

## CONSOLIDATED RESULTS FOR ANNOUNCEMENT TO THE MARKET

### For the half year ended 31 December 2023 Sparc Technologies Limited ACN 009 092 068

This Condensed Consolidated Interim Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, it is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Sparc Technologies Limited during the half year, in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Current reporting period: Half-year ended 31 December 2023

Previous corresponding reporting period: Half-year ended 31 December 2022

### Consolidated Results

			<b>\$A</b>
Revenues from ordinary activities	-%	To	-
(Loss) from ordinary activities after tax	-39%	to	(2,058,806)
Net (loss) for the half-year attributable to members	-39%	to	(2,058,806)

<b>Dividends (distributions)</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
Final Dividend	Nil	Nil
Interim Dividend		
Previous corresponding half-year	Nil	Nil
Record date for determining entitlements to the dividend	NOT APPLICABLE	

### Comments

The reported Loss from Ordinary Activities After Tax for the period was \$2,058,806. Net Cash Used in Operating Activities for the period was \$1,950,872. The Loss from Ordinary Activities after Tax includes non cash expenses relating to share-based payments to employees of \$1,394,450 and depreciation and amortisation of \$109,069 and a non-cash loss of \$57,879 from the Group's share in the net profit of it's associate, Sparc Hydrogen Pty Ltd. The remaining difference between the Loss from Ordinary Activities After Tax and Net Cash used in Operating Activities relates to movements in other balance sheet items

## OTHER INFORMATION

For the half-year ended 31 December 2023  
Sparc Technologies Limited ACN 009 092 068

Net Tangible Assets per Security	Half Year ended 31 December 2023	Half Year ended 31 December 2022
(31 December 2023: Total net assets less intangible assets; 31 December 2022: Total net assets less intangible assets)	3.00 cents	7.04 cents

### Dividends

Date the dividend (distribution) is payable

NOT APPLICABLE

Record date to determine entitlements to the dividend (distribution)

NOT APPLICABLE

If it is a final dividend, has it been declared?

NOT APPLICABLE

### Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Final dividend:			
Current year	Nil	Nil	Nil
Previous year	Nil	Nil	Nil
Interim dividend:			
Current year	Nil	Nil	Nil
Previous year	Nil	Nil	Nil

### Audit

The financial statements were subject to a review by the auditors and the review report is attached as part of the report for the half year ended 31 December 2023.

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# **Sparc Technologies Limited**

**ACN 009 092 068**

**Report for the half-year ended 31 December 2023**

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## Corporate directory

### Directors

Mr Stephen Hunt	(Executive Chairman)
Mr Daniel Eddington	(Non – Executive Director)
Mr Adrien Wing	(Non – Executive Director)
Mr N O'Loughlin	(Managing Director appointed 2.1.24)

### Company Secretary

Mr Adrien Wing

### Registered Office

Sparc Technologies Limited  
ABN 15 007 702 927  
Level 2, 480 Collins Street  
Melbourne VIC 3000  
Email: [info@sparctechnologies.com.au](mailto:info@sparctechnologies.com.au)

### Auditors

BDO Audit Pty Ltd  
Level 7,  
420 King William St  
ADELAIDE, SA 5000

### Share Registry

Link Market Services Limited  
Level 12, QV1 Building  
250 St Georges Terrace  
Perth WA 6000

Enquiries within Australia: 1300 554 474  
Enquiries outside Australia: +61 1300 554 474  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Websites:

[www.sparctechnologies.com.au](http://www.sparctechnologies.com.au)

### Stock Exchange

The company Sparc Technologies Limited is listed on the Australian Securities Exchange (ASX).  
The ASX Code is: SPN-Ordinary Shares.

## Directors' report

The Directors of Sparc Technologies Limited (the "Company") submit herewith the financial report of the Company and its subsidiaries (the "Group") for the half-year ended 31 December 2023.

The names of the Directors of the Company during or since the end of the half-year and up to the date of this report are:

Mr S Hunt – Executive Chairman  
Mr D Eddington- Non – Executive Director  
Mr A Wing – Non – Executive Director  
Mr N O'Loughlin - Managing Director (appointed 2.1.24)

Mr A Wing - Company Secretary

### Principal Activities

The Company's principal activities are the research and development of new technologies for environmental and biomedical applications.

