure to interest rates at the reporting date was:

|                                   |                                                  | Interest Rate Exposure   |                                    |                                  |                                    |             |
|-----------------------------------|--------------------------------------------------|--------------------------|------------------------------------|----------------------------------|------------------------------------|-------------|
|                                   | Range of<br>Effective<br>Interest<br>Rate<br>(%) | Carrying<br>Amount<br>\$ | Variable<br>Interest<br>Rate<br>\$ | Non<br>Interest<br>Bearing<br>\$ | Floating<br>Interest<br>Rate<br>\$ | Total<br>\$ |
| <b>2023</b>                       |                                                  |                          |                                    |                                  |                                    |             |
| <b>Financial Assets - Current</b> |                                                  |                          |                                    |                                  |                                    |             |
| Cash and cash equivalents         | 0.36                                             | 5,164,663                | 5,164,663                          | -                                | -                                  | 5,164,663   |
| <b>2022</b>                       |                                                  |                          |                                    |                                  |                                    |             |
| <b>Financial Assets - Current</b> |                                                  |                          |                                    |                                  |                                    |             |
| Cash and cash equivalents         | 0.36                                             | 11,753,873               | 11,753,873                         | -                                | -                                  | 11,753,873  |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

29. FINANCIAL INSTRUMENTS - continued

The Company's maximum exposure to credit risk for trade and other receivables at the reporting date was:

|                                   | Carrying Amount<br>\$ | Not Past Due and Not Impaired<br>\$ | Past Due but Not Impaired |                          |                    | Impaired Financial Assets<br>\$ |
|-----------------------------------|-----------------------|-------------------------------------|---------------------------|--------------------------|--------------------|---------------------------------|
|                                   |                       |                                     | 1-3 Months<br>\$          | 3 Months to 1 Year<br>\$ | 1 to 5 Years<br>\$ |                                 |
| <b>2023</b>                       |                       |                                     |                           |                          |                    |                                 |
| <b>Financial Assets - Current</b> |                       |                                     |                           |                          |                    |                                 |
| Cash and cash equivalents         | 5,164,663             | 5,164,663                           | 5,164,663                 | -                        | -                  | -                               |
| Trade and other receivables       | 1,032,801             | 1,032,801                           | 1,032,801                 | -                        | -                  | -                               |
|                                   | 6,197,464             | 6,197,464                           | 6,197,464                 | -                        | -                  | -                               |
| <b>2022</b>                       |                       |                                     |                           |                          |                    |                                 |
| <b>Financial Assets - Current</b> |                       |                                     |                           |                          |                    |                                 |
| Cash and cash equivalents         | 11,753,873            | 11,753,873                          | 11,753,873                | -                        | -                  | -                               |
| Trade and other receivables       | 941,873               | 941,873                             | 941,873                   | -                        | -                  | -                               |
|                                   | 12,695,746            | 12,695,746                          | 12,695,746                | -                        | -                  | -                               |

*Liquidity risk*

The carrying amount of the Company's financial liabilities represents the maximum liquidity risk. The Company's maximum exposure to liquidity risk at the reporting date was:

|                          | <b>Consolidated<br/>30 Jun 2023<br/>\$</b> | <b>Consolidated<br/>30 Jun 2022<br/>\$</b> |
|--------------------------|--------------------------------------------|--------------------------------------------|
| Trade and other payables | 1,166,876                                  | 688,670                                    |

The following table discloses the contractual maturity analysis at the reporting date:

|                                        | Carrying Amount<br>\$ | Less than 1 Month<br>\$ | 1-3 Months<br>\$ | 3 Months to 1 Year<br>\$ | 1 to 5 Years<br>\$ | Over 5 Years<br>\$ |
|----------------------------------------|-----------------------|-------------------------|------------------|--------------------------|--------------------|--------------------|
| <b>2023</b>                            |                       |                         |                  |                          |                    |                    |
| <b>Financial Liabilities - Current</b> |                       |                         |                  |                          |                    |                    |
| Trade and other payables               | 866,876               | -                       | -                | 300,000                  | -                  | -                  |
| <b>2022</b>                            |                       |                         |                  |                          |                    |                    |
| <b>Financial Liabilities - Current</b> |                       |                         |                  |                          |                    |                    |
| Trade and other payables               | 688,670               | 654,218                 | 25,713           | 8,739                    | -                  | -                  |

