



COBALT BLUE HOLDINGS LIMITED

ABN 90 614 466 607

HALF-YEAR
FINANCIAL REPORT
31 DECEMBER 2021

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Directors'

Report

The directors present their report together with the financial report of the Consolidated Entity consisting of Cobalt Blue Holdings Limited ('the Company') and the entities it controlled (referred to hereafter as the 'Group' or 'Consolidated Entity') for the half-year ended 31 December 2021.

Directors

The following persons were directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

Mr Robert Biancardi (Chairman, Independent Non-Executive Director)

Mr Hugh Keller (Independent Non-Executive Director)

Mr Robert McDonald (Independent Non-Executive Director)

Mr Joe Kaderavek (Chief Executive Officer & Executive Director)

Review of operations

The Group's focus during the half-year remained the ongoing development of the Broken Hill Cobalt Project (BHCP), near Broken Hill, NSW.

During the half-year the Group:

- continued operations at the Broken Hill Pilot Plant producing commercial samples of Mixed Hydroxide Product (MHP) and cobalt sulphate, which were despatched to global partners. Most sample requests were for the MHP product, which is seen as a strong alternative to African source cobalt hydroxides that currently dominate the market. Positive feedback was received from the samples dispatched to partners during the half-year. All samples were within commercial tolerances with feedback centred on customising products to individual customers. A number of the partners that received the Pilot Plant samples are now shortlisted for large sample batches (up to 100 kg) to be supplied from the Demonstration Plant in 2022. These large samples are required for acceptance testing and production to laboratory scale batteries.

The delivery of the cobalt sulphate samples marked the formal end of Pilot Plant operations. Planning and procurement works for the Demonstration Plant, with supporting bulk extraction and field work have now commenced.

- released a BHCP resource update to include nickel and other base metals, which will form the basis of the upcoming Feasibility Study. The global Mineral Resource estimate now comprises 118 Mt at 859 ppm cobalt-equivalent (CoEq) (687 ppm cobalt, 7.6% sulphur & 133 ppm nickel) for 81,100 t contained cobalt (at a 275 ppm CoEq cut-off)¹.
- was granted EL9254, which represented another step toward the continued consolidation of ground within the Broken Hill region. Now covering almost 220 km², the Group has secured a commanding footprint to pursue our long-term exploration objectives.
- executed a cooperation Memorandum of Understanding (MOU) with the Queensland Department of Resources to assess opportunities for the recovery of cobalt (and any coexisting base and precious metals) from mine waste. Under the MOU, the Group will undertake testwork to evaluate minerals processing options, including the application of its proprietary minerals processing technology to recover target metals from feedstocks provided by the Department. Initial samples for testwork are expected to be received shortly.

¹ The mineral resource estimate update was first announced by the Company on 16 September 2021 in BHCP Resource Update. The Company confirms it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. $CoEq = Co + S \% \times 18.0078 + Ni \text{ ppm} \times 0.2639$ – see next page for assumptions used in the cobalt equivalency calculation.