### Review of operations

For the half-year ended 31 December 2023, the Group recorded a loss after tax of \$2,058,806 (31 December 2022: \$1,481,828) which included non cash expenses relating to share-based payments to employees of \$1,394,450 and depreciation and amortisation of \$109,069 and a non-cash loss of \$57,879 from the Group's share in the net loss of its associate, Sparc Hydrogen Pty Ltd.

The Group had working capital of \$3,035,073 (31 December 2022: \$4,521,957). The Group had negative cash flows from operating activities for the half-year amounting to \$1,950,872 (31 December 2022: \$1,608,680)

### Dividends paid or recommended

There were no dividends paid, or recommended, during the half-year ended 31 December 2023.

### Significant changes in the state of affairs

Other than disclosed elsewhere in this Directors report, there have been no significant changes in the state of affairs of the Group which occurred during the half-year.

### Significant events after balance date

Sparc Technologies Limited appointed Mr Nick O'Loughlin as Managing Director, effective from 29 January 2024. Executive Chairman, Mr Stephen Hunt, will remain in an executive role for a transition period through to 31 March 2024, before becoming Non-Executive Chairman.

The Group received a research and development (R&D) tax refund totalling \$1.422 million as part of the Australian Government's R&D Tax Incentive, relating to the 2023 financial year on the 23 January 2024.

### Rounding of amounts to nearest thousand dollars

In accordance with ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar.

### Auditor's independence declaration

The auditor's independence declaration is included on page 4 of the half-year report.

Signed in accordance with a resolution of Directors.

On behalf of the directors



**Stephen Hunt**  
Executive Chairman  
28 February 2024

DECLARATION OF INDEPENDENCE  
BY ANDREW TICKLE  
TO THE DIRECTORS OF SPARC TECHNOLOGIES LIMITED

As lead auditor for the review of Sparc Technologies Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Sparc Technologies Limited and the entities it controlled during the period.



Andrew Tickle  
Director

BDO Audit Pty Ltd

Adelaide, 28 February 2024

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

		Consolidated Group	
		Half-year ended 31 Dec 2023 \$	Half-year ended 31 Dec 2022 \$
	Note		
<b>Revenue</b>			
Other Income	5	1,435,849	936,113
Share of net profit of associate		-	215,896
<b>Expenses</b>			
Share of net loss of associate	4	57,879	-
Research and development		494,020	324,232
Professional and consulting fees	5	285,271	262,615
Travel and accommodation		35,476	83,434
Regulatory & advisory		113,239	184,333
Employee benefits expense	5	2,165,571	1,454,646
Depreciation and amortisation		109,069	108,970
Interest on lease liabilities		6,386	8,111
Other expenses		227,745	207,287
<b>Total Operating expenses</b>		<b>3,494,654</b>	<b>2,633,628</b>
<b>(Loss) before income tax expense</b>		<b>(2,058,806)</b>	<b>(1,481,828)</b>
Income tax expense			
<b>(Loss) for the half-year</b>		<b>(2,058,806)</b>	<b>(1,481,828)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss attributable to equity holders of the parent entity</b>		<b>(2,058,806)</b>	<b>(1,481,828)</b>
<b>Earnings per share for loss attributable to equity holders of the parent entity:</b>			
Basic (cents per share)		(0.02)	(0.02)
Diluted (cents per share)		(0.02)	(0.02)

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



## Consolidated statement of financial position as at 31 December 2023

		Consolidated Group	
	Note	31 Dec 2023 \$	30 Jun 2023 \$
<b>Current assets</b>			
Cash and cash equivalents		907,848	2,956,622
Receivables	6	1,439,150	81,591
Other		101,855	46,167
<b>Total current assets</b>		<b>2,448,853</b>	<b>3,084,380</b>
<b>Non-current assets</b>			
Property, plant and equipment		460,236	499,350
Other assets		30,000	30,000
Intangible assets		62,017	44,378
Investments accounted for using equity method		406,345	464,224
Right of use asset		226,062	282,576
<b>Total non-current assets</b>		<b>1,184,660</b>	<b>1,320,528</b>
<b>Total assets</b>		<b>3,633,513</b>	<b>4,404,908</b>
<b>Current liabilities</b>			
Trade and other payables		442,860	449,451
Lease liability		61,773	122,208
Employee benefits		93,808	69,383
Other current liabilities		-	64,437
<b>Total current liabilities</b>		<b>598,441</b>	<b>705,479</b>
<b>Non-current liabilities</b>			
Lease liability		193,649	193,649
<b>Total non-current liabilities</b>		<b>193,649</b>	<b>193,649</b>
<b>Total liabilities</b>		<b>792,090</b>	<b>899,128</b>
<b>Net assets/(deficit)</b>		<b>2,841,423</b>	<b>3,505,780</b>
<b>Equity</b>			
Issued capital	7	21,186,526	21,186,526
Reserves	8	9,682,579	8,288,129
Accumulated (losses)		(28,027,681)	(25,968,875)
<b>Total equity/(deficit)</b>		<b>2,841,423</b>	<b>3,505,780</b>

