



ENERGY TECHNOLOGIES LIMITED

ABN 38 002 679 469

Annual Financial Report

for the year ended 30 June 2024

Corporate Information

ABN 38 002 679 469

Directors

Matthew Driscoll (Chairman, Non-Executive Director)

Alfred J Chown (Executive Director)

Anthony L Smith (Non-Executive Director)

Company Secretary

Gregory R Knoke

Registered Office

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Brookvale NSW 2100

Telephone:- (02) 8978 2600

Bankers

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Sydney NSW 2000

Share Register

Computershare Investor Services Pty Ltd

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Auditors

Crowe Audit Australia

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Chairman's Report

Dear Shareholder,

I am pleased to present the Chairman's Report for Energy Technologies Limited (EGY) for the financial year ended 30 June 2024. This year has been pivotal for our company as we underwent a significant strategic realignment aimed at repositioning EGY for future growth and sustainability.

Financial Performance

For FY2024, the group reported a consolidated loss after tax and minorities of \$10,537,212 (FY2023 loss after tax and minorities of \$15,344,996). Our wholly owned subsidiary, Bambach Wires & Cables Pty Limited (Bambach), recorded a loss after tax of \$9,002,326 (FY2023 loss of \$14,127,919). While the overall losses reflect the challenges we faced, the year marked a decisive step toward strengthening our financial performance in the medium to long term.

Strategic Shift

During the year, we made a fundamental decision to change our business strategy after conducting a thorough review of our operations. Recognising the risks of relying heavily on manufacturing, we have begun de-risking the business by shifting our focus toward distribution and high-margin opportunities in the renewable energy and purchased sales sectors.

As part of this strategic shift:

- Bambach signed our first Wholesale Distribution Agreement with Gantner Instruments Environment Solutions GMBH, providing renewable energy solutions in Australia and New Zealand;
- We engaged with overseas manufacturers and secured supply agreements for low-voltage cables and ancillary products; and
- We concentrated our internal manufacturing operations on high-margin, low-voltage production, allowing us to better manage operational cash flow.

These changes have already started to show results. While the restructuring led to a short-term revenue decline in the final quarter of FY2024, the company is now better positioned with improved financial controls and a clearer path to profitability.

Operational Highlights

Despite some short-term challenges, we are pleased with the early successes from our strategic initiatives. We have generated initial sales in both the Purchased Sales and Renewable Energy divisions. These divisions will now focus on larger scale tenders, with the goal of building substantial revenue streams alongside our core manufacturing business, which continues to provide stable cash flow.

Key achievements during the period include:

- The signing of our first Wholesale Distribution Agreement with Gantner Instruments, marking our entry into the renewable energy market;
- Progress in securing further distribution agreements, which are currently under negotiation; and
- The successful completion of a \$3 million capital raising through a share placement, supporting our strategic pivot and growth initiatives.

Additionally, the renewable energy division delivered its first sales, amounting to \$328,000, to a prominent EPC firm for a utility-scale solar project in Western Australia. This achievement underpins our confidence in the growth potential of this new division.

Chairman's Report (continued)

Financial Resilience and Outlook

In line with our shift toward a margin-focused business model, we recorded cash receipts of A\$2.7m for the final quarter, a reflection of the changes in our operating plan and we continue to prioritise financial resilience and operational efficiency.

Looking ahead to FY2025, we are optimistic about the opportunities presented by our renewed focus on high-margin products and strategic partnerships. We are confident that the continued execution of our business plan will result in sustained growth and ultimately, a return to profitability. To this end the Company is anticipated to raise a further \$12.7m through a non-renounceable rights issue as announced, with the proceeds expected to be received in the second quarter of FY2025.

In closing, I would like to thank our shareholders, employees, and partners for their continued support throughout this period of transformation. We believe that the groundwork laid during FY2024 sets a solid foundation for future success, and we look forward to sharing the benefits of this strategy with all stakeholders in the years to come.

Thank you for your continued trust and support.

A handwritten signature in black ink, appearing to read "M Driscoll".

Matthew Driscoll
Chairman

30 September 2024

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Energy Technologies Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

DIRECTORS

The names and details of the Company's Directors in office during the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Matthew Driscoll, (Chairman - Non-Executive Director) Appointed 20 December 2016

Mr Driscoll has significant experience across several industries, including online technologies, financial services, fintech, property and resources. He has more than 30 years' experience in capital markets and the financial services industry and is an accomplished company director in roles across listed and private companies. He has significant experience in international business growth, mergers and acquisitions, equity and debt raisings and building strategic alliances, and remains committed to ethical, commercial and consumer-based outcomes.

Other Current Directorships: Chair Carbonxt Group (CGI), Chair Smoke Alarms Holdings.

Mr Driscoll is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Anthony Lloyd Smith (Non-Executive Director) Appointed 24 December 2020

Mr Smith has over 30 years' experience in finance with a variety of firms concentrating on small to medium sized companies in regard to corporate finance, institutional research sales and private wealth advice. During this time, he was charged with running these businesses along with titles of Head of Securities and Country Director of Austock Group and Phillip Capital. Mr Smith currently handles the investments at Cashel Family Office, a Melbourne based multi-family office company.

Mr Smith is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Alfred John Chown, B.Econ, (Executive Director) Appointed 10 August 2023.

Mr Chown has extensive experience in building businesses across Australasia. He returned to Australia in 2012 after residing in Hong Kong from 1987-2012. In 1987 he co-founded E.L. Consult Ltd an executive search provider that prior to being sold to the Clarius group (ASX:CND) in 2007, had an extensive network of offices throughout Hong Kong, China, Singapore and Malaysia. In the early 1990's Mr Chown co-founded what became the Dulhunty Power Group, under Dulhunty Power Limited (formerly ASX:DUL), a manufacturer of line fittings for the electric power transmission and distribution industry with factories in Australia, China, Malaysia and Thailand and offices in New Zealand and the USA. The Dulhunty Power Group was sold to Maclean Power Systems of the USA in 2012.

Mr Chown is a former Chairman of the Australian Chamber of Commerce in Hong Kong and has extensive commercial experience in both Australia and Asia.

Mr Chown was formerly Chairman and Director of Energy Technologies Limited (EGY), resigning on 24 December 2020 and remaining as CEO of the group and director of subsidiary Bambach Wires & Cables Pty Limited (Bambach). Following his re-appointment as a director of EGY, Mr Chown remains as CEO of the group and director of Bambach.

Mr Chown is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Directors' Report (continued)

DIRECTORS (continued)

Brian Jamieson (Chairman – Non-Executive Director) Appointed 24 December 2020. Deceased 7 August 2023.

Mr Jamieson had over 40 years' experience in the advisory, manufacturing, resources and technology industries in Australia and offshore. Mr Jamieson was Chief Executive of Minter Ellison Melbourne from 2002-2005. Prior to joining Minter Ellison, Mr Jamieson was Chief Executive Officer at KPMG Australia from 1998-2000, Managing Partner of KPMG Melbourne and Southern Regions from 1993-1998 and Chairman of KPMG Melbourne from 2001- 2002. Prior to the merger of Touche Ross & Co and Peat Marwick Hungerfords to form KPMG, Mr Jamieson was the Managing Partner for Australia for Touche Ross & Co. He had over 40 years' experience in providing advisory and audit services to a diverse range of public and large private companies. He was also a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a Fellow of the Australian Institute of Company Directors.

Mr Jamieson was also a Non-Executive Director of IODM Limited and a Non-Executive Director of Highfield Resources Limited. Mr Jamieson was formerly Non-Executive Chairman of Sigma Healthcare Limited (resigned 13 May 2020), Non-Executive Chairman of Mesoblast Limited (resigned 31 March 2019), Non-Executive Director of Oxiana/OZ Minerals Limited from 2005 to 2015 and served as Chairman of Audit Risk and Compliance, Nomination and Remuneration, and Due Diligence Committees. He was a Non-Executive Director of Tatts Group Limited from 2005 to December 2017 and served as the Chairman of Audit and Risk Committee, Chairman of the Due Diligence Committee and member of the Remuneration Committee. He was also a Non-Executive Director of ASX listed Tigers Realm Coal from 2010 to 2015 and chaired various committees.

Mr Jamieson was a member of the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee.

COMPANY SECRETARY

Gregory R Knoke, B. Com, CA (Company Secretary and Chief Financial Officer) Appointed 30 April 2003

Director of Cogenic Pty Limited. Mr Knoke was a director of Energy Technologies Limited from May 2000 until 30 April 2003, resigned upon acceptance of the position of CFO and Company Secretary. Born in 1952, educated at University of NSW and graduated in 1973 with major in accountancy, he holds a Bachelor of Commerce degree with merit. Mr Knoke is a Chartered Accountant and Associate member of Chartered Accountants Australia and New Zealand since 1979, and an affiliate member of Chartered Secretaries of Australia. Business consultant and advisor, with extensive work experience throughout Asia and Europe, Mr Knoke spent 13 years in Hong Kong as Asian Group Financial Controller and Director for BIL Asia Holdings Limited and subsidiaries of the Brierley Investments Limited Group.

Directors' Report (continued)

PRINCIPAL ACTIVITIES

EGY's principal activities during the year were:

- The manufacture and sale of specialist industrial cables and ancillary products through wholly owned subsidiary Bambach Wires & Cables Pty Limited (Bambach);
- Driving organic growth and organisational change in Bambach; and
- Seeking other products, businesses and opportunities for the Group.

REVIEW AND RESULTS OF OPERATIONS

EGY has reported a consolidated loss after tax and minorities for FY2024 of \$10,537,212 (FY2023 loss after tax and minorities \$15,344,996). Wholly owned subsidiary Bambach Wires & Cables Pty Limited (Bambach) reported a loss after tax of \$9,002,326 (FY2023 loss \$14,127,919). The FY2023 result included a one-off amount of \$5,194,327 to fully impair the FY2023 carrying value of intangible development assets and purchased intellectual property to NIL. The FY2024 result includes an inventory write down of \$528,409 (2023: \$798,286) as a result of a continued detailed review of inventory items by location and including slow moving stock.

During the period, the company resolved to change the business strategy. Post a wide-ranging review, the company moved to de-risk the company away from its reliance on manufacturing. The company signed a distribution agreement with Gantner to provide renewable energy solutions in Australia and New Zealand, engaged with overseas manufacturers and agreed supply agreements for purchased sales of Low Voltage cables and ancillary products and implemented the internal manufactured strategy of concentrating the operations to high margin low-voltage production.

While this has resulted in the short-term revenue decline as experienced in the last quarter of the Financial Year, it provides the company with better financial controls on outgoing operational cash flow.

Pleasingly, albeit small, the company has now generated sales in both the Purchased Sales division and the Renewable Energy space. While the manufacturing division will continue to provide regular cash flow generation, the two new divisions will be concentrated around tender wins on larger scale contracts.

The company is buoyed by these small, short-term results and looks forward to the second half of FY25 once the strategic pivot in operations is finalised.

STATE OF AFFAIRS

During the financial year, the Group repaid \$2,533,979 (2023: \$8,579,009) of both long and short-term interest bearing debt.

In relation to the Going Concern position of the Group, please refer to the details set out in Note 1(c) to the Financial Statements and the Events After the Reporting Period Note 28.

DIVIDENDS

No dividends were paid or recommended by the parent company EGY this financial year.

NON-AUDIT SERVICES

During the year the Company's auditor, Crowe Audit Australia, performed no other services in addition to their statutory duties.

Details of the amounts paid to the auditors and their associates for audit services provided during the year are set out in note 6 to the financial statements. In addition, amounts paid to other auditors for other statutory audit services have been disclosed in that note.

Directors' Report (continued)

EVENTS SUBSEQUENT TO REPORTING DATE

The following matters have occurred post reporting date:

- (i) Unsecured short-term loans of \$2,450,000. These loans incur an interest rate of 18% per annum. Of these loans, \$950,000 matures in October 2024 or such other date as agreed between the parties and \$1,500,000 matures in December 2024 or such other date as agreed between the parties;
- (ii) A \$6,000,000 line of credit has been provided, to be drawn upon as required, and is in place until 31 October 2025. This is dependent on there being no default on other short-term loans provided in (i) above; and
- (iii) The Company is undertaking a non-renounceable pro-rata rights issue, announced on the ASX platform on 12 September 2024, to eligible shareholders to raise up to approximately \$12.7 million by the issue of up to 422,074,788 new shares at an offer price of \$0.03 (3 cents) per new share. Shaw and Partners Limited is acting as lead manager to the Offer. Shareholders who subscribe for their full entitlement under the Rights Issue Offer will also be able to subscribe for additional shares at the same price. The Directors also reserve the right for up to 3 months after the close of the Offer to place the balance of any New Shares not taken up. The offer closing date is 2 October 2024.

Other than what is noted per above, there have been no other matters that have arisen since the end of the financial period any other matter of circumstance which, in the opinion of the directors of the Company, significantly affects the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Refer Events Subsequent to Reporting Date above.

Future Developments and Risks

Opportunities

Energy Technologies Limited (EGY) 100% owned subsidiary, Bambach Wires & Cables Pty Limited (Bambach) manufactures Low Voltage electric cables at its 13,000 sqm Rosedale, Victoria facility. Bambach has a substantial range of cable making equipment manufacturing a large range of both specialised and non-specialised low Voltage cables.

The company also has warehouses in Dandenong, Victoria, Brookvale, New South Wales and Perth, Western Australia, as well as Sales Offices in Newcastle and Adelaide.

The raising of capital by way of non-renounceable rights issue and placement, as well as the issue of convertible notes, with the prospect of a further capital as required, means that the business is adequately capitalised ensuring raw material supply to sustain growth which has been a failing of the company over recent years.

Bambach has recently undertaken a significant strategy pivot, this new direction is heavily focused on providing end to end solutions into the renewables space, primarily utility scale solar. As recently announced, the company has signed a distribution agreement with Gantner, a leading supplier of measurement & control systems in this space as well as a further agreement with Tratos Group, a leading European cable manufacturer, thus expanding our portfolio into the MV, HV & distribution arena.

Bambach has more new products to launch over the coming twelve months and is also well placed with appropriate approvals to take advantage of the expected infrastructure projects throughout Australia, alongside the emerging renewables market.

The fact that Bambach manufactures in Australia, places it at the forefront of local content suppliers for low voltage cable. Recent global strategic considerations and supply chain dislocation due to the pandemic have benefited the company and this is expected to continue as both State and Federal governments become ever more demanding in their quest to support local industry both to ensure jobs and to build sovereign capability. Strategically, the company at all levels is well placed to take advantage of growing interest in Australian manufacturing and regionalisation and has the necessary contacts and skills to build on its capabilities to rival the best specialist cable manufacturers in the region.