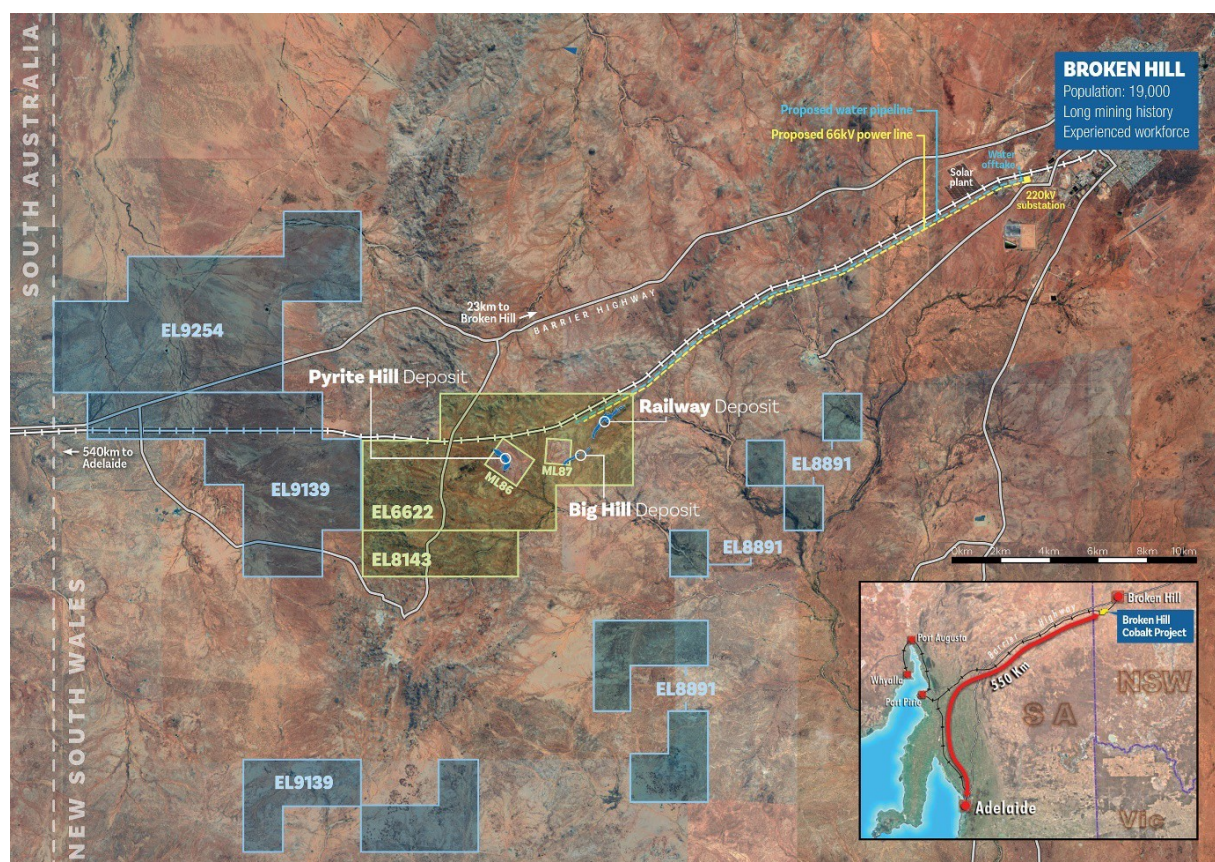
Mineral Resource Cut-off Grade

The Mineral Resource has been reported at a cut-off of 275 ppm cobalt equivalent based on an assessment of material that has reasonable prospects of eventual economic extraction. In addition to cobalt, the revised cut-off grade incorporates revenue streams from elemental sulphur and nickel; economic by-products of the processing pathway defined in the 2018 PFS and subsequent 2020 Project Update. The cobalt equivalent grade has been derived from the following calculation; $CoEq\ ppm = Co\ ppm + (S\ ppm \times (S\ price / Co\ price) \times (S\ recovery / Co\ recovery)) + (Ni\ ppm \times (Ni\ price / Co\ price) \times (Ni\ recovery / Co\ recovery))$. This equates to $CoEq = Co + S \% \times 18.0078 + Ni\ ppm \times 0.2639$. The parameters used for this calculation are listed below:

Assumption	Input
Cobalt Price	US\$27.50/lb
Sulphur Price	US\$145/t
Nickel Price	US\$16,000/t
Cobalt Recovery	85%
Sulphur Recovery	64%
Nickel Recovery	85%
Exchange rate (A\$ to US\$)	0.70

All elements included in the metal equivalence calculation have reasonable potential to be recovered and sold.