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

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

		Contributed equity	Share based payment reserve	Accumulated (losses)	Total
	Note	\$	\$	\$	\$
<b>Balance as at 1 July 2022</b>		<b>18,138,943</b>	<b>6,980,419</b>	<b>(21,474,355)</b>	<b>3,645,007</b>
Share based payment expense in the year	8		1,023,750		1,023,750
Shares issued, net of transaction costs, in the year	7	2,670,498			2,670,498
Shares issued for options exercised in the half-year	7/8	220,500	(51,000)		169,500
Performance shares issued to management in the half-year	8		99,252		99,252
<b>Total transactions with owners</b>		<b>2,890,998</b>	<b>1,072,002</b>	<b>-</b>	<b>3,963,000</b>
(Loss) for the half-year				(1,481,828)	(1,481,828)
Other comprehensive income for the half-year				-	-
<b>Total comprehensive loss for the half-year</b>		<b>-</b>	<b>-</b>	<b>(1,481,828)</b>	<b>(1,481,828)</b>
<b>Balance as at 31 December 2022</b>		<b>21,029,941</b>	<b>8,052,421</b>	<b>(22,956,183)</b>	<b>6,126,179</b>
Balance as at 1 July 2023					
Share based payment expense in the year		<b>21,186,526</b>	<b>8,288,129</b>	<b>(25,968,875)</b>	<b>3,505,780</b>
Shares issued, net of transaction costs, in the year		-	-	-	-
Shares issued for options exercised in the half-year		-	1,327,100	-	1,327,100
Performance shares issued to management in the half-year		-	67,350	-	67,350
Total transactions with owners		-	1,394,450	-	1,394,450
(Loss) for the half-year				(2,058,806)	(2,058,806)
Other comprehensive income for the half-year				-	-
<b>Total comprehensive loss for the half-year</b>		<b>-</b>	<b>-</b>	<b>(2,058,806)</b>	<b>(2,058,806)</b>
<b>Balance as at 31 December 2023</b>		<b>21,186,526</b>	<b>9,682,579</b>	<b>(28,027,681)</b>	<b>2,841,423</b>

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

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

	Consolidated Group	
	Half-year ended 31 Dec 2023	Half-year ended 31 Dec 2022
Note	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(1,964,880)	(2,228,531)
Interest received	13,790	-
R&D Tax Refund	-	604,525
Other Income Received	218	15,325
<b>Net cash (used in) operating activities</b>	<b>(1,950,872)</b>	<b>(1,608,680)</b>
<b>Cash flows from investing activities</b>		
Payment for intangible assets	(17,639)	(19,318)
Payment for property, plant and equipment	(13,440)	(99,943)
<b>Net cash provided by/ (used in) investing activities</b>	<b>(31,080)</b>	<b>(119,262)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	3,669,498
Share issue costs	-	(210,000)
Payment of lease liabilities (principal and interest)	(66,821)	(61,506)
<b>Net cash provided by financing activities</b>	<b>(66,821)</b>	<b>3,397,992</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,048,773)</b>	<b>1,670,050</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>	<b>2,956,621</b>	<b>2,135,857</b>
<b>Cash and cash equivalents at the end of the half-year</b>	<b>907,848</b>	<b>3,805,907</b>

The above Consolidated statement of cashflows should be read in conjunction with the accompanying notes.

## Notes to the Consolidated financial statements for the half-year ended 31 December 2023

### Note 1: Reporting entity

Sparc Technologies Limited is a company limited by shares, incorporated and domiciled in Australia. The condensed interim financial report as at and for the half-year ended 31 December 2023 covers the consolidated group of Sparc Technologies Limited and its controlled entities, together referred to as the "Group". The Group is a for-profit entity.

