



GAS2GRID LIMITED
A.B.N. 46 112 138 780
INTERIM REPORT
31 DECEMBER 2023

GAS2GRID Limited ABN 46 112 138 780
Interim Report – 31 December 2023

Contents

Corporate directory	1
Operations review	2
Directors' report	5
Auditor's independence declaration	6
Interim financial report	
Consolidated statement of profit or loss and other comprehensive income	7
Consolidated statement of financial position	8
Consolidated statement of changes in equity	9
Consolidated statement of cash flows	10
Condensed notes to the financial statements	11
Directors' declaration	17
Independent audit review report	18

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Gas2Grid Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors

David A Munns - Chairman
Dennis J Morton - Managing Director
Patrick W V M Sam Yue - Executive Director

Company Secretary

Patrick W V M Sam Yue

Registered Office

Suite 22 Level 5
58 Pitt Street

Sydney NSW 2000

Telephone: 61 2 9241 1927

Email: office@gas2grid.com

Share Registry

Next Registries

Level 16

1 Market Street

Sydney NSW 2000

Telephone: 61 2 9251 1700

Facsimile: 61 2 9251 7138

Email: mail@nextregistries.com.au

Website

www.gas2grid.com

Home Stock Exchange

ASX Limited
Exchange Centre
20 Bridge St
Sydney NSW 2000

ASX Code: GGX

Solicitors

Piper Alderman
Level 23, Governor Macquarie
Tower
1 Farrer Place
Sydney NSW 2000

Auditors

Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005

OPERATIONS REVIEW

PHILIPPINES

New Service Contract Application (ex-Service Contract 44 - 100% working interest), Onshore Cebu

In July 2023, the Company applied for a new Service Contract over an area approximately to that covered by former Service Contract 44 ("SC 44") after discussions with the newly appointed Energy Secretary and the new administration of the Department of Energy ("DOE"), and made the decision to suspend the ICC arbitration application of the Company seeking redress on the unjust termination in 2021 of SC 44 by the then Philippines Government.

The new Service Contract application is currently being processed by the DOE and the Company has been in regular communication with DOE during the process to date. The process to official grant could take several more months to satisfy all the government administrative and compliance procedures.

The Company's aim is to continue the exploration it has conducted to date at the Malolos Oil Field and to explore other, nearby attractive oil and gas targets.

A new Service Contract, if granted, will provide for a new 7-year initial term, and therefore will give the Company the opportunity to conduct substantive oil and gas exploration activities.

NEW VENTURES

The Company has continued discussions with entities operating in the Philippines on oil and gas ventures seeking various forms of joint participation, preferably using the Company-owned rigs, located in Cebu.

Australian new ventures are presently extremely difficult to acquire due to the vilification of fossil fuels by State Governments (particularly in the eastern States) and government's preference to support the politically more acceptable intermittent energy supply and renewable energy projects.

The Company had applied for a new exploration area in the Bowen-Surat Basin, Queensland under a gazettal program issued by the Queensland Government. The outcome of that application is awaited.

FRANCE

Legal Claim on unlawful non-renewal by the French Government of ST. GRIEDE (100% working interest), Onshore Aquitaine Basin

In November, 2023 the Pau Tribunal judges in France following the hearing held on the 28th June, 2023 handed down their decision on the Euros 34.35 million claim for compensation lodged in January 2020 by the Company against the French Government.

The judges determined as follows:

1. The French State is ordered to pay Gas2Grid Limited the sum of Euros 60,342.25. This sum will bear interest at the legal rate from 24 July 2019. Interest due will be capitalised from 24 July 2020, and then at each annual instalment from that date.
2. The French State will pay Gas2Grid Limited the sum of Euros 1,500 under Article L. 761-1 of the French Code of Administrative Justice.
3. The remainder of Gas2Grid Limited's compensation claim amount is dismissed.

The claim is in respect to the damages caused by the French Government by refusing to renew the St Griede conventional hydrocarbon exploration permit in accordance with the prevailing mining law, and as determined unlawful by the French Court in earlier proceedings. The non-renewal of the permit prevented the Company continuing exploration with the aim to eventual exploitation of oil and gas to achieve a return on exploration work incurred since the grant of the permit. Further background descriptions are contained in the Company's ASX announcement of 3rd July 2023 and earlier ASX announcements.