Figure 1. Broken Hill District Map



Review of results of operations

The net loss of the Consolidated Entity for the half-year was \$1,942,000 (2020: \$1,335,000). The higher loss reflects the following key factors:

- higher employee benefits expenses associated with additional staff, increases in base remuneration, short-term and long-term incentives.
- higher corporate costs associated with project partner search and financing consultants.
- net of a reduction in interest expense. In the prior half-year report, interest expense on the promissory note was expensed, whereas in the current half-year, such interest has been capitalised as the interest is directly attributable to the construction of a qualifying asset (exploration and evaluation assets).

The continuing development of the Broken Hill Cobalt Project resulted in \$3,115,000 of expenditure being capitalised as an exploration and evaluation assets during the half-year.

The Consolidated Entity's net assets increased during the half-year by \$5,736,000, which primarily reflects the share issues noted below and the current half-year loss.

Share Capital

During the half-year the Company:

- raised \$7,230,000 from the issue of 24,100,000 Shares (and 12,050,000 attaching options) to institutional and professional investors (Tranche 2 placement), before costs.
- issued 54,342 fully paid ordinary shares to each non-executive director to satisfy \$20,000 of their director's fees for the year ending 30 June 2022 (163,026 in total).
- issued 336,692 fully paid ordinary shares to the CEO and executive director in relation to his 2021 short-term incentive.
- issued 656,250 and 787,187 fully paid ordinary shares on the exercise of director and staff/contractor options respectively.
- issued 1,047,737 fully paid ordinary shares to staff and contractors in relation to their 2021 short-term incentive.
- issued 3,000,000 performance rights to the non-executive directors.
- issued 2,511,468 performance rights to the CEO and executive director in relation to his long-term incentive.
- issued 3,280,716 performance rights to executive managers in relation to their long-term incentive.

Rounding of amounts

The Company is of a kind referred to in instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this Directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's Independence Declaration

The Company has received the Auditor's Declaration of Independence as required by section 307C of the Corporations Act 2001 and is set out on page 6 of this report.

Signed in accordance with a resolution of directors.



Robert Biancardi

Chairman

Dated 11 March 2022

To the Board of Directors of Cobalt Blue Holdings Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*


As lead audit director for the review of the consolidated financial statements of Cobalt Blue Holdings Limited for the half year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



Nexia Sydney Audit Pty Limited



Andrew Hoffmann

Director

Date: 11 March 2022

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Notes	Consolidated	
		31 December 2021 \$'000	31 December 2020 \$'000
Revenues from ordinary activities			
Revenue	3	-	57
Expenses from ordinary activities			
ASX and registry fees		(117)	(68)
Administrative expenses		(146)	(112)
Corporate costs		(668)	(157)
Depreciation and amortisation expenses		(122)	(171)
Employee benefits expenses		(845)	(598)
Interest expense		(4)	(198)
Legal and professional costs		(40)	(88)
Loss before income tax		(1,942)	(1,335)
Income tax expense		-	-
Loss from continuing operations		(1,942)	(1,335)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(1,942)	(1,335)
		Cents	Cents
Basic and diluted earnings/(loss) per share		(0.6)	(0.5)

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Notes	Consolidated	
		31 December 2021 \$'000	30 June 2021 \$'000
Current Assets			
Cash and cash equivalents		10,860	9,439
Security deposits		100	-
Receivables		98	488
Other assets		128	118
Total Current Assets		11,186	10,045
Non-current Assets			
Property, plant and equipment	4	3,788	3,206
Intangibles	5	120	101
Security deposits		263	176
Exploration and evaluation assets	6	26,575	23,461
Total Non-current Assets		30,746	26,944
Total Assets		41,932	36,989
Current Liabilities			
Trade and other payables	7	689	1,451
Provisions		301	310
Lease liabilities		172	259
Total Current Liabilities		1,162	2,020
Non-current Liabilities			
Provisions	8	37	37
Lease liabilities		182	262
Borrowings	9	2,184	2,038
Total Non-current Liabilities		2,403	2,337
Total Liabilities		3,565	4,357
Net Assets		38,367	32,632
Equity			
Share capital	10	50,093	42,534
Options Reserve		1,051	933
Accumulated losses		(12,777)	(10,835)
Total Equity		38,367	32,632