### Note 2: Statement of compliance and basis of preparation

These financial statements for the interim half-year reporting period ended 31 December 2023 are condensed consolidated general purpose financial statements and have been prepared in accordance with requirements from the Corporations Act 2001 and AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with IAS 34 Interim Financial Reporting.

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the half-year ended 31 December 2023 and are presented in Australian Dollars, which is the functional currency of the Company. They do not include all the information required in the annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2023 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 28 February 2024

The same accounting policies and methods of computation have been followed in this condensed interim financial report as were applied in the most recent annual financial statements except for the adoption of the new and revised Accounting Standards discussed in subsequent paragraphs.

### Going Concern

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

As presented in the financial statements, the Group incurred a loss before comprehensive income of \$2,058,806 and had net cash outflows from operating activities of \$1,950,872 as at 31 December 2023.

The Directors believe it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report given the ability of the Group to raise additional capital either through an additional placement and/or the exercise of options and the receipt of the \$1,422,059 year to 30 June 2023 R&D Incentive Payment.

However, there remains a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the entity does not continue as a going concern.

**Note 3: New and Revised Accounting Standards that are effective for these financial statements.**

The Group has adopted all of the new or revised 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.

**Note 4: Investments accounted for using the equity method.**

The loss recorded for the six months ended 31 December 2023 is the Group's 52% share of Sparc Hydrogen Pty Ltd's net loss for the same period which is represented by the recognition of Sparc Hydrogen's research and development expenses during the period.

**Note 5: Other income**

	31-Dec-23	31-Dec-22
<b>Other Income</b>		
Interest received	13,790	-
Rent		2,400
Other		10,400
Research & Development Rebate	1,422,059	923,313
	<u>1,435,849</u>	<u>936,113</u>

**Employee Benefits comprised of:**

Short term employee benefits	771,121	951,144
Share based expense	1,394,450	503,502
	<u>2,165,571</u>	<u>1,454,646</u>

**Professional and consulting expense comprised of:**

Professional and consulting expense	151,318	236,128
Overseas Representation	133,953	26,487
	<u>285,271</u>	<u>262,615</u>

**Note 6: Receivables**

	31-Dec-23	30-Jun-23
Other Debtors	-	281
R&D tax incentive refundable	1,422,059	-
GST Credits	17,091	81,373
Current Receivables	<u>1,439,150</u>	<u>81,591</u>

**Note 7: Movements in shares on issue**

	31-Dec-23		30-Jun-23	
	No.	\$	No.	\$
Balance at the beginning of half-year	85,645,674	21,186,526	85,236,409	21,029,941
Share placement net of cash issue costs	.	.	.	.
Share placement issue costs -capital	.	.	.	.
Shares issued for options	.	.	409,265	156,585
Balance end of half-year	<u>85,645,674</u>	<u>21,186,526</u>	<u>85,645,674</u>	<u>21,186,526</u>

**Note 8: Share based payment reserve****Share based payment reserve**

	31-Dec-23	30-Jun-23
	\$	\$
Option reserve	8,698,835	7,371,735
Performance share reserve	<u>983,745</u>	<u>916,394</u>
Share based payment reserve at end of half-year	<u>9,682,579</u>	<u>8,288,129</u>

The Share based payment reserve arises on the grant of share options and performance shares to executives, employees, consultants and advisors and upon issue of share options and performance shares to shareholders or buyers. Amounts are transferred out of the share based payment reserve and into accumulated losses when the share options and performance shares expire or lapse.

**Movement in share based payment reserve - options**

	31-Dec-23
	\$
Balance at beginning of half-year	7,371,735
Issue of options to employees, management and consultants <sup>1</sup>	744,000
Issue of options to Directors <sup>2</sup>	583,100
Expense options to consultants	<u>-</u>
	<u>8,698,835</u>

<sup>1</sup> On 11 December 2023 3,750,000 unlisted options were granted (issued 20 December 2023) under ESOP to employees and consultants with fair value price \$0.1984

The value of the options was determined based on the Black Scholes model using the following assumptions:

Dividend yield: nil%

Expected volatility: 89.69%

Risk free interest rate: 4.11%

Expected life of options (years): 4.1

Exercise price: \$0.35

Grant date share price: \$0.31

Fair value per option: \$0.1984

## Sparc Technologies Limited

<sup>2</sup> On 27 November 2023 3,500,000 unlisted options were granted (issued 20 December 2023) under ESOP to Stephen Hunt, Daniel Eddington and Adrien Wing with fair value price \$0.1666.