*Market risk*

The Company is not materially exposed to any foreign currency risk or other price risk at the report date. The Company's only exposure to interest rate risk is cash as disclosed below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

29. FINANCIAL INSTRUMENTS - continued

*Sensitivity disclosure analysis*

Taking into account past performance, future expectations and economic forecasts, the Company believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

It is considered that 50 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Company at year end as presented to key management personnel, if changes in the relevant risk occur.

|                                   | Carrying<br>Amount<br>\$ | Interest Rate Risk    |              |                       |              |
|-----------------------------------|--------------------------|-----------------------|--------------|-----------------------|--------------|
|                                   |                          | +0.5%<br>Profit<br>\$ | Equity<br>\$ | -0.5%<br>Profit<br>\$ | Equity<br>\$ |
| <b>2023</b>                       |                          |                       |              |                       |              |
| <b>Financial Assets - Current</b> |                          |                       |              |                       |              |
| Cash and cash equivalents         | 5,164,663                | 25,823                | 25,823       | (25,823)              | (25,823)     |
| <b>2022</b>                       |                          |                       |              |                       |              |
| <b>Financial Assets - Current</b> |                          |                       |              |                       |              |
| Cash and cash equivalents         | 11,753,873               | 58,769                | 58,769       | (58,769)              | (58,769)     |

**DIRECTORS' DECLARATION**

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1. In the opinion of the Directors of ClearVue Technologies Limited:

- (a) the consolidated financial report and notes are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the period from 1 July 2022 to 30 June 2023; and
  - (ii) complying with Australian Accounting Standards (including the Australian Interpretations) and the Corporations Regulations 2001; and
- (b) at the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

2. The financial report comply with International Financial Reporting Standards (IFRS) as described in Note 2.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

The declaration is made in accordance with a resolution of the Board of Directors required by section 295(5)(a) of the Corporations Act 2001.



.....  
Victor Rosenberg

Perth WA,

Date: 28 September 2023

## Independent Auditor's Report

### To the Members of ClearVue Technologies Limited

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of ClearVue Technologies Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, 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 year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

##### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$7,497,092 during the year ended 30 June 2023, and as of that date, recorded cash outflows from operating and investing activities totalling \$6,738,604. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Capitalised intangible assets – Note 8</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>Intangible assets comprises patents and trademarks of \$2,795,872 and a development asset of \$2,319,229.</p> <p>During the year, the Group capitalised \$842,463 in relation to patents and trademarks and \$379,574 in relation to the development asset.</p> <p>Patents and trademarks and the Development Asset are being amortised over the useful life of 20 years. An amortisation expense of \$143,512 (Patents and Trademarks) and \$59,467 (Development Asset) has been included in the statement of profit or loss and other comprehensive income.</p> <p>AASB 138 <i>Intangible Assets</i> sets out the specific requirements to be met to capitalise costs. Intangible assets should be amortised over their useful economic lives in accordance with AASB 138.</p> <p>This area is a key audit matter due to subjectivity and management judgement in assessing whether costs meet the development phase criteria described in AASB 138</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"><li>• assessing the Group's accounting policy for adherence to AASB 138;</li><li>• evaluating management's assessment of each project for compliance with the recognition criteria set out in AASB 138, including discussing project plans with management and project leaders to develop an understanding of the nature and feasibility of key projects;</li><li>• testing a sample of costs capitalised by tracing to underlying support, including timesheets, employment contracts and invoices from suppliers and assessing whether the expense was attributable to the development of the asset and in accordance with the recognition criteria of AASB 138;</li><li>• assessing the reasonableness of the useful lives attributed to patents and trademarks and whether the amortisation expense was recorded based on the assigned useful lives; and</li><li>• assessing the adequacy of related disclosures in the financial statements.</li></ul> |
| <b>Research and development tax incentives – Note 4 &amp; 15</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>The Group receives a research and development (R&amp;D) refundable tax offset from the Australian government, which represents the corporate tax rate plus 18.5 (43.5) cents in each dollar of eligible annual R&amp;D expenditure if its turnover is less than \$20 million per annum.</p> <p>Registration of R&amp;D Activities Application is filed with AusIndustry in the following financial year and, based on this filing, the Group receives the incentive in cash.</p> <p>Management performed a detailed review of the Group's total R&amp;D expenditure to estimate the refundable tax offset receivable under the R&amp;D tax incentive legislation.</p>                                                                                                                                                                                                                                                                                     | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"><li>• obtaining, through discussions with management, an understanding of the process to estimate the claim;</li><li>• utilising an internal R&amp;D tax specialist to;<ul style="list-style-type: none"><li>– assist in reviewing the expenditure methodology employed by management for consistency with the R&amp;D tax offset rules; and</li><li>– consider the nature of the expenses against the eligibility criteria of the R&amp;D tax incentive scheme to form a view about whether the expenses included in the estimate meet the eligibility criteria;</li></ul></li></ul>                                                                                                                                                                                                                                                                                                                                                                       |

This is a key audit matter due to the size of the accrual and the degree of judgement and interpretation of the R&D tax legislation required by management to assess the eligibility of the R&D expenditure under the scheme.

- comparing the nature of the R&D expenditure included in the current year estimate to the prior year's claim;
- selecting a sample of R&D expenditure and agreeing to supporting documentation to ensure appropriate classification, the validity of the claimed amount, and eligibility against the R&D tax incentive scheme criteria; and
- assessing the appropriateness of financial statement disclosures.

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### **Information other than the financial report and auditor's report thereon**

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the financial report**

The Directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar1\\_2020.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf). This description forms part of our auditor's report.

## Report on the remuneration report

### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 6 to 21 of the Directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of ClearVue Technologies Limited, for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



J C Esterhuizen  
Partner – Audit & Assurance

Perth, 28 September 2023

**ASX ADDITIONAL INFORMATION**

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

**SHAREHOLDINGS**

The issued capital of the Company on 27 September 2023 is 216,621,757 ordinary fully paid shares.

| Shares Range                                                 | No. of Holders | No. of Shares      |
|--------------------------------------------------------------|----------------|--------------------|
| 1 - 1,000                                                    | 279            | 159,311            |
| 1,001 - 5,000                                                | 1,878          | 5,071,017          |
| 5,001 - 10,000                                               | 809            | 6,317,109          |
| 10,001 - 100,000                                             | 1,423          | 47,196,282         |
| Over 100,000                                                 | 260            | 157,878,038        |
|                                                              | <b>4,649</b>   | <b>216,621,757</b> |
| Number of shareholders holding less than a marketable parcel | 663            |                    |

| Shareholders by Location | No. of Holders | No. of Shares      |
|--------------------------|----------------|--------------------|
| Australian holders       | 4,575          | 209,077,498        |
| Overseas holders         | 74             | 7,544,259          |
|                          | <b>4,649</b>   | <b>212,040,344</b> |