The Company's lawyers in Paris believe there are grounds for appeal to the decision and based on that advice the Company has directed its lawyers to proceed with the appeal application.

ASX LISTING RULE 12.1 COMPLIANCE

The Company's securities were suspended from quotation on ASX on 1 September 2023. The ASX determined that the level of the Company's operations is not adequate to warrant the continued quotation of its securities and therefore it is not in compliance with Listing Rule 12.1. The suspension will continue until the Company is able to demonstrate compliance with Listing Rule 12.1. The Company believes that the grant of a new Service Contract in Philippines will assist in that demonstration. In addition, a grant of a new licence in Queensland if granted will further attest to the Company's adequacy of level of operations.

EXTERNAL FACTORS AND MATERIAL RISKS ON OPERATIONS

Key risks to which the Group is exposed in its current business and operations are summarised as follows:

- *Key personnel:* The Group's ability to execute its activities depends in retention of key team members to implement the business plan. There has been no disruption in personnel availability during the period for the Group's activities.
- *Changes in global economic and geopolitical conditions:* The Group's business is dependent on economic conditions including inflation, interest rates, consumer confidence, access to funds and government fiscal, monetary and regulatory policies. During the period, the Group experienced adverse impacts on its operations as a result of higher inflation and rising interest rates.
- *Health and safety:* The Group's operations expose its personnel and contractors to health and safety risks inherent in oil and gas exploration that could subject the Group to extensive liability under health and safety laws and regulations. During the period, there has been no adverse event in that respect.
- *Climatic:* Adverse climatic conditions e.g. rain, floods, typhoons and earthquakes during the period have not affected the Group's activities.
- *Information technology and cyber security:* The Group's information technology systems are

protected by security measures but unauthorised access by third parties to these systems for theft of information or disruption of the operations could adversely impact business performance. There has been no event of security breaches during the period.

- *Risks of foreign operations and litigation:* The Group has financial interests in France and the Philippines where there may be risks arising out of foreign governmental sovereignty and in being subject to the exclusive jurisdiction of foreign courts in addition to risks usually present in Australian operations. The Group is proceeding to an appeal of a judgement handed down by the French court on financial claims against the French Government with respect to their not renewing the St Griede permit in disregard to local mining law. The Group has been progressing an application for a new Service Contract in Philippines after a decision to suspend arbitration proceedings at the International Chamber of Commerce against the Philippines Government for wrongfully cancelling the Service Contract 44 during the Covid-19 pandemic. During the period, the costs of those matters have been contained and manageable with existing cash resources.

- *Changes in law and their applications in practice, including tax laws and accounting standards:* Any changes to taxation laws, regulations or policies in jurisdictions in which the Group operates may adversely affect Shareholder returns. Any changes to the Australian Accounting Standards, as determined by the Australian Accounting Standards Board, may affect the future measurement and recognition of key income statement and balance sheet items. Such changes could materially and adversely affect the financial performance and position reported in the Company's financial statements.

The introduction of price caps on natural gas by the Australian Federal Government has an adverse effect on the risk profile of gas exploration and production industry in Australia.

COMPETENT PERSON

The information on oil and gas projects in this report has been compiled by Dennis Morton, Managing Director of Gas2Grid Limited, who graduated with First Class Honours in Geology (Macquarie University) and has over 40 years' experience in the oil and gas industry.

FORWARD-LOOKING STATEMENT

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Gas2Grid Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Directors' report

Your Directors present their report on the consolidated entity consisting of Gas2Grid Limited and the entity it controlled at the end of, or during the half-year ended 31 December 2023.

Directors

The following persons were Directors of Gas2Grid Limited during the half-year and up to the date of this report:

D A Munns
D J Morton
P W V M Sam Yue

Operating Results

The operating loss of the Group for the half-year ended 31 December 2023 was \$575,212 (2022: loss \$461,029).

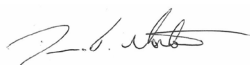
Review of Operations

A review of operations for the half-year ended 31 December 2023 is set out on pages 2 to 4.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 6 of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.