Directors' Report (continued)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS (continued)

Risks

Bambach must continue to develop and upgrade its manufacturing facilities to enable it to meet efficiency and productivity requirements and produce locally a continually expanding range and size of cables. Failure to do so will substantially limit growth and will not allow anticipated margin improvement.

A rise in the AUD against the USD will impact negatively on the competitiveness of the business. At AUD/USD 0.80 the business may be less competitive with imports of like quality. A fall from this level is favourable to the business whilst a rise is unfavourable.

Bambach is a small player in a market where there are several very large competitors and management are very aware that to compete Bambach must maintain a point of difference. To this end it must continue with a very active research and development agenda, developing new cables and continuously upgrading existing cables. It must also continue to develop its manufacturing processes and adopt a continuous upgrade program. It must also continue to excel in the level of service that it provides. Any failure in any of these areas will bring significant risk to the business.

Bambach continues to report a loss and has not been profitable for an extended period. This weakness has been supported financially by significant fund raising and investment, which has been successfully undertaken in the past and continued in FY2024. The company must deliver to maintain the support of its shareholders and financiers, and in this respect, it must deliver on the small objectives as well as the larger objective of returning to profitability. Thus, it must continue to deliver on bringing new products to market and on increasing productivity to build a robust sustainable business. Failure to meet accepted milestones on this path will pose a risk to continued financial support.

The Group has based its business plan on the belief that both Federal and State governments will proceed with planned infrastructure, energy and defence spending. Now significant projects are proceeding. Any cancellation of these plans or continued delay will impact negatively on the opportunities that lie ahead for the company.

The Group has developed products some of which still require final testing and approval. Any failure to pass testing in a timely manner or not obtain approval will impact negatively on the company's performance.

Like all businesses globally the threat of further waves of the Covid-19 pandemic pose significant risk to the economy and to the group. Rising geopolitical tensions also pose a significant risk.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The group operates a factory in Rosedale, Victoria which is required to comply with local planning laws, and with State and Commonwealth Environmental laws. The company considers that the factory operations are currently compliant and is not expecting any adverse impact as a result of the environmental regulation.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification

The Company has entered into Deeds of Indemnity and Access with persons who are an Officer or Director of the Company or a related body corporate, indemnifying such persons against a liability incurred by them in their capacity as an Officer or Director, including costs and expenses of defending legal proceedings and providing them with access to company records where a claim is made or threatened against such Officer or Director.

Insurance Premiums

The Company has not, during or since the end of the financial year, in respect of any person who is or has been an auditor of the Company or a related body corporate paid or agreed to pay a premium in respect of a contract insuring against a liability for costs or expenses of defending legal proceedings.

The Company has paid insurance premiums in respect of Directors' and Officers' liability and legal expense insurance for Directors and Officers of the Company. In accordance with subsection 300(9) of the Corporations Act 2001, further details have not been disclosed due to confidentiality provisions contained in the insurance contract.

Directors' Report (continued)

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or 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 any part of those proceedings.

The company was not a party to any such proceedings during the year.

EMPLOYEES

The Group employed 73 employees as at 30 June 2024 (2023: 91 employees).

REMUNERATION REPORT

The remuneration report is set out on page 13 and forms part of the Directors' Report for the financial year ended 30 June 2024.

DIRECTORS' MEETINGS

The numbers of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each director were as follows:

	Board of Directors	Audit and Risk Committee	Remuneration and Nomination Committee
Number of meetings held:	26	5	-
Number of meetings attended:			
Matthew Driscoll	26	5	-
Anthony L Smith	26	5	-
Alfred J Chown	24	5	-
Brian Jamieson (deceased 7 August 2023)	-	-	-

Committee Membership

Audit and Risk Committee:	Matthew Driscoll	Alfred J Chown	Anthony L Smith
Remuneration and Nomination Committee:	Anthony L Smith	Alfred J Chown	Matthew Driscoll

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The relevant interest of each director in the shares, and options over such instruments, issued by the companies within the Group and other related bodies corporate, as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Energy Technologies Limited			Dulhunty Engineering Limited
	Ordinary Shares	Listed Options	Unlisted Options	Ordinary Shares
Matthew Driscoll	6,560,277	889,921	-	-
Alfred J Chown	8,243,575	-	-	59,724
Anthony L Smith	1,241,147	169,036	-	-
Gary A Ferguson – director of Bambach	1,154,044	-	-	-

Directors' Report (continued)

SHARES UNDER OPTION

Unissued ordinary shares of EGY under share option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
14 October 2021	31 October 2024	\$0.200	9,000,000

Shares issued under the non-renounceable rights issue 14 October 2021 had 25,000,058 attaching listed share options expiring 31 October 2024. The offer price for these options was \$NIL and the options have an exercise price of \$0.20.

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

There were no ordinary shares of EGY issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

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 32 of this financial report and forms part of this Directors' Report.

CORPORATE GOVERNANCE STATEMENT

Energy Technologies Limited and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. Energy Technologies Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. Details of the corporate governance report is available on the Group website at <https://www.energytechnologies.com.au>

Signed in accordance with a resolution of the Directors.



Alfred J Chown
Director

30 September 2024

Remuneration Report (audited)

The Remuneration Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the directors and the executive team. Remuneration levels are set to attract and retain appropriately qualified and experienced Directors and senior executives. The Remuneration Committee obtains independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. The Remuneration Committee also assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the company.

Executive remuneration packages include a mix of fixed remuneration and performance-based remuneration.

Fixed Remuneration

Fixed remuneration consists of base remuneration as well as employer contributions to superannuation funds. Remuneration levels are reviewed annually by the Remuneration Committee through a process that considers individual, segment and overall performance of the consolidated and operating entity. A senior executive's remuneration is also reviewed on promotion.

Performance – linked Remuneration

The Remuneration Committee links the nature and amounts of executives' emoluments to the company's financial and operational performance. All senior executives have the opportunity to qualify for participation in the Employee Bonus Plan, which currently provides incentives where specified criteria are met including criteria relating to profitability.

Performance linked remuneration includes both short term and long-term incentives and is designed to reward executive directors and senior executives for meeting or exceeding financial and personal objectives. The short-term incentive is an at-risk bonus provided in the form of cash and is based on the relevant operating subsidiaries' results and on achieving a pre-set target. The long-term incentive is provided as ordinary shares of Energy Technologies Limited or options over ordinary shares of Energy Technologies Limited under the rules of the Energy Technologies Limited Share Option Plan.

The remuneration structures result in and take into account:

- The overall level of remuneration for each director and executive;
- The executive's ability to control performance; and
- The amounts of incentives within each executive's remuneration.

Short term incentive

Each year the remuneration committee sets the key performance indicators, which generally include measures relating to the operating group, the relevant segment and the individual, and are based on financial, customer and strategy measures. The measures directly align the reward to the key performance indicators and the operating group performance. The financial performance objectives are operating group turnover and EBIT to working capital ratio analyses compared to budgeted amounts on a regional and consolidated basis. The non-financial objectives vary with position and responsibility and include measures such as achieving strategic outcomes, safety and business development.

The remuneration committee approves the cash incentive to be paid to the individuals.

Long term incentive

Options are available to be issued under the Energy Technologies Limited Share Option Plan (made in accordance with thresholds set in plans approved by shareholders at the 2021 AGM), and it provides for directors, executives and employees to receive options in total limited to 15% of the issued ordinary capital and exercisable strictly under the terms of the Plan.

Remuneration Report (audited)

The Board considers that the above remuneration structure is adequate given the major restructuring of the operations required under the Business Plan, and secondly, the performance linked element appears to be appropriate because the executives strive to achieve a level of performance which qualifies them for bonuses.

The remuneration for all non-executive directors, last voted upon by shareholders at the 2007 AGM, is not to exceed \$500,000 per annum. During the 2024 financial year Director's fees were \$50,000 per annum for Mr Anthony L Smith and Mr Matthew Driscoll. Mr Alfred J Chown is remunerated under the terms of his contract as CEO of the group.

Names and positions held of Group key management personnel in office at any time during the financial year are:

Key Management Person	Position (s) Held during the Year
Brian Jamieson	Chairman - Non-Executive Director of EGY. Deceased 7 August 2023
Matthew Driscoll	Chairman – Non-Executive Director of EGY
Anthony L Smith	Director – Non-Executive of EGY
Alfred J Chown	CEO/Director – Executive Director of EGY and of Bambach
Gary A Ferguson	Director – Non-Executive of Bambach
Gregory R Knoke	CFO/Company Secretary of EGY and Bambach
Nicholas Cousins	Chief Operating Officer of Bambach and Interim CEO

Ordinary Shares Number of Shares held by Key Management Personnel	Balance 30 June 2023 [1] [2]	Received as Remuneration	Purchases	Disposals	Balance 30 June 2024
Specified directors					
Matthew Driscoll	6,560,277	-	-	-	6,560,277
Anthony L Smith	19,843,675	-	-	18,602,528	1,241,147
Alfred J Chown	8,243,575	-	-	-	8,243,575
Specified executives					
Gregory R Knoke	207,887	-	-	-	207,887
Nicholas Cousins	95,238	-	-	-	95,238
	34,950,652	-	-	18,602,528	16,348,124

[1] Excludes 987,740 shares held by Brian Jamieson – deceased on 7 August 2023.

[2] Excludes 1,975,479 shares held by Ian A Campbell – resigned 16 June 2023.

Remuneration Report (audited)

Unlisted Options	Balance 30 June 2023	Received as Remuneration	Acquired	Forfeited	Balance 30 June 2024
Number of Options held by Key Management Personnel					
Specified directors					
Matthew Driscoll	1,041,667	-	-	1,041,667	-
Anthony L Smith	3,539,286	-	-	3,539,286	-
Alfred J Chown	-	-	-	-	-
Brian Jamieson	446,238	-	-	446,238	-
Specified executives					
Gregory R Knoke	-	-	-	-	-
Nicholas Cousins	-	-	-	-	-
	5,027,191	-	-	5,027,191	-

The unlisted options issued under the Share Option Plan vested in accordance with the vesting dates and were exercisable on the vesting date. The options were subject to a service condition being continuous employment until the vesting date.

Remuneration Report (audited)

Listed Options Number of Options held by Key Management Personnel	Balance 30 June 2023 [1] [2]	Received as Remuneration	Acquired	Disposals	Balance 30 June 2024
Specified directors					
Matthew Driscoll	889,921	-	-	-	889,921
Alfred J Chown	-	-	-	-	-
Anthony L Smith	1,848,849	-	-	1,679,813	169,036
Specified executives					
Gregory R Knoke	14,760	-	-	-	14,760
	2,753,530	-	-	1,679,813	1,073,717

[1] Excludes 90,685 listed options held by Brian Jamieson – deceased on 7 August 2023.

[2] Excludes 181,370 listed options held by Ian A Campbell – resigned 16 June 2023.

Shares issued under the non-renounceable rights issue 14 October 2021 had 25,000,058 attaching listed options expiring 31 October 2024. The offer price for these options was \$NIL and the options have an exercise price of \$0.20.

Voting and comments made at the Company's last Annual General Meeting

Energy Technologies Limited received 99.87% of 'yes' votes on its Remuneration Report for the financial year ending 30 June 2023. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Use of remuneration consultants

Energy Technologies Limited did not employ the services of any remuneration consultants in FY2024.

Employment agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in an employment agreement. The major provisions of the agreements relating to remuneration as set out below:

Employee	Base Salary (per annum)	Term of Agreement	Notice Period
Alfred J Chown	\$287,671	Unspecified	3 months
Gregory R Knoke	\$192,877	Unspecified	1 month
Nicholas Cousins	\$180,000	Unspecified	3 months

Other transactions with key management personnel

- During the period to 30 June 2022 a loan was made from Director and CEO Alfred Chown of \$200,000. An amount of \$10,000 was repaid during FY2023, and the loan principal is currently \$190,000. Maturity date is as agreed between the parties. The interest rate is 10% and during the period \$19,000 of interest was accrued.
- Included in Other payables and accrued expenses are unpaid Directors fees of \$8,333.

Details of the nature and amount of each element of the remuneration of key management personnel including each director of the company and each of the specified executive officers of the company and the consolidated entity for the financial year are disclosed in the table on next page.

Remuneration Report (audited)

The following table provides the details of all directors of the Company ("specified directors") and the executives of the consolidated entity with the greatest authority ("specified executives"), and the nature and amount of the elements of their remuneration for the year ended 30 June 2024. Short-term benefits and post-employment benefits received relates to fixed contracted amounts, and no short-term incentives were paid during the year. The current share option plan is subject to participants meeting service conditions at the vesting date, and there were no performance conditions linked to the share option plan.

		Short-term benefits			Post Employment Benefits	Share-based payment		Total
2024		Cash, salary, fees & commissions	Cash Bonus	Other	Superannuation	Shares	Options	
Specified Directors	Position (s) Held	\$	\$	\$	\$	\$	\$	\$
Matthew Driscoll	Non-Executive Director of EGY	50,000	-	-	-	-	-	50,000
Anthony L Smith	Non-Executive Director of EGY	50,000	-	-	-	-	-	50,000
Gary A Ferguson	Director of Bambach	12,000	-	-	-	-	-	12,000
Alfred J Chown	CEO of EGY Group, Director of EGY (appointed 10 August 2023) and Director of Bambach	264,789	-	-	24,619	-	-	289,408
Specified executives								
Gregory R Knoke	CFO/Company Secretary of EGY and Bambach	192,968	-	8,670	21,227	-	-	222,865
Nicholas Cousins	COO of Bambach and Interim CEO	182,284	-	18,000	19,920	-	-	220,204
		752,041	-	26,670	65,766	-	-	844,477

During the financial year under review, there was a net decrease in the provisions for annual leave and long service leave applicable to the specified directors and executives listed above of \$20,766 (2023: net decrease of \$441).

Remuneration Report (audited)

The following table provides the details of all directors of the Company ("specified directors") and the executives of the consolidated entity with the greatest authority ("specified executives"), and the nature and amount of the elements of their remuneration for the year ended 30 June 2023. Short-term benefits and post-employment benefits received relates to fixed contracted amounts, and no short-term incentives were paid during the year. The current share option plan is subject to participants meeting service conditions at the vesting date, and there were no performance conditions linked to the share option plan.