**Top 20 Shareholders of Quoted Shares as of 27 September 2023:**

|    |                                                                | No. of Shares Held | % Held        |
|----|----------------------------------------------------------------|--------------------|---------------|
| 1  | LUMINATE PTY LTD                                               | 20,327,186         | 9.38%         |
| 2  | I ROSENBERG                                                    | 10,358,057         | 4.78%         |
| 3  | IAN ROSENBERG                                                  | 9,904,706          | 4.57%         |
| 4  | ELEVATION VENTURES PTY LTD <J3 A/C>                            | 6,850,000          | 3.16%         |
| 5  | HAWERA PTY LTD <THE BAILEY FAMILY A/C>                         | 6,750,000          | 3.12%         |
| 6  | VICTOR ROSENBERG                                               | 6,293,012          | 2.91%         |
| 7  | MR STEVEN PANOMARENKO                                          | 4,112,877          | 1.90%         |
| 8  | CITICORP NOMINEES PTY LIMITED                                  | 3,650,868          | 1.69%         |
| 9  | MRS THERESA ANNE SMITS                                         | 2,900,000          | 1.34%         |
| 10 | BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM                   | 2,841,227          | 1.31%         |
| 11 | CUSTODIAL SERVICES LIMITED<br><BENEFICIARIES HOLDING A/C>      | 2,448,000          | 1.13%         |
| 12 | MRS THERESA ANNE SMITS & MR BERT JOSEPH SMITS<br><SCIS SF A/C> | 2,100,000          | 0.97%         |
| 13 | HOLDSWORTH BROS PTY LTD <HOLDSWORTH BROS S/F A/C>              | 2,000,000          | 0.92%         |
| 13 | KELVERLEY PTY LTD <RERANI SUPER FUND A/C>                      | 2,000,000          | 0.92%         |
| 14 | DAVID & RESMIE GREER PTY LTD <D & R GREER SUPER FUND A/C>      | 1,903,790          | 0.88%         |
| 15 | REBO NOMINEES PTY LTD                                          | 1,408,000          | 0.65%         |
| 16 | MRS LUCIA SPASOJEVIC                                           | 1,350,000          | 0.62%         |
| 17 | DENGOLD HOLDINGS PTY LTD <PANOMARENKO FAMILY A/C>              | 1,271,456          | 0.59%         |
| 18 | RUMBLE NOMINEES PTY LTD                                        | 1,260,832          | 0.58%         |
| 19 | MR ADRIAN RICHARD MOSS                                         | 1,101,342          | 0.51%         |
| 20 | MR MARTIN GEORG DEIL                                           | 1,084,000          | 0.50%         |
|    | <b>TOTAL</b>                                                   | <b>91,915,353</b>  | <b>42.43%</b> |

**ASX ADDITIONAL INFORMATION**

**Substantial Shareholders as of 27 September 2023:**

|                  | <b>No. of<br/>Shares Held</b> | <b>% Held</b> |
|------------------|-------------------------------|---------------|
| LUMINATE PTY LTD | 20,327,186                    | 9.38%         |

**Voting Rights:**

The holders of ordinary shares are entitled to one vote per share at meetings of the Group.

**OPTION HOLDINGS**

| <b>Class</b> | <b>Terms</b>                                             | <b>No. of Options</b> |
|--------------|----------------------------------------------------------|-----------------------|
| CPVOPT4      | Exercisable at \$0.1425 each, expiring 11 July 2024      | 300,000               |
| CPVOPT5      | Exercisable at \$0.25 each, expiring 22 December 2023    | 800,000               |
| CPVOPT6      | Exercisable at \$0.75 each, expiring 30 June 2024        | 2,000,000             |
| CPVOPT7      | Exercisable at \$0.37 each, expiring 2 February 2024     | 3,000,000             |
| CPVOPT8      | Exercisable at \$0.30 each, expiring 30 November 2024    | 2,500,000             |
| CPVOPT9      | Exercisable at \$0.40 each, expiring 30 November 2025    | 2,500,000             |
| CPVOPT10     | Exercisable at \$0.50 each, expiring 30 November 2026    | 3,000,000             |
| CPVOPT11     | Exercisable at \$0.30 each, expiring 30 November 2024    | 500,000               |
| CPVOPT12     | Exercisable at \$0.2475 each, expiring 12 July 2027*     | 500,000               |
| CPVOPT13     | Exercisable at \$0.2475 each, expiring 12 July 2027**    | 500,000               |
| CPVOPT14     | Exercisable at \$0.2475 each, expiring 12 July 2027***   | 500,000               |
| CPVOPT15     | Exercisable at \$0.2475 each, expiring 12 July 2027****  | 500,000               |
| CPVOPT16     | Exercisable at \$0.2475 each, expiring 12 July 2027***** | 1,000,000             |
|              |                                                          | <b>17,600,000</b>     |

