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APPENDIX 4E & ANNUAL REPORT

1. DETAILS OF REPORTING PERIOD

Name of Entity	RocketDNA Ltd ("the Company")
ABN	17 618 678 701
Reporting Period	31 December 2023
Previous Corresponding Period	31 December 2022

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key information	12 months ended Current Period $'000	12 months ended Previous Period $'000	Increase/ (decrease) %	Amount change $'000
Revenues from ordinary activities	6,137	5,735	7%	402
Profit/(Loss) from ordinary activities after tax attributable to members	(1,769)	(1,923)	8%	154
Net profit/(loss) for the period attributable to members	(1,769)	(1,923)	8%	154
Net tangible asset/(deficiency) per share	0.53 cents	0.87 cents	(39%)	0.34 cents

	Amount Per Security	Franked Amount Per Security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous Corresponding Period	Nil	Nil
Record Date for Determining Entitlements	Not Applicable	

Commentary on results:

For further information, refer to the review of operations contained in the directors' report, which forms part of the attached consolidated financial statements.

3. STATEMENT OF COMPREHENSIVE INCOME

Refer to attached financial statements.

4. STATEMENT OF FINANCIAL POSITION

Refer to attached financial statements.

5. STATEMENT OF CASH FLOWS

Refer to attached financial statements.

6. STATEMENT OF RETAINED EARNINGS/CHANGES IN EQUITY

Refer to attached financial statements.

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7. DIVIDENDS/DISTRIBUTIONS

No dividends declared in current or prior year.

8. DETAILS OF DIVIDEND REINVESTMENT PLANS

Not Applicable

9. NET TANGIBLE ASSETS PER SHARE

	Current Period	Previous Period
Net tangible asset backing per ordinary security	0.53 cents	0.87 cents

10. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

Control gained over entities

Name of entity (or group of entities)	N/A
Date control gained	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Profit/(loss) of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

Loss of control over entities

Name of entity (or group of entities)	N/A
Date control lost	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Profit/(loss) of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

11. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Name of associate or joint venture entity		N/A
Reporting entity's percentage holding in this entity		N/A
Contribution to net profit/(loss) (where material)	N/A	N/A
Aggregate share of profits/(losses) of the above entity(ies) (where material)	N/A	N/A

12. ANY OTHER SIGNIFICANT INFORMATION NEEDED BY AN INVESTOR TO MAKE AN INFORMED ASSESSMENT OF THE COMPANY'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION

Refer to attached financial statements.

13. FOREIGN ENTITIES

Not applicable

14. COMMENTARY ON RESULTS FOR PERIOD AND EXPLANATORY INFORMATION

Refer to attached financial statements.

15. AUDIT

This report is based on accounts which have been audited and the audit report is included in the attached consolidated financial statements.

Christopher Clark
Executive Chairman & Chief Executive Officer

27 February 2024

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Annual Report

31 December 2023

ROCKET DNA
DRONES & AUTOMATION

www.rocketdna.com

RocketDNA Ltd | ACN 618 678 701

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Our mission is to democratise drone data that empowers decision-makers for a safer & more productive world.

BARS & ISO Certification

Highest Safety & Quality Recognition

Global Presence & Expertise

Worldwide Remote Operations Centres

AI-Enabled Insights

Empowering Faster Decision Making

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Highlights

Year ended 31 December 2023

Corporate Rebrand

Name change aligning business activities and corporate identity

Board Refresh

Leveraging new skills & experience for long-term growth and risk management

Long-Term Contracts

Multiple material contract wins of tier 1 and 2 mining clients globally

Recurring Revenue Model

Strong growth in annual recurring revenues (ARR) to $2.84m up 18% on 2022

AI-centric Solutions

Revised integrated business model and addition of AI software solution partnership

Regulatory Approvals

Achievement of complex Beyond Visual Line of Site and Remote Operations

Strong Financial Controls

Strong demonstrated cost management with $1.0m EBITDA improvement year on year

New Product Launched

Release of new autonomous drone-in-a- box xBot® offering

Strong Cash Position

Capital raise completed providing funding to grow the business in FY2024

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Introduction

Our Advantage

What makes our business model so unique

Scalable Operating Model

A key component of what we have built over the last decade as a business is the ability to scale our operations not only domestically, but at a global scale.

Whether organic growth or through acquisitions, we have designed and built mature and robust systems (such as commercial, legal, financial & operational models) that adapt well to jurisdictions with high regard for legislated drone and uncrewed technology operations.

Businesses which we acquire immediately benefit from our existing approvals and know-how, enabling faster growth via a wider capability set.

Distribution

We have strong Sales and Marketing teams based across multiple continents and time-zones, allowing us to offer significant reach for our partners, as well as global support for our customers.

Training & Recruitment

Through the years, we have developed formal recruitment teams that can accurately identify, recruit, onboard & train new pilots to modern training standards, developed by our internal team.

We also train external customers who require their Remote Pilots License or BVLOS type-ratings.

Economies of Scale

With one of the largest drone fleets in the world, RKT has built strong partnerships with some of the globe's leading hardware and software suppliers, allowing us to negotiate competitive pricing and comprehensive service levels at an international level.

This scale also opens doors to the latest technology and upgrades, as we generally have input at an engineering-level to improve the overall product and delivery experience.

AI & Software Integration

We develop applications which streamline our data workflows and integrate with pre-existing cloud-based AI tools or visualisation platforms - these deliver information and insights directly to our customer's database and portals.

Automation & Research

Our R&D is heavily focused on developing an autonomous drone & robotic eco-system which will remove the need for people to work in dangerous areas, while delivering a higher frequency of data from Remote Operating Centres.

Regulatory Approvals

Our team is not only comprised of surveyors and engineers, but traditional aviators too!

This unique industry knowledge, built over the course of 12 years, has allowed us to develop mature Safety and Quality Management Systems, which in turn builds trust and confidence from regulators (such as CASA).

We are one of only a handful of operators to achieve Beyond Visual Line of Site (BVLOS) accreditation across multiple continents, which enables us to attain large area data acquistion at a lower cost point.

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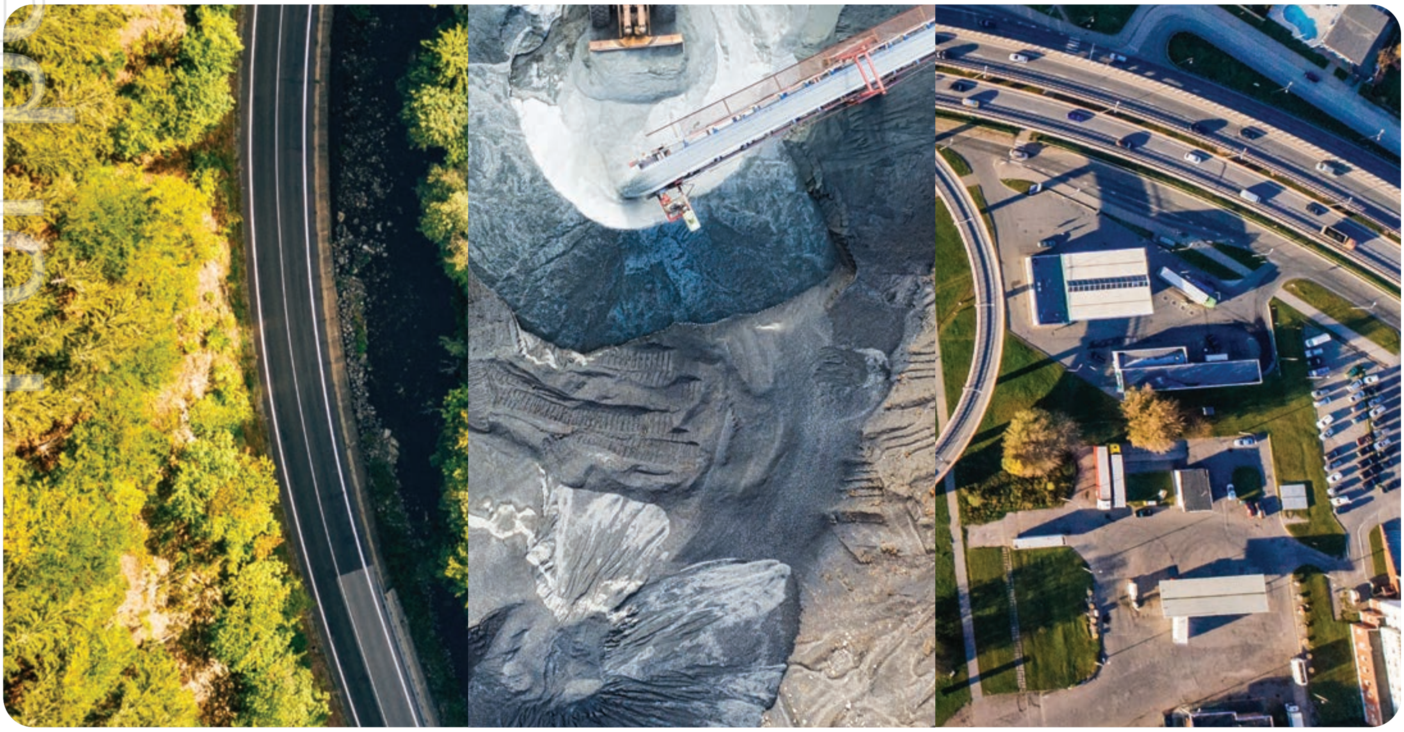
"Leveraging autonomous drone technology offers more than just enhancements in safety and cost efficiency for our clients' current operations. It's a stepping stone towards revolutionising the Mining, Engineering, and Agriculture sectors.

By fostering the development of advanced geospatial AI applications, we're setting the stage for a new era of remote knowledge workers.

This innovation not only aligns with our mission to lead industry transformation but also ensures we remain at the cutting edge of technological advancement"

Christopher Clark Executive Chairman and CEO



ROCKET DNA

RocketDNA Ltd Annual Report 2023

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Executive Chairman and CEO's Letter

Dear Stakeholders,
As we reflect on the past year, it is with a profound sense of achievement and optimism that we present to you the 2023 Annual Report of RocketDNA Ltd (FY2023, for the year ended 31 December 2023).

This year has been pivotal, marked by transformative changes and significant milestones that have positioned us for a future of growth and innovation.
We are an established business that operates in an exciting space. Drones, the data they capture, and the analytical value created are increasingly significant tangible benefits to enterprise customers. Our focus remains in mining and agriculture, while we also see great opportunity in the engineering and linear assets (including pipelines and electrical transmission lines) space.

Below, we highlight the key themes and achievements that have defined our journey this year.

Key Achievements for the Year

Name Change and Corporate Identity:

We rebranded to RocketDNA Ltd, aligning our corporate identity more closely with our business activities, reflecting our forward-looking vision and commitment to innovation in the technology sector.

Board Refresh:

We welcomed David Morton to our Board, bringing fresh perspectives and diverse corporate expertise to guide our strategic initiatives.

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Executive Chairman and CEO's Letter continued

Material Contract Wins:

Our team secured multiple contracts with tier 1 and 2 mining clients globally, demonstrating our competitive edge and the trust clients place in our solutions.

Growth in ARR:

Our Annual Recurring Revenues (ARR) saw strong growth, a testament to the scalability and resilience of our business model.

Revised Business Model:

We enhanced our business model, integrating AI software solutions through strategic partnerships, which has allowed us to deliver more value to our clients.

Drone Operating Licence Approvals:

We achieved significant milestones in obtaining numerous drone operating licences, further expanding our operational capabilities.

Cost Management:

Our focus on cost management has been exemplary, ensuring financial sustainability and operational efficiency.

Innovative Solutions:

The launch of our autonomous drone-in-a-box solutions has set new industry standards, showcasing our commitment to innovation.

Capital Raise:

Our successful capital raise in December has bolstered our financial position, enabling us to pursue ambitious growth plans in FY2024.

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Executive Chairman and CEO's Letter continued

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ARR and Revenue Growth

This financial year saw our annual revenue climb by 7% over the previous year, with annual recurring revenue (ARR) reaching $2.8M by the end of December, an 18% increase on the prior year. These figures underscore our financial health and the increasing demand for our solutions and have helped de-risk the business. We are excited by the significant client prospects we see for our services, with more use cases for our solutions constantly being developed, led by our own innovation as well as demands put upon us by industry to solve their pain points.

Revised Business Model

Our commercial model generates three types of revenue: subscription services, project-based income, and licensing fees. This diversified model, underpinned by our unique value drivers such as proprietary technology and strategic partnerships, positions us as a leading systems integrator. We focus on integrating complex systems rather than building hardware, minimising risks and delivering comprehensive solutions to our clients.

Go-to-Market Strategy

Our direct sales approach targets large tier 1 and 2 enterprise customers, backed by our CASA (regulatory) and BARS (safety) certification, as well as robust safety and quality systems. This strategy ensures we remain at the forefront of our industry, offering unmatched value and expertise to our clients.

Industry Movement

The future belongs to autonomous drones and artificial intelligence insights – the ability to fully automate essential data workflows, will not only help remove humans from dangerous work environments, but will also help speed up the delivery of results and ultimately improve decision making in real-time.

Our xBot® range of solutions, with their potential to revolutionise the mining, critical asset, security and agricultural industries have become increasingly sort after. Our commitment to developing cutting-edge solutions that meet evolving industry needs allows us to deliver cost-effective, innovative products and

Executive Chairman and CEO's Letter continued

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services. Our product pipeline, including the recently launched xBot, reflects our anticipation of future trends and requirements. We have pilot projects with tier 1 and 2 prospective customers underway and expect to launch additional projects in the near term.

Pathway to Operating Breakeven

Our disciplined approach to cost management has been central to our strategy, ensuring we move steadily towards operating breakeven. This focus has been instrumental in streamlining our operations and maximizing efficiency. Total operating expenses were down 8% or $0.4m against an inflationary backdrop in both Africa and Australia and our gross profit percentage increased from 49% to 51%. These combined to improve our EBITDA by $1.0m year on year - to an EBITDA loss of only $0.5m in 2023.

Outlook

Looking ahead, we are exceptionally well-positioned for growth, buoyed by our successful capital raising efforts and our new autonomous product strategy. The introduction of the growing range of xBot autonomous solutions and other innovations in our pipeline are set to redefine market standards, propelling us towards new horizons of success and leadership in our industry.

Constantly inundated by new use cases tangibly visible today or being placed on a product and solution roadmap, we see the drone data capture and analytics space offering huge growth potential which will be a reflection of ongoing technological hardware, and increasingly, software advancements.