The consolidated statement of financial position should be read in conjunction with the notes to the financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Share Capital	Other Equity	Options Reserve	Accumulated Losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2020	26,377	205	889	(8,155)	19,316
Total loss for the half-year	-	-	-	(1,335)	(1,335)
Issue of fully paid ordinary shares	7,933	-	-	-	7,933
Share-based payments	-	-	22	-	22
Cost of issuing ordinary shares	(248)	-	-	-	(248)
Balance at 31 December 2020	34,062	205	911	(9,490)	25,688
Balance at 1 July 2021	42,534	-	933	(10,835)	32,632
Total loss for the half-year	-	-	-	(1,942)	(1,942)
Issue of fully paid ordinary shares	7,920	-	-	-	7,920
Share-based payments	-	-	118	-	118
Cost of issuing ordinary shares	(361)	-	-	-	(361)
Balance at 31 December 2021	50,093	-	1,051	(12,777)	38,367

The consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Consolidated	
	31 December 2021	31 December 2020
	\$'000	\$'000
Cash flows from operating activities		
Payments to suppliers and employees	(1,517)	(929)
Interest received	-	3
Interest paid on leased assets	(4)	(11)
Other	40	127
Net cash flows (used in) / provided by operating activities	(1,481)	(810)
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(1,970)	(1,111)
Industry grants	-	554
Payments for plant and equipment	(1,045)	(553)
Payments for tenement security deposit	(84)	-
Other non-current assets	(25)	(17)
Net cash flows (used in) / provided by investing activities	(3,124)	(1,127)
Cash flows from financing activities		
Gross proceeds from issue of ordinary shares	6,526	7,329
Costs related to issue of ordinary shares	(402)	(214)
Proceeds from exercise of options	102	-
Payments for lease liabilities	(200)	(175)
Net cash flows (used in) / provided by financing activities	6,026	6,940
Net increase/ (decrease) in cash held	1,421	5,003
Cash at beginning of financial period	9,439	2,057
Cash at end of financial period	10,860	7,060

The consolidated statement of cash flows should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 Statement of Significant Accounting Policies

The half-year consolidated financial statements cover the Cobalt Blue Holdings Limited Group as a Consolidated Entity consisting of Cobalt Blue Holdings Limited (COB or the Company) and its subsidiaries ('the Consolidated Entity').

Basis of preparation

The interim financial report is a general-purpose financial report, prepared in accordance with AASB 134 "Interim Financial Reporting" and the requirements of the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the most recent annual financial report for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

The Consolidated Entity has adopted all of the new and revised Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period.

The adoption of all new and revised Australian Accounting Standards and Interpretations has not resulted in any changes to the Consolidated Entity's significant accounting policies and has had no effect on the amounts reported for the current or prior periods. The new and revised Standards and Interpretations have not had a material impact and not resulted in changes to the Consolidated Entity's presentation of, or disclosure in, its half-year financial statements.

Rounding of amounts

The Company is of a kind referred to in Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this interim financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. For the half-year ended 31 December 2021, the Consolidated Entity reported:

- a loss of \$1,942,000 (31 December 2020: loss of \$1,335,000);
- net cash outflow from operating activities of \$1,481,000 (31 December 2020: outflow \$810,000);
- net cash outflow from investing activities of \$3,124,000 (31 December 2020: outflow \$1,127,000); and
- net cash inflow from financing activities of \$6,026,000 (31 December 2020: inflow \$6,940,000).

At 31 December 2021, the Consolidated Entity had a working capital surplus of \$10,024,000 (30 June 2021: surplus \$8,025,000) and cash of \$10,860,000 (30 June 2021: \$9,439,000).