\*CPVOPT12: vest where the Share Price for Company Shares reaches AUD \$1.00 and maintains a volume weighted average price of AUD \$1.00 per Share for at least 30 days within and during the defined Milestone Period.

\*\*CPVOPT13: vest where the CEO introduces a 'strategic alliance partner' or a 'strategic investor' (defined in the offer) to the Company and procure a 'Strategic Alliance' or a 'Strategic Investment' (defined in the offer) during the defined Milestone Period.

\*\*\*CPVOPT14: vest where the Share Price for the Shares reaches AUD \$1.50 and maintains a volume weighted average price of AUD \$1.50 per Share for at least 30 days within and during the defined Milestone Period.

\*\*\*\*CPVOPT15: vest where the CEO introduces to the Company and secures a 'Commercial Deployment' (as defined) during the defined Milestone Period.

\*\*\*\*\*CPVOPT16: vest where the CEO is able to assist the Company to complete an up-listing of its OTCQB US listing onto the main US board of the NASDAQ or NYSE within the defined Milestone Period, or have commenced such process within the defined Milestone Period and such up-listing is completed within a further six (6) months after the end of the defined Milestone Period.

**ASX ADDITIONAL INFORMATION**

| Options Range    | Unlisted Options (all classes) |                   |
|------------------|--------------------------------|-------------------|
|                  | No. of Holders                 | No. of Options    |
| 1 – 1,000        | -                              | -                 |
| 1,001 – 5,000    | -                              | -                 |
| 5,001 – 10,000   | -                              | -                 |
| 10,001 – 100,000 | -                              | -                 |
| 100,001 and over | 11                             | 17,600,000        |
|                  | <b>11</b>                      | <b>17,600,000</b> |

**Option holders that hold more than 20% of options in each class:**

| Option Holder                             | CPVOPT4           | CPVOPT5           | CPVOPT6          | CPVOPT7             | CPVOPT8          | CPVOPT9          |
|-------------------------------------------|-------------------|-------------------|------------------|---------------------|------------------|------------------|
| HAWERA PTY LTD<br><THE BAILEY FAMILY A/C> | 300,000<br>(100%) | -                 | 800,000<br>(40%) | -                   | 950,000<br>(38%) | 950,000<br>(38%) |
| ENDEAVOUR PACIFIC PTE LTD                 | -                 | 800,000<br>(100%) | -                | -                   | -                | -                |
| MR PETER DARREN RUSSELL                   | -                 | -                 | 800,000<br>(40%) | -                   | 950,000<br>(38%) | 950,000<br>(38%) |
| SABRE POWER SYSTEMS PTY LTD               | -                 | -                 | 400,000<br>(20%) | -                   | 500,000<br>(20%) | 500,000<br>(20%) |
| BASIL EVANGELO KARAMPELAS                 | -                 | -                 | -                | 3,000,000<br>(100%) | -                | -                |