		Short-term benefits			Post Employment Benefits	Share-based payment		Total
2023		Cash, salary, fees & commissions	Cash Bonus	Other	Superannuation	Shares	Options	
Specified Directors	Position (s) Held	\$	\$	\$	\$	\$	\$	\$
Brian Jamieson	Chairman/ Non-Executive Director of EGY. Deceased 7 August 2023	70,000	-	-	7,350	-	8,865	86,215
Anthony L Smith	Non-Executive Director of EGY	50,000	-	-	-	-	26,604	76,604
Ian A Campbell	Non-Executive Director of EGY	50,000	-	-	5,250	-	(20,045)	35,205
Matthew Driscoll	Non-Executive Director of EGY	50,000	-	-	-	-	20,692	70,692
Alfred J Chown	CEO of EGY Group, Director of EGY (appointed 10 August 2023) and Director of Bambach	309,893	-	-	25,292	-	-	335,185
Gary A Ferguson	Director of Bambach	12,000	-	-	-	-	-	12,000
Specified executives								
Gregory R Knoke	CFO/Company Secretary of EGY and Bambach	192,877	-	8,670	20,253	-	-	221,800
Nicholas Cousins	COO of Bambach	178,363	-	18,000	18,728	-	-	215,091
		913,133	-	26,670	76,873	-	36,116	1,052,792

End of the audited Remuneration Report.

Corporate Governance Statement

The Company's corporate governance practices are discussed below. Energy Technologies Limited and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. Energy Technologies Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. Details of the corporate governance report is available on the Group website at <https://www.energytechnologies.com.au>

The Board of Directors guides and monitors the business and affairs of Energy Technologies Limited and its subsidiaries ("the Group") on behalf of the shareholders, by whom they are elected and to whom they are accountable. The Board is responsible for the overall corporate governance of the Group. To assist the Board in discharging its responsibilities the Board has adopted principles of corporate governance that are considered appropriate for the present size of the Group. Where it is not appropriate, cost effective or practical to comply fully with the Corporate Governance Principles and Recommendations, this fact has been disclosed together with reasons for the departure.

Consistent with the ASX recommendations, the Group's corporate governance practices are regularly reviewed. This statement has been approved by the Board and the information in this statement is current as at 30 September 2024.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1: Board and Management Responsibilities

A listed entity should disclose:

- a) *the respective roles and responsibilities of its board and management; and*
- b) *those matters expressly reserved to the board and those delegated to management.*

The Board is responsible for, and has the authority to determine, all matters relating to the running of the Company including the policies, operational practices, management and objectives of the Company. In carrying out its responsibilities, the Board undertakes to serve the interest of shareholders diligently and fairly. It is the role of management to manage the Company in accordance with the directives of the Board.

Accordingly, certain functions and roles are reserved to the Board under the Board Charter, and certain others are delegated to the senior executives of the Group.

The responsibilities of the Board include:

- Appointment of senior executives and the determination of their terms and conditions including remuneration and termination;
- Driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- Approving the annual, half yearly and quarterly accounts;
- Approving significant changes to the organisational structure;
- Approving the issue of any shares, options, equity instruments or other securities in the Company (subject to compliance with ASX Listing Rules);
- Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- Recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the ASX Listing Rules); and
- Meeting with the external auditor, at their request, without management being present.

A schedule of directors' meetings and attendances is detailed in the directors' report.

Delegation to the CEO

The Board has delegated responsibility for implementing EGY strategic direction and for the operation and day to day administration of the company to the CEO and executive management.

Corporate Governance Statement (continued)

Recommendation 1.2: Appointment of Directors and election

A listed entity should disclose:

- a) undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election, as a director; and
- b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The experience, qualification and background of each Director is thoroughly assessed before appointment. This information is provided to shareholders through announcement to the market.

Information on each Director's background and qualification can be found on pages 6 to 7 of the Annual Report. The Company issues written notice of appointment for new Directors or senior executives setting out the terms and conditions relevant to that appointment and the expectations of the role of the director. The Company also provides an induction process which provides key information on the nature of the business and its operations.

When considering the appointment of a new Director, the Board may engage the services of an executive recruitment firm to assist in identifying suitable candidates to be shortlisted for consideration for appointment to the Board and to carry out appropriate reference checks before the Board makes an offer to a preferred candidate.

Newly appointed directors must stand for reappointment at the next subsequent AGM. The Notice of Meeting for the AGM provides shareholders with information about each Director standing for election or re-election including details of relevant skills and experience.

Recommendation 1.3:

A listed entity should have a written agreement with each director and executive setting out the terms of their appointment.

New Directors consent to act as a director and receive a formal letter of appointment which sets out duties and responsibilities, rights, and remuneration entitlements.

Recommendation 1.4: Company Secretary

The company secretary of a listed entity should be accountable directly to the chair, on all matters to do with the proper functioning of the board.

EGY's Company Secretary fulfils a broad range of management responsibilities in addition to company secretarial duties. As a result, the formal reporting line of the Company Secretary is to the CEO. For any matter relevant to the company secretarial duties or conduct of the Board, the Company Secretary has an indirect reporting line, and is accountable, to the Chair of the Board.

The responsibilities of the Company Secretary include:

- advising the board and committee on governance issues;
- monitoring adherence to company policies;
- communicating with the ASX as required;
- co-ordinating and timing despatching of Board and committee papers; and
- ensuring that the business at Board and committee meetings are accurately captured in the minutes.

Recommendation 1.5: Diversity

A listed entity should:

- a) have a diversity policy which includes requirements for the board to or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;
- b) disclose that policy or a summary of it; and
- c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:
 1. the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or
 2. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

Corporate Governance Statement (continued)

Recommendation 1.5: Diversity (continued)

The Company has adopted policies in relation to employment and recruitment which require the introduction of new staff and management of the Group's employees on a non-discriminatory basis. Hiring policies are backed by policies in relation to Sexual Harassment and Grievance and Dispute Handling. However, the Group has not disclosed its policy concerning diversity, its measurable objectives for achieving gender diversity and its progress towards achieving those objectives.

The Board continues to monitor diversity across the organisation. Due to the size of the Group, the Board does not consider it appropriate at this time to formally set measurable objectives for gender diversity. The Company's policies are intended to ensure that equal opportunity is given to all potential employees, and that increasing gender diversity at all levels will be encouraged. The Board will keep the gender composition of its workforce under review.

In accordance with this policy, the Board provides the following information pertaining to the proportion of women across the organisation at the date of this report:

Fourteen per cent (14%) of all the Group's employees are women.

Recommendations 1.6: Board Review

A listed entity should:

- a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Board of EGY conducts its performance review of itself on an ongoing basis throughout the year. The small size of the Group and hands on management style requires an increased level of interaction between Directors throughout the year. Board members meet amongst themselves both formally and informally. The Chairman in his role speaks with each director individually regarding board performance. The Board considers that the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Group given its size.

Recommendations 1.7: Senior Executive Reviews

A listed entity should:

- a) have and disclose a process for periodically evaluating the performance of its senior executives; and
- b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Remuneration Committee and the Board undertake a performance review of the CEO and senior executive performance on an ongoing basis throughout the year, including setting targets. The Board considers that the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Group given its size.

Principle 2: Structure the board to add value

The composition of the Board is structured to efficiently discharge its responsibilities and duties. EGY's Constitution provides for a minimum of three directors and a maximum of twenty.

Recommendation 2.1: Nomination Committee

The Board of a listed entity should:

- (a) have a nomination committee which:
 1. has at least three members, a majority of whom are independent directors; and
 2. is chaired by an independent director;
and disclose:
 3. the charter of the committee;
 4. the members of the committee; and
 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable to discharge its duties and responsibilities effectively.

Corporate Governance Statement (continued)

Recommendation 2.1: Nomination Committee (continued)

During the 2023 financial year EGY had a formally elected Nomination Committee consisting of the board members and made up of non-executive directors, with an independent non-executive chairman. EGY formally elected a reconstructed Nomination Committee in August 2023 following the death of Chairman Brian Jamieson and the resignation of non-executive independent director Ian Campbell. This committee consisted of the Board members and accordingly was made up of two non-executive directors and executive director Alfred Chown.

In May 2024 the Board resolved to merge the Nomination Committee and the Remuneration Committee. The new merged Committee consists of the Board members and accordingly is made up of two independent non-executive directors and one executive director.

The Chairman, Anthony L Smith, is an independent non-executive director. Although formally constituted, the board as a whole continues to fulfil these functions. Board members meet both formally and informally and maintain a strong interaction between directors and senior management, enabling the board to assess that the appropriate balance of skills, knowledge, experience, independence and diversity is in place to enable the board to discharge its duties and responsibilities effectively.

For Directors retiring by rotation, the Board assesses that director in his/her absence before recommending re-election.

Recommendation 2.2: Board skills matrix

The listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

The Board of Directors is currently comprised of a Chairman, together with one non-executive Director and one executive Director. The Board considers that a diversity of skills, knowledge, experience, backgrounds and gender is in place to effectively govern the business. The current Board profile addresses this with the following experience, skills and qualifications represented on the Board:

- an extensive range of business and senior executive experience;
- experience on listed and unlisted company and boards as executive and non-executives and committee members;
- understanding the sectors in which the Company operates in including the energy sector, resources industry, infrastructure, construction;
- relevant operational experience in strategic planning, executive management; mergers and acquisitions, risk management, financial markets, contract negotiation and people management;
- financial and corporate governance acumen with finance sector and audit committee roles experience; and
- an understanding of the health and safety challenges of the business.

Recommendations 2.3, 2.4, 2.5: Board Composition, Independence of Directors and Chairman

Recommendation 2.3:

A listed entity should disclose:

- a) *the names of the directors considered by the board to be independent directors;*
- b) *if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and*
- (c) *the length of service of each director.*

Corporate Governance Statement (continued)

Recommendation 2.3: (continued)

The composition of the Board is determined in compliance with the Company's constitution. The names of the directors of the company in office at the date of this report, their term of office and their skills, experience and relevant expertise are detailed in the directors' report. The position and term in office of each Director at the date of this report is as follows:

Name of Director	Position	Term in Office	
		Years	Months
Matthew Driscoll	Chairman/Non-Executive Director	7	9
Anthony L Smith	Non-Executive Director	3	9
Alfred J Chown	Executive Director	1	2

During the 2023 financial year the Company had a majority of independent directors on the board and an independent non-executive chairman. On 9 August 2023, the Board announced the death of independent Chairman Brian Jamieson, followed by the appointment of executive director Alfred Chown. On 27 October 2023 Non-executive director Anthony Lloyd Smith released a Notice of Ceasing to be a Substantial Shareholder and the Company announced an Appendix 3Y for Mr Smith. Currently the Company has a majority of independent directors on the board. Executive director Alfred John Chown is not independent.

The non-executive directors are materially independent in complying as a director who is not a member of management and is a Non-Executive Director and who:

- is not a substantial shareholder (under the meaning of Corporations Act 2001) of the Group or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Group;
- has not within the last three years been employed in an executive capacity by the Group or another Group member, or been a Director after ceasing to hold any such employment;
- is not a principal of a professional adviser to the Group or another Group member;
- is not a significant consultant, supplier or customer of the Group or another Group member, or an officer of or otherwise associated, directly or indirectly, with a significant consultant, supplier or customer;
- has no significant contractual relationship with the Group or another Group member other than as a Director of the Group; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Group.

Recommendation 2.4:

The majority of the Board of a listed entity should be independent Directors.

During the 2023 financial year, in accordance with the definition of independence above, three directors were considered independent. As of the date of this report and in accordance with the definition of independence above, two directors are currently considered independent. Following the death of chairman Brian Jamieson and the resignation of non-executive director Ian Campbell, executive director Alfred Chown has been re-appointed to the board as an executive director. Non-executive director Anthony Smith has ceased to be a substantial shareholder and in accordance with the definition of independence above, is considered independent. The board will continue to review this position and appoint further non-executive independent directors as appropriate to the size and requirements of the company. There are procedures in place, as agreed by the board, to enable Directors to seek independent professional advice on issues arising in the course of their duties at the Group's expense.

Recommendation 2.5:

The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.

Under EGY's Constitution, the Board elects a Chairman from amongst the non-executive Directors. If a Chairman ceases to be an independent Director then the Board will consider appointing a lead independent Director. EGY's current Chairman, Matthew Driscoll, is considered an independent director. The Directors consider that the current Chairman of the Board is appropriate for the size and nature of operations of the Group.

Corporate Governance Statement (continued)

Recommendation 2.6: Professional Development

The listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

The formal letter of appointment and an induction pack provided to Directors contain sufficient information to allow the new Director to gain an understanding of:

- The rights, duties and responsibilities of Directors;
- The role of Board Committees;
- The roles and responsibilities of the Chairman; and
- EGY's financial, strategic, and operational risk management position.

Each Director has the right of access to all relevant Company information and to the Company's executives. The Directors also have access to external resources as required to fully discharge their obligations as Directors of the Company. The use of this resource is coordinated through the Chairman of the Board.

The Company has processes in place to review the performance of the Board and its committees and individual Directors, give consideration to corporate governance matters, including the relevance of existing committees and to review its own and individual Directors' performance. The Chairman is responsible for monitoring the contribution of individual Directors and consulting with them in any areas of improvement.

Principle 3: Instil a culture of Acting lawfully, ethically and responsibly

Recommendations 3.1 and 3.2: Code of Conduct

A listed entity should articulate and disclose its values and:

- a) *have a code of conduct for its directors, senior executives and employees; and*
- b) *disclose that code or a summary of it.*

The Board acknowledges the need for continued maintenance of the highest standards of Corporate Governance Practices and ethical conduct by all Directors and employees of the Group.

The Company has developed a Code of Conduct, an Employee Handbook and a comprehensive suite of policies which have been approved by the Board and apply to all employees, officers and Directors. This set of policies is reviewed and may be amended as necessary to ensure it continues to reflect the best practices necessary to consider legal obligations, maintain the Company's integrity and comply with the reasonable expectations of the Company's shareholders.

The Code of Conduct, Employee Handbook and Policy Statements set out a number of overarching principles of ethical behaviour which include:

- Personal and Professional Behaviour;
- Conflict of Interest;
- Public and Media Comment;
- Use of Company Resources;
- Security of Information;
- Intellectual Property/Copyright
- Discrimination and Harassment;
- Corrupt Conduct;
- Occupational Health and Safety;
- Legislation;
- Fair Dealing;
- Insider Trading;
- Responsibilities to Investors;
- Breaches of the Code of Conduct; and
- Reporting Matters of Concern.

Training about the Code of Conduct is part of the induction process for new EGY employees.

Corporate Governance Statement (continued)

Recommendation 3.3:

A listed entity should:

- a) have and disclose a whistleblower policy; and
- b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

The Company's Whistleblower Policy is disclosed in the Company's Corporate Governance documents and on the EGY website. The policy identifies the types of concerns that may be reported under the policy and how and to whom reports should be made. It also explains how the confidentiality of the whistleblower is safeguarded and outlines the processes for follow up investigation.