In closing, I extend my deepest gratitude to our dedicated team, loyal clients, and supportive stakeholders. Your trust and commitment fuel our drive towards excellence and innovation. Together, we are not just navigating the future; we are shaping it.

Thank you for your ongoing support.

Mr Christopher Clark
Executive Chairman, Chief Executive Officer

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Our Business Model

We provide scalable geo-data & AI solutions using automated data capture and on-site servies, which provide short & long-term insights for decision makers

Mining

(Entered 2012)

Providing Automated or Manual On-Site Data Capture, delivering solutions which focus on Survey, Geotechnial Analysis and Blasting

Agriculture

(Entered 2012)

Focusing on Research & Development, assisting our Customers in analysing their trials down to the very seedling

Infrastructure Monitoring

(Future Growth Area)

Harnessing our geo-data experience in regional and rural settings, RocketDNA looks to expand it's offerings within the ageing critical infrastructure arena

Corporate Directory

Directors

Mr Christopher Clark
Executive Chairman,
Chief Executive Officer

Mr Paul Williamson
Executive Director,
Chief Financial Officer

Mr David Morton
Non-Executive Director

Company secretary

Mr Stephen Buckley

Registered office

75 Thomas Street
Subiaco WA 6008
Email: contact@rocketdna.com

Principal place of business

75 Thomas Street
Subiaco WA 6008

Share register

Automic Registry Services
Level 5, 191 St Georges Terrace
Perth WA 6000
Email: hello@automic.com.au
Web: www.automic.com.au

Auditor

Hall Chadwick Audit (WA) Pty Ltd
283 Rockeby Road
Subiaco WA 6008

Stock exchange listing

RocketDNA Ltd. shares are listed on the Australian Securities Exchange (ASX code: RKT)

Website

Web: www.rocketdna.com

Corporate Governance Statement

RocketDNA's Corporate Governance Statement can be viewed at:
https://www.rocketdna.com/au/corporate-governance

Legal Advisers (Australia)

Eaton Hall
20/210 Queen Victoria Street
North Fremantle WA 6159

Legal Advisers (South Africa)

Rodl & Partner
1 Eastgate Lane
Bedfordview
South Africa 2007

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Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'RKT') consisting of RocketDNA Ltd. (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2023.

Directors

Name	:	Mr Christopher Clark
Title	:	Executive Chairman & CEO
Appointed	:	3 December 2020

Name	:	Mr Nicolas Clerc
Title	:	Non-Executive Director
Appointed	:	8 April 2021
Resigned	:	30 April 2023

Name	:	Mr Paul Williamson
Title	:	Executive Director & Chief Financial Officer
Appointed	:	22 June 2022

Name	:	Mr Christian Viguie
Title	:	Non-Executive Director
Appointed	:	8 April 2021
Resigned	:	30 April 2023

Name	:	Mr David Morton
Title	:	Non-Executive Director
Appointed	:	28 March 2023

Principal activities

RocketDNA provides drone based geo-data and automation solutions. Leveraging AI and autonomous drone technology, the Group helps decision makers obtain practical insights in fast-changing environments. Focused on the mining, agriculture and critical asset industries, RocketDNA is committed on capturing growth in these sectors through its differentiated digital and automation solutions.

RocketDNA provides services such as contract aerial surveying and mapping; surveillance and reconnaissance; mining pit conformance, optimisation and de-risking; blast monitoring and fragment analysis; and video, photographic and thermal inspections. In 2023, the Group received civil aviation authorities' approvals for autonomous drone flights operated from its remote operations centres in Johannesburg, Perth and Adelaide and now offers autonomous-drone-based versions of the above services across Australia and South Africa. The Group also provides drone related training and consulting services as well as providing drone hardware for customers who operate their own drone programmes.

Revenues are generated through multi-year recurring revenue contracts or short projects which have the potential to be converted into recurring revenue streams. Key customer contracts are with tier 1 and tier 2 miners South32, Newmont Mining, Red 5 and Seriti Coal.

RKT's operations are focused on Australia and Africa with regional offices in Perth, Johannesburg & Accra.

Dividends

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

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Review of operations

Key financial outcomes for the year were:

- Loss after income tax reduced by 6% to $1,859,969 (2022: $1,968,455), noting that 2022 benefitted from a one-off $453,459 gain on sale of ParaZero in Q1 2022.
- Loss from continuing operations before income tax was $1,792,690 (2022: $2,335,051). Whilst our legacy Australian operations showed some head winds in late 2023, improved performance in our African operations and strong cost control delivered this $542,361 (23%) reduction in our pre-tax losses from continuing operations.
- Total operating expenses down 8% or $0.4m against an inflationary backdrop in both Africa and Australia and gross profit percentage increased from 49% to 51%. These combined to improve EBITDA by $1.0m year on year - to an EBITDA loss of only $0.5m in 2023.
- Cash balance was $2,317,078 up 3% from 31 December 2022 (2022: $2,253,877), including the receipt of $1,065,000 from capital raising from institutional and sophisticated investors including a well-regarded family office during December 2023.
- Net cash used in operating activities reduced by 38% to $970,651 (2022: $1,547,651) with a continued focus of moving the business towards operating cash flow break-even.
- Annual Recurring Revenue (ARR) at 31 December 2023 totaled $2.840m up 18% on 31 December 2022. ARR represents 12 months of revenue from legal contracts with minimum original terms of 12 months, subject to normal termination provisions per contract. For further information see the RKT's December FY2023 quarterly report.
- Unless otherwise stated, all figures in this report are in the Company's presentation currency, the Australian Dollar ("$")

Key operational developments during the year are announced on the ASX, and have included:

- Completing the name change to RocketDNA Ltd from Delta Drone International Limited which also provides alignment across business activities with a single name across the Group.
- BARS (Basic Aviation Risk Standard) registration secured for Australian and South African operations, which is increasingly becoming a pre-requisite registration for service providers to large mining and gas operations.
- The first sales of partnered AI software solution (Strayos)
- Autonomous drone-in-a-box solutions approvals received in Australia and South Africa from the respective civil aviation authorities.
- The signing of a number of new multi-year contracts, including Vedanta Zinc International (South Africa, 31 January 2023) Anglogold Ashanti (Western Australia, 27 February 2023) and South 32 (via Hotazel Manganese Mines Pty Ltd), (South Africa, 10 July 2023).
- The first sales of RKT's autonomous drone-in-a-box solution xBot®" to SSG Security (South Africa) and Red 5 (Western Australia) during Q4.
- Sales of drone training, hardware, and consulting services to various customers including Bayer's agronomists for crop trial monitoring (South Africa).

Key governance developments included:

- Experienced technology company director Mr David Morton was appointed to the Board as an Independent Non-Executive Director on 28 March 2023.
- Retirement of Non-Executive Directors, Mr Christian Viguie and Mr Nicolas Clerc with effect from 30 April 2023.

From a risk management perspective, the Board continues to monitor and manage key business risks, within a risk management framework which can be summarised as:

- Zero target appetite risks, such as safety, fraud, and data and equipment protection
- Strategic risks, such as staff retention and engagement, market and product developments, regulation and financial
- External risks, such as overseas political risks, inflation, exchange rate and customer and supplier credit risk.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group continues to expand its a drone-based data service and technology solutions business in the mining, agricultural and engineering industries. In particular, RKT's regulatory approvals and deployed and tested xBot® autonomous drone system is generating a growing pipeline of deployments for 2024. The combined product suite allows the Group to significantly broaden its business model and provide AI-driven technology linked to its autonomous drone-based data capture which is controlled from its remote operation centres in Johannesburg, Perth and Adelaide. This new technology, combined with annual recurring revenue from its existing contracts, and a strong capital position, puts the Group in a strong position to continue to move towards break-even. From a risk perspective, investors must note that the Group is exposed to the inherent risks of part of its operations being situated in Africa, in particularly in Ghana, including regulatory, foreign currency and exchange control risks. The Group is also exposed to the supply-side risk – either from drone equipment demand exceeding supply, or that that changing technology may make its products less attractive to customers. The Group has invested significant funds in developing its products and inevitably faces obsolescence risk, though it prides itself in being informed about and leveraging the lastest developments in technology.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

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Information on Directors

Mr Christopher Clark

Executive Director, Chief Executive Officer

Qualifications

Bachelor of Accounting, Master of Business Administration

Experience and expertise

Mr Clark has been involved in the mining services sector for over 10 years in South Africa, beginning with technology and communication projects for mining giant Anglo American. Mr Clark has spearheaded the development of the RocketDNA business across Africa (formerly Delta Drone South Africa and Rocketmine), including Ghana and Namibia, and has set up new business verticals in agriculture and executive training.

Chris was appointed as CEO of the Company following the acquisition of Delta Drone South Africa in December 2020 and as Executive Chairman on 17 June 2022.

Other current directorships

None

Former directorships (last 3 years)

None

Interests in shares

11,468,244

Interests in options

2,000,000 options expiring 30 May 2026 @ $0.021

Interests in rights

20,000,000 performance rights (Terms as noted in note 34 of this Annual report)

Mr Paul Williamson

Executive Director, Chief Financial Officer

Qualifications

Bachelor of Accountancy with Upper Second-Class Honours, Graduate Diploma in Applied Corporate Governance, Member of the Governance Institute of Australia, Member of The Institute of Chartered Accountants of Scotland.

Experience and expertise

Mr Williamson has over 30 years' experience in accounting and financial management. After working for big four professional services firm KPMG, he held various financial and governance roles in the banking, finance and insurance industries internationally, including six years as Chief Financial Officer for ASX listed companies. Prior to joining RocketDNA in December 2021, he was Chief Financial Officer for surveying and spatial data management services provider, Land Surveys Group.

Other current directorships

None

Former directorships (last 3 years)

None

Interests in shares

5,912,340

Interests in options

None

Interests in rights

7,000,000 performance rights (Terms as noted in note 34 of this Annual report)

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Mr David Morton – appointed 28 March 2023

Non-Executive Director

Qualifications

Graduate of the Australian Institute of Company Directors, B. Bus (Accounting), VUT (Victorian University of Technology), Advanced Management Program INSEAD

Experience and expertise

Mr Morton had a successful career of 40 years with Westpac Banking Corporation and HSBC. He brings extensive experience as Chairman and Director of ASX listed and unlisted technology companies operating with global footprints where he has demonstrated his ability to lead building organisational structure, culture and drive top line growth through enterprise level agreements and undertake business combinations and M&A.

Other current directorships

None

Former directorships (last 3 years)

Non-Executive Chairman – Yojee (ASX:YOJ)

Interests in shares

5,222,222

Interests in options

1,000,000 options expiring 24 May 2027 @$0.015

Interests in rights

None

Company Secretary

Mr Stephen Buckley

Company secretary

Qualifications

GAICD

Experience and expertise

Mr Buckley has over 40 years' experience in financial markets and is a director of Governance Corporate Pty Ltd, a company specialising in providing company secretarial, corporate governance and corporate advisory services. In the 20 years prior to starting his own business, Mr Buckley has held executive and senior leadership roles in partnership management and business development.

Information on Directors who retired during the year

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Mr Nicolas Clerc

Non-Executive Director

Qualifications

Advanced Degree in Accounting and Management

Date resigned:

30 April 2023

Experience and expertise

Mr Clerc boasts 20 years of experience within accounting and audit firms. After working within several national and international firms, he became audit manager within a firm of about 60 people in the Auvergne-Rhône-Alpes region. He joined the Delta Drone group in September 2017 as Group Administrative and Finance Director.

Other current directorships

None

Former directorships (last 3 years)

None

Interests in shares

None

Interests in options

None

Interests in rights

None

Mr Christian Viguie

Non-Executive Director

Qualifications

Graduate of IEP Paris

Date resigned:

30 April 2023

Experience and expertise

Mr Viguie worked as a financial analyst before forming multiple financial reporting companies. He also served as CEO of the Unilog Group from 1998 to 2006, where he was responsible for relationships with the financial community. A member of the French Society of Financial Analysts, Christian Viguie serves as a professor at the Financial Analysis Training Center.

Other current directorships

None

Former directorships (last 3 years)

None

Interests in shares

None

Interests in options

None

Interests in rights

None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

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Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 December 2023, and the number of meetings attended by each Director were:

Full Board	Attended	Held
Christopher Clark	13	13
Paul Williamson	13	13
David Morton	10	10
Nicolas Clerc	4	5
Christian Viguie	4	5

Held: represents the number of meetings held during the time the Director held office.

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Remuneration report (audited)

This remuneration report for the year ended 31 December 2023 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 (Cth), as amended (Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

Introduction

Key Management Personnel (KMP) have authority and responsibility for planning, directing and controlling the major activities of the Group. KMP comprise the directors of the Company and identified key management personnel. Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives. The Board may seek independent advice on the appropriateness of compensation packages, given trends in comparable companies both locally and internationally and the objectives of the Group's compensation strategy.

The KMP of RocketDNA includes the current and former directors of RocketDNA during the year to 31 December 2023.

Remuneration governance

The Board considers that the Company will not currently benefit from the establishment of a Remuneration Committee. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter, including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:

a. the Board devotes time at appropriate Board meetings to assess the level and composition of remuneration for Directors and senior executives;
b. items that are usually required to be discussed by a remuneration committee are marked as separate agenda items at Board meetings when required; and
c. the Board may seek external advice and benchmarking to inform their decisions.

During the financial year ended 31 December 2023, the Company did not receive any remuneration recommendations from any remuneration consultants.

Executive remuneration arrangements

The compensation structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Compensation packages may include a mix of fixed compensation, equity-based compensation, as well as employer contributions to superannuation funds. Shares and options may only be issued subject to approval by shareholders in a general meeting.

At the date of this report the Company has two (2) appointed executives, Christopher Clark as Executive Chairman and Chief Executive Officer and Mr Paul Williamson as Executive Director and Chief Financial Officer. The terms of their Executive Services Agreement with RocketDNA Ltd are summarised below:

Christopher Clark

- A total remuneration package of $251,526 per annum including statutory superannuation, effective 1 July, 2023.
- Participation in the Company's incentive programs.
- Reimbursement of reasonable business expenses incurred in the ordinary course of the business in accordance with the Group's reimbursement policies.
- The Agreement may be terminated by either party giving four (4) months' notice and the Agreement may be terminated immediately if Mr Clark is engaged in conduct justifying summary dismissal.
- Non-compete and non-solicitation restraints in place for up to six months following cessation of employment.

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Paul Williamson

- A total remuneration package of $228,660 per annum including statutory superannuation, effective 1 July, 2023.
- Participation in the Company's incentive programs.
- Reimbursement of reasonable business expenses incurred in the ordinary course of the business in accordance with the Group's reimbursement policies.
- The Agreement may be terminated by either party giving three (3) months' notice and the Agreement may be terminated immediately if Mr Williamson is engaged in conduct justifying summary dismissal.
- Non-compete and non-solicitation restraints in place for up to twelve months following cessation of employment.