Subsequent to 31 December 2021, the Consolidated Entity received \$2,195,000 from the exercise of placement options (with 20,121,839 options outstanding, exercisable for total consideration of \$9,055,000). The share price movements prior and subsequent to 31 December 2021 give some confidence that additional placement options will be exercised prior to these options expiring on 15 August 2022. The strong interest in BHCP as an ethical green source of cobalt products arising from the sample program and the project partner search also provide confidence that the Consolidated Entity can continue to access equity funding to meet any additional capital requirements.

On the basis of the above and the ability of the Consolidated Entity to scale back planned activities if required to preserve cash, the directors are satisfied that at the date of signing the financial report, there are reasonable grounds to believe that the Consolidated Entity will be able to meet its debts as and when they fall due and that it is appropriate for the financial report to be prepared on a going concern basis.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Consolidated Entity based on known information. This consideration extends to the nature of the Consolidated Entity's business operations, supply chain and staffing. There does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Consolidated Entity unfavourably as the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

2 Segment

The Consolidated Entity is organised into one operating segment being the exploration and evaluation of early-stage cobalt resources. Therefore, the segment details are fully reflected in the results and balances reported in the Consolidated Statement of Profit or Loss and Consolidated Statement of Financial Position. This is based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources.

3 Revenue from operating activities

	31 December 2021 \$'000	31 December 2020 \$'000
Interest received	-	4
Operating Revenue	-	51
Other Revenue	-	2
Total Revenue	-	57

4 Property, Plant and Equipment

	Leased Assets	Leasehold Improvements	Furniture & Office Equipment	Plant	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Half-year ended 31 December 2021					
Opening Balance	455	17	48	2,686	3,206
Additions/ (Disposal)	-	-	12	931	943
Depreciation expense	(145)	(10)	(15)	(191)	(361)
Closing Balance	310	7	45	3,426	3,788
At cost	1,099	80	100	3,729	5,008
Accumulated Depreciation	(789)	(73)	(55)	(303)	(1,220)
At 31 December 2021	310	7	45	3,426	3,788

5 Intangibles

	Software	Patents	Total
	\$'000	\$'000	\$'000
Half-year ended 31 December 2021			
Opening Balance	4	97	101
Additions	-	26	26
Amortisation expense	(4)	(3)	(7)
Closing Balance	-	120	120
At cost	53	129	182
Accumulated Amortisation	(53)	(9)	(62)
At 31 December 2021	-	120	120

6 Exploration and Evaluation Assets

	31 December 2021	30 June 2021
	\$'000	\$'000
Balance at beginning of financial period	23,460	20,172
Additions	3,115	4,325
R&D tax incentive on exploration asset off-set	-	(339)
Government grant off-set	-	(697)
Balance at end of financial period	26,575	23,461

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development of the Broken Hill Cobalt Project.

7 Trade and Other Payables – current

	31 December 2021 \$'000	30 June 2021 \$'000
Trade payables	345	432
Other creditors and accruals	344	315
Shares subscription monies in advance	-	704
	689	1,451

8 Provisions – non-current

	31 December 2021 \$'000	30 June 2021 \$'000
Provision for rehabilitation	13	13
Make good provision	24	24
	37	37

9 Borrowings – non-current

	31 December 2021 \$'000	30 June 2021 \$'000
Fair value of promissory note issued	1,685	1,685
Promissory note - accrued interest	499	353
	2,184	2,038