Recommendation 3.4:

A listed entity should:

- a) have and disclose an anti-bribery and corruption policy; and
- b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Company's Anti-bribery Policy is disclosed in the Company's Corporate Governance documents and on the EGY website. The policy acknowledges the criminal and civil penalties that may be incurred if the company is involved in bribery or corruption and prohibits the giving of bribes or other improper payments or commissions. The policy identifies the types of concerns that may be reported under the policy and how and to whom reports should be made.

Principle 4: Safeguard the integrity of corporate reports

The following structure is set up to independently verify and safeguard the integrity of financial reporting.

Recommendation 4.1: Audit Committee

A board of a listed entity should:

- a) have an audit committee which:
 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent; and
 2. is chaired by an independent director, who is not the chair of the board, and disclose:
 3. the charter of the committee;
 4. the relevant qualifications and experience of the members of the committee; and
 5. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard that integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Board has established an Audit and Risk Committee. The names and qualifications of those appointed to the audit committee for the year ended 30 June 2024 and their attendance at meetings of the committee are included in the directors' report. During the 2023 financial year the audit committee consisted of a majority of independent directors, refer 2.3 Board Composition, and included four members, with independent director Matthew Driscoll as Chairman of the Audit and Risk Committee. Following the death of EGY chairman Brian Jamieson and the resignation of non-executive director Ian Campbell, and the appointment of executive director Alfred Chown to the board, the re-constituted Audit and Risk Committee currently includes three members, two of whom are independent. Independent director Matthew Driscoll remains as Chairman of the Audit and Risk committee. The Chief Financial Officer is invited to audit committee meetings at the discretion of the committee. The external auditor meets with members of the committee at least twice during the year.

It is the Audit and Risk Committee's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the committee's responsibility for the establishment and maintenance of a framework of internal control of the Group.

Corporate Governance Statement (continued)

Recommendation 4.1: Audit Committee (continued)

The responsibilities of the audit committee include:

- Assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. Each reporting period the external auditor provides an independence declaration in relation to the audit or review; and
- Providing advice to the Board in respect of whether the provision of the non-audit services by the external auditor is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001.

The Company does not have an internal audit function due to the size and lack of complexity of the Company. The Company's Board and Management oversee the key areas of the business including the risk management and internal control processes of the Company and evaluate and look for opportunities to continually improve the effectiveness of these processes.

Recommendation 4.2:

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

To assist the Board in approving the Company's financial statements, the CEO and the CFO are required to present a declaration with regard to the integrity of the financial statements to confirm to the Board that the Company's financial statements present a true and fair view in all material respects of the Company's financial condition and that operational results are in accordance with applicable accounting standards and the Corporations Act.

Recommendation 4.3:

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

As outlined in Recommendation 4.1 above, the audit and risk committee responsibilities include ensuring the reliability of financial and non-financial information. In addition, all market releases are reviewed by the board of EGY and require a resolution from the board approving the release.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1: Disclosure

A listed entity should:

- have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and*
- disclose that policy or a summary of it.*

The Company has a Continuous Disclosure policy to ensure compliance with ASX Listing Rules and Corporations Act obligations to keep the market fully informed of any information which may have material effect on the price or value of its securities. The policy is reviewed regularly and disclosed in the Company's Corporate Governance documents on its web site.

Recommendation 5.2:

A listed entity should ensure that its board receives copies of all material announcements promptly after they have been made.

The Company Secretary in consultation with the CEO and Directors is responsible for communications with the ASX. The Company Secretary reports to the Board on matters that were either notified or not notified to the ASX. Directors receive copies of all announcements immediately after notification to the ASX. All ASX announcements are available on the EGY website.

Corporate Governance Statement (continued)

Recommendation 5.3:

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Board of Directors approves all substantive presentations prior to release, including those required to be disclosed under listing Rule 3.1. Presentations in this category including those to be released at the Annual General Meetings are released on the ASX Market Announcements Platform ahead of the presentation.

Principle 6: Respect the rights of shareholders

Recommendation 6.1: Information on website

A listed entity should provide information about itself and its governance to investors via its website.

EGY's website at www.energytechnologies.com.au provides detailed information about its business and operations. Details of EGY's Board Members can be found here.

The Company's, and subsidiary Bambach Wires & Cables Pty Limited, website contains extensive information about the board and management and provides helpful information to shareholders. It allows shareholders to view ASX and media releases; various investor presentations; a copy of the most recent Annual Report and Annual Reports for at least the two previous financial years; and the notice of meeting and accompanying explanatory material for the most recent Annual General Meeting.

Shareholders can find information about EGY's corporate governance on its website. This includes EGY's Constitution, Board and Board Charters, and an extensive list of other Policies that support corporate governance.

Documents published on the EGY website include:

- Constitution;
- Corporate Governance Statement;
- Board Charter;
- Audit Committee Charter;
- Whistle-Blower Policy;
- Securities Trading Policy; and
- Anti-Bribery Policy.

Recommendation 6.2: Investor relations

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

EGY is committed to communicating effectively with its shareholders and making it easier for shareholders to communicate with the Group.

EGY promotes effective communication with shareholders and encourages effective participation at general meetings, information is communicated to shareholders:

- Through the release of information to the market via the ASX;
- Through the Annual Report, half yearly report and quarterly reports;
- Through the distribution of the annual report and notices of annual general meeting;
- Through shareholder meetings and investor relations presentations;
- The external auditors are required to attend the annual general meeting and are available to answer any shareholder questions about the conduct of the audit and preparation of the audit report; and
- Informal meetings and factory site visits with shareholders are also held from time to time. A regular newsletter is produced which is available on request.

Corporate Governance Statement (continued)

Recommendation 6.3: Participation at meetings

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Notices of meeting sent to EGY's shareholders comply with the "Guidelines for notices of meeting" issued by the ASX in August 2007. Shareholders are invited to submit questions before the meeting and, at the meeting, the Chairman attempts to answer as many of these as is practical.

The Chairman also encourages full participation of attending shareholders at the Annual General Meeting to maintain a high level of accountability and allow shareholders to identify the Company's strategies and goals. The Chairman may respond directly to questions or, at his discretion, may refer a question to another Director or senior management.

New Directors or Directors seeking re-election are given the opportunity to address the meeting and to answer questions from shareholders.

Recommendation 6.4:

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by poll rather than by a show of hands.

EGY recognises the principle of "one security one vote" in deciding the votes of shareholders at general meeting. Proxy results are calculated prior to the meeting and are reported to all shareholders present by the Chairman. A show of hands by shareholders present is supported by a poll based on the proxy vote and shareholders present on all substantive resolutions.

Recommendation 6.5:

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Company encourages electronic communication directly via email with shareholders at all times. Shareholders have the option of electing to receive all shareholder communications by e-mail. EGY provides a printed copy of the Annual Report to only those shareholders who have specifically elected to receive a printed copy.

Principle 7: Recognise and manage risk

Recommendation 7.1: Risk Committee

A board of a listed entity should:

- a) *have a committee or committees to oversee risk, each of which:*
 1. *has at least three members, all of whom are non-executive directors and a majority of whom are independent; and*
 2. *is chaired by an independent director, who is not the chair of the board, and disclose:*
 3. *the charter of the committee;*
 4. *the members of the committee; and*
 5. *as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The Audit and Risk Committee meets at least 2 times a year and completes a Risk and Compliance checklist to recognise and manage risk. Details of the structure and Charter of the Audit and Risk Management Committee are set out in Recommendation 4.1.

The Group also takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

Corporate Governance Statement (continued)

Recommendation 7.2: Risk Review

The board or a committee of the board should:

- a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and
- b) disclose, in relation to each reporting period, whether such a review has taken place.

The Audit and Risk Committee is responsible for reviewing risk management policies and for satisfying itself that EGY has a sound system of risk management and internal control that is operating effectively. The Audit and Risk Committee also reviews and approves EGY's main identified risk exposures and the actions being taken to mitigate those risks and reports to the board on material matters.

The Board identifies potential areas of business risk arising from changes in the financial and economic circumstances of its operating environment. It regularly assesses the Company performance in light of risks identified.

The Board has several mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic business plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholder's needs and manage business risk;
- Implementation of Board-approved operating plans and budgets and board monitoring of progress against these, including the establishment and monitoring of key performance indicators (KPI's) of both a financial and non-financial nature;
- The establishment of committees to report on specific business risks, including for example, such matters as occupational health and safety;
- Regular management meetings involving executive directors, specified executives, and staff during which reports are given on production, sales, financial, compliance and strategic issues and decisions taken on operating matters, or referred to the Board;
- Regular report from the CFO and COO which assist in discharging the Board's responsibility to manage the Group's financial risks; and
- The Board holds discussion of issues raised in the shareholder open days, in addition to the AGM, as well as other shareholder communications, to ensure that the Board is cognizant of the diverse needs of various stakeholders and assist in identifying the risks the business may face if those needs are not met, as well as specifically review and update the corporate strategy as necessary.

Recommendation 7.3: Internal Audit

A listed entity should disclose:

- a) If it has an internal audit function, how the function is structured and what role it performs; or
- b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Board does not have an established internal audit function, given the size of its operation, although as part of the Company's strategy to implement an integrated framework of control, the Board requests the external auditors review internal control procedures. Recommendations once presented are considered by the Board through that Audit and Risk Committee.

The risk management functions of the board are summarised under recommendations 7.1 and 7.2.

Recommendation 7.4: Sustainability Risks

A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Audit and Risk Committee informally monitors and manages the Groups exposure to economic, environment and social responsibility risks. The Board considers that the current approach that it has adopted with regard to the sustainability risk management process is appropriate to the size and nature of operations of the Group.

Corporate Governance Statement (continued)

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1: Remuneration Committee

A board of a listed entity should:

- a) have a remuneration committee which:
 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent; and
 2. is chaired by an independent director, and disclose:
 3. the charter of the committee;
 4. the members of the committee; and
 5. as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has established a remuneration committee. The Remuneration Committee is responsible for determining and reviewing compensation arrangements for executive directors and key management personnel and reporting its recommendations to the Board of EGY. It is also responsible for share option schemes, incentive performance packages, and compliance with superannuation requirements, termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies as applicable.

The names of the members of the remuneration committee and their attendance at meetings of the committee are detailed in the directors' report. During the 2023 financial year the remuneration committee consisted of four directors, with a majority of independent directors. EGY Formerly elected a reconstituted remuneration committee in August 2023 following the death of chairman Brian Jamieson and the resignation of non-executive director Ian Campbell, and the appointment of executive director Alfred Chown to the board. This committee consisted of the Board members and accordingly was made up of two non-executive directors and executive director Alfred Chown.

In May 2024 the Board resolved to merge the Nomination Committee and the Remuneration Committee. The new merged Committee consists of the Board members and accordingly is made up of two independent non-executive directors and one executive director.

The Chairman of the Nomination and Remuneration Committee, Anthony L Smith, is an independent non-executive director. Refer 2.1 Nomination Committee. The CEO and CFO are invited to remuneration committee meetings, as required, to discuss senior executives and staff performance and remuneration packages.

The charter in relation to the remuneration committee is disclosed in the Company's Corporate Governance documents.

There are no schemes for retirement benefits other than statutory superannuation for non-executive directors.

Corporate Governance Statement (continued)

Recommendation 8.2: Executive and Directors Remuneration Policies

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

A Remuneration Report required under Section 300A(1) of the Corporations Act is provided in the Directors' Report which forms part of the Annual Report.

Remuneration levels are set to attract and retain appropriately qualified and experienced directors, senior executives and staff to run the consolidated entity. The board considers that the remuneration structure will be able to attract and retain the best executives with the necessary incentives to work to grow long-term shareholder value.

The remuneration committee obtains independent advice as necessary on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. The remuneration committee reviews executive packages by reference to company performance, executive performance, comparative industry information and relevant independent advice. The performance of executives is measured against criteria agreed which includes the forecast growth of the Company's turnover and production targets and shareholders' value.

The Company's non-executive directors are paid directors' fees for their normal performance of duties as a director.

The amount of remuneration for all directors and the highest paid executives, including all monetary and non-monetary components, are detailed in the Directors' Report.

Recommendation 8.3: Equity based Remuneration Scheme

A listed entity which has an equity-based remuneration scheme should:

- a) *have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and*
- b) *disclose that policy or a summary of it.*

A revised Directors Equity Plan was established in 2017 and approved by shareholders at the 2020 Annual General Meeting.

Executives and employees are also entitled to participate in the EGY Share Option Plan, approved by shareholders at the 2021 Annual General Meeting. The Employee Share Option Plan is part of the remuneration package of the Group's directors, senior management and sales personnel. Options under this plan will vest if the participant remains employed for the agreed vesting period.

The decision on whether to exercise the options is up to the participant has thereby limiting the economic risk of participating in the scheme.

Recommendation 9.1:

A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

The current board of directors speak the language in which board and security holder meetings are held or corporate documents written.