Performance Conditions Linked to Remuneration

The Group maintains an Employee Incentive Plan ("Plan") to provide ongoing incentives to Eligible Participants of the Company. The Plan was approved by shareholders at the Company's annual general meeting held on 24 June 2021. Eligible Participants include:

- a Director (whether executive or non-executive) of any Group company;
- a full or part time employee of any Group company;
- a casual employee or contractor of a Group Company; or
- a prospective participant, being a person to whom the Offer was made but who can only accept the Offer if arrangement has been entered into that will result in the person becoming an Eligible Participant.

The purpose of the Plan is to provide an incentive to the employees and directors of RocketDNA and its subsidiaries to encourage the sense of proprietorship and to stimulate their active interest in the development and financial success of the Company by providing them with opportunities to purchase shares in the Company.

The Group also formed a South African Employee Incentive Plan which was approved by Shareholders at the Company's annual general meeting held on 31 May 2022. The eligible participants include:

- a full-time or permanent part-time employee of a group company
- a director of a group company

The purpose of the plan is the same as the purpose of the group Employee Incentive Plan above, but allows the operation of the plan in South Africa.

Non-executive director fee arrangements

The Board policy is to remunerate non-executive directors at a level to comparable companies for time, commitment, and responsibilities. Non-executive directors may receive performance related compensation. Directors' fees cover all main Board activities and membership of any committee. The Board has no established retirement or redundancy schemes in relation to non-executive directors.

The maximum aggregate amount of fees that can be paid to non-executive directors is presently limited to an aggregate of $300,000 per annum and any change is subject to approval by shareholders at a General Meeting. To align directors' interests with shareholder interests, directors are encouraged to hold shares in the Company.

Total fees for non-executive directors for the financial year were $40,500 (2022: $111,000) and cover main Board activities only. Non-executive directors may receive additional remuneration for other services provided to the Group. All non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director.

Other than the fees disclosed below and share options disclosed above, there was no other remuneration provided to non-executives during the 2023 financial year (2022: nil).

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Details of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

2023

	Short-term benefits ($)			Post-employment benefits ($)	Long-term benefits ($)	Share-based payments ($)	Short-term benefits ($)	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled (iii)	Termination	Total
Executive Directors:								
Christopher Clark	223,300	-	-	24,013	-	(12,268)	-	235,045
Paul Williamson	203,000	-	-	21,830	-	28,099	-	252,929
Non-Executive Directors:								
David Morton	36,486	-	-	4,014	-	4,140	-	44,640
Nicholas Clerc (ii)	-	-	-	-	-	-	-	-
Christian Viguie (ii)	-	-	-	-	-	-	-	-
	462,786	**-**	**-**	**49,857**	**-**	**19,971**	**-**	**532,614**

i. Appointed as non-executive director effective 28 March 2023.
ii. Non-Executive Directors Nicolas Clerc and Christian Viguie received no remuneration during 2023.
iii. Share based payments are based on the AASB 2 charge attributable to each KMP for the year, and are composed of loan funded shares, performance rights and share options. Further details are included in note 34 to the financial statements.

2022

	Short-term benefits ($)			Post-employment benefits ($)	Long-term benefits ($)	Share-based payments ($) (i)	Short-term benefits ($)	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled (viii)	Termination	Total
Executive Directors:								
Christopher Clark	199,769	-	-	20,527	-	54,086	-	274,382
Paul Williamson(vii)	200,000	-	-	20,500	-	-	-	220,500
Eden Attias(vi)	77,085	-	-	-	-	-	100,000	177,085
Non-Executive Directors:(iv)	-	-	-	-	-	-	-	-
Stephen Gorenstein(ii)	30,000	-	-	-	-	-	20,000	50,000
Clive Donner(iii)	20,000	-	-	-	-	-	-	20,000
Dan Araz(v)	41,000	-	-	-	-	-	-	41,000
	567,854	-	-	**41,027**	-	**54,086**	**120,000**	**782,967**

i. Share-based payment expense is recorded pro-rata over the vesting period. Refer to Additional disclosures relating to equity instruments for further information on share-based payments granted to directors and key management during the year.
ii. Resigned as non-executive director effective 17 June 2022.
iii. Resigned as non-executive director effective 24 May 2022.
iv. Non-Executive Directors Nicolas Clerc and Christian Viguie received no remuneration during 2022
v. Remuneration was paid for services performed for FY20 and FY21. Resigned as non-executive director effective 21 June 2021.
vi. Resigned as executive director effective 17 June 2022.
vii. Appointed as executive director effective 22 June 2022.
viii. Share based payments are based on the AASB 2 charge attributable to each KMP for the year

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2023	2022	2023	2022	2023	2022
Executive Directors:						
Christopher Clark	79%	80%	-	-	21%	20%
Paul Williamson	87%	100%	-	-	13%	-
Eden Attias	-	100%	-	-	-	-
	-	-	-	-	-	-
Non-Executive Directors:	-	-	-	-	-	-
David Morton	100%	-	-	-	-	-
Stephen Gorenstein	-	100%	-	-	-	-
Clive Donner	-	100%	-	-	-	-

Share-based compensation

Issue of shares

Mr Clark and Mr Williamson were issued with 10,000,000 and 5,000,000 shares respectively under a limited recourse loan funded share arrangement. The shares were issued at a deemed price of $0.0137, equivalent to the 10-day VWAP on 19 June 2023, with the loans to Mr Clark and Mr Williamson being $137,000 and $68,500 respectively. The loans may be extinguished by returning the shares and have a term of 5 years. The shares have a 2-year escrow period ending on 19 June 2025. Further details are provided in note 34 to this annual report.

The share issuance and connected limited recourse loans were approved by shareholders of the Company at the Annual General Meeting of the Company held on 25 May 2023. The arrangement was independently valued as a combined instrument which approximates a share option, with a fair value of $0.00665 (0.65 cents) per share.

As at 31 December 2023, an expense of $26,609 based on the fair value per loan funded share has been recognised as a share-based payment in the statement of profit or loss and other comprehensive income which represents the pro-rated value from 19 June 2023 to 31 December 2023. The total value remaining will be expensed over the 2-year escrow period of the shares, the equivalent of the vesting date of the equivalent option, ending 19 June 2025.

Options

Mr Morton was issued with 1,000,000 share options as approved by Members at the Company's AGM held on 25 May 2023, the details of which are detailed in note 34 of this annual report.

Performance rights

During the year, Mr Clark and Mr Williamson were issued with 6,000,000 and 3,000,000 Performance Rights respectively, subject to new 2023 milestones which are detailed below and in note 34 of this annual report. Shareholders of the Company approved the issue of these Performance Rights at the Annual General Meeting of the Company held on 25 May 2023. Mr Williamson was also issued with 4,000,000 performance rights from 2022 which were approved at the same meeting.

As at 31 December 2023, an expense of $28,903 based on a fair value of $0.011 per right has been recognised as share-based payment in the statement of profit or loss and other comprehensive income which represents the pro-rated value from 25 May 2023 (grant date) to 31 December 2023. The total value remaining will be expensed over management's expected vesting period for each milestone.

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No performance rights have vested in the year ended 31 December 2023.
Details of performance rights held by each KMP are set out below:

Name	No. of Performance Rights	Milestones	% vested	% unvested
Christopher Clark	666,667	DDG 2021 Milestone 1	-	100.00%
Christopher Clark	666,667	DDG 2021 Milestone 2	-	100.00%
Christopher Clark	666,666	DDG 2021 Milestone 3	-	100.00%
Christopher Clark	1,333,334	2021 New Milestone 1	-	100.00%
Christopher Clark	1,333,333	2021 New Milestone 2	-	100.00%
Christopher Clark	1,333,333	2021 New Milestone 3	-	100.00%
Christopher Clark	2,666,666	2022 New Milestone 1	-	100.00%
Christopher Clark	2,666,667	2022 New Milestone 2	-	100.00%
Christopher Clark	2,666,667	2022 New Milestone 3	-	100.00%
Christopher Clark	3,000,000	2023 New Milestone 1	-	100.00%
Christopher Clark	3,000,000	2023 New Milestone 2	-	100.00%
	20,000,000			

Name	No. of Performance Rights	Milestones	% vested	% unvested
Paul Williamson	1,333,334	2022 New Milestone 1	-	100.00%
Paul Williamson	1,333,333	2022 New Milestone 2	-	100.00%
Paul Williamson	1,333,333	2022 New Milestone 3	-	100.00%
Paul Williamson	1,500,000	2023 New Milestone 1	-	100.00%
Paul Williamson	1,500,000	2023 New Milestone 2	-	100.00%
	7,000,000			

2023 New Milestones

Milestone	Description
New Milestone 1	The Group reaching operating cash flow breakeven as measured by the total of four consecutive positive quarters as disclosed in the Company's ASX Appendix 4C item 1.9, excluding revenue received in the form of government grants, allowances, rebates or other hand-outs.
New Milestone 2	The Company achieves a total shareholder return (TSR) of 100% as measured by the 10 day Volume Weighted Average Price (VWAP) of the Company's shares at the date of issuing the Performance Rights (Base Price) and the 10 day VWAP of the Company's shares at any given date (Milestone Price) up until the Performance Rights lapse. The VWAP of trading in the Company's securities on the ASX market and Chi-X market, excludes block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises. The formula for calculating the TSR is: ((Milestone Price - Base Price) +dividends) / Base Price.

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2022 New Milestones

Milestone	Description
New Milestone 1	The Group achieving total consolidated EBIT of not less than A$nil (i.e. break-even) in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable export.
New Milestone 2	The Group achieving total consolidated revenue of not less than A$15,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 3	The Group achieving total consolidated EBIT of more than A$2,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.

DDG 2021 New Milestones

Milestone	Description
DDG Milestone 1	DDSA achieving consolidated revenue (for the avoidance of doubt, only DDSA and excluding the Group) for any full financial year (being 1 Jan to 31 Dec) during the three-year term of the Performance Rights of not less than US$3,200,000 (based on audited accounts having been prepared by an external auditor or other suitable expert).
DDG Milestone 2	If DDSA enters into at least two binding contracts with Australian-based mining companies (being companies that conduct mining, exploration or extraction services) for the provision of drone survey or mapping solutions services to those mining companies in Australia ("Services") and DDSA receives not less than US$1,000,000 (based on audited accounts having been prepared by an external auditor or other suitable expert) of verified revenue in aggregate from such executed contracts received within the three-year term of the Performance Rights for its Services.
DDG Milestone 3	If during the three-year term of the Performance Rights, the Company announces to the ASX that DDSA has expanded the services of its business offering (being the provision of drone survey and mapping solutions) into a new geographic location outside of Australia, Israel, South Africa, Ghana and Namibia and achieved a revenue in that new geographic location of not less than US$1,000,000 (based on audited accounts having been prepared by an external auditor or other suitable expert).

Note: DDSA means RocketDNA Africa Ltd (formerly Delta Drone South Africa) and its subsidiaries when the milestones were set.

2021 New Milestones

Milestone	Description
New Milestone 1	The Group achieving consolidated revenue of not less than A$10,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 2	The Group achieving total consolidated EBITDA of not less than A$1,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 3	The Company achieving a total return on equity of not less than 10% in a single financial year (being 1 Jan to 31 Dec), where return on equity is equal to net profit as a percentage of total equity based on audited accounts having been prepared by an external auditor or other suitable expert.

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Additional disclosures relating to key management personnel

Shareholding

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

Name	Balance at the start of the year	Limited recourse loan funded shares received as part of remuneration (i)	Purchased during the year	Purchased in January 2024 placement	Balance as at date of this report
Ordinary shares					
Christopher Clark	-	10,000,000	357,133	1,111,111	11,468,244
Paul Williamson	-	5,000,000	356,785	555,555	5,912,340
David Morton	-	-	3,000,000	2,222,222	5,222,222
	-	**15,000,000**	**3,713,918**	**3,888,888**	**22,602,806**

(i) The Loan funded shares are escrowed for two years with a release date of 19 June 2025. Refer to note 34 for further details.

Prior year shareholding

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

Name	Balance at the start of 2022	Received as part of remuneration	Additions	Resignations	Balance at the end of 2022
Ordinary shares					
Eden Attias	559,717	-	-	(559,717)	-
Stephen Gorenstein	400,000	-	-	(400,000)	-
	959,717	**-**	**-**	**(959,717)**	-

Option holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Name	Balance at the start of the year	Granted	Exercised	Expired / forfeited / resigned / other	Balance at the end of the year
Options over ordinary shares					
Christopher Clark	2,000,000	-	-	-	2,000,000
David Morton	-	1,000,000	-	-	1,000,000
	2,000,000	**1,000,000**	**-**	**-**	**3,000,000**

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Prior year option holding

Name	Balance at the start of 2022	Granted	Exercised	Expired / forfeited / resigned / other	Balance at the end of 2022
Options over ordinary shares					
Eden Attias	5,635,943	-	-	(5,635,943)	-
Christopher Clark	-	2,000,000	-	-	2,000,000
Stephen Gorenstein	37,106	-	-	(37,106)	-
	5,673,049	**2,000,000**	-	**(5,673,049)**	**2,000,000**

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Name	Balance at the start of the year	Granted (relating to 2022)	Granted	Expired / forfeited / other	Balance at the end of the year
Performance rights over ordinary shares					
Christopher Clark	14,000,000	-	6,000,000	-	20,000,000
Paul Williamson	-	4,000,000	3,000,000	-	7,000,000
	14,000,000	**4,000,000**	**9,000,000**	-	**27,000,000**

Prior year performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Name	Balance at the start of 2022	Granted	Vested	Forfeited	Balance at the end of 2022
Performance rights over ordinary shares					
Eden Attias	6,000,000	-	-	(6,000,000)	-
Christopher Clark	6,000,000	8,000,000	-	-	14,000,000
Stephen Gorenstein	1,000,000	-	-	(1,000,000)	-
	13,000,000	**8,000,000**	**-**	**(7,000,000)**	**14,000,000**

Loans to key management personnel and their related parties

There were no loans to/from key management personnel and their related parties other than the limited recourse loans for purchase of shares set out above.

Other transactions with key management personnel and their related parties

Transactions with related parties are entered into on terms equivalent to those that prevail in arm's length transactions. During the period $81,420 (including statutory superannuation) was paid to a related party of Christopher Clark in relation to employment services.

This concludes the remuneration report, which has been audited.