10 Issued Capital

Ordinary Shares	Number	\$'000
Fully paid ordinary shares at 30 June 2021	274,396,847	42,534
Share placement (Tranche 2) at \$0.30 per share	24,100,000	7,230
Shares issued on exercise of staff and contractor options	787,187	102
Shares issued on exercise of non-executive director options	656,250	-
Shares issued to non-executive directors in lieu of directors' fees (see Note 11)	163,026	62
Shares issued to CEO and executive director as short-term incentive (see Note 11)	336,692	128
Shares issued to staff and contractors as short-term incentive	1,047,737	398
Capital raising costs	-	(360)
Fully paid ordinary shares at 31 December 2021	301,487,739	50,093
Options & Rights	Number	\$'000
Options issued at 30 June 2021	21,722,500	933
Options issued attaching to Tranche 2 share placement at \$0.45 per share	12,050,000	-
Amortisation of share-based payments	-	118
Exercise of options by directors, staff and contractors	(3,196,250)	-
Options lapsed	(821,250)	-
Issue of non-executive director performance rights	3,000,000	-
Issue of CEO & executive director performance rights	2,511,468	-
Issue of performance rights to executive managers	3,280,716	-
Options & Rights issued at 31 December 2021	38,547,184	1,051

11 Related Party Transactions

During the half-year, the Company:

- issued 787,187 ordinary shares on the exercise of staff and contractor options, of which 389,062 were issued to executive managers. An additional 656,250 ordinary shares were issued on exercise of non-executive director options.
- issued 54,342 fully paid ordinary shares to each of the non-executive directors to satisfy \$20,000 of their directors' fees for the year ending 30 June 2022 (163,026 in total).
- issued 336,692 fully paid ordinary shares to the CEO and executive director in relation to his 2021 short-term incentive.
- issued 3,000,000 performance rights to the non-executive directors. The performance rights were issued for nil cash consideration and have a nil exercise price. The performance rights have 3 tranches - Tranche One (333,334 rights), Tranche Two (333,333 rights) and Tranche Three (333,334 rights), with each tranche automatically vesting if the Company's 10-day Value Weighted Average Share Price (VWAP) reaches 50 cents, 75 cents or \$1.00 respectively.
- issued a total of 2,511,468 performance rights to the CEO and executive director in relation to his long-term incentive. Vesting of the performance rights is subject to the achievement of performance hurdles based on relative Total Shareholder Return (TSR) of the Company against two comparator groups, each weighted 50%. The first comparator group comprises 20 small – medium ASX listed resource companies and the second comparator group comprises the mining companies making

up the ASX 300 metals and mining index as at 1 July 2020 and 1 July 2021. The performance rights vest on a sliding scale based on the Company's TSR against the comparator groups.

- issued a total of 3,280,716 performance rights to executive managers in relation to their long-term incentive. The terms and conditions of these performance rights are as described above for the CEO and executive director.

Shareholders approved the proposed issue of the securities to directors listed above at the 2021 Annual General Meeting.

12 Commitments for expenditure

At 31 December 2021 expenditure contracted but not yet provided for or payable amounted to:

	\$'000
Payable within 1 year	577
Payable within 1-5 years	1,305
Payable after 5 years	53

13 Matters Subsequent to the end of the Financial Period

Subsequent to 31 December 2021, the following shares were issued:

Details	Number of fully-paid ordinary shares Issued	Cash Received (\$'000)
Conversion of placement options (\$0.45 exercise price)	4,878,161	2,195
Conversion of non-executive director performance rights (Tranche One)	1,000,002	Nil

On 2 March 2022 the Australian Government granted the BHCP Major Project Status.

No other matter or circumstance has arisen since 31 December 2021 which has significantly affected or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Directors' Declaration

In the directors' opinion:

- (a) the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- (b) the attached financial statements give a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Robert Biancardi

Chairman

Dated 11 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Cobalt Blue Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of *Cobalt Blue Holdings Limited*, which comprises the consolidated Statement of Financial Position as at 31 December 2021, the consolidated Statement of Profit or Loss and Other Comprehensive Income, consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Cobalt Blue Holdings Limited does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of the Cobalt Blue Holdings Limited's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Nexia Sydney Audit Pty Ltd

A handwritten signature in red ink, appearing to read "AMC", followed by a long horizontal line extending to the right.

Andrew Hoffmann
Director

Date: 11 March 2022

Sydney