The value of the options was determined based on the Black Scholes model using the following assumptions:

Dividend yield: nil%

Expected volatility: 89.69%

Risk free interest rate: 4.11%

Expected life of options (years): 4.1

Exercise price: \$0.35

Grant date share price: \$0.27

Fair value per option: \$0.1666

### Movement in Share based payment reserve - performance shares

	<b>31-Dec-23</b>
	<b>\$</b>
Balance at beginning of half-year	916,394
Issue of performance shares to Directors <sup>1</sup>	67,351
	<hr/>
Balance at end of year	983,745

<sup>1</sup> On 12 November 2020 7,000,000 performance shares were issued to Directors with an exercise price of \$nil. The performance shares will convert into ordinary shares on a one-for-one basis upon satisfaction of the following milestones:

- GTS generating annual operating revenue of at least \$3,000,000 from the Graphene Projects or Graphene Technology over an audited financial year; and
- The company achieving a market capitalisation (based on the Company's VWAP) of \$50,000,000 or more.

The expense relating to these performance shares is being expensed over the expected vesting period of five years.

Upon the resignation of Mr Bartels the conditions pertaining to his 2,250,000 performance shares were changed and subsequently been assessed the fair value of the performance shares with the new conditions is less than the performance shares before the changed conditions. The remaining unrecognized expense as at 30 June 2023 was subsequently recognized and brought to account. The recognized expense amounted to \$170,261.

The value of the performance shares were determined based on the Monte Carlo model using the following assumptions:

- Dividend yield: nil%
- Expected volatility: 80%
- Risk free interest rate: 0.41%
- Expected life of options (years) 5
- Exercise price; \$nil
- Grant date share price: \$0.20
- Fair value per performance share: \$0.14

The expense relating to these performance shares is being recognised over the expected vesting period of five years.

Performance shares issued by the Company carry no rights to dividends and no voting rights. As at the 31 December 2023 there are 7,000,000 performance shares on issue with nil exercise price. The conversion rights are noted above.

### **Note 9: Contingent Liabilities**

The Group has no contingent liabilities at 31 December 2023.

The Group had no contingent assets at 31 December 2023.

### **Note 10: Events Occurring After the Reporting Date**

Sparc Technologies Limited appointed Mr Nick O'Loughlin as Managing Director, effective from 29 January 2024. Executive Chairman, Mr Stephen Hunt, will remain in an executive role for a transition period through to 31 March 2024, before becoming Non-Executive Chairman.

The Group received a research and development (R&D) tax refund totalling \$1.422 million as part of the Australian Government's R&D Tax Incentive, relating to the 2023 financial year on the 23 January 2024.

### **Note 11: Segment Reporting and Change in Business**

The Group operates in one business segment, being research and development of new technologies for environmental and biomedical applications. These research and development activities are being conducted in a single geographic segment, being Australia.

### **Note 12: Commitments**

#### **Expenditure commitments**

The Group has the following commitments as at 31 December 2023.

The Group entered into a Strategic Partnership Agreement (the "SPA") with the University of Adelaide on 15<sup>th</sup> January 2020 to work together for the purpose of management and potential commercialisation of the TLA. As a result of entering into the TLA as well as other graphene projects, as at 31 December 2021, the Group is committed to provide \$500,000 per annum towards the Strategic Partnership with the University of Adelaide in 2022 under a project agreement. Amounts spent under the SPA are considered to contribute to the \$500,000 required to be spent under the TLA. The commitment is for a period of four (4) years until 31 December 2023.

### **Note 13: Dividends**

No dividends were paid or declared during the half-year and no recommendation for payment of dividends has been made.



## Directors' declaration

The Directors declare that:

- a. the accompanying interim financial statements and notes are in accordance with the Corporations Act 2001 including:
- i. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - ii. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
- b. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

On behalf of the directors



**Stephen Hunt**  
Executive Chairman

Adelaide, 28 February 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SPARC TECHNOLOGIES LIMITED

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Sparc Technologies Limited (the Company) and its subsidiaries (the Group) and its subsidiaries (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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply 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 financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



## Responsibility of the directors for the financial report

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

## Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle

Director

Adelaide, 28 February 2024

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