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Shares under option

Unissued ordinary shares of RocketDNA Ltd. under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
17 April 2019	17 April 2024	$0.1125	955,480
24 June 2019	24 June 2024	$0.1125	953,544
5 November 2019	5 November 2024	$0.0900	948,053
3 June 2022	30 May 2026	$0.0210	2,000,000
25 March 2023	24 May 2027	$0.0150	1,000,000
10 December 2023	7 December 2025	$0.0180	10,000,000
23 May 2023	22 May 2028	$0.0100	6,500,000
			22,357,077

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

Grant date	Exercise date(s)	Share issue date	Exercise price	Number Exercised
13 June 2018	10 May 2023	16 May 2023	$0.0027	5,598,837
13 June 2018	13 June 2023	19 June 2023	$0.0027	788,855
				6,387,692

Shares under performance rights

Unissued ordinary shares of RocketDNA Ltd. under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
24 June 2021	24 June 2024	6,000,000
3 June 2022	3 June 2026	8,000,000
25 May 2023	25 May 2027	13,000,000
		27,000,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights

There were no ordinary shares of RocketDNA Ltd. issued on the exercise of performance rights during the year ended 31 December 2023 and up to the date of this report.

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Indemnity and insurance of officers

The Company has indemnified the directors and Officers of the Company for costs incurred, in their capacity as a director or Officer, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and officers of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

The Company may decide to employ the Auditor Hall Chadwick Audit (WA) Pty Ltd on assignments additional to their statutory audit duties.

Details of the amounts paid or payable to the Auditor for audit and non-audit services provided during the year are set out below.

The Board has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the Auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the Auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the Auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

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Audit and other assurance services

	Consolidated	
Grant date	2023 ($)	2022 ($)
(i) Audit and other assurance services		
Audit or review of the financial statements - Hall Chadwick (Audit) WA	52,000	46,000
Total remuneration for audit and other assurance services - Australia	52,000	46,000

Auditor's independence declaration

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

Auditor

Hall Chadwick Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Christopher Clark
Executive Chairman and Chief Executive Officer

27 February 2024

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To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Partner for the audit of the financial statements of RocketDNA Ltd (formerly known as Delta Drone International Limited) and its controlled entities for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Hall Chadwick

HALL CHADWICK AUDIT (WA) PTY LTD

NS

NIKKI SHEN CA
Director

Dated this 27th day of February 2024
Perth, Western Australia

ROCKET DNA

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Financial Statements

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General information

The financial statements cover RocketDNA Ltd. as a Group consisting of RocketDNA Ltd. and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is RocketDNA Ltd.'s functional and presentation currency.

RocketDNA Ltd. is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

75 Thomas Street, Subiaco WA 6008

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 February 2024. The Directors have the power to amend and reissue the financial statements.

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Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023

	Note	Consolidated 2023 ($)	2022 ($)
Revenue	4	6,137,011	5,734,798
Cost of sales		(3,011,963)	(2,932,115)
Gross profit		3,125,048	2,802,683
Other income		19,899	18,960
Gains from disposals of assets		120,286	41,688
Expenses			
Operating expense	5	(4,446,976)	(4,855,910)
Impairment	6	(277,850)	(10,302)
Depreciation expense		(280,377)	(335,206)
Amortisation of intangible assets		(11,851)	(5,270)
Operating loss		(1,751,821)	(2,343,357)
Finance income		34,561	18,042
Finance expense		(75,430)	(9,736)
Loss before income tax expense from continuing operations		(1,792,690)	(2,335,051)
Income tax expense	7	(67,279)	(86,863)
Loss after income tax expense from continuing operations		(1,859,969)	(2,421,914)
Profit after income tax expense from discontinued operations		-	453,459
Loss after income tax expense for the year		(1,859,969)	(1,968,455)
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(193,134)	(585,775)
Other comprehensive (loss)/income for the year, net of tax		(193,134)	(585,775)
Total comprehensive loss for the year		(2,053,103)	(2,554,230)
Loss for the year is attributable to:			
Non-controlling interest		(90,556)	(45,000)
Owners of RocketDNA Ltd.		(1,769,413)	(1,923,455)
		(1,859,969)	(1,968,455)
Total comprehensive loss for the year is attributable to:			
Continuing operations		(129,216)	(50,323)
Discontinued operations		-	-
Non-controlling interest		(129,216)	(50,323)
Continuing operations		(1,923,887)	(2,522,697)
Discontinued operations		-	18,790
Total Owners of RocketDNA Ltd.		(1,923,887)	(2,503,907)
		(2,053,103)	(2,554,230)

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		Consolidated	
	Note	Cents	Cents
Loss per share for loss from continuing operations			
Basic loss per share	33	(0.34)	(0.46)
Diluted loss per share	33	(0.34)	(0.46)
Earnings per share for profit from discontinued operations			
Basic earnings per share	33	-	0.09
Diluted earnings per share	33	-	0.09
Loss per share for loss			
Basic loss per share	33	(0.34)	(0.38)
Diluted loss per share	33	(0.34)	(0.38)

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

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Consolidated statement of financial position as at 31 December 2023

	Note	Consolidated 2023 ($)	2022 ($)
Assets			
Current assets			
Cash and cash equivalents	8	2,317,078	2,253,877
Trade and other receivables	9	1,494,142	2,314,480
Inventories		60,832	-
Deposits		59,207	52,915
Total current assets		3,931,259	4,621,272
Non-current assets			
Property, plant and equipment	10	1,264,914	1,041,894
Right-of-use assets	11	421,641	102,480
Intangibles	12	216,802	-
Deferred tax	13	18,620	10,828
Goodwill	14	955,223	1,194,670
Total non-current assets		2,877,200	2,349,873
Total assets		6,808,459	6,971,145
Liabilities			
Current liabilities			
Trade and other payables	15	800,934	924,575
Contract liabilities	16	151,986	12,257
Borrowings	17	107,922	32,591
Lease liabilities	18	186,663	118,449
Income tax	19	53,439	-
Total current liabilities		1,300,944	1,087,872
Non-current liabilities			
Borrowings	20	200,000	120,000
Lease liabilities	21	680,024	109,743
Total non-current liabilities		880,024	229,743
Total liabilities		**2,180,968**	**1,317,615**
Net assets		**4,627,491**	**5,653,530**
Equity			
Issued capital	22	14,367,691	13,207,118
Reserves	23	(1,411,229)	(1,113,720)
Accumulated losses		(8,032,411)	(6,504,734)
Equity attributable to the owners of RocketDNA Ltd.		4,924,050	5,588,664
Non-controlling interest		(296,560)	64,866
Total equity		4,627,490	5,653,530

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Consolidated statement of changes in equity for the year ended 31 December 2023

Consolidated	Issued capital ($)	Foreign currency translation reserve ($)	Reserves ($)	Share based payment reserve ($)	Accumulated losses ($)	Non-controlling interest ($)	Total equity ($)
Balance at 1 January 2022	13,207,118	327,423	(968,570)	53,793	(4,581,279)	115,189	8,153,674
Loss after income tax expense for the year	-	-	-	-	(1,923,455)	(45,000)	(1,968,455)
Other comprehensive loss for the year, net of tax	-	(580,452)	-	-	-	(5,323)	(585,775)
Total comprehensive loss for the year	**-**	**(580,452)**	**-**	**-**	**(1,923,455)**	**(50,323)**	**(2,554,230)**
Issue of performance rights	-	-	-	54,086	-	-	54,086
Balance at 31 December 2022	**13,207,118**	**(253,029)**	**(968,570)**	**107,879**	**(6,504,734)**	**64,866**	**5,653,530**

Consolidated	Issued capital ($)	Foreign currency translation reserve ($)	Reserves ($)	Share based payment reserve ($)	Accumulated losses ($)	Non-controlling interest ($)	Total equity ($)
Balance at 1 January 2023	13,207,118	(253,029)	(968,570)	107,879	(6,504,734)	64,866	5,653,530
Loss after income tax expense for the year	-	-	-	-	(1,769,413)	(90,556)	(1,859,969)
Other comprehensive income for the year, net of tax	-	(164,000)	-	-	-	(29,134)	(193,134)
Total comprehensive (loss)/income for the year	**-**	**(164,000)**	**-**	**-**	**(1,769,413)**	**(119,690)**	**(2,053,103)**
Change in percentage of NCI	-	-	-	-	41,608	(41,608)	-
Reassessment of NCI impact of preference shares	-	-	-	-	200,128	(200,128)	-
Issue of shares	1,065,000	-	-	-	-	-	1,065,000
Share based payments	9,000	-	-	31,991	-	-	40,991
Exercise of options	17,247	-	-	-	-	-	17,247
Share issue costs	(136,174)	-	-	40,000	-	-	(96,174)
Shares issued to KMP under loan funded share plan	205,500	-	-	(205,500)	-	-	-
Balance at 31 December 2023	**14,367,691**	**(417,029)**	**(968,570)**	**(25,630)**	**(8,032,412)**	**(296,560)**	**4,627,491**

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

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Consolidated statement of cash flows for the year ended 31 December 2023

	Note	Consolidated 2023 ($)	Consolidated 2022 ($)
Cash flows from operating activities			
Receipts from customers (inclusive of GST/VAT)		6,871,294	6,197,717
Payments to suppliers and employees (inclusive of GST/VAT)		(7,877,482)	(7,783,489)
		(1,006,188)	(1,585,772)
Interest received		35,506	18,391
Interest and other finance costs paid		-	(1,001)
Net cash (used in) discontinued operations		-	7,819
Income taxes refunded		31	13,428
Net cash used in operating activities	32	(970,651)	(1,547,135)
Cash flows from investing activities			
Payment for purchase of subsidiary, net of cash acquired		-	(274,000)
Payments for property, plant and equipment	10	(683,690)	(795,210)
Proceeds from disposal of business		788,164	4,210,573
Proceeds from disposal of investments		-	20,000
Proceeds from disposal of property, plant and equipment		95,361	83,282
Payments for intangibles (product development)	12	(250,052)	-
Net (payment)/receipt of deposits (equipment and rental)		(6,292)	8,069
Net cash used by discontinued operations		-	(546)
Net cash from/(used in) investing activities		(56,509)	3,252,168
Cash flows from financing activities			
Proceeds from issue of shares	22	1,065,000	-
Proceeds from exercise of options	22	17,247	-
Proceeds from borrowings		307,969	80,000
Share issue transaction costs		(85,515)	-
Repayment of borrowings		(182,543)	(435,462)
Net cash from/(used in) financing activities		1,122,158	(355,462)
Net increase in cash and cash equivalents		94,998	1,349,571
Cash and cash equivalents at the beginning of the financial year		2,253,877	954,916
Effects of exchange rate changes on cash and cash equivalents		(31,797)	(50,610)
Cash and cash equivalents at the end of the financial year	8	2,317,078	2,253,877

Notes to the Consolidated Financial Statements

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Note 1. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group:

Amendments to AASB 37 Onerous Contracts - Cost of Fulfilling a Contract
The Group has adopted the amendments to AASB 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Going concern

During the period, the Group generated a loss after tax from continuing operations of $ 1,859,969 (2022: $ 2,421,915), is reporting a net working capital of $2,630,315 (2022 : $3,533,400), has incurred net cash outflows from operations of $970,641 (2022 outflow of $1,547,135). As at 31 December 2023 , the Group had $2,317,078 in cash (2022 : $2,253,877) and consolidated net assets of $4,627,491 (2022 : net assets of $5,653,530).

The Group has prepared the financial statements for the financial period ended 31 December 2023 on a going concern basis, which assumes continuity of current business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Notes to the Consolidated Financial Statements

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Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RocketDNA Ltd. ('Company' or 'parent entity') as at 31 December 2023 and the results of all subsidiaries for the year then ended. RocketDNA Ltd. and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group 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 Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group.

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.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

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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 Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is RocketDNA Ltd.'s functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

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

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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Notes to the Consolidated Financial Statements

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 Group'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.

A liability is classified as current when: it is either expected to be settled in the Group'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.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, 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 calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer	3 years
Furniture and equipment	3-17 years
Leasehold improvements	the shorter of the lease term and the useful life
Buildings	2-3 years
Plant and equipment	1-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Impairment of non-financial assets

Non-financial assets are reviewed 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 carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

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Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

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 Group 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 recognised 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 portion 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 Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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.

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.

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Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

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Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of RocketDNA Ltd., excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
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 using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The Group issued performance rights during the year ended 31 December 2023 based on the conditions set out in note 34. The Group follows the guidelines of AASB 2 'Share Based Payments' and takes into account non-market vesting conditions and estimates the probability and expected timing of achieving the vesting conditions. For full terms of the securities issued see note 34.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

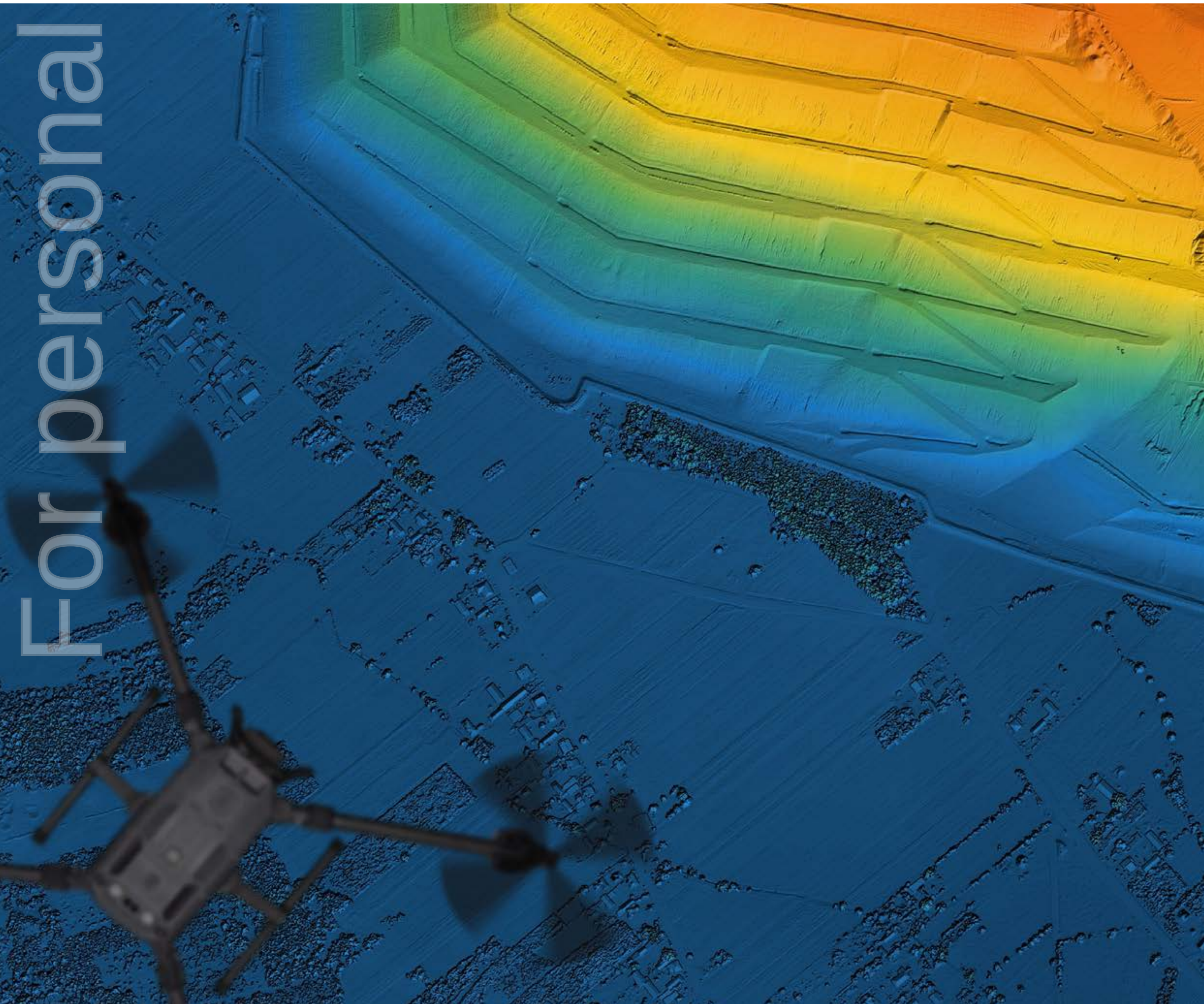
Goodwill and other indefinite life intangible assets
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Notes to the Consolidated Financial Statements

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Tax impact on discontinued operation
The Group has consulted a tax consultant in regards to the gain or loss arising from the discontinued operation. With that understanding, the Group has determined that there is a nil taxation impact from the discontinued operation.