| Option Holder                             | CPVOPT10              | CPVOPT11          | CPVOPT12          | CPVOPT13          | CPVOPT14          | CPVOPT15          |
|-------------------------------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| HAWERA PTY LTD<br><THE BAILEY FAMILY A/C> | 1,150,000<br>(38.33%) | -                 | -                 | -                 | -                 | -                 |
| MR PETER DARREN RUSSELL                   | 1,150,000<br>(38.33%) | -                 | -                 | -                 | -                 | -                 |
| SABRE POWER SYSTEMS PTY LTD               | 600,000<br>(20%)      | -                 | -                 | -                 | -                 | -                 |
| AMANDA EDWARDS                            | -                     | 500,000<br>(100%) | -                 | -                 | -                 | -                 |
| MARTIN GEORG DEIL                         | -                     | -                 | 500,000<br>(100%) | 500,000<br>(100%) | 500,000<br>(100%) | 500,000<br>(100%) |

| Option Holder     | CPVOPT16            |
|-------------------|---------------------|
| MARTIN GEORG DEIL | 1,000,000<br>(100%) |

**Voting Rights:**

Options have no voting rights.

**PERFORMANCE RIGHTS**

| Class | Terms                                                                          | No. of Perf Shares |
|-------|--------------------------------------------------------------------------------|--------------------|
| A     | Converting 1:1 into fully paid ordinary shares on satisfaction of milestone/s* | 1,000,000          |
| B     | Converting 1:1 into fully paid ordinary shares on satisfaction of milestone/s* | 3,000,000          |
| C     | Converting 1:1 into fully paid ordinary shares on satisfaction of milestone/s* | 6,000,000          |
|       |                                                                                | <b>10,000,000</b>  |

ASX ADDITIONAL INFORMATION

\*The Performance Rights in the relevant class will convert into Shares upon satisfaction of the milestones as follows:

**Class A Performance Rights**

- In the event that the aggregate of the value of the ClearVue (Orders and the ClearVue Payments is equal to or greater than \$2,000,000 within a period of 24 months commencing on the date of issue of the Performance Rights (**Issue Date**) (**Class A Milestone 1**), each Class A Performance Right will vest and be convertible into one Share; or
- in the event that Class A Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (**Class A Milestone 2**), each Class A Performance Right will vest and be convertible into one Share; or
- in the event that neither Class A Milestone 1 or Class A Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class A Performance Right will vest and be convertible into one Share.

**Class B Performance Rights**

- In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$5,000,000 within a period of 24 to 36 months from the Issue Date (**Class B Milestone 1**), each Class B Performance Right will vest and be convertible into one Share; or
- in the event that Class B Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (Class B Milestone 2), each Class B Performance Right will vest and be convertible into one Share; or
- in the event that neither Class B Milestone 1 or Class B Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class B Performance Right will vest and be convertible into one Share.

**Class C Performance Rights**

- In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$10,000,000 within a period of 36 to 48 months from the Issue Date (**Class C Milestone 1**), each Class C Performance Right will vest and be convertible into one Share; or
- In the event that Class C Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class C Performance Right will vest and be convertible into one Share.

The following holders hold all of the Company's Performance Rights on issue:

| Holder           | Class A          | Class B          | Class C          |
|------------------|------------------|------------------|------------------|
| LUMINATE PTY TLD | 1,000,000        | 3,000,000        | 6,000,000        |
| <b>TOTAL</b>     | <b>1,000,000</b> | <b>3,000,000</b> | <b>6,000,000</b> |

None of the Performance Rights conversion milestones were met during the year, or subsequently to date.

**Voting Rights**

Performance rights have no voting rights.

**RESTRICTED SECURITIES**

| Restricted Class           | No. of Securities | Restriction Period                        |
|----------------------------|-------------------|-------------------------------------------|
| Fully paid ordinary shares | 2,000,000         | Escrowed to 7 July 2023                   |
| CPVOPT6                    | 2,000,000         | Voluntarily escrowed to 23 September 2023 |

ASX ADDITIONAL INFORMATION

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**REQUIREMENT LISTING RULE 4.10.18**

In accordance with the listing rule 4.10.18 the Company confirms that it is not currently subject to an on-market buyback.

**CORPORATE GOVERNANCE**

The Company's corporate governance statement is found on the Company's website at  
<https://www.clearvuepv.com/for-investors/governance/>