Auditor's Independence Declaration Under Section 307C of the *Corporations Act 2001*

To the directors of Energy Technologies Limited

As lead engagement partner, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Crowe Audit Australia



Antony Barnett
Senior Partner

Melbourne
30 September 2024

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Consolidated Statement of Profit or Loss for the year ended 30 June 2024

	Note	Consolidated	
		2024	2023
		\$	\$
Revenue	2(a)	12,898,687	15,534,577
Cost of Sales	3	(14,171,420)	(15,766,002)
Gross Margin		(1,272,733)	(231,425)
Other Income	2(b)	173,573	65,329
Marketing expenses		(18,651)	(7,717)
Occupancy expenses		(150,653)	(103,579)
Administrative expenses		(4,881,936)	(5,107,685)
Finance costs	3	(2,257,893)	(2,093,679)
Depreciation and amortisation expenses	3	(1,707,923)	(2,482,436)
Impairment of intangible assets	3,14	-	(5,194,327)
Other expenses		(216,999)	(231,005)
Loss before income tax		(10,333,215)	(15,386,524)
Income tax (expense) / benefit	4	(205,515)	42,840
Loss after income tax		(10,538,730)	(15,343,684)
Result attributable to non-controlling interest		1,518	(1,312)
Loss attributable to members of the parent entity		(10,537,212)	(15,344,996)
Earnings per share			
Basic loss per share (cents per share)	8	(3.02)	(5.2)
Diluted loss per share (cents per share)	8	(3.02)	(5.2)

The accompanying notes form part of these financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	Consolidated	
		2024 \$	2023 \$
LOSS AFTER INCOME TAX		(10,538,730)	(15,343,684)
OTHER COMPREHENSIVE LOSS FOR THE YEAR AFTER TAX:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Movement in foreign exchange relating to translation of controlled foreign entities		(88)	(3,680)
Exchange differences on foreign exchange relating to non-controlling interest		(88)	(3,680)
Revaluation of Property, Plant and Equipment to fair value	13	185,543	-
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		185,367	(7,360)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(10,353,363)	(15,351,044)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Members of the parent entity		(10,351,757)	(15,348,676)
Non-controlling interest		(1,606)	(2,368)
		(10,353,363)	(15,351,044)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 June 2024

	Note	Consolidated 2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	9	66,683	49,440
Trade and other receivables	10	2,158,378	2,790,633
Inventories	11	4,831,875	5,279,393
Other current assets	16	88,832	252,295
TOTAL CURRENT ASSETS		7,145,768	8,371,761
NON-CURRENT ASSETS			
Property, plant and equipment	13	9,710,646	9,804,681
Intangible assets	14	119,089	12,498
Right of use assets	15	3,050,916	2,782,211
Deferred tax assets	19(a)	-	205,515
Other non-current assets	16	102,051	100,665
TOTAL NON-CURRENT ASSETS		12,982,702	12,905,570
TOTAL ASSETS		20,128,470	21,277,331
CURRENT LIABILITIES			
Trade and other payables	17	2,519,510	2,325,469
Lease liabilities	15	764,364	820,484
Borrowings	18	6,283,171	10,228,240
Short-term provisions	20	836,614	859,071
TOTAL CURRENT LIABILITIES		10,403,659	14,233,264
NON-CURRENT LIABILITIES			
Borrowings	18	10,874,712	1,469,124
Lease liabilities	15	2,633,687	1,823,648
Long-term provisions	20	26,945	25,014
TOTAL NON-CURRENT LIABILITIES		13,535,344	3,317,786
TOTAL LIABILITIES		23,939,003	17,551,050
NET ASSETS / (LIABILITIES)		(3,810,533)	3,726,281
EQUITY			
Issued capital	21	48,055,587	45,239,038
Reserves	22	5,963,548	5,778,093
Share-based payment reserve	23	496,136	496,136
Accumulated losses		(57,700,613)	(47,163,401)
Parent interest		(3,185,342)	4,349,866
Non-controlling interest		(625,191)	(623,585)
TOTAL EQUITY / (DEFICIENCY IN EQUITY)		(3,810,533)	3,726,281

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

	Issued Capital \$	Reserves \$	Share-based payment Reserve \$	Accumulated losses \$	Non- Controlling Interest \$	Total \$
Consolidated						
Balance at 01 July 2022	41,768,876	5,781,773	680,264	(31,818,405)	(621,217)	15,791,291
Comprehensive income						
Loss for the year	-	-	-	(15,344,996)	1,312	(15,343,684)
Other comprehensive loss for the year	-	(3,680)	-	-	(3,680)	(7,360)
Total comprehensive loss for the year	-	(3,680)	-	(15,344,996)	(2,368)	(15,351,044)
Transactions with owners, in their capacity as owners, and other transfers						
Contributions of equity – net of capital raising cost	3,249,918	-	-	-	-	3,249,918
Unlisted share options	-	-	36,116	-	-	36,116
Unlisted share options – expired	220,244	-	(220,244)	-	-	-
Total transactions with owners, in their capacity as owners, and other transfers	3,470,162	-	(184,128)	-	-	3,286,034
Balance at 30 June 2023	45,239,038	5,778,093	496,136	(47,163,401)	(623,585)	3,726,281
Balance at 01 July 2023	45,239,038	5,778,093	496,136	(47,163,401)	(623,585)	3,726,281
Comprehensive income						
Loss for the year	-	-	-	(10,537,212)	(1,518)	(10,538,730)
Other comprehensive income for the year	-	185,455	-	-	(88)	185,367
Total comprehensive loss for the year	-	185,455	-	(10,537,212)	(1,606)	(10,353,363)
Transactions with owners, in their capacity as owners, and other transfers						
Contributions of equity – net of capital raising cost	2,816,549	-	-	-	-	2,816,549
Total transactions with owners, in their capacity as owners, and other transfers	2,816,549	-	-	-	-	2,816,549
Balance at 30 June 2024	48,055,587	5,963,548	496,136	(57,700,613)	(625,191)	(3,810,533)

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2024

	Note	Consolidated 2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		14,865,824	16,590,433
Receipts from government subsidies - R&D grant		-	1,122,055
Receipts from government subsidies – others		27,858	20,891
Interest received		1,033	1,151
Payments to suppliers and employees		(19,991,567)	(22,783,018)
Finance costs		(2,120,773)	(1,947,953)
Net cash outflow from operating activities	27(a)	(7,217,625)	(6,996,441)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		34,090	-
Purchases of property, plant and equipment		(93,292)	(1,093,615)
Proceeds from government grant - Silicon Project	13	-	432,337
Net cash outflow from investing activities		(59,202)	(661,278)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,954,523	3,400,000
Less outflows of raising capital		(137,974)	(150,081)
Proceeds from convertible notes		6,811,500	4,600,000
Proceeds from borrowings		200,000	8,354,183
Repayment of borrowings		(1,697,457)	(7,268,080)
Repayment of lease liabilities	15	(786,522)	(795,449)
Repayment of loan from director		-	(515,480)
Repayment from Convertible Notes		(50,000)	-
Net cash inflow from financing activities		7,294,070	7,625,093
Net increase / (decrease) in cash held		17,243	(32,626)
Cash at beginning of financial year		49,440	82,066
Cash at end of financial year	9	66,683	49,440

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies

The financial statements are presented in Australian dollars unless otherwise stated.

The financial statements were authorised for issue on 30 September 2024 by the directors of Energy Technologies Limited.

Energy Technologies Limited is a listed public company, incorporated and domiciled in Australia.

(a) Basis of Preparation

The financial statements are a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for for-profit orientated entities. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

(b) Statement of Compliance

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Material Uncertainty Relating to Going Concern

This report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a loss after tax and excluding minority interest of \$10,537,212 (June 2023: loss of \$15,344,996). During the year the Group incurred net cash outflows from operating activities of \$7,217,625 (June 2023: net cash outflow of \$6,996,441). This loss includes an inventory write down of \$528,409 for the year (FY2023: \$798,286) following a further detailed review of inventory including slow-moving stock.

At 30 June 2024, the Group had a net deficiency in equity of \$3,810,533 (June 2023: net equity of \$3,726,281). The June 2024 net assets include intangible assets of \$119,089 (FY2023: \$12,498) The deferred tax asset in the 2023 financial statements of \$205,515 has been fully impaired at 30 June 2024. The Group had a net current asset deficit (ie current liabilities in excess of current assets) of \$3,257,891 (2023: net current asset deficit of \$5,861,503). Included in current liabilities are employee entitlements of \$836,614 which are not expected to be settled in cash in full within the next twelve months. In addition, included in current liabilities are convertible notes of \$1,600,000, the terms of which is that these mature within twelve months or such later date as is agreed in writing between the parties. Furthermore, current liabilities include an amount of \$190,000 owing to a director, the terms of which is that the amount matures as is agreed in writing between the parties.

These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

The Directors believe, notwithstanding the above financial performance, position and operating cash outflows, this result, along with funding raised post the reporting date (refer to note 28 on subsequent events), as well as its track record of raising capital is not a cause of concern considering the results for the year ended 30 June 2024 were:

- in part affected by staff retention issues;
- impacted by continuing transitional issues in the relocation, expansion and then fully commissioning of the new manufacturing facility in Rosedale, regional Victoria;
- impacted by delays in the construction of the new silicone line shed, which is expected to be completed during the 2026 financial year;
- impacted by the factory not operating at full capacity, albeit that it is now close to being fully operational; and
- cash constraints which impacted the supply of raw material.

The Directors' are of the view that once capacity levels are reached at Rosedale, positive cash flows from operations will occur.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(c) Material Uncertainty Relating to Going Concern (continued)

The Directors' also note the following:

- A contributing factor to the decline in revenue in FY2024 was the company's change in business planning. The business is now focusing on maintaining safe manufacturing margins supported by a focus on the renewable energy sector and purchased product to sell into previously manufactured product clients. This resulted in a shift in capital employed to re-position the factory while investing in the lateral business opportunities;
- As announced in December 2023, the company has revised its business strategy to include purchased imported product delivered into the domestic market;
- In addition, in May 2024 the company announced its first distribution agreement signing, further expanding its sales opportunities and ability to provide end to end solutions to the market;
- The current sales order book remains strong;
- The strategic initiatives announced to the market to enhance the range of product services offerings to the markets in which the Group operates, has resulted in the Group submitting \$10,000,000 of tenders in the last quarter of the financial year;
- Convertible notes of \$6,811,500 were raised during the year of which \$50,000 were redeemed;
- A capital raising of \$3.0m by way of a placement of new shares during the period; and
- As part of their assessment of impairment to assets, management have reviewed the carrying values of all underlying assets. Plant and equipment was revalued at 30 June 2024, and was revalued at \$9,140,994 (excluding Capital Work in progress), which is \$185,543 higher than the previously recorded amount.

Matters already occurred post the reporting date (refer Note 28):

- Further working capital has been provided by way of unsecured loans of \$2,450,000 received post balance date;
- The Company has announced on 12 September 2024 a non-renounceable pro-rata rights issue on the basis of one new fully paid ordinary share in the Company for every one existing share in the Company to raise approximately \$12.7 million before costs;
- Access to a line of credit of \$6,000,000 to 31 October 2025, subject the same terms and conditions as per the short term loans noted above, so long as there is no default thereon; and
- The potential to raise additional capital (as and when required).

Matters expected to occur in the view of the Directors':

- The Group has maintained ongoing support from its financiers and shareholders throughout 2024 and in the period subsequent to the date of this report;
- The shareholders under the non-renounceable rights offer are expected to take up their entitlement of 422,074,788 shares at 3 cents per share in full;
- The potential to renegotiate and or extend debt facilities;
- The potential to raise additional capital, including the issue of further additional convertible notes (as and when required); and
- As is prudent for a Group of this size, and consistent with the factors noted above, the directors continue to manage the working capital and capital expenditure requirements in the best interests of shareholders. This includes the preparation, and review of cash flow forecasts and other longer-term projections which in the view of the Directors align with the strategy of the Group to achieve growth predominantly through the Rosedale facility operating at higher production capacity levels.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(c) Material Uncertainty Relating to Going Concern (continued)

Management have prepared a cash flow projection (including the above assumptions) for the period to 30 September 2025 and a FY2024-25 budget that supports the ability of the Group to continue as a going concern. As a consequence of these matters, the Directors believe the Group will continue as a going concern and it is appropriate to prepare these financial statements on that basis.

In the event that the Group is unable to achieve the matters detailed above, it may not be able to continue as a going concern and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial statements.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

(d) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Energy Technologies Limited (EGY) at the end of the reporting period. The parent controls an entity when it 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 over the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is included in Note 12 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in the subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statements showing profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (ie. transactions with owners in their capacity as owners).

(e) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

Where measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in the profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are expensed.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase. A gain from a bargain purchase is accounted for in the income statement at the acquisition date.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(f) Property, plant and equipment

Each class of Plant and equipment is stated at fair value as indicated, less accumulated depreciation and any impairment in value.

Increases in the carrying amount arising on revaluation of plant and equipment are credited to an asset revaluation reserve. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset as follows:

Leasehold Improvements	2.5% to 25%
Plant and equipment	5% to 25%

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the revaluation surplus or in the income statement, as set out above.

(g) Revenue recognition

Revenue is recognised using the 5-step process:

- 1 Identifying the contract with a customer;
- 2 Identifying the performance obligations;
- 3 Determining the transaction price;
- 4 Allocating the transaction price to the performance obligations; and
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

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 initially recognised as deferred revenue in the form of a separate refund liability.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(g) Revenue recognition (continued)

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Other income

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

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as a reduction against the asset and then released to profit or loss over the expected useful life of the related asset as a reduced depreciation charge.

(h) Contributed equity and other contributed equity

Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Other contributed equity

Capital contribution received in advance of share allotment is recognised at the fair value of the consideration received by the Company as other contributed equity.

Any transaction costs arising on the related equity issuance are recognised directly in equity as a reduction of the share proceeds received.

Earnings per share and headline earnings per share

Earnings per share is based on earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(i) Employee benefits

Share-based payments

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

Equity-settled transactions are awards of shares, or options over shares, which are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is 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.

The cost of equity-settled transactions is 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.

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.

(j) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates

(i) Impairment

The group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group that may be indicative of impairment triggers. This includes an assessment of both internal and external factors applicable to the carrying values of the assets in question, including consideration of future revenue streams. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. Where indicators of impairment exists or there are insufficient cash flows to support the carrying values of the assets, management have fully impaired the carrying value of each asset class in question by way of increasing the provision for impairment.

(ii) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturer's warranties (for plant and equipment), lease terms (for leased equipment), long term sales projections and customer requirements (for intangible assets) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

(iii) Provision for expected credit loss

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

(iv) Impairment of Inventory

In assessing the impairment of inventory, management has identified inventory that did not show any movement for 12 months based on sales and evaluated the extent to which this inventory will not be sold. While this evaluation was done by management who are experienced and knowledgeable, there is still a significant amount of estimation and judgement involved in arriving at the amount to be provided. Details of the number of years' worth of future sales are on hand in inventory, by line item, at each period end and a progressive provision formula is used as a basis for management's assessment of the impairment required.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 Summary of Material Accounting Policies (continued)

(j) Critical Accounting Estimates and Judgements (continued)

(v) Deferred Tax Asset

A deferred tax asset is recognised on unused tax losses adjusted for the current year to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The group used the following criteria in assessing the probability that the taxable profit will be available against which the unused tax losses can be utilised:

- Whether the entity has sufficient taxable temporary timing differences relating to the same taxation authority which will result in taxable amounts against which the unused tax losses can be used;
- Whether it will be probable that the entity will have taxable profits before the unused tax losses will expire based on the budgets for the following financial year; and
- Whether the unused tax losses result from identifiable causes which are unlikely to recur. Future taxable profits are estimated based on the budgets prepared by management and approved by the board. To the extent that it is not probable that taxable profits will be available against which the unused tax losses can be utilised, the deferred tax asset is not recognised. To determine the probability that the taxable profit will be available against which the unused tax losses can be utilised, the group has reviewed its forecasts for the foreseeable future and compared that to its total tax losses.

(vi) Right-of-use lease liability and right-of-use assets

The group has applied judgement to determine the lease term for some of the lease contracts, in which it is a lessee, that include renewal options. The assessment of whether the group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognised. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a termination option. The economic incentives considered include factors such as the anticipated benefits from the location of the property, levels of construction development and competition in the area, ability to attract foot traffic, and the availability of suitable alternative properties. Extension options (or periods after termination options) are included in the lease term if the lease is reasonably certain not to be terminated. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and is within the control of the lessee. The majority of extension and termination options held are exercisable by the group on conjunction with the respective lessor, based on the fair market rental at that time.