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Note 3. Operating segments

Identification of reportable operating segments
The Group is organised into 2 operating segments. These operating segment are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There are no aggregation of operating segments. The segments align with the geographical locations of the Group's main business, namely Australia and Africa. The following table analyses sales revenue and EBITDA based on these segments, which also aligns with a geographical analysis.

Operating segment information

Consolidated - 2023	Australia ($)	Africa ($)	Corporate ($)	Total ($)
Revenue				
Revenue from Continuing Operations	1,440,627	4,696,384	-	6,137,011
Revenue from Discontinued Operations	-	-	-	-
Total Operations Income	1,440,627	4,696,384	-	6,137,011
Other Income	-	19,899	-	19,899
Gains from disposals of assets	3,388	116,898	-	120,286
Total revenue	1,444,015	4,833,181	-	6,277,196
EBITDA	(692,427)	968,755	(796,443)	(520,115)
Depreciation and amortisation	(141,925)	(648,249)	(169,807)	(959,981)
Impairment	(200,000)	(77,850)	-	(277,850)
Finance income and expense	(29,431)	(24,467)	4,735	(49,163)
Profit/(loss) before income tax expense	(1,063,783)	232,608	(961,515)	(1,792,690)
Income tax expense				(67,279)
Loss after income tax expense				(1,859,969)
Assets				
Segment assets	846,587	4,155,684	1,806,188	6,808,459
Total assets				6,808,459
Liabilities				
Segment liabilities	894,453	1,027,180	259,335	2,180,968
Total liabilities				2,180,968

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Note 3. Operating segments (continued)

Consolidated - 2022	Australia ($)	Africa ($)	Corporate ($)	Total ($)
Revenue				
Revenue from Continuing Operations	1,852,662	3,882,136	-	5,734,798
Revenue from Discontinued Operations (i)	-	-	-	42,373
Total Operations Income	1,852,662	3,882,136	-	5,777,171
Other Income	8,425	52,223	-	60,648
Total revenue	1,861,087	3,934,359	-	5,837,819
EBITDA	(543,111)	539,478	(1,482,678)	(1,486,311)
Depreciation and amortisation	(203,737)	(597,585)	(55,724)	(857,046)
Finance income and expense	(7,744)	15,327	723	8,306
Discontinued operations (i)	-	-	-	453,459
Profit/(loss) before income tax expense	(754,592)	(42,780)	(1,537,679)	(1,881,592)
Income tax expense				(86,863)
Loss after income tax expense				(1,968,455)
Assets				
Segment assets	1,584,634	2,570,200	2,816,311	6,971,145
Total assets				6,971,145
Liabilities				
Segment liabilities	547,441	466,307	303,867	1,317,615
Total liabilities				1,317,615

(i) Results relating to operations in Israel have been included in this note for disclosure purposes. Prior to its sale in 2022, Israel operated as a 3rd segment. *Results for the* Israel *segment are reported on a net basis in the consolidated statement of profit or loss and other comprehensive income as it is a discontinued operation.*

Note 4. Revenue

Timing of revenue recognition	Consolidated	
	2023 ($)	2022 ($)
At a point in time	2,519,135	2,533,316
Over time	3,617,876	3,201,482
	6,137,011	5,734,798

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Note 5. Operating expense

	Consolidated	
	2023 ($)	2022 ($)
Employee benefits expense	2,265,090	2,328,415
General and administrative expenses	1,530,366	1,596,428
Corporate costs	651,520	931,068
	4,446,976	**4,855,911**

Note 6. Impairment

	Consolidated	
	2023 ($)	2022 ($)
Impairment of goodwill (Note 14)	200,000	-
Expected credit loss on trade receivables recognised through P&L (Note 9)	77,850	10,302
Total impairment recognised through profit and loss	277,850	10,302

Note 7. Income tax expense

	Consolidated	
	2023 ($)	2022 ($)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(1,792,690)	(2,335,051)
Profit before income tax expense from discontinued operations	-	453,459
	(1,792,690)	(1,881,592)
Tax at the average effective tax rate of 25.13% (2022: 26.0%) (i)	**(450,152)**	**(489,214)**
Movement in temporary differences for which no deferred tax has been recognised	(151,070)	(31,036)
Tax effect of current year losses for which no deferred tax asset has been recognised	652,808	607,113
Tax benefit of utilising prior year losses for which no deferred tax asset had been recognised	(40,741)	-
Prior year, permanent and exchange rate differences	56,834	-
Income tax expense/(benefit)	**67,279**	**86,863**

	Consolidated	
	2023 ($)	2022 ($)
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	18,523,954	6,653,597
Potential tax benefit @ 25.1% (2022: 26%)	4,649,512	1,729,935

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The above potential tax benefit for tax losses has not been recognised in the statement of financial position.
These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Unused tax losses for which no deferred tax asset has been recognised will be subject to the Company satisfying the requirements imposed by regulatory taxation authorities. The benefits of deferred tax assets will only be recognised if:

Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised; The conditions for deductibility imposed by tax legislation continue to be complied with; and No changes in tax legislation adversely affect the Company in realising the benefit.

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Unused tax losses for which no deferred tax asset has been recognised will be subject to the Company satisfying the requirements imposed by regulatory taxation authorities. The benefits of deferred tax assets will only be recognised if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- The conditions for deductibility imposed by tax legislation continue to be complied with; and
- No changes in tax legislation adversely affect the Company in realising the benefit.

i. The average effective tax rate is calculated based on the weighted average of the statutory rates of tax in Australia (25%), South Africa (27%) and Ghana (25%), using the pre-tax accounting profit or loss for the year as the weighting. Due to accounting losses in some jurisdictions, the weighted average rate is 24.9% (2022: 26%)
ii. Tax losses not recognised includes $9,586,799 of capital losses relating to the sale of Parazero (2022:nil)

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2023 ($)	2022 ($)
Cash and cash equivalents	2,317,078	2,253,877

Refer to note 24 for further information on the risk exposure analysis of cash and cash equivalents.

Note 9. Current assets - trade and other receivables

	Consolidated	
	2023 ($)	2022 ($)
Trade receivables	1,174,866	1,175,359
Expected Credit loss allowance	(91,064)	(16,466)
Goods and services tax	45,480	45,791
	1,129,282	**1,204,684**
Prepayments	261,249	176,217
Other receivables	103,611	123,340
Parazero sale escrow net of provisions for witholding tax and claims	-	810,239
	364,860	1,109,796
	1,494,142	**2,314,480**

Refer to note 24 for further information on the risk exposure analysis of trade and other receivables.
There are no receivables that are past due where expected credit loss has not been assessed.

Prepayments mainly relate to payments made for insurances paid in advance.

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Note 10. Non-current assets - property, plant and equipment

	Consolidated	
	2023 ($)	2022 ($)
Cost	3,636,649	3,174,444
Accumulated depreciation	(2,371,735)	(2,132,549)
Net carrying amount	1,264,914	1,041,895

31 December 2022	Opening balance ($)	Additions ($)	Disposals ($)	Foreign exchange movements ($)	Depreciation ($)	Closing balance ($)
Furniture and fixtures	23,437	4,360	-	(48)	(9,136)	18,613
Motor vehicles	142,186	62,463	(30,717)	(4,122)	(47,733)	122,077
Office equipment	32,268	73,482	-	(859)	(22,341)	82,550
IT equipment	49,712	81,047	(4,494)	(7,046)	(39,209)	80,010
Leasehold improvements	10,172	36,387	-	241	(15,260)	31,540
Drone accessories	141,421	246,176	(3,064)	(11,888)	(229,690)	142,955
Drones	294,928	252,971	-	11,390	(190,162)	369,127
Drone batteries	19,995	102,926	(4,104)	(17,878)	(78,397)	22,542
Other fixed assets	2,460	1,426	-	30	(1,872)	2,044
Capital works in progress	24,673	28,115	-	262	-	53,050
Plant and Equipment	-	211,294	-	-	(93,907)	117,387
	741,252	**1,100,647**	**(42,379)**	**(29,918)**	**(727,707)**	**1,041,895**

31 December 2023	Opening balance ($)	Additions ($)	Disposals ($)	Foreign exchange movements ($)	Depreciation ($)	Closing balance ($)
Furniture and fixtures	18,613	4,852	-	(1,305)	(8,782)	13,378
Motor vehicles	122,078	146,845	-	(2,212)	(38,873)	227,838
Other equipment	201,980	43,424	774	(436)	(90,789)	154,953
IT equipment	80,011	91,577	-	2,947	(78,602)	95,933
Leasehold improvements	31,536	50,023	(4,251)	(281)	(19,525)	57,502
Drone accessories	142,954	306,758	(30,490)	8,588	(178,717)	249,093
Drones	369,132	239,926	(4,521)	(6,655)	(210,171)	387,711
Drone batteries	22,542	122,044	-	19,460	(108,759)	55,287
Capital works in progress	53,049	-	(26,134)	(3,696)	-	23,219
	-	-	-	-	-	-
	1,041,895	**1,005,449**	**(64,622)**	**16,410**	**(734,218)**	**1,264,914**

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Note 11. Non-current assets - right-of-use assets

	Consolidated	
	2023 ($)	2022 ($)
Land and buildings - right-of-use	521,855	485,864
Less: Accumulated depreciation	(100,214)	(383,384)
	421,641	**102,480**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings ($)	Total ($)
Balance at 1 January 2022	121,621	121,621
Additions	189,645	189,645
Exchange differences	(84,717)	(84,717)
Depreciation expense	(124,069)	(124,069)
Balance at 31 December 2022	102,480	102,480
Additions	409,423	409,423
Exchange differences	14,270	14,270
Depreciation expense	(104,532)	(104,532)
Balance at 31 December 2023	421,641	421,641

Right-of-use assets relate to rental properties used in Australian and Africa.

Note 12. Non-current assets - intangibles

Consolidated	Brand names ($)	Licenses to operate ($)	Domain,manuals and processes ($)	xBot Development ($)	Software Development ($)	Total ($)
Balance at 1 January 2022	1,008	4,031	274	-	-	5,313
Exchange differences	(5)	(19)	(2)	-	-	(26)
Amortisation expense	(1,003)	(4,012)	(272)	-	-	(5,287)
Balance at 31 December 2022	-	-	-	-	-	-
Additions	-	-	-	186,570	42,558	229,128
Amortisation expense	-	-	-	(12,326)	-	(12,326)
Balance at 31 December 2023	-	-	-	174,244	42,558	216,802

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Note 13. Non-current assets - deferred tax

	Consolidated	
	2023 ($)	2022 ($)
Deferred tax asset	18,620	10,828

Note 14. Non-current assets - Goodwill

	Consolidated	
	2023 ($)	2022 ($)
Goodwill	955,223	1,194,670

Impairment losses recognised

As a result of the impairment testing performed, the RocketDNA (WA) Pty Ltd CGU Goodwill was impaired to its recoverable amount at 31 December 2023 and an impairment expense of $200,000 (31 Dec 2022: $nil) was recognised in the statement of profit or loss.

The recoverable amount of all cash-generating units is based on the higher of its value-in-use or fair value less costs to sell which require use of assumptions. For the purpose of impairment testing, goodwill is allocated to two (2) cash-generating units (CGU), one being Africa and the other being RocketDNA (WA) Pty Ltd. In assessing goodwill impairment for the year ended 31 December 2023, all CGUs used a discounted cash flow model in accordance with the value-in-use (VIU) method, which reflect the present value of the future cash flows expected to be derived from each CGU. The significant inputs and key assumptions used by management within the discounted cash flow model for the Africa CGU and the RocketDNA (WA) Pty Ltd CGU are:

Africa CGU

- Discount rate (pre-tax): risk in the industry and country in which it operates – 17%.
- Revenue growth: relevant to the market conditions and business plan – 10%
- Budgeted gross profit rate: based on past performance and management's expectations for the future – 56%.
- Long term growth rate: typically consistent with the long-term growth rate of the economic environment or country in which it operates.

RocketDNA (WA) Pty Ltd CGU

- Discount rate (pre-tax): risk in the industry and country in which it operates – 16.0%.
- Revenue growth for existing Drone business: relevant to the market conditions and business plan, 2024 - 0% (based on headwinds encountered in H2 2023 reversing during 2024) ; subsequent years 5.0%
- Revenue for new xBot business: 2024 - based on probability weighted sales pipeline (see further explanation below); subsequent years - various rates of growth averaging to 40.8%.
- Budgeted gross profit rate: based on past performance and management's expectations for the future – 40%.
- Long term growth rate: typically consistent with the long-term growth rate of the economic environment or country in which it operates.