Dennis J. Morton
Managing Director
Sydney

15 March 2024



PO Box 1908
West Perth WA 6872
Australia
Level 2, 40 Kings Park Road
West Perth WA 6005
Australia
Tel: +61 8 9481 3188
Fax: +61 8 9321 1204
ABN: 84 144 581 519
www.stantons.com.au

15 March 2024

Board of Directors
Gas2Grid Limited
World Tower
Suite 1312
87-89 Liverpool Street
Sydney NSW 2000

Dear Sirs

RE: GAS2GRID LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Gas2Grid Limited.

As Audit Director for the review of the financial statements of Gas2Grid Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

A handwritten signature in black ink, appearing to read "Samir Tirokdar", written over a horizontal line.

Samir Tirokdar
Director



For personal use only

Gas2Grid Limited
Consolidated statement of profit or loss and other comprehensive income
for the half-year ended 31 December 2023

	Note	Half-year	
		2023	2022
		\$	\$
Interest and other income		2,139	3,097
Administration expense		(42,424)	(45,337)
Auditor's remuneration		(14,340)	(13,795)
Depreciation	9	(7,819)	(6,515)
Directors and management fees		(102,500)	(150,500)
Finance costs		(582)	(963)
Foreign exchange losses		(12,245)	(28,848)
Impairment of exploration and evaluation expenditure	11	-	(20,000)
Insurance costs		(7,691)	(7,017)
Licences extension costs		-	(43,153)
Listing and registry fees		(37,224)	(41,867)
Loss on financial liabilities at amortised cost	7	(256,865)	(71,239)
Projects costs (expense)/reversal		(89,858)	34,509
Reduction in fair value gain on extinguishment of liabilities		-	(62,837)
Rental expenses		(5,803)	(6,564)
Loss before income tax		(575,212)	(461,029)
Income tax expense		-	-
Loss from continuing operations		(575,212)	(461,029)
Other comprehensive income		-	-
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year		(575,212)	(461,029)
Loss for the half-year attributable to the owners of Gas2Grid Limited		(575,212)	(461,029)
Total comprehensive loss for the half-year attributable to owners of Gas2Grid Limited		(575,212)	(461,029)
		Cents	Cents
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share		(0.01)	(0.01)

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

For personal use only

Gas2Grid Limited
Consolidated statement of financial position
as at 31 December 2023

	Note	31 DECEMBER 2023 \$	30 JUNE 2023 \$
ASSETS			
Current assets			
Cash and cash equivalents		32,358	671,328
Trade and other receivables		9,005	16,423
Other assets	8	17,847	29,617
Total current assets		<u>59,210</u>	<u>717,368</u>
Non-current assets			
Right of use assets	9	9,121	16,940
Other assets	8	-	1,441
Total non-current assets		<u>9,121</u>	<u>18,381</u>
Total assets		<u>68,331</u>	<u>735,749</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	370,073	704,515
Lease liabilities	11	9,825	16,324
Provisions	12	858,385	865,000
Total current liabilities		<u>1,238,283</u>	<u>1,585,839</u>
Non-current liabilities			
Trade and other payables	12	3,556,250	3,360,340
Lease liabilities	10	-	1,515
Borrowings	13	1,106,505	1,045,550
Total non-current liabilities		<u>4,662,755</u>	<u>4,407,405</u>
Total liabilities		<u>5,901,038</u>	<u>5,993,244</u>
Net liabilities		<u>(5,832,707)</u>	<u>(5,257,495)</u>
EQUITY			
Contributed equity	14	38,943,696	38,943,696
Reserves		319,802	319,802
Accumulated losses		(45,096,205)	(44,520,993)
Total deficit		<u>(5,832,707)</u>	<u>(5,257,495)</u>

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

Gas2Grid Limited
Consolidated statement of changes in equity
for the half-year ended 31 December 2023

	Contributed Equity	Accumulated Losses	Reserves	Total Equity
	\$	\$	\$	\$
As at 1 July 2022	38,943,696	(44,164,207)	319,802	(4,900,709)
<i>Total comprehensive loss for the half-year</i>	-	(461,029)	-	(461,029)
As at 31 December 2022	<u>38,943,696</u>	<u>(44,625,236)</u>	<u>319,802</u>	<u>(5,361,738)</u>
As at 1 July 2023	38,943,696	(44,520,993)	319,802	(5,257,495)
<i>Total comprehensive loss for the half-year</i>	-	(575,212)	-	(575,212)
As at 31 December 2023	<u>38,943,696</u>	<u>(45,096,205)</u>	<u>319,802</u>	<u>(5,832,707)</u>