Key Judgements

i) Going Concern: Refer to details in Note 1(c).

ii) Provision for Impairment – Intangible Assets

Judgement has been exercised in considering whether a provision or an adjustment to an existing provision for impairment to an intangible asset is required. Refer to details in Note 1(j), Key Estimates (i).

iii) Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

iv) Research & Development (R&D) income

R&D income is brought to account when the claim is lodged and registered with AusIndustry and acknowledgement of registration has been received.

(k) New and Revised Accounting Standards

Refer to Note 31.

Notes to the Financial Statements

for the year ended 30 June 2024

	Consolidated	
	2024	2023
	\$	\$
Note 2 Revenue and Other Income		
(a) Revenue		
Sale of goods transferred at a point in time	12,898,687	15,534,577
Sale of goods transferred over time	-	-
	12,898,687	15,534,577
(b) Other Income		
R&D grant	31,065	-
Finance revenue	1,033	1,151
Other income	141,475	64,178
Total Other Income	173,573	65,329
	13,072,260	15,599,906
(c) Revenue by Geographic Segment		
Australia	12,836,968	15,534,577
New Zealand	61,719	-
Other countries	-	-
	12,898,687	15,534,577
(d) Major Customers		
During the current financial year 22.3% of the group's revenue was derived from two customers (2023: 11.7% from a single customer).		
Note 3 Loss before Income Tax		
Included in the determination of Loss before income tax are the following expenses:		
Expenses		
Cost of Sales		
Cost of Goods Sold	8,695,741	10,411,741
Factory direct expenses less recovery	3,678,509	2,998,519
Freight	687,307	760,626
Inventory write down and manufacturing variances	1,109,863	1,595,116
	14,171,420	15,766,002
Gross (Loss) / Profit % - pre inventory write down & capitalisation adjustments	(1.3%)	8.8%
Finance Costs		
Borrowing costs	192,210	839,944
Interest expense	1,928,096	1,108,009
Lease finance charges	137,587	145,726
	2,257,893	2,093,679

Notes to the Financial Statements for the year ended 30 June 2024

Consolidated

2024	2023
\$	\$

Note 3 Loss before Income Tax (continued)

Depreciation and Amortisation

Depreciation of property, plant and equipment	925,479	1,006,590
Amortisation of intangible assets	71,120	771,012
Depreciation of right of use assets	711,324	704,834
	1,707,923	2,482,436

Impairment Expenses

Impairment of intangible Assets	-	5,194,327
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Employment Related Expenses

Employee benefits expense	3,228,513	3,131,847
Defined superannuation contributions expense	302,155	285,090
Share based payments	-	36,116

Other

Research and development expenditure	437,042	-
Short term lease payment	16,414	14,455
Net loss on disposal of property, plant and equipment	35,457	2,266
Increase in provision for expected credit loss	25,000	-

Note 4 Income Tax Expense / (Benefit)

(a) The components of Income tax expense / (benefit) comprise:

Current tax	-	-
Deferred tax	205,515	(42,840)
	205,515	(42,840)

(b) Reconciliation of the prima facie tax on loss to income tax expense:

Prima facie tax on loss before income tax at 25% (2023: 25%)	(2,583,304)	(3,846,631)
Tax effect of:		
- Other allowable / (non-allowable) items	(208,614)	1,256,621
- R&D expenses non-allowable	109,261	-
- Current year tax losses not brought to account.	2,730,185	2,590,010
- Deferred income tax *	205,515	(42,840)
- R&D grant non assessable	(47,528)	-
Income tax expense / (benefit)	205,515	(42,840)

* Impairment of prior period Deferred Tax asset balance \$205,515.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 5 Key Management Personnel Compensation

Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2024 and the comparative year.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated	
	2024	2023
	\$	\$
Short-term employee benefits	778,711	939,803
Share based payment	-	36,116
Post-employment benefits	65,766	76,873
	844,477	1,052,792

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to KMP.

Post-employment benefits

These amounts are the current year's estimated cost of providing for superannuation contributions made during the year and post-employment life insurance benefits.

Share-based payments

The Group has a share option plan to incentivise certain employees and key management personnel. The share option plan is subject to participants meeting service condition (continuous employment with the Group) at the vesting date. The options are issued for nil consideration. There are no performance conditions.

During the financial year NIL unlisted options were granted (2023: NIL). The share-based payment expense for unlisted options for the year was \$NIL (2023: \$36,116).

Refer note 23.

Notes to the Financial Statements

for the year ended 30 June 2024

Consolidated

2024	2023
\$	\$

Note 6 Auditors' Remuneration

Remuneration of the auditor of the parent entity:

(a) Crowe Audit Australia

Audit Services

Audit of financial report

241,627	167,168
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Total remuneration of Crowe Audit Australia

241,627	167,168
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(b) Grant Thornton Audit Pty Ltd

Audit Services

Audit and review of financial reports

-	56,650
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Adjustment to prior year audit of financial report

-	76,953
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Total remuneration of Grant Thornton Audit Pty Ltd

-	133,603
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Total Remuneration of the auditor of parent entity

241,627	300,771
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Remuneration of **other auditors** for:

Audit and review of financial reports

2,300	-
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Tax compliance services

2,175	2,500
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4,475	2,500
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Note 7 Dividends

No dividends have been paid or proposed by the parent entity for the year ended 30 June 2024 (2023: Nil).

Note 8 Earnings per Share

(a) Reconciliation of earnings to profit or loss:

Loss

(10,538,730)	(15,343,684)
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Result attributable to non-controlling interest

1,518	(1,312)
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Loss used to calculate basic and diluted EPS

(10,537,212)	(15,344,996)
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Notes to the Financial Statements for the year ended 30 June 2024

Note 8 Earnings per Share (continued)

	Note	2024 Number	2023 Number
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS		348,961,286	292,875,846
Weighted average number of dilutive options outstanding	(c)	-	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS		348,961,286	292,875,846
(c) During the 2021 financial year 3,422,429 unlisted share options were issued to directors under an approved share option plan. As at 30 June 2024 these options were recognised at \$NIL. Options have been excluded in the weighted average of shares used to calculate diluted earnings per share as they were anti-dilutive.			

	Consolidated	
	2024	2023
	\$	\$

Note 9 Cash and Cash Equivalents

Cash at bank and on hand	66,683	49,440
	66,683	49,440
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents	66,683	49,440
	66,683	49,440

Note 10 Trade and Other Receivables

CURRENT

Trade receivables	1,647,921	2,646,225
Less: Provision for expected credit loss	(25,000)	-
	1,622,921	2,646,225
Research & Development grant receivable	190,113	-
Other receivables	345,344	144,408
	2,158,378	2,790,633

Trade receivables are pledged as security in favour of Earlypay Cashflow Finance Pty Ltd for the Secured Debtor Finance Facility (refer Note 18).

Notes to the Financial Statements

for the year ended 30 June 2024

Consolidated

2024 2023
\$ \$

Note 11 Inventories

At cost

Raw materials and stores	1,394,850	1,095,117
Work in progress	398,367	261,043
Finished goods	3,263,658	4,148,233
	5,056,875	5,504,393
Allowance for obsolete and slow-moving inventory	(225,000)	(225,000)
	4,831,875	5,279,393

In FY2024, \$528,409 (2023: \$798,286) of inventory write down following a continued detailed review of inventory items by location and including slow moving stock.

Inventories are pledged as security in favour of Earlypay Cashflow Finance Pty Ltd for the Secured Trade Finance Facility (refer Note 18).

Note 12 Controlled Entities

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)*	
Parent Entity:		2024	2023
Energy Technologies Limited	Australia		
Subsidiaries of Energy Technologies Limited:			
Bambach Wires & Cables Pty Limited	Australia	100	100
Cogenic Pty Limited **	Australia	100	100
Dulhunty Engineering Limited (previously D Power International Limited) **	British Virgin Islands	51	51

* Percentage of voting power is in proportion to ownership.

** Cogenic Pty Limited and Dulhunty Engineering Limited are dormant entities.

Notes to the Financial Statements

for the year ended 30 June 2024

Consolidated

2024 2023
\$ \$

Note 13 Property, Plant and Equipment

Leasehold Improvements

Leasehold Improvements at independent valuation	1,025,805	624,936
Less: accumulated depreciation	-	(152,771)
Net carrying value	1,025,805	472,165

Plant and Equipment

Plant and equipment at cost or independent valuation	8,115,189	13,325,654
Less: accumulated impairment and depreciation	-	(4,538,373)
	8,115,189	8,787,281

Capital Work in Progress

	569,652	545,235
Total Property, Plant and Equipment	9,710,646	9,804,681

(a) Movements in Carrying Amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Work In Progress \$	Leasehold Improvements \$	Plant and Equipment \$	Total \$
Consolidated:				
Carrying amount at the beginning of the year	545,235	472,165	8,787,281	9,804,681
Additions	24,417	-	68,875	93,292
Depreciation expense	-	(47,216)	(878,263)	(925,479)
Loss on disposal	-	-	(35,457)	(35,457)
Proceeds on disposal	-	-	(34,090)	(34,090)
Revaluation to fair value	-	600,856	(415,313)	185,543
Transfer unencumbered assets from right of use assets	-	-	622,156	622,156
Carrying amount at the end of the year	569,652	1,025,805	8,115,189	9,710,646

- (i) During the current financial year, previous right of use plant and equipment assets (refer Note 15), have become unencumbered due to the lease liability being paid out in full. The book value of these assets was \$622,156 (Cost \$964,062 and accumulated depreciation \$341,906).
- (ii) Plant and equipment and motor vehicles has been secured by way of a loan facility in favour of Grow Funding Pty Ltd.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 13 Property, Plant and Equipment (continued)

(b) Revaluation of Property, Plant and Equipment to fair value

(i) General

The Group's plant and equipment and leasehold improvements are stated at their revalued amounts, being the fair value (as determined by an independent valuer) at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The last external independent valuation was conducted at 30 June 2024. The Group carries out independent valuations every five years at minimum or when there are indicators that fair value has materially moved since the previous assessment.

(ii) Valuation Techniques

AASB 13 Fair Value Measurement requires the valuation technique used to be consistent with one of the following valuation approaches:

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

(iii) Fair Value Measurement

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into, as follows:

- Level 1: Measurements based on quoted prices in active markets for identical assets that the entity can access at the measurement date;
- Level 2: Measurements based on inputs other than the quoted prices included in Level 1, but that are observable for the asset, either directly or indirectly; and
- Level 3: Measurements based on unobservable inputs for the asset or liability.

The valuation of the assets was largely based on Level 3 inputs. The fair value of the plant and equipment and leasehold improvement was predominantly determined based on the market approach whereby the valuers researched industry relevant marketplaces for market evidence of recent sales and offerings, sourced market opinions from industry experts as well as utilised their own database resources and industry experience. In some instances they adopted the cost approach or a combination of the cost and market approaches where there has been minimal or no reliable market evidence to compare with the subject assets. The valuers also considered the physical deterioration, functional obsolescence and economic obsolescence of the assets.

(iv) Fair Value under AASB13

The fair value of group Plant and Equipment and Leasehold Improvements under FV was \$9,140,994 at 30 June 2024. The Board adopted this value, which resulted in an increase in net plant and equipment value of \$185,543 in the group at 30 June 2024. The revaluation amount was recognised in the Asset Revaluation Reserve. A deferred tax liability of \$727,939 at 30 June 2024 (2023: \$769,336) in respect of the revaluation, has been set off against tax losses available to offset any liability arising upon a disposal of plant and equipment. Refer Note 19(d). EGY has no plans to dispose of its plant and equipment.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 13 Property, Plant and Equipment (continued)

(v) Recurring fair value measurements:

	2024	2023
	\$	\$
Plant and equipment	8,115,189	8,787,281
Leasehold improvements	1,025,805	472,165
Total non-financial assets recognised at fair value	9,140,994	9,259,446

The highest and best use of the assets is the fair market value in continued use, using the market approach technique. The carrying amount of the above assets that would have been recognised had the assets been carried under the cost model is \$6,229,239.

(c) Capital Work in Progress – Silicone Cable Project

Bambach Wires & Cables Pty Limited (Bambach), has been awarded a Sovereign Industrial Capability Priority Grant in 2021, to improve Australian manufacturing capability to support the Continuous Shipbuilding Program which includes rolling submarine acquisition, land combat, protected vehicles and technology upgrade. The project cost was estimated at \$1.74m of which the Federal Government will contribute up to \$1.34m.

	Consolidated	
	2024	2023
	\$	\$
Costs incurred to date	1,873,240	1,848,823
Less: Grants received	(1,303,588)	(1,303,588)
	569,652	545,235

Note 14 Intangible Assets

Computer software at cost	231,362	53,651
Less: accumulated amortisation	(112,273)	(41,153)
Net carrying value	119,089	12,498
Intellectual Property at cost	500,000	500,000
Less: accumulated impairment and amortisation	(500,000)	(500,000)
Net carrying value	-	-
Development Assets at cost	7,854,485	7,854,485
Less: accumulated impairment and amortisation	(7,854,485)	(7,854,485)
Net carrying value	-	-
Total intangible assets	119,089	12,498

Notes to the Financial Statements

for the year ended 30 June 2024

Note 14 Intangible Assets (continued)

Movements in Carrying Amounts

	Software	Total
	\$	\$
Consolidated:		
Carrying amount at the beginning of the financial year	12,498	12,498
Additions	177,711	177,711
Amortisation expense	(71,120)	(71,120)
Carrying amount at the end of the financial year	119,089	119,089
	Consolidated	
	2024	2023
	\$	\$

Note 15 Right of Use Assets and Lease Liabilities

Right of Use Assets

Office, warehouse and factory premises	4,891,215	4,058,852
Less: Accumulated depreciation	(2,068,009)	(1,961,582)
	2,823,206	2,097,270
Plant and equipment	276,246	964,062
Less: Accumulated depreciation	(48,536)	(279,121)
	227,710	684,941
Total Right of Use Assets	3,050,916	2,782,211

The group has leased office, warehouse and factory premises under agreements with various expiry dates, some with options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

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

	Office, warehouse and factory premises	Plant and equipment	Total
	\$	\$	\$
Carrying amount at the beginning of the financial year	2,097,270	684,941	2,782,211
Additions	1,325,937	276,248	1,602,185
Transfer of unencumbered assets (refer Note 13)	-	(622,156)	(622,156)
Depreciation expense	(600,001)	(111,323)	(711,324)
Carrying amount at the end of the financial year	2,823,206	227,710	3,050,916

Notes to the Financial Statements

for the year ended 30 June 2024

Note 15 Right of Use Assets and Lease Liabilities (continued)

Lease Liabilities

The group has entered into a number of lease agreements in respect of fixed property used for factory, warehousing, offices and branch trading facilities. These leases generally have an initial three to ten-year lease term with options to renew at market-related rentals. Annual escalations from 6% to 10% are common to all leases.