Impairment Sensitivity

The Group is required to make significant estimates and apply significant judgements in determining whether the carrying amount of assets and/or CGUs have any indication if impairment. Such estimates and judgements are subject to change as a result of changing economic and operational conditions. Actual cash flows may therefore differ from forecasts and could result in changes in the recognition of impairment charges in future periods. In particular, the assessment of forecast sales for a new and innovative product involves significant judgement. In assessing the forecast sales for the new xBot product, there are no historic or expected growth rates for the Group to rely on. Hence, the Group has made individual estimates of the probability of achieving each sale within its current pipeline. On average, the probability weighting was 38%. If the average assessed probability was increased to 41%, the impairment charge for 2023 would decrease to nil; if the average assessed probability decreased to 35%, the impairment charge would increase to $400,000. Similarly, the subsequent years' revenue growth rates for the xBot product are subject to significant judgement. If the subsequent years growth assumptions are increased to an average of 45.5%, the impairment charge for 2023 would decrease to nil; if the subsequent years growth rates are decreased to 35.1% the impairment charge would increase to $400,000.

Goodwill relates to the acquisition of RocketDNA ZA (Pty) Ltd (formerly Rocketmine (Pty) Ltd) (South Africa), and RocketDNA (WA) Pty Ltd (formerly Rocketmine (WA) Pty Ltd formerly Arvista Pty Ltd)

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Note 15. Current liabilities - trade and other payables

	Consolidated	
	2023 ($)	2022 ($)
Trade payables	292,160	546,831
Goods and services tax	70,198	66,536
Other payables	438,576	311,208
	800,934	**924,575**

Refer to note 24 for further information on financial instruments.

Note 16. Current liabilities - contract liabilities

	Consolidated	
	2023 ($)	2022 ($)
Contract liabilities	151,986	12,257

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	2023 ($)	2022 ($)
Opening balance	12,257	114,850
Payments received in advance	151,977	12,257
Transfer to revenue - included in the opening balance	(12,248)	(114,850)
Closing balance	**151,986**	**12,257**

Note 17. Current liabilities - borrowings

	Consolidated	
	2023 ($)	2022 ($)
Insurance premium funding	98,093	10,268
Bank overdrafts and credit cards	9,829	22,323
	107,922	**32,591**

Refer to note 24 for further information on financial instruments.

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Note 18. Current liabilities - lease liabilities

	Consolidated	
	2023 ($)	2022 ($)
Lease liability - Right of use	59,928	89,051
Lease liability - Motor vehicles	47,732	29,398
Lease liability - Drone Equipment	79,003	-
	186,663	**118,449**

Refer to note 24 for further information on financial instruments.

Note 19. Current liabilities - income tax

	Consolidated	
	2023 ($)	2022 ($)
Provision for income tax	**53,439**	**-**

Note 20. Non-current liabilities - borrowings

	Consolidated	
	2023 ($)	2022 ($)
Borrowings	**200,000**	**120,000**

Refer to note 24 for further information on financial instruments.

As at 31 December, 2023, the group held a loan payable balance of $200,000 (31 December 2022 $120,000) which was owed to Entech Pty Ltd, a related party which holds a shareholding in RocketDNA (WA) Pty Ltd (formerly Rocketmine WA Pty Ltd), a controlled entity of the company. The loan bears no interest. The loan is repayable on 31 January 2028.

Note 21. Non-current liabilities - lease liabilities

	Consolidated	
	2023 ($)	2022 ($)
Lease liability - Right of use asset	371,472	40,136
Lease liability - Motor vehicles	213,839	69,607
Lease liability - Drone equipment	94,713	-
	680,024	**109,743**

Refer to note 24 for further information on financial instruments.

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Note 22. Equity - issued capital

	Consolidated			
	2023 Shares	2022 Shares	2023 ($)	2022 ($)
Ordinary shares - fully paid	652,225,953	511,604,932	14,367,691	13,207,118

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2023	511,604,932	-	13,207,118
Issue of shares to third party on exercise of options	10 May 2023	5,598,837	$0.0027	15,117
Issue of shares to third party on exercise of options	13 June 2023	788,855	$0.0027	2,130
Issue of shares under loan funded share arrangement (refer note 34)	18 June 2023	15,000,000	$0.0137	205,500
Issue of shares to employees of RocketDNA (WA) Pty Ltd	19 June 2023	700,000	$0.0100	7,000
Issue of shares to employees of RocketDNA (AU) Pty Ltd	19 June 2023	200,000	$0.0100	2,000
Issue of shares to third parties on share placement	10 December 2023	118,333,329	$0.0090	1,065,000
Share issue costs		-		(136,174)
Balance	31 December 2023	652,225,953		14,367,691

Ordinary shares

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

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

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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Note 23. Equity - reserves

	Consolidated	
	2023 ($)	2022 ($)
Predecessor accounting reserves	(968,570)	(968,570)
Foreign currency reserve	(417,029)	(253,029)
Share-based payments reserve	(25,630)	107,879
	(1,411,229)	**(1,113,720)**

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services (refer note 34).

Predecessor accounting reserve

The predecessor accounting reserve comprises the excess of purchase price over the fair value of net assets when the common controlled entity, RocketDNA Training and Consulting (Pty) Ltd was acquired by Delta Drone SA France.

Note 24. Financial instruments

Financial risk management objectives

The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk.

Given the nature of the business, the Group monitors capital on the basis of current business operations and cash flow requirements. There were no changes in the Group's approach to capital management during the year.

Risk management is carried out by senior executives under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Executives identify, evaluate and hedge financial risks within the Group's operating units and report to the Board on a monthly basis.

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Categories of financial instruments

	Consolidated	
	2023 ($)	2022 ($)
Financial assets		
Cash and cash equivalents	2,317,078	2,253,877
Trade and other receivables	1,494,142	2,314,480
Financial assets held at amortised cost (Deposits)	59,207	52,915
	3,870,427	**4,621,272**
Financial liabilities		
Trade and other payables	800,934	924,575
Borrowings	307,922	152,591
Finance liability - motor vehicles	150,383	99,005
Finance liability - drone equipment	79,003	-
	1,338,242	**1,176,171**

The fair value of the above financial instruments approximates their carrying values.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

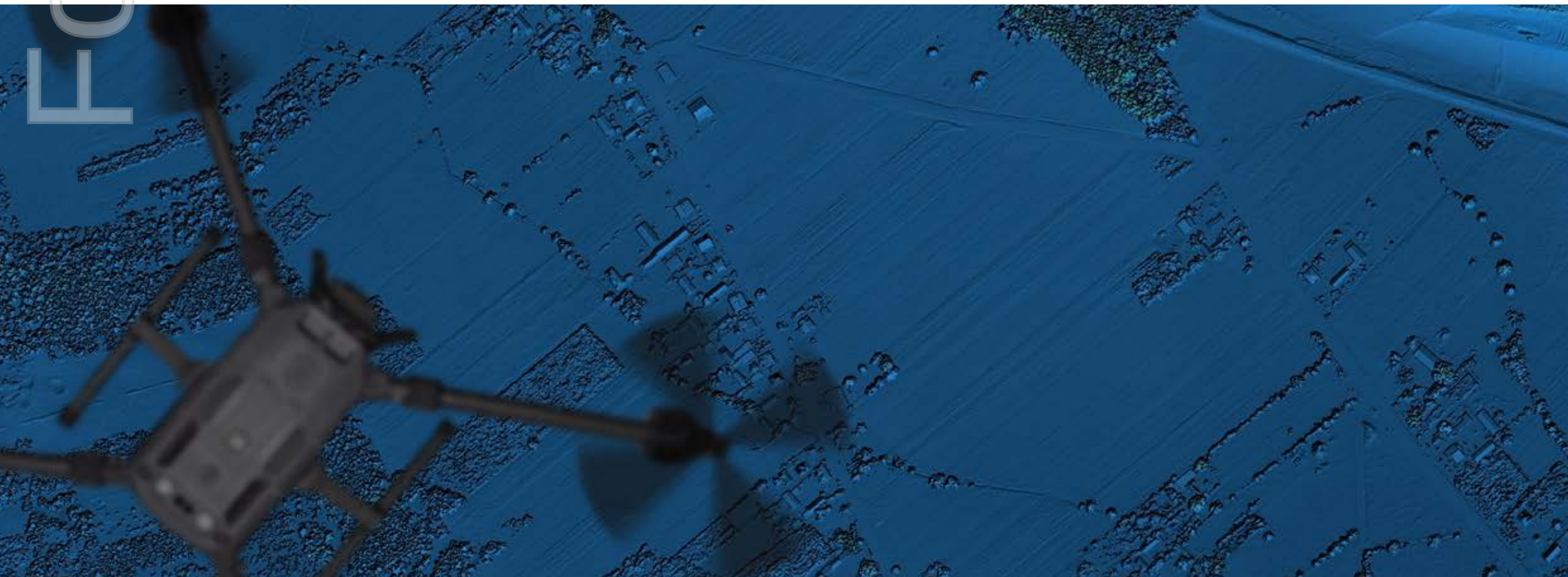
The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Australian Dollar (functional currency of the Parent company) and the South African Rand (the functional currency of the South African subsidiaries). The Group also has contracts and bank accounts in United States Dollar in Ghann.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's main interest rate risk arises from Cash and cash equivalents, overdrafts and credit cards.



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Consolidated - 2023	Basis points change	Basis points increase effect on profit before tax	Effect on equity	Basis points change	Basis points decrease effect on profit before tax	Effect on equity
Cash and cash equivalents	100	22,926	22,926	(100)	(22,926)	(22,926)

Consolidated - 2022	Basis points change	Basis points increase Effect on profit before tax	Effect on equity	Basis points change	Basis points decrease effect on profit before tax	Effect on equity
Cash and cash equivalents	100	22,301	22,301	(100)	(22,301)	(22,301)

Credit risk

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Allowance for expected credit losses

The Group has recognised a loss of $77,850 (31 December 2022: $10,371) in profit or loss in respect of the expected credit losses for the year ended 31 December 2023.

The ageing of the Trade receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	2023 (%)	2022 (%)	2023 ($)	2022 ($)	2023 ($)	2022 ($)
Not overdue	2.12%	-	896,832	983,995	19,057	-
0 to 3 months overdue	25.9%	8.61%	278,034	191,364	72,010	16,476
			1,174,866	1,175,359	91,067	16,476

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2023	Weighted average interest rate %	1 year or less ($)	Between 1 and 2 years ($)	Between 2 and 5 years ($)	Over 5 years ($)	Remaining contractual maturities ($)
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	800,934	-	-	-	800,934
Borrowings - non-current	-	-	-	-	200,000	200,000
Interest-bearing - fixed rate						
Borrowings	16.66%	107,922	-	-	-	107,922
Lease liability - motor vehicles	3.65%	47,732	48,520	54,131	-	150,383
Lease Liability - drone equipment	10.81%	40,612	48,984	44,285	-	133,881
Total non-derivatives		**997,200**	**97,504**	**98,416**	**200,000**	**1,393,120**

Consolidated - 2022	Weighted average interest rate (%)	1 year or less ($)	Between 1 and 2 years ($)	Between 2 and 5 years ($)	Over 5 years ($)	Remaining contractual maturities ($)
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	924,575	-	-	-	924,575
Borrowings - non-current	-	-	-	-	120,000	120,000
Interest-bearing - fixed rate						
Borrowings	16.66%	32,591	-	-	-	32,591
Lease liability - motor vehicles	3.15%	29,398	31,196	38,411	-	99,005
Total non-derivatives		986,564	31,196	38,411	120,000	1,176,171

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

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Note 25. Key management personnel disclosures

Directors

The following persons were Directors of RocketDNA Ltd. during the financial year:

Christopher Clark	Executive Chairman, Chief Executive Officer
Paul Williamson	Executive Director, Chief Financial Officer
David Morton	Non-Executive Director (Appointed 28 March 2023)
Nicolas Clerc	Non-Executive Director resigned 30 April 2023
Christian Viguie	Non-Executive Director resigned 30 April 2023

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2023 ($)	**2022 ($)**
Short-term employee benefits	462,786	687,854
Post-employment benefits	49,857	41,027
Share-based payments	19,971	54,086
	532,614	**782,967**

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick Audit (WA) Pty Ltd, the auditor of the Company:

	Consolidated	
	2023 ($)	2022 ($)
Audit services -		
Hall Chadwick (Audit) WA	52,000	46,000

Note 27. Contingent Liabilities & Commitments

The Group had no contingent liabilities or commitments as at 31 December 2023 (2022: Nil)

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Note 28. Related party transactions

Parent entity

RocketDNA Ltd. is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 30.

Key management personnel

Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the Directors' report.

Transactions with related parties

Transactions with related parties are entered into on terms equivalent to those that prevail in arm's length transactions. During the period $75,314 (including statutory superannuation) was paid to a related party of Christopher Clark in relation to employment services. The Group had no other transactions with members of the Group's key management personnel and/or their related parties during the year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2023 ($)	**2022 ($)**
Borrowings:		
Loan from Entech Pty Ltd	200,000	120,000

As at 31 December 2023, the Group held a loan payable balance of $200,000 (31 December 2022: $120,000) which was owed to Entech Pty Ltd, a related party which holds a shareholding in RocketDNA (WA) Pty Ltd (formerly Rocketmine WA Pty) Ltd, a controlled entity of the Company. The loan bears no interest. The loan is repayable on 31 January 2028.

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Note 29. Parent entity information

	Parent 2023 ($)	Parent 2022 ($)
Loss after income tax	(889,259)	(11,098,862)
Assets		
Current assets	2,127,012	2,679,046
Non-current assets	5,096,499	4,453,023
Total assets	7,223,511	7,132,069
Liabilities		
Current liabilities	(256,710)	(303,867)
Non-current liabilities	(2,624)	-
Total Liabilities	(259,334)	(303,867)
Net Assets	6,964,177	6,828,202
Shareholders' Equity		
Issued capital	20,578,673	19,418,100
Reserves	2,145,369	2,280,707
Accumulated losses	(15,759,865)	(14,870,605)
	6,964,177	6,828,202

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2023 and 31 December 2022

Contingent liabilities

The parent entity had no contingent liabilities as at 31 December 2023 and 31 December 2022

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2023 and 31 December 2022

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Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the entities whose results are required to be consolidated in accordance with the accounting policy described in note 1. The Group has an equity interest of 100% (2022:100%) in RocketDNA Africa (Pty) Ltd (formerly Delta Drone South Africa (Pty) Ltd), 74% (2022:74%) in RocketDNA ZA (Pty) Ltd (formerly Rocketmine (Pty) Ltd) , and 100% (2022:100%) in RocketDNA Training and Consulting (Pty) Ltd (formerly Drone Safety and Legal (Pty) Ltd), all incorporated and operating in South Africa. The Group also has an equity interest of 100% (2022:100%) in RocketDNA (AU) Pty Ltd (formerly Rocketmine Australia Pty Ltd) and 60% (2022:60%) in RocketDNA (WA) Pty Ltd (formerly Rocketmine WA Pty Ltd), both incorporated and operating in Australia. In 2022, the Group held 90% of RocketDNA Ghana Ltd (formerly Rocketmine Limited, incorporated and operating in Ghana) through RocketDNA ZA (Pty) Ltd, giving it an effective equity interest of 66.67%. On 1 January 2023, a 20% interest in RocketDNA Ghana Ltd was transferred to the other shareholder, and the balance of the shares in RocketDNA Ghana Ltd were transferred to RocketDNA Africa (Pty) Ltd, giving an effective Group equity interest of 70% for 2023.