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

For personal use only

Gas2Grid Limited
Consolidated statement of cash flows
for the half-year ended 31 December 2023

	Half-year	
	31 December 2023	31 December 2022
	\$	\$
Cash flows from operating activities		
Interest received	2,139	3,097
Payments to suppliers and employees	(641,050)	(412,265)
Net cash (outflow) from operating activities	(638,911)	(409,168)
Cash flows from financing activities		
Share transaction costs	-	(152,317)
Payments for lease liabilities	-	(33,970)
Net cash (outflow)/inflow from financing activities	-	(186,287)
Net (decrease) in cash and cash equivalents	(638,911)	(595,455)
Cash and cash equivalents at the beginning of the half-year	671,328	1,578,285
Effects of exchange rate changes on cash and cash equivalents	(59)	(292)
Cash and cash equivalents at the end of the half-year	32,358	982,538

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

For personal use only

1. Nature of operations

Gas2Grid Limited and subsidiaries' (the Group) principal continuing activities consisted of pursuing new venture opportunities in Australia and the Philippines, the financial claim against the French Government for the non-renewal of its licence in France and application for a new service contract in Philippines.

2. General information and basis of preparation

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the six months ended 31 December 2023 and are presented in Australian Dollar, which is the functional currency of the Parent Company (Gas2Grid Limited). These general purpose interim financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134: *Interim Financial Reporting*. They do not include all of the information required in 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 other 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 15 March 2024.

3. Significant accounting policies

The same accounting policies and methods of computation have been followed in this interim report as were applied in the most recent annual financial statements.

The Group has adopted all of the new and amended Accounting Standards and Interpretations that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2023.

It has been determined that there has been no material impact of the new and revised Accounting Standards and Interpretations on its business.

The Group has not early adopted new Accounting Standards and Interpretations that are not yet mandatory in this reporting period. No significant impact on the Group's financial performance or position is expected when they are adopted.

4. Significant events

Significant events during the period are set out in the Operations Review on pages 2 to 4.

5. Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

6. Going concern – material uncertainty

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

At 31 December 2023 the Group had net liabilities of \$5,832,707 (30 June 2023: net liabilities \$5,257,495), including \$1,106,505 (30 June 2023: \$1,045,550) in Directors' loans at amortised cost that fall due for repayment on 16 April 2026 and \$3,556,250 (30 June 2023: \$3,360,340) in Directors' fees and accrued finance charges at amortised cost that fall due for repayment on 16 April 2025, with net working capital deficiency of \$1,179,073 (30 June 2023: deficiency \$868,471). The Group has made a loss of \$575,212 (31 December 2022: loss \$461,029) for the half-year ended 31 December 2023 arising mainly from loss on amortising the cost of financial liabilities.

To undertake exploration and appraisal activities in new ventures or a new Service Contract in Philippines and protect the investment made in the St Griede permit in France while the Group has no revenue producing assets, the Group requires regular injection of funds.

On 1 September 2023, Australian Securities Exchange determined that the level of the Group's operations is not adequate to satisfy the requirements of Listing Rule 12.1 and suspended the Company's securities from official quotation. The suspension will continue until the Group is able to demonstrate compliance with Listing Rule 12.1. See details on page 3 of the Operations Review.

The continuing ability of the Group to continue as a going concern and to undertake exploration activities and repay Directors' loans, outstanding fees and interest and other liabilities is dependent upon acquisition of new oil and gas interests and their successful development and exploitation and positive outcome from the financial claim against the French Government; drawing on loan facilities available from the related entities of Directors, and new equity capital that may be raised.

As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

At the date of this report, the Directors are of the opinion that there are reasonable grounds to expect that the Group will be able to continue as a going concern. In arriving at this conclusion, the Directors considered the following:

- The expiry date of the loan facilities from related entities of Directors (D Morton, D Munns and P Sam Yue) is 16 April 2026. The undrawn amount on these facilities is \$3,599,851 at 31 December 2023 and is able to be drawn upon in the short term.
- The Directors' fees and management fees may be negotiated to be deferred and if approved by shareholders not paid in cash by the Group.
- If required, management will negotiate to extend the maturity terms of the loan facilities and the fees to the Directors beyond the current maturity date on 16 April 2026 and 16 April 2025 respectively.
- Undertaking further capital raisings.