	Consolidated	
	2024	2023
	\$	\$
Lease liabilities are presented in the statement of financial position as follows:		
CURRENT		
Office, warehouse and factory premises	714,296	699,422
Hire purchase agreements	-	121,062
Plant and equipment	50,068	-
	764,364	820,484
NON-CURRENT		
Office, warehouse and factory premises	2,442,192	1,715,722
Hire purchase agreements	-	107,926
Plant and equipment	191,495	-
	2,633,687	1,823,648
Total lease liabilities	3,398,051	2,644,132
Total payments in relation to the above on an undiscounted basis:		
1 year or less	953,040	941,933
Between 1 and 5 years	2,992,365	2,110,212
	3,945,405	3,052,145

Additional profit or loss and cash flow information on lease liabilities

Amounts recognised in the statement of profit or loss and other comprehensive income:

Depreciation	711,324	704,834
Interest expense	137,587	145,726

Amounts recognised in the statement of cash flows:

Net Repayment of lease liabilities	648,935	649,723
Interest expense	137,587	145,726
Total cash outflow in respect of leases in the year	786,522	795,449

Notes to the Financial Statements

for the year ended 30 June 2024

		Consolidated	
		2024	2023
		\$	\$
Note 16 Other Assets			
CURRENT			
Prepayments		88,832	252,295
		88,832	252,295
NON-CURRENT			
Deposits		102,051	100,665
		102,051	100,665
Note 17 Trade and Other Payables			
CURRENT			
Unsecured liabilities:			
Trade payables		1,053,703	1,088,126
BAS payable		355,246	412,163
Other payables and accrued expenses		1,110,561	825,180
		2,519,510	2,325,469

Notes to the Financial Statements

for the year ended 30 June 2024

	Note	Consolidated	
		2024	2023
		\$	\$
Note 18 Borrowings			
CURRENT			
Secured borrowings:			
Debtor finance facility	(a)	1,358,047	1,625,566
Trade finance facility	(b)	2,708,096	3,510,413
Convertible notes	(c)	1,600,000	4,600,000
Director loan	(d),29	190,000	190,000
Grow Equipment Finance Loan	(e)	354,654	302,261
Procure Equipment Finance Loan	(f)	72,374	-
Total Current Borrowings		6,283,171	10,228,240
NON-CURRENT			
Secured borrowings:			
Convertible notes	(c)	9,761,500	-
Procure Equipment Finance Loan	(f)	62,244	-
Grow Equipment Finance Loan	(e)	1,050,968	1,469,124
Total Non-Current Borrowings		10,874,712	1,469,124
Total Borrowings		17,157,883	11,697,364
Total current and non-current secured borrowings:			
Debtor finance facility		1,358,047	1,625,566
Trade finance facility		2,708,096	3,510,413
Grow Equipment Finance Loan		1,405,622	1,771,385
Director loan		190,000	190,000
Procure Equipment Finance Loan		134,618	-
Convertible notes		11,361,500	4,600,000
		17,157,883	11,697,364

- (a) Secured Debtor Finance facility with Earlypay Cashflow Finance Pty Ltd. This facility is drawn down to amount \$1,358,047 as at 30 June 2024. Interest is charged on the facility at rate of 11.00% which is 1.85% less the base rate which is currently 12.85%. No maturity date.
- (b) Secured Trade Finance facility with Earlypay Cashflow Finance Pty Ltd. This facility is drawn down to amount \$2,708,096 as at 30 June 2024. Term charges 5.85% per 120 days. No maturity date.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 18 Borrowings (continued)

- (c) Convertible Notes issued of \$11,361,500 to noteholders. These notes have a face value of \$1.00, attract a coupon rate of 10% and are convertible at \$0.08 subject to shareholder approval. Under the convertible note Deed Poll the notes are secured by all of the present and future acquired assets and property of the Group.

Of these notes, \$600,000 matures in October 2024, \$1,000,000 matures in February 2025, and \$3,000,000 matures in October 2025. These notes amount to \$4,600,000 and interest is paid monthly.

The remaining notes amount to \$6,761,500, the funds of which were received from August 2023 to March 2024, mature twenty-four months from the issue date or such later date as is agreed in writing between the

- (d) Secured loan from director of EGY and subsidiary Bambach Wires & Cables Pty Limited for \$190,000. Interest rate 10.00% per annum. Maturity Date is as agreed by the parties.
- (e) Secured equipment finance loan. Interest rate 13.81% per annum and lender Grow Funding Pty Ltd. Loan matures August 2027.
- (f) Secured Equipment Finance loan with balance outstanding at the end of the quarter \$134,618. Interest rate 15.80% per annum and Lender Procuret. Matures 5 March 2026.

Summary of financing facilities in place at 30 June 2024:

Financing facilities:

	Total facility amount at year end \$	Amount drawn at year end \$
Debtor finance and trade finance facility	8,100,000	4,066,143
Procuret Equipment Finance Loan	134,618	134,618
Grow Equipment Finance Loan	1,405,622	1,405,622
Convertible notes	11,361,500	11,361,500
Director loan	190,000	190,000
Total financing facilities	21,191,740	17,157,883
Unused financing facilities available at year end		\$4,033,857

Note 19 Tax

(a) Deferred Tax Assets

Deferred tax assets comprise:

Employee and other provisions

Note	Consolidated 2024 \$	2023 \$
19(b)(ii)	-	205,515
	-	205,515

(b) Reconciliations

(i) Gross Movements

The overall movement in the deferred tax account is as follows:

Opening balance	205,515	162,675
(Charged) / Credited to the income statement	4 (205,515)	42,840
Closing balance	-	205,515

Notes to the Financial Statements

for the year ended 30 June 2024

Consolidated

2024	2023
\$	\$

Note 19 Tax (continued)

(ii) Deferred Tax Assets

The movement in deferred tax assets for each temporary difference during the year is as follows:

Employee and other provisions

Opening balance	205,515	162,675
(Charged) / Credited to the income statement	(205,515)	42,840
Closing Balance	-	205,515
Total Deferred Tax Assets	-	205,515

(c) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(j) occur are:

Temporary differences	286,460	80,236
Tax losses: capital losses	1,142,682	1,142,682

Tax losses: operating losses	13,692,234	10,962,808
Less potential tax loss benefits offset against deferred tax liability - refer (d)	(727,939)	(769,336)
Tax losses: operating losses net of offsets*	12,964,295	10,193,472

(d) Deferred tax liability is offset against unrecognised tax losses:

Revaluation of property, plant and equipment	727,939	769,336
Less: Offset of unrecognised tax loss benefit	(727,939)	(769,336)
Net deferred tax liability	-	-

*Tax Losses of \$12,964,295 have not been brought to account as it is unlikely that these losses will be utilised in the near future.

Notes to the Financial Statements

for the year ended 30 June 2024

Consolidated

2024 2023
\$ \$

Note 20 Provisions

Employee Entitlements

Current	836,614	859,071
Non-current	26,945	25,014
	863,559	884,085

Reconciliation

Opening Balance	884,085	846,450
Leave Accrued	494,743	472,220
Leave Paid/Taken	(515,269)	(434,585)
Closing Balance	863,559	884,085

Note 21 Issued Capital

Consolidated

2024 2023
\$ \$

Number of Ordinary shares fully paid 422,074,788 (2023: 337,659,830):	48,055,587	45,239,038
	48,055,587	45,239,038

Ordinary Shares

	2024 Number	2023 Number	\$	\$
At the beginning of reporting period	337,659,830	272,275,214	45,239,038	41,768,876
Shares issued during year				
13/05/2024 issued at \$0.035	84,414,958		2,954,523	
08/03/2023 issued at \$0.052	-	65,384,616	-	3,400,000
Capital Transaction Costs	-	-	(137,974)	(150,081)
Unlisted share options – expired	-	-	-	220,243
At reporting date	422,074,788	337,659,830	48,055,587	45,239,038

On 13 May 2024 EGY issued 84,414,958 shares through a share placement. The issue price was \$0.035 per share. Shares issued under the non-renounceable rights issue 14 October 2021 had 25,000,058 attaching listed options expiring 31 October 2024. The offer price was \$NIL and the options have an exercise price of \$0.20.

Terms and conditions:

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

Notes to the Financial Statements

for the year ended 30 June 2024

	Note	Consolidated	
		2024	2023
		\$	\$
Note 22 Reserves			
Foreign currency	(a)	(1,991,803)	(1,991,715)
Asset Revaluation	(b)	7,955,351	7,769,808
		5,963,548	5,778,093

Movement in each class of reserves during the current year and previous year as set out below

	Foreign Currency	Asset Revaluation	Total
	\$	\$	\$
Balance at 1 July 2022	(1,988,035)	7,769,808	5,781,773
Foreign currency translation	(3,680)	-	(3,680)
Balance at 30 June 2023	(1,991,715)	7,769,808	5,778,093
Foreign currency translation	(88)	-	(88)
Revaluation carried out	-	185,543	185,543
Balance at 30 June 2024	(1,991,803)	7,955,351	5,963,548

(a) The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

(b) The reserve records revaluations of property, plant and equipment.

Note 23 Share Based Payment Reserve

Set out below is a summary of the options on issue.

As part of the capital raising in October 2021 EGY granted 9,000,000 listed share options valued at \$199,395 to brokers in connection with the Rights Issue. These options vests immediately and have been recognised as share issue costs against equity. The table below includes the valuation model inputs used to determine the fair value at the grant date;

Tranche	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility %	Dividend yield %	Risk-free interest rate %	Fair value at grant date
9,000,000	14/10/21	31/10/24	\$0.11	\$0.200	55%	-	0.475%	\$0.0222

During the financial year under review, no options were exercised nor were any new tranches of options issued under the share option plan.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 24 Parent Entity Disclosure

(a) Statement of financial position

	2024	2023
	\$	\$
Total Current Assets	8,576,745	8,976,694
Total Non-Current Assets	58	3,331
Total Assets	8,576,803	8,980,025
Total Current Liabilities	2,625,836	5,253,744
Total Non-Current Liabilities	9,761,500	-
Total Liabilities	12,387,336	5,253,744
Net Assets / (Liabilities)	(3,810,533)	3,726,281
Equity		
Issued capital	48,055,587	45,239,038
Accumulated losses	(52,362,256)	(42,008,893)
Share based payment reserve	496,136	496,136
Total Equity / (Deficiency in Equity)	(3,810,533)	3,726,281

(b) Financial Performance

Loss for the year after income tax	(10,353,363)	(15,351,045)
Other comprehensive income	-	-
Total Comprehensive Loss	(10,353,363)	(15,351,045)

(c) Parent entity result includes impairment of related party loans of \$8,819,996 (2023: \$14,132,657).

(d) The parent entity has co-guaranteed finance facilities with subsidiary Bambach Wires & Cables Pty Limited to a maximum drawdown limit of \$8.1m (Guarantees FY2023: \$7.4m).

(e) Contingent Liabilities of the Parent Entity – Refer to Note 26.

(f) Commitments for the acquisition of Property, Plant and Equipment by the parent entity Nil (2023 \$Nil).

Consolidated	
2024	2023
\$	\$

Note 25 Capital and Leasing Commitments

(a) Short term leases

Non-cancellable short-term leases contracted for but not capitalised in the financial statements.

Payable — minimum lease payments

not later than 12 months

18,996	36,480
18,996	36,480

(b) Capital Expenditure Commitments

As at 30 June 2024, no deposits have been made for capital equipment (FY2023: \$193,687).

Notes to the Financial Statements

for the year ended 30 June 2024

Note 26 Contingent Liabilities

John Fielding Limited

Previous financial statements of the company have noted a contingent liability to John Fielding Limited for services carried out prior to 30 June 1995 in regard to amendments to income tax returns. However, in accordance with the contract no fee is payable until a cash benefit is received by the Company. At this stage no cash benefit has been received by the Company. The maximum liability is \$130,241.

Note	Consolidated	
	2024	2023
	\$	\$
Note 27 Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations with Net Loss after Income Tax		
Net loss after income tax	(10,538,730)	(15,343,684)
<u>Adjusted for non cash transactions</u>		
Depreciation of non-current assets	925,479	1,006,590
Amortisation of intangibles	71,120	771,012
Depreciation on right of use assets	711,324	704,834
Unrealised foreign exchange movements	(178)	(7,361)
Net loss on disposal of property, plant and equipment	35,457	2,266
Non-cash movement of intangible assets	(177,711)	-
Hire Purchase Loan write back	(12,853)	(3,692)
Impairment of intangible assets	-	5,194,327
Lease liability Interest Charges	137,587	145,726
Make good provision	10,000	-
Share-based payment	-	36,116
<u>Changes in assets and liabilities</u>		
(Increase)/decrease in trade and other receivables	632,255	439,233
(Increase)/decrease in inventories	447,518	(183,553)
Increase/(decrease) in trade payables and accruals	194,041	63,671
(Increase)/decrease in deferred tax asset	205,515	(42,840)
(Increase) /decrease in value of other current assets	163,463	153,320
(Increase) /decrease in value of other non-current assets	(1,386)	29,959
Increase/(decrease) in provisions for employee entitlements	(20,526)	37,635
Net Cash outflows from operating activities	<u>(7,217,625)</u>	<u>(6,996,441)</u>

(b) Credit Facilities

The Group has in place hire purchase facilities. At balance date \$NIL (2023: \$228,988) of these facilities have been utilised.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 27 Cash Flow Information (continued)

(c) Reconciliation of liabilities arising from financing activities

		Non-cash changes						
		30/06/23	Cash flows	Transaction Costs	Reclassify loans	Lease extension	Liability write off/make good	30/06/24
		\$	\$	\$	\$	\$	\$	\$
Convertible notes	18	4,600,000	6,761,500	-	-	-	-	11,361,500
Directors loan	18	190,000	-	-	-	-	-	190,000
Debtor finance facility	18	1,625,566	(267,519)	-	-	-	-	1,358,047
Trade finance facility	18	3,510,413	(802,317)	-	-	-	-	2,708,096
Grow Equipment Finance Loan	18	1,771,385	(365,763)	-	-	-	-	1,405,622
Procureit Equipment Finance Loan	18	-	(61,858)	-	196,476	-	-	134,618
Hire purchase liabilities	15	228,988	(20,126)	467	(196,476)	-	(12,853)	-
Lease liabilities	15	2,415,144	(766,396)	137,120	-	1,602,185	9,998	3,398,051
Total		14,341,496	4,477,521	137,587	-	1,602,185	(2,855)	20,555,934

Note 28 Events After the Reporting Period

The following matters have occurred post reporting date:

- Unsecured short-term loans of \$2,450,000. These loans incur an interest rate of 18% per annum. Of these loans, \$950,000 matures in October 2024 or such other date as agreed between the parties and \$1,500,000 matures in December 2024 or such other date as agreed between the parties;
- A \$6,000,000 line of credit has been provided, to be drawn upon as required, and is in place until 31 October 2025. This is dependent on there being no default on other short-term loans provided in (i) above; and
- The Company is undertaking a non-renounceable pro-rata rights issue, announced on the ASX platform on 12 September 2024, to eligible shareholders to raise up to approximately \$12.7 million by the issue of up to 422,074,788 new shares at an offer price of \$0.03 (3 cents) per new share. Shaw and Partners Limited is acting as lead manager to the Offer. Shareholders who subscribe for their full entitlement under the Rights Issue Offer will also be able to subscribe for additional shares at the same price. The Directors also reserve the right for up to 3 months after the close of the Offer to place the balance of any New Shares not taken up. The offer closing date is 2 October 2024.