Note 31. Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 32. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2023 ($)	2022 ($)
Loss after income tax expense for the year	(1,859,969)	(1,968,455)
Adjustments for:		
Depreciation and amortisation	852,501	857,046
Share-based payments	31,991	57,062
Foreign exchange differences	38,294	21,875
Other income non-cash	(19,899)	(18,960)
Gain on disposal of subsidiary	-	(587,350)
Non-controlling interest	85,862	26,330
Gain on sale of assets	(120,285)	(41,688)
Finance costs	75,430	14
Expected credit loss allowance	77,850	10,371
Impairment of goodwill	200,000	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	217,324	(326,039)
Increase/(decrease) in raw materials	(60,832)	-
Increase in income tax refund due	6,154	(15,318)
(Increase)/decrease in deferred tax assets	11,694	86,714
Increase in deposits	6,292	-
(Increase)/decrease in trade and other payables	602,499	453,857
Increase/(decrease) in contract liabilities	89,441	(102,594)
Net cash used in operating activities	(970,651)	(1,547,135)

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Note 33. Earnings per share

	Consolidated	
	2023 ($)	2022 ($)
Loss per share for loss from continuing operations		
Loss after income tax	(1,859,969)	(2,421,914)
Non-controlling interest	90,556	45,000
Loss after income tax	(1,769,413)	(2,376,914)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	520,492,904	511,604,932
Weighted average number of ordinary shares used in calculating diluted earnings per share	520,492,904	511,604,932
	Cents	Cents
Basic loss per share	(0.34)	(0.46)
Diluted loss per share	(0.34)	(0.46)

	Consolidated	
	2023 ($)	2022 ($)
Earnings per share for profit from discontinued operations		
Profit after income tax	-	453,459
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	520,492,904	511,604,932
Weighted average number of ordinary shares used in calculating diluted earnings per share	520,492,904	511,604,932
	Cents	Cents
Basic earnings per share	-	0.09
Diluted earnings per share	-	0.09
	Cents	Cents
Basic loss per share	-	(0.37)
Diluted loss per share	-	(0.37)

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Note 34. Share-based payments

During the year, the Group provided performance rights and loan funded shares to Christopher Clark and Paul Williamson as a part of their remuneration package and as a performance incentive – the Board considers that these are appropriate forms of incentive as they align remuneration with the long-term success of the Group, shareholder interests and current market practice. The Group also provided share options to David Morton on his appointment as part of his remuneration

Aside from the share-based payments provided to Key Management Personnel, the group also provided share options to African employees, free shares to Australian employees as part of its employee share plans and issued broker options.

The details of the share-based payments provided for the year to 31 December 2023 are:

	Recipient	Instrument	Number	Conditions	Grant Date	Recognition	Fair Value
(i)	Christopher Clark	Performance Rights	6,000,000	2023 new milestones	25 May 2023	Pro-rata to 31 Dec 2024 and 31 Dec 2025	1.1c per right
(ii)	Paul Williamson	Performance Rights	3,000,000	2023 new milestones	25 May 2023	Pro-rata to 31 Dec 2024 and 31 Dec 2025	1.1c per right
(iii)	Paul Williamson	Performance Rights	4,000,000	2022 new milestones	25 May 2023	Pro-rata to 31 Dec 2024 and 31 Dec 2025	1.1c per right
(iv)	Christopher Clark	Loan Funded Shares	10,000,000	2 year escrow	19 June 2023	Equiv option pro-rata to 18 June 2025	0.665c per option
(v)	Paul Williamson	Loan Funded Shares	5,000,000	2 year escrow	19 June 2023	Equiv option pro-rata to 18 June 2025	0.665c per option
(vi)	David Morton	Share options	1,000,000	none	25 May 2023	On grant date	0.414c per option
(vii)	African employees	Share options	6,500,000	future employment	23 May 2023	Pro-rata to 23 May 2024, May 2025 and 23 May 2026	0.591c 0.632c 0.654c
(viii)	Australian employees	Free shares	900,000	none	19 June 2023	On grant date	1.0c per share
(xiii)	Broker	Share options	10,000,000	none	10 December 2023	On grant date	0.4c per option

(i), (ii), (iii) Vesting of 2023 performance rights are conditional on the satisfaction of 2 milestones within a 4-year timeframe, set out below as the 2023 New Milestones. The performance rights were issued at nil cost and will be converted into the equivalent number of shares when exercised. All performance rights are valued at the market price of the underlying shares on the date of grant.

(vii) Vesting of the share options occurs based on employment conditions between 23 May 2024 and 23 May 2026.

Notes (i) to (xiii) (above and below) refer to the reconciliation of expense and share-based payment reserve below.

In addition to the share-based payments provided during the year, the estimate of the number of performance rights expected to vest was revised for rights related to the 2021 DDG, 2021 New and 2022 New milestones as shown below:

	Recipient	Instrument	Original number granted and previous vesting estimate	Conditions	Revised estimate of number to vest	Last qualifying financial period	Original recognition	Revised recognition
(ix)	Christopher Clark	Performance Rights	2,000,000	DDG 2021 Milestones	Nil	Year to 30 June 2024	Pro-rata 24 Jun 2021 to 24 June 2024	None
(x)	Christopher Clark	Performance Rights	4,000,000	2021 New Milestones	Nil	Year to 31 Dec 2023	Pro-rata 24 Jun 2021 to 24 June 2024	None
(xi)	Christopher Clark	Performance Rights	8,000,000	2022 New Milestones	8,000,000	Year to 31 Dec 2025	Pro-rata 03 Jun 2022 to 31 Dec 2023, 31 Dec 2024 and 31 Dec 2025	Pro-rata 03 Jun 2022 to 31 Dec 2024 and 31 Dec 2025

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Note 34. Share-based payments (continued)

Of the 2,000,000 share options (fair value 0.69c per option) granted to Christopher Clark on 3 June 2022, 666,667 options vested during the year. Vesting of the Share options occurs based on employment conditions between 1 July 2022 and 1 July 2024. (xii)

A summary of the movement of performance rights changes during the year is:

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year
24/06/2021	24/06/2024	6,000,000	-	-	-	6,000,000
03/06/2022	03/06/2025	8,000,000	-	-	-	8,000,000
25/05/2023	25/05/2027	-	13,000,000	-	-	13,000,000
		14,000,000	13,000,000	-	-	27,000,000

The details of holdings of performance rights as at 31 December 2023 and the milestones are described in the tables below:

Name	No. of Performance Rights	Milestones
Christopher Clark	2,000,000	DDG 2021 Milestones
Christopher Clark	4,000,000	2021 New Milestones
Christopher Clark	8,000,000	2022 New Milestones
Christopher Clark	6,000,000	2023 New Milestones
Paul Williamson	4,000,000	2022 New Milestones
Paul Williamson	3,000,000	2023 New Milestones

DDG 2021 Milestones

Milestone	Description
DDG Milestone 1	DDSA achieving consolidated revenue (for the avoidance of doubt, only DDSA and excluding the Group) for any full financial year (being 1 Jan to 31 Dec) during the three-year term of the Performance Rights of not less than US$3,200,000 (based on audited accounts having been prepared by an external auditor or other suitable expert).
DDG Milestone 2	If DDSA enters into at least two binding contracts with Australian-based mining companies (being companies that conduct mining, exploration or extraction services) for the provision of drone survey or mapping solutions services to those mining companies in Australia ("Services") and DDSA receives not less than US$1,000,000 (based on audited accounts having been prepared by an external auditor or other suitable expert) of verified revenue in aggregate from such executed contracts received within the three-year term of the Performance Rights for its Services.
DDG Milestone 3	If during the three-year term of the Performance Rights, the Company announces to the ASX that DDSA has expanded the services of its business offering (being the provision of drone survey and mapping solutions) into a new geographic location outside of Australia, Israel, South Africa, Ghana and Namibia and achieved a revenue in that new geographic location of not less than US$1,000,000 (based on audited accounts having been prepared by an external auditor or other suitable expert).

Note: DDSA means Delta Drone South Africa and its current subsidiaries, Drone Safety and Legal, Rocketmine South Africa and Rocketmine Ghana.

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Note 34. Share-based payments (continued)

2021 New Milestones

Milestones	Description
New Milestone 1	The Group achieving consolidated revenue of not less than A$10,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 2	The Group achieving total consolidated EBITDA of not less than A$1,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 3	The Company achieving a total return on equity of not less than 10% in a single financial year (being 1 Jan to 31 Dec), where return on equity is equal to net profit as a percentage of total equity based on audited accounts having been prepared by an external auditor or other suitable expert.

2022 New Milestones

Milestones	Description
New Milestone 1	The Group achieving total consolidated EBIT of not less than A$nil (i.e. break-even) in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 2	The Group achieving total consolidated revenue of not less than A$15,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.
New Milestone 3	The Group achieving total consolidated EBIT of more than A$2,000,000 in a single financial year (being 1 Jan to 31 Dec) based on audited accounts having been prepared by an external auditor or other suitable expert.

2023 New Milestones

Milestones	Description
New Milestone 1	Reaching operating cashflow break even as measured by the total of four consecutive positive quarters as disclosed in the Company's ASX Appendix 4C item 1.9, excluding revenue received in the form of government grants, allowances, rebates or other hand-outs.
New Milestone 2	Total Shareholder Return (TSR) of 100% as measured by the 10 day Volume Weighted Average Price (VWAP) of the Company's shares at the date of issuing the Performance Rights (Base Price) and the 10 day VWAP of the Company's shares at any given date (Milestone Price) up until the Performance Rights lapse. The VWAP of trading in the Company's securities on the ASX market and Chi-X market, excludes block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises. The formula for calculating the TSR is: ((Milestone Price-Base Price)+dividends)/Base Price.

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There were 15,000,000 shares issued to key management personnel as part of Loan Funded Share (LFS) arrangements approved by shareholders at the AGM on 25 May 2023.

1. RocketDNA Ltd provides its key executives, ('the executive') with a loan to purchase an agreed number of RocketDNA Ltd shares at an issue price based on the 10-day Volume Weighted Average Price (VWAP) at the date of issue;

2. The Limited Recourse Loan will be interest free for a period of five years, provided that if the Limited Recourse Loan is not repaid by the repayment date, the Limited Recourse Loan will incur interest at a default rate after that date (which will accrue on a daily basis and compound annually on the then outstanding Limited Recourse Loan balance

3. The Limited Recourse Loan becomes repayable on the earliest of:

   (a) 5 years from the date on which the Loan is advanced to the borrower;
   (b) the cessation of employment of the borrower;
   (c) a change in control of the Company or an event of default (including a breach of the loan agreement by the borrower or a bankruptcy or insolvency event occurring in relation to the borrower); the earliest being the Repayment Date

4. Notwithstanding paragraph (3) above,

   (a) the borrower may repay all or part of the Limited Recourse Loan at any time before the Repayment Date; and
   (b) the loan will be limited recourse such that on the Repayment Date the repayment obligation under the Limited Recourse Loan will be limited to the lesser of the outstanding balance of the Limited Recourse Loan and the market value of the Loan Share on that date.

5. In addition, where the borrower has elected for the Loan Shares to be provided to the Company in full satisfaction of the Loan, the Company must accept a transfer of the Loan Shares by the borrower as full settlement of the repayment obligation under the Limited Recourse Loan.

The Loan Shares will rank equally with all other fully paid ordinary shares on issue in the capital of the Company. Holders of Loan Shares will be entitled to exercise all voting rights attaching to those Shares in accordance with the Company's constitution. In addition, holders of Loan Shares will be entitled to participate in dividends declared and paid by the Company in accordance with the Company's constitution, provided that any dividends declared with respect to the Loan Shares, whilst there is still remaining any portion of the Limited Recourse Loan unpaid, shall first be applied and paid to the Company in reduction of the outstanding Limited Recourse Loan balance until that outstanding Limited Recourse Loan balance is zero, before it is paid in cash to, or for any other benefit of, the Participant.

The Loan Shares will be held in escrow and subject to a holding lock for a period of 2 years from the date of issue

Management has assessed this plan, in substance as an option, and therefore the LFS have been accounted for as such. Using the Hoadly Employee Share Options 2 model, and based on the assumptions set out below, the combination of the shares and limited resource loans were ascribed the following value;

Grant, Vesting and Issue dates	VWAP at grant date, i.e. option exercise price	Expiry Date	Share price at grant date	Dividend yield	Volatility	Risk free Rate	Vesting conditions
19 June 2023	1.37 cents	19 June 2026	1.1 cents	Nil	100%	3.92%	n/a

Accounting option value: 0.665 cents. Total value of loan funded shares: $99,750

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Reconciliation of expense and share-based payment reserve

During the year to 31 December 2023, a charge of $40,991 (2022: $13,269) has been recognised for the matters set out above as follows:

Share-based payments recognised cumulatively to 31 December 2022	107,879
Recognition of pro-rata expense for Performance rights granted 25 May 2023 (i) (ii) (iii)	35,829
Recognition of pro-rata expense for Loan funded share scheme (iv) (v)	26,609
Recognition of expense for options granted 25 May and immediately vested (vi)	4,140
Recognition of pro-rata expense for options issued to African employees (vii)	12,520
Recognition of expense for free shares issued to Australian employees (viii)	9,000
Re-estimation of cumulative expense for Performance rights granted 24 June 2021 (ix) (x)	(72,915)
Re-estimation of cumulative expense for Performance rights granted 3 June 2022 (xi)	21,208
Recognition of options granted 4 June 2022, vested during 2023 (xii)	4,600
Share-based payment charge recognised in the year to 31 December 2023	40,991
Share-based payments recognised cumulatively to 31 December 2023	148,870
Share-based payment reserve at 31 December 2022	107,879
Share-based payment charge recognised in the year to 31 December 2023	40,991
Shares issued Australian employees	(9,000)
Shares issued under loan funded share scheme	(205,500)
Options issued in consideration of share issuance services (xiii)	40,000
Share-based payment reserve at 31 December 2023	(25,630)

(i) to (xi) refer to information provided above.