At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2023. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

	31 December 2023 \$	31 December 2022 \$
7. Loss on financial liabilities at amortised cost		
Loss on non-current trade and other payables (see Note 12)	195,910	52,610
Loss on non-current borrowings (see Note 13)	60,955	18,629
	256,865	71,239

	31 December 2023 \$	30 June 2023 \$
8. Other assets		
Current		
Prepayments	17,847	29,617
Non-current		
Prepayments	-	1,441

9. Right of use assets

Lease asset

Cost at beginning of period/year	31,273	-
Addition in the period/year	-	31,273
Cost at end of period/year	31,273	31,273
Accumulated depreciation at beginning of period/year	14,333	-
Depreciation charge for period/year	7,819	14,333
Accumulated depreciation at beginning of period/year	22,152	14,333
Carrying amount at end of period/year	9,121	16,940

The lease asset is for office premises lease that will expire in August 2024.

10. Lease liabilities

Current

Office lease	9,825	16,324
--------------	-------	--------

Non-current

Office lease	-	1,515
--------------	---	-------

The lease liabilities are accounted for under AASB 16 – Leases.

For personal use only

	31 December 2023 \$	30 June 2023 \$
11. Provisions		
Current		
<i>Provision for rehabilitation of exploration areas:</i>		
Balance at beginning of period/year	220,000	200,000
Increase in provision during the period/year	-	20,000
Balance at end of period/year	220,000	220,000
<i>Provision for refund of penalties received:</i>		
Balance at beginning of period/year	645,000	596,500
(Decrease)/increase due to exchange rate movement at balance date	(6,615)	48,500
Balance at end of period/year	638,385	645,000
Total	858,385	865,000

The provision for rehabilitation of exploration areas relates to three wells in SC 44 that remain to be plugged and abandoned.

The provision for refund of penalties amounting to €383,500 received in August 2018 by the Company from the French Government following a Pau Tribunal judgement on 5 July 2018. The judgement was subsequently annulled in December 2020 by the Court of Appeal of Bordeaux following an appeal by the French Government in September 2018 after they have paid the penalties. In June 2021, the Company lodged an appeal against that annulment with the Conseil d'état which, in September 2022, declined the appeal for a full hearing. The Company has considered it prudent to keep the existing provision for this amount in Euros made in prior year and revalued at balance date exchange rate until the Company's lawyers advise on further action that can be undertaken.

12. Trade and other payables

Current		
Trade payables and other creditors	184,471	600,813
<i>Amounts owing to Directors:</i>		
Underwriting fees payable to Directors	49,102	49,102
Fees payable to Directors (including GST)	136,500 ¹	54,600
	185,602	103,702
Total trade and other payables - current	370,073	704,515

¹ The fees were for August to December 2023 and are outstanding.

Non-current		
Fees and amounts payable to Directors (including GST)	1,094,376	1,094,376
Accrued interest on fees payable to Directors	285,814	285,814
Accrued interest on loans due	2,253,389	2,253,389
Accrued establishment fees on Directors' loans	482,500	482,500
	4,116,079	4,116,079
<i>Less: Gain on non-current trade and other payables at amortised cost¹</i>	(559,829)	(755,739)
	3,556,250	3,360,340

	31 December 2023	30 June 2023
	\$	\$
Movement in Gain on non-current trade and other payables at amortised cost¹		
Balance at beginning of period/year	755,739	524,390
(Loss)/Gain during the period/year	<u>(195,910)</u>	<u>231,349</u>
Balance at end of period/year	<u>559,829</u>	<u>755,739</u>

¹ The gain on non-current trade and other payables at amortised cost arose from the difference between the net present value of the interest-free non-current trade and other payables to be settled on 16 April 2025 (2023: 16 April 2025) and the settlement amount at balance date. A discount rate of 12% (2023: 12%) was applied to the future cash flows to determine their net present values. The gain decreased by \$195,910 during the period.