Other than what is noted per above, there have been no other matters that have arisen since the end of the financial period any other matter of circumstance which, in the opinion of the directors of the Company, significantly affects the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 29 Related Party Transactions

No loans were made, guaranteed or secured by any entity in the Group to any group of key management personnel or related entities during the financial year (FY2023: \$NIL).

Loans by Director to the company

During the period to 30 June 2022 a loan was made from Director and CEO Alfred Chown of \$200,000. An amount of \$10,000 was repaid during FY2023, and the loan principal is currently \$190,000. Maturity date is as agreed between the parties. The interest rate is 10% and during the period \$19,000 of interest was accrued.

Directors Fees

Included in Sundry payables and accrued expenses are unpaid Directors fees of \$8,333 (2023: \$143,056).

Note 30 Financial Risk Management Disclosures

(a) Capital Risk Management

Energy Technologies Limited (EGY) manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the potential return to stakeholders through the optimum balance of debt and equity. This strategy remains unchanged from FY2023.

The capital structure of the EGY Group consists of cash and cash equivalents, debt and equity attributable to equity holders of the EGY parent and to its operating subsidiary.

Operating cash flows are used to maintain and expand the Group manufacturing and distribution asset base as well as to meet routine outflows including tax and the repayment of maturing debt.

	Consolidated	
	2024 \$	2023 \$
Current and Non-Current Financial liabilities		
Debt (i)	20,555,934	14,341,496
Cash and cash equivalents	(66,683)	(49,440)
Net Debt	20,489,251	14,292,056
Equity / (Deficiency in Equity) (ii)	(3,810,533)	3,726,281

i) Debt is defined as lease liabilities (both long and short term) and borrowings (both long and short term).

ii) Equity / (Deficiency in Equity) includes all capital and reserves and minority interest.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 30 Financial Risk Management Disclosures (continued)

(b) Financial Risk Management

In common with other businesses the EGY Group is exposed to risks that arise from the use of financial instruments. This note describes the objectives, policies and processes for managing those risks and the methods used to measure them. The EGY Group's financial instruments consist mainly of equipment finance loans, facilities with banks, convertible notes, invoice finance facility, trade finance facility, short term loans, hire purchase, accounts payable and leases. There have been no substantive changes in the EGY Group level of exposure to financial instrument risks or the objectives and processes for managing those risks from previous periods unless otherwise stated in this note.

(i) Financial Risk Management Objectives

The Board of Directors has overall responsibility for the determination of the EGY Group financial risk management framework and, whilst retaining ultimate responsibility for them, it has delegated authority for the design and implementation of operating processes ensuring effective risk management to the EGY Group's corporate treasury and finance function, which provides services to the business including negotiation and co-ordination of finance facilities, and the monitoring and management of the financial risks as they relate to the operations of the Group. The Board receives regular reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the set objectives to control risk.

Overall the risk management strategy seeks to assist the Group in meeting its financial targets as well as minimising the potential adverse effects on financial performance. The main exposures to financial instrument risk experienced by the EGY Group are credit risk, liquidity risk and market risk (including currency risk and interest rate risk). The EGY Group does not enter into financial instruments, including derivative financial instruments, for speculative purposes.

(ii) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in a loss to the EGY Group. This arises principally from the Group's trade receivables. For the EGY Group this risk has been determined as low.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the Consolidated Statement of Financial Position.

The Group has a general policy of only dealing with creditworthy counterparties. As well, a credit check system is also in place and credit checks are obtained from a reputable external source for selected new and overseas customers. Overseas customers' trade terms include use of documentary credit bank facilities in customer locations deemed at risk, as well as collateral payment. There are no material amounts of collateral held as security at 30 June 2024.

(iii) Liquidity Risk

Prudent 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 flow and matching the maturity profiles of financial asset and liabilities.

Remaining contractual maturities

The following table details the Group's remaining contractual maturity for its financial instrument liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The table includes 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.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 30 Financial Risk Management Disclosures (continued)

b) Financial Risk Management (continued)

CONSOLIDATED ENTITY	Weighted Average Interest Rate – %		1 year or less \$		Between 1 and 5 years \$		Remaining contractual maturities \$	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-derivatives								
<i>Non-interest bearing</i>								
Trade payables	-	-	1,053,703	1,088,126	-	-	1,053,703	1,088,126
BAS payable	-	-	355,246	412,163	-	-	355,246	412,163
Other payables	-	-	1,110,561	825,180	-	-	1,110,561	825,180
<i>Interest bearing - variable</i>								
Debtor finance facility	11.00	12.60	1,394,882	1,676,070	-	-	1,394,882	1,676,070
Trade finance facility	17.79	17.52	2,866,519	3,712,613	-	-	2,866,519	3,712,613
<i>Interest bearing - fixed</i>								
Grow Equipment Finance Loan	13.81	13.81	550,462	550,462	1,192,666	1,743,128	1,743,128	2,293,590
Procureit Equipment Finance Loan	15.80	-	88,550	-	66,413	-	154,963	-
Hire purchase liability	-	7.50	-	32,979	-	-	-	32,979
Hire Purchase – Planning System	-	15.80	-	88,550	-	154,963	-	243,513
Lease liability	5.92	5.00	953,040	820,404	2,992,365	1,955,249	3,945,405	2,775,653
Loans from director	10.00	10.00	209,000	204,846	-	-	209,000	204,846
Convertible notes	10.00	10.00	1,985,178	4,706,589	11,197,636	-	13,182,814	4,706,589
Total non-derivatives			10,567,141	14,117,982	15,449,080	3,853,340	26,016,221	17,971,322

Notes to the Financial Statements

for the year ended 30 June 2024

Note 30 Financial Risk Management Disclosures (continued)

(b) Financial Risk Management (continued)

(iv) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the EGY Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk within acceptable parameters, while achieving optimum return.

(v) Foreign currency risk management,

The EGY Group is exposed to currency risk on investments that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Australian dollar (AUD). The Group's investments in, and loans to, its subsidiaries are not hedged as these positions are considered to be long term in nature.

The carrying amount of the EGY Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		Assets	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
US Dollars	-	-	109	27
Euros	-	-	31	9
Total	-	-	140	36

(vi) Foreign currency sensitivity analysis

The following table details the EGY Group's sensitivity to a 10% increase or decrease in the Australian Dollar against relevant foreign currencies. This sensitivity represents management's assessment of the reasonable possible change in foreign currency rates. Its analysis includes cash assets plus outstanding foreign currency denominated trade receivables and payables and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number indicates an increase in profit where the Australian dollar weakens against the respective currency. For a strengthening of the Australian dollar against the respective currency, there would be an opposite impact on the profit.

	AUD decreases 10%		AUD increases 10%	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit or (Loss)				
US Dollars	12	3	(10)	(2)
Euros	4	1	(3)	(1)
Total	16	4	(13)	(3)

(vii) Interest Rate Risk Management

The EGY Group is exposed to interest rate risk on cash and cash equivalents, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The EGY Group does not use derivatives to mitigate these exposures.

The EGY Group's fixed rate financial instruments represent short term borrowings, at fixed rates maturing over periods less than one year and long term borrowings at fixed rates maturing over periods of between 1 to 5 years. The Group's variable rate financial securities consist of debtor finance facility and trade finance facility managed in Australia.

Notes to the Financial Statements

for the year ended 30 June 2024

Note 30 Financial Risk Management Disclosures (continued)

(b) Financial Risk Management (continued)

(viii) Interest rate sensitivity analysis

The following analysis indicates the effect of a 2% or 200 basis point increase or decrease in nominal interest rates, based on exposures in existence at the reporting date, and holding all other variables constant. This represents management's assessment of the reasonably possible change in interest rates as at that date.

	Consolidated	
	2024	2023
	\$'000	\$'000
Change in Net Profit:		
Interest rise by 2% (200 basis points)	(410)	(286)
Interest cut by 2% (200 basis points)	410	286
Change in Equity:		
Interest rise by 2% (200 basis points)	(410)	(286)
Interest cut by 2% (200 basis points)	410	286

Note 31 New and Amended Accounting Standards and Interpretations

(i) New and amended accounting standards and interpretations adopted by the Group

(a) New and amended standards adopted by the Group in this financial report

With the exception of AASB 2021-2, there were no other new or revised Standards and Interpretations issued by the AASB that were required to be adopted by the Company for the reporting period. The adoption of AASB 2021-2 which amends AASB 101 and AASB 108 has resulted in significantly less accounting policies being included in the financial statements.

(b) Impact of standards issued but not yet applied by the Group

Several new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. For future reporting purposes, the Company has reviewed the new and amended standards and they are either not applicable to the Group or are not expected to have a significant impact on the Group's consolidated financial statements.

Consolidated Entity Disclosure Statement as at 30 June 2024

Name of entity	Type of entity	Country of Incorporation	Australian or foreign tax resident	Jurisdiction for foreign tax residency	% of share capital held directly or indirectly by Energy Technologies Limited
Energy Technologies Limited	Body Corporate	Australia	Australian	N/A	N/A
Bambach Wires & Cables Pty Limited	Body Corporate	Australia	Australian	N/A	100%
Cogenic Pty Limited	Body Corporate	Australia	Australian	N/A	100%
Dulhunty Engineering Limited	Body Corporate	British Virgin Islands	Foreign	British Virgin Islands	51%

KEY ASSUMPTIONS AND JUDGEMENTS

Determination of Tax Residency

Section 295 (3A) of the Corporation Act 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed in the context of an entity which was Australian resident. “Australian resident” has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted and which could give rise to a conclusion of different residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

➤ **Australian Tax Residency**

The Consolidated entity has applied current legislation and judicial precedent including having regard to the Commissioner of Taxation’s public guidance in Tax Ruling TR2018/5.

➤ **Foreign tax residency**

The Consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Directors' Declaration

The directors of Energy Technologies Limited declare that:

1. the financial statements and notes, as set out on pages 33 to 69, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated entity.
2. the Director and Chief Financial Officer have each declared that:
 - (a) the financial records of the consolidated entity for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Australian Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. 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.
4. the information disclosed in the consolidated entity disclosure statement on page 70 is true and correct.

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

A handwritten signature in black ink, appearing to read "Alfred J Chown".

Alfred J Chown
Director

30 September 2024

Independent Auditor's Report To the Members of Energy Technologies Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Energy Technologies Limited (the Company) and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, the consolidated entity disclosure statement as at 30 June 2024; and notes to the financial statements including a summary of material accounting policies as at 30 June 2024, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial statements, which indicates that the Group incurred a net loss after tax and excluding minority interest of \$10,537,212 (2023: loss of \$15,344,996). During the year the Group incurred net cash outflows from operating activities \$7,217,625 (2023: net cash outflow of \$6,996,441). At 30 June 2024, the Group had a net deficiency in equity of \$3,810,533 (June 2023 net equity of \$3,726,281). In addition, at 30 June 2024, the Group had a net current asset deficit (i.e., current liabilities in excess of current assets) of \$3,257,891 (2023: net current asset deficit of \$5,861,503). As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group 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 the audit.

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, action taken to eliminate threats or safeguards applied.

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 the key audit matters. We describe these matters in the 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 the auditor's 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 on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 18 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Energy Technologies Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Group 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.



Crowe Audit Australia



Antony Barnett

Senior Partner

Melbourne, Victoria

Date: 30 September 2024

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 30 August 2024.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

Ordinary shares

		Number of holders	Number of shares
1	- 1,000	607	69,233
1,001	- 5,000	69	170,985
5,001	- 10,000	50	387,537
10,001	- 100,000	134	5,409,548
100,001	and over	204	416,037,485
		1,064	422,074,788

The number of shareholders holding less than a marketable parcel of shares are:

747	880,755
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(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

No	Name	No. of shares	%
1	BNP Paribas Nominees Pty Ltd <HUB24 Custodial Service Ltd>	132,464,602	31.38
2	Global Prime Partners Nominees Ltd <Dowgate Wealth Ltd Cass A/C>	24,263,338	5.75
3	AFNI Pty Ltd <AFNI A/C>	16,855,385	3.99
4	Citicorp Nominees Pty Ltd	16,348,878	3.87
5	Advance Cables Pty Ltd	10,782,839	2.55
6	Starway Corporation Pty Ltd <Giles Superfund A/C>	9,909,644	2.35
7	Howe Automotive Limited	9,808,346	2.32
8	Windpac Pty Ltd <David Earl Slack Superfund A/C>	8,444,063	2.00
9	Alfred John Chown	8,243,575	1.95
10	Parmelia Pty Ltd	7,391,609	1.75
11	Dasi Investments Pty Ltd	6,777,700	1.61
12	M&M Driscoll Nominees Pty Ltd <The Driscoll Family A/C>	6,560,277	1.55
13	Johan Pty Ltd	5,769,231	1.37
14	Superfund Jones Pty Ltd <Jones S/F A/C>	5,000,000	1.18
15	One Managed Investment Funds Limited <TI Growth A/C>	4,269,808	1.01
16	Plutus Pty Ltd	4,005,682	0.95
17	Garsind Pty Ltd <Ruth Ross Superfund A/C>	3,922,795	0.93
18	Tzelepis Nominees Pty Ltd <Tzelepis Superfund A/C>	3,600,000	0.85
19	Auster Holdings	3,476,058	0.82
20	Kimosabi Pty Ltd <Lone Ranger A/C>	3,318,182	0.79
		291,212,012	69.00

ASX Additional Information (continued)

(c) Substantial shareholders

The number of shares held by substantial shareholders are:

	Number of Shares
BNP Paribas Nominees Pty Ltd <HUB24 Custodial Service Ltd>	132,464,602
Global Prime Partners Nominees Ltd <Dowgate Wealth Ltd Cass A/C>	24,263,338

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.