(xii) Of the 2,000,000 share options (fair value 0.69 cents per option) granted to Christopher Clark on 3 June 2022, 666,667 options vested during the period. Vesting of the share options occurs based on employment conditions between 1 July 2022 and 1 July 2024.

(xiii) 10,000,000 share options were issued on 10 December 2023 for broker services in connection with issuing share capital. These were valued using a Black-Scholes model at 0.4 cents per option, using the following assumptions: Share price: 1.0 cent, exercise price: 1.0 cent, maturity: 2 years, implicit interest rate 3.75%, volatility 100%.

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Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Christopher Clark
Executive Chairman and Chief Executive Officer

27 February 2024

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INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF ROCKETDNA LTD (FORMERLY KNOWN AS DELTA DRONE INTERNATIONAL LIMITED) AND ITS CONTROLLED ENTITIES

Report on the Financial Report

Opinion

We have audited the accompanying financial report of RocketDNA Ltd (formerly known as Delta Drone International Limited) and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

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

Independence

We are independent of the Group in accordance with 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 (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.

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 year. 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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the below matter, provide the basis for our audit opinion on the accompanying financial report.

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1. Revenue and related risk of fraud – Note 4

WHY SIGNIFICANT	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
The recognition of revenue was considered a key audit matter due to the significance and materiality of the matter to users understanding of the financial report; as well as judgement surrounding the determination of performance obligations in accordance with AASB 15: Revenue from Contracts with Customers.	Our procedures included, among others: • Evaluating the revenue recognition policies for all material sources of revenue and from our detailed testing performed, ensured that revenue was being recognised appropriately, in line with Australian Accounting Standards and policies disclosed within the financial statements; • Assessing the controls within the revenue process as well as performing cut-off sample testing; and • Substantively testing a sample of revenue transactions throughout the financial year

2. Impairment of Goodwill – Note 14

WHY SIGNIFICANT	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

During the year, the Group made a goodwill impairment of $200K and at year end end, the goodwill carrying value is $955K. The recoverable amount was determined using two separate value in use calculations, each for the cash generating unit of Africa and Australia, which involved a significant level of judgement in respect of factors such as:
• Estimated future revenue and costs;
• Growth rates
• Discount rates; and
• Terminal values
We considered this to be a key audit matter due to the significant judgement involved in estimating the recoverable amount of goodwill and the potential material impact on the financial report.
	Our procedures included, but were not limited to:
	• Considering the appropriateness of the value in use method applied to perform the annual test of goodwill for impairment against the requirement of the accounting standards;
	• Challenging the assumptions and forecast cash flows used in the value in use model, including growth rate, inflation, revenue contracts and discount rates by comparators and analysing industry trends. This also included the following procedures:
	  ○ Comparing the forecast cash flow obtained in the value in use model to approved budgets
	  ○ Checking the forecast to actual results
	• Performing sensitivity analysis in regards to key assumptions within a reasonably possible range.
	• Consulting with our Corporate finance team in regards to the value in use model adopted by client, as well as the reasonableness of the assumptions used.
	• Assessing the appropriateness of the related disclosures in Note 14.

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Other Information

Other information is financial and non-financial information in the annual report of the Group which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report. The Other Information we obtained prior to the date of this Auditor's Report was the Director's report. The remaining Other Information is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report. In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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. We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities 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 Note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards. 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 a 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 responsibility is to express an opinion on the financial report based on our audit. 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2023.

In our opinion, the Remuneration Report of RocketDNA Ltd for the year ended 31 December 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.

Hall Chadwick

HALL CHADWICK AUDIT (WA) PTY LTD

NIKKI SHEN CA
Director

Dated this 27th day of February 2024
Perth, Western Australia

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Asx Additional Information

The shareholder information set out below was applicable as at 30 January 2024.
As at 30 January 2024, there were 878 holders of fully paid ordinary shares.

Voting Rights

The voting rights of the ordinary shares are as follows:

Subject to any rights or restrictions for the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representation more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held.

There are no voting rights attached to any of the options and performance options that the Company currently has on issue. Upon exercise of these options, the shares issued will have the same voting rights as existing ordinary shares.

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Twenty Largest Shareholders

The names of the twenty largest holders of Ordinary Fully Paid Shares are:

Holder Name	Holding	% IC
ACM AEPF Pty Ltd <Altor Emerging Pipe A/C>	97,500,000	14.86%
JAF Capital Pty Ltd	27,000,000	4.12%
Pither Investments Pty Ltd <Pither Investments A/C>	26,000,000	3.96%
HSBC Custody Nominees (Australia) Limited	22,248,888	3.39%
Mr Stuart Leslie Turner	20,000,000	3.05%
IBI Trust Management <Mea Plus Maarchot Betihu A/C>	16,917,114	2.58%
Nintieth Y Pty Ltd <I K Caldwell & Co Staff A/C>	15,359,885	2.34%
Mr Mark Richard Jones & Ms Margaret Tai <Tai-Jones Super A/C>	14,000,000	2.13%
Mr Michael James Spencer	11,690,961	1.78%
Mr Perry Julian Rosenzweig	11,000,000	1.68%
Ilwella Pty Ltd <No 2 A/C>	10,389,056	1.58%
Wynnmax Pty Ltd <La Casa Al Mare S/F A/C>	10,000,013	1.52%
Mr Christopher Clark	10,000,000	1.52%
Smicon Pty Ltd <CSBM Super Fund A/C>	10,000,000	1.52%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	8,919,286	1.36%
Ayers Capital Pty Ltd	8,888,889	1.35%
Mr Nicholas David Evans	7,582,322	1.16%
Cukierman & Co Investment House Ltd	6,000,000	0.91%
Mrs Casey Leanne Gillard	6,000,000	0.91%
Hayborough Investment Partners Pty Ltd	5,555,556	0.85%
Totals	345,051,970	52.57%

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Substantial Holders

The names of the substantial shareholders disclosed to the Company as substantial shareholders are:

Name	No of Shares Held	% of Issued Capital
Altor Capital Pty Ltd	97,500,000	14.95%
Pither Investments Pty Ltd & Nintieth Y Pty Ltd	32,449,999	6.34%

Distribution Of Equity Securities

Ordinary Fully Paid Shares

Holding Ranges	Holders	Total Units	% Issued Share Capital
1 - 1,000	13	3,119	--
1,001 - 5,000	11	39,875	0.01%
5,001 - 10,000	65	625,372	0.10%
10,001 - 100,000	433	22,725,775	3.46%
100,001 and over	356	632,720,700	96.43%
Total	**878**	**656,114,841**	**100.00%**

Unmarketable Parcels – 388 Holders with a total of 11,780,172 shares, based on the last trading price of $0.008 on 30 January 2024.

Restricted Securities

There are no securities which are subject to ASX escrow.

The following securities are subject to voluntary escrow:

Class	Expiry date	Number of shares
Ordinary Fully Paid Shares voluntarily escrowed	19 June 2025	15,000,000

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Unquoted Securities

The following unquoted securities are on issue:

20,000,000 Class A Performance Shares – 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
Delta Drone SA	20,000,000	100.00%

Each Class A Performance Share entitles Delta Drone SA to subscribe for one fully paid ordinary Share in the capital of the Company if RocketDNA Africa achieves consolidated revenue for any full financial year of not less than US$3.2 million. If the First Performance Milestone is not satisfied within 3years of the date of issue then the relevant Class A Performance Share will automatically lapse.

15,000,000 Class B Performance Shares– 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
Delta Drone SA	15,000,000	100.00%

Each Class B Performance Share entitles Delta Drone SA to subscribe for one fully paid ordinary Share in the capital of the Company if during the three year term RocketDNA Africa enters into at least two binding contracts with Australian based mining companies for the provision of services in Australia and RocketDNA Africa receives not less than US$1,000,000 of revenue in aggregate from such executed contracts received within the three year term of the Performance Shares for its Services. If the Second Performance Milestone is not satisfied within 3 years of the date of issue then the relevant Class B Performance Share will automatically lapse.

10,000,000 Class C Performance Shares – 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
Delta Drone SA	10,000,000	100.00%

Each Class C Performance Share entitles Delta Drone SA to subscribe for one fully paid ordinary Share in the capital of the Company if during the three year term t RocketDNA Africa has expanded the services of its business offering into a new geographic location outside of Australia, Israel, South Africa, Ghana and Namibia and achieved revenue in that new geographic location of not less than US$1,000,000. If the Third Performance Milestone is not satisfied within 3 years of the date of issue then the relevant Class C Performance Shares will automatically lapse.

955,480 Options Expiring 17 April 2024 @ $0.1125 – 14 Holders
Holders with more than 20%

Holder Name	Holding	% IC
The Trust Company (Australia) Limited <MOF A/C>	618,430	64.72%

953,544 Options Expiring 24 June 2024 @ $0.1125 – 5 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Meah Plus Maarchot Betichot Le'rachfanim LP	823,673	86.38%

948,053 Options Expiring 5 November 2024 @ $0.09 – 5 Holders
Holders with more than 20%

Holder Name	Holding	% IC
010 Yazamut Ltd	270,872	28.57%
Adfect Aps	225,727	23.81%
Ronald Zelazo	225,727	23.81%
The Trust Company (Australia) Limited <MOF A/C>	222,745	23.50%

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2,000,000 Options Expiring 30 May 2026 @ $0.021 – 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Clark	2,000,000	100.00%

4,000,000 Performance Rights 2022 Milestone 1 – 2 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Swiegers Clark	2,666,666	66.66%
Mr Paul Williamson	1,333,334	33.34%

The milestones applicable to the Performance Rights are detailed in note 34 of this Annual Report.

4,000,000 Performance Rights 2022 Milestone 2 – 2 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Swiegers Clark	2,666,667	66.66%
Mr Paul Williamson	1,333,333	33.34%

The milestones applicable to the Performance Rights are detailed in note 34 of this Annual Report.

4,000,000 Performance Rights 2022 Milestone 3 – 2 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Swiegers Clark	2,666,667	66.66%
Mr Paul Williamson	1,333,333	33.34%

The milestones applicable to the Performance Rights are detailed in note 34 of this Annual Report.

4,500,000 Performance Rights 2023 Milestone 1 – 2 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Clark	3,000,000	75.00%
Mr Paul Williamson	1,500,000	25.00%

The milestones applicable to the Performance Rights are detailed on in note 34 of this Annual Report.

4,500,000 Performance Rights 2023 Milestone 2 – 2 Holders
Holders with more than 20%

Holder Name	Holding	% IC
Mr Christopher Clark	3,000,000	75.00%
Mr Paul Williamson	1,500,000	25.00%

The milestones applicable to the Performance Rights are detailed on in note 34 of this Annual Report.

1,000,000 Unlisted Options Expiring 24 May 2027 @ $0.015 – 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
Banksia Pty Ltd	1,000,000	100.00%

10,000,000 Unlisted Options Expiring 7 December 2025 @ $0.018 – 1 Holder
Holders with more than 20%

Holder Name	Holding	% IC
JAF Capital Pty Ltd	10,000,000	100.00%

The following unquoted securities are on issue and were issued under the employee incentive plan.

666,667 Performance Rights	1 Holder
666,667 Performance Rights	1 Holder
666,666 Performance Rights	1 Holder
1,333,334 Performance Rights	1 Holder
1,333,333 Performance Rights	1 Holder
1,333,333 Performance Rights	1 Holder
6,500,000 Unlisted Options Expiring 22 May 2028 @ $0.01	6 Holders

The milestones applicable to the Performance Rights are detailed in note 34 of this Annual Report.

On-Market Buy Back

There is currently no on-market buyback program.

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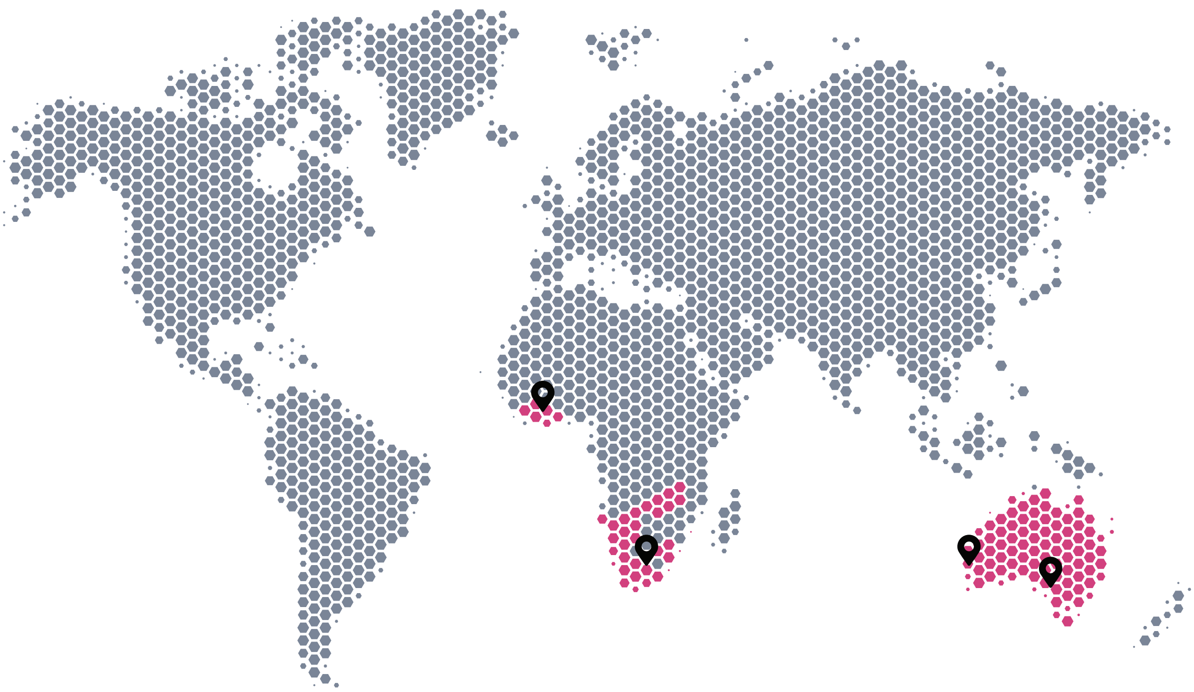

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Thank You

RocketDNA manages projects in multiple geographies and has permanent offices in Australia, South Africa and West Africa. Please reach out to us to find out more.

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