13. Borrowings

Non-current

Loans from Directors' related entities due 16 April 2026	1,434,375	1,434,375
Less: Gain on borrowings at amortised cost ¹	<u>(327,870)</u>	<u>(388,825)</u>
	<u>1,106,505</u>	<u>1,045,550</u>

Movement in Gain on borrowings at amortised cost¹

Balance at beginning of period/year	388,825	184,575
(Loss)/Gain during the period/year	<u>(60,955)</u>	<u>204,250</u>
Balance at end of period/year	<u>327,870</u>	<u>388,825</u>

¹ The gain on borrowings at amortised cost arose from the difference between the net present value of the interest-free borrowings to be settled on 16 April 2026 (2023: 16 April 2026) and the contractual settlement amount at balance date. The gain decreased by \$60,955 during the period.

14. Contributed equity

	Number shares	\$
At beginning and end of period	<u>4,089,102,078</u>	<u>38,943,696</u>

At balance date there were 12,000,000 (30 June 2023: 12,000,000) shares issued under Employee Incentive Plan ("EIP") with non-recourse loan outstanding on these shares of \$96,000 (30 June 2023: \$96,000).

In February 2024 the EIP loan of \$96,000 on 12,000,000 EIP shares which expired were not repaid. The EIP shares have been transferred to the Company's Treasury Stock.

For personal use only

15. Segment information

The Group operates an exploration business consisting of pursuing new venture opportunities in Australia and the Philippines, application for a new service contract in the Philippines and is pursuing a legal claim in France. The Group manages these activities from its head office in Sydney, Australia, a branch office in Manila, Philippines and an office in Singapore.

	Revenue		Segment Results		Segment Assets		Segment Liabilities	
	2023 \$	2022 \$	2023 \$	2022 \$	31 Dec 2023 \$	30 Jun 2023 \$	31 Dec 2023 \$	30 Jun 2023 \$
Australia	2,134	2,913	(485,359)	(398,060)	56,607	723,882	4,907,237	4,576,064
France	-	-	-	-	-	-	638,385	645,000
Philippines	5	184	(89,853)	(62,969)	11,724	11,867	355,416	772,180
Consolidated	2,139	3,097	(575,212)	(461,029)	68,331	735,749	5,901,038	5,993,244

16. Commitments and contingent liabilities

The Group did not have any commitments or contingent liabilities as at 31 December 2023.

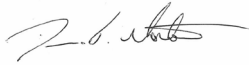
17. Events occurring after the reporting period

There has not arisen in the interval since 31 December 2023 and up to the date of this report, any matter that, in the opinion of the Directors, has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

In the Directors' opinion:

- (a) the interim financial statements and notes set out on pages 7 to 16 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Accounting Standard AASB 134: Interim Financial Reporting;
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Gas2Grid Limited will be able to pay its debts as and when they become due and payable.

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



Dennis J. Morton
Director

Sydney
Date: 15 March 2024

For personal use only

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GAS2GRID LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of Gas2Grid Limited, 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, condensed notes comprising 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 causes us believe that the accompanying half-year financial report of Gas2Grid Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Gas2Grid Limited's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the 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* has been given to the directors of the Group on 15 March 2024.

Material Uncertainty Related to Going Concern

We draw attention to Note 6 in the financial report, which indicates that the Group had current assets of \$59,210 including total cash of \$32,358, current liabilities of \$1,238,283, non-current liabilities of \$4,662,755 and has incurred a net loss of \$575,212 in the period ended 31 December 2023.

The ability of Gas2Grid Limited to continue as a going concern is subject to the Group being able to draw down and/or extend loan facilities, defer directors' and management fees and/or a successfully recapitalise Gas2Grid Limited by raising new capital. In the event that the Board is not successful in recapitalising the Group and in raising further funds and/or extending and/or drawing down loan facilities, Gas2Grid Limited may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report. Our conclusion is not modified in respect of this matter.



Responsibility of the Directors for the Financial Report

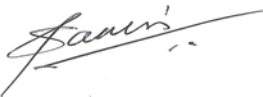
The directors of Gas2Grid Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's 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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD (An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd


Samir Tirodkar
Director

West Perth, Western Australia
15 March 2024

For personal use only