

Murray Cod Australia Ltd

ACN: 143 928 625



AQUANA
Sustainable Murray Cod

Interim Financial Report For The Half-Year Ended
31 December 2020



MURRAY COD AUSTRALIA LIMITED – FINANCIAL REPORT

CORPORATE DIRECTORY

ABN 74 143 928 625

Directors

Ross Anderson
Mathew Ryan
George Roger Commins
Martin Priestley
David Crow

Company Secretaries

Wendy Dillon
Brett Tucker

Registered office

Level 1
153 Yambil Street
Griffith, NSW 2680
Australia
Telephone +61 2 69625470
Fax +61 2 69641546
Mail PO Box 492
Griffith, NSW 2680

Solicitors

HWL Ebsworth Lawyers
Level 20
240 St Georges Terrace
Perth, WA. 6000

Bankers

Westpac Bank
242 Banna Avenue
GRIFFITH NSW 2680

Auditors

PinnacleHPC Pty Ltd
135 Yambil Street
Griffith, NSW 2680

Website www.aquna.com

This interim financial report incorporating Appendix 4D is provided to the Australian Securities Exchange (ASX under ASX Listing Rule 4.2A.3).

The information contained in this report is to be read in conjunction with Murray Cod Australia Ltd's 2020 Annual Report and any announcements to the market by Murray Cod Australia Ltd during the half-year period ending 31 December 2020.

**ABN: 74 143 928 625. ASX: MCA. Appendix 4D.1.
Current Period 1 July 2020 to 31 December 2020.
Prior Corresponding 1 July 2019 to 31 December 2019.**

MURRAY COD AUSTRALIA LIMITED AND CONTROLLED ENTITIES

ABN: 74 143 928 625

Interim Financial Report For The Half-Year Ended 31 December 2020

CONTENTS

| | |
|---|----|
| Appendix 4D | 4 |
| Directors' Report | 5 |
| Auditor's Independence Declaration | 7 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 8 |
| Consolidated Statement of Financial Position | 9 |
| Consolidated Statement of Changes in Equity | 10 |
| Consolidated Statement of Cash Flows | 11 |
| Notes to the Financial Statements | 12 |
| Director's Declaration | 26 |
| Independent Auditor's Review Report | 27 |

MURRAY COD AUSTRALIA LIMITED
ABN: 74 143 928 625 AND CONTROLLED
ENTITIES
INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

APPENDIX 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

KEY INFORMATION

| | Half Year ended 31 December 2020 | Half Year ended 31 December 2019 | % Change |
|---|---|---|-----------------|
| Revenue from Ordinary Activities | 4,191,352 | 1,915,483 | 118.81% |
| Profit/(loss) after tax from ordinary activities attributable to members | 542,015 | (354,376) | 252.95% |
| Net Profit/(loss) attributable to members | 542,015 | (354,376) | 252.95% |

Key Highlights

118.81% Revenue Growth

Average sale size of fish now at 1.37kg

DIVIDENDS PAID AND PROPOSED

Nil.

NET TANGIBLE ASSETS PER SHARE

31 Dec 2020 \$0.055

31 Dec 2019 \$0.064

CONTROL GAINED OR LOST OVER ENTITIES IN THE HALF-YEAR

Nil.

DIVIDEND DETAILS

Nil.

DIVIDEND REINVESTMENT PLANS

Nil.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Nil.

INDEPENDENT AUDIT REVIEW

There is no modified opinion, no emphasis of matter or other matter paragraph in the Audit review report.

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of Murray Cod Australia Limited and its controlled entities for the half- year ended 31 December 2020.

General Information

Directors

The following persons were directors of Murray Cod Australia Limited during or since the end of the financial year up to the date of this report:

Ross Anderson
Mathew Ryan
George Roger Commins
Martin Priestley
David Crow

Dividends Paid or Recommended

No dividends have been declared or paid during the half year ended 31 December 2020.

Principal Activities

The principal activity of the Company is Aquaculture.

Review and Results of Operations

Set out below is a review of significant activity for Murray Cod Australia Limited for the half year ended 31 December 2020:

- During the last six months the company has continued recruitment, training and development of staff. This has been a high priority of the company as we build our skill base so that we may sustainably continue with our expansion as planned. Our site at Whitton has commenced stocking and we expect eight ponds on that site to be stocked by end of April this year. Sales development is a major focus, particularly on a domestic front whilst covid-19 restrictions hamper our export efforts.
- The Company Research and Development has been a focus for our management team in a variety of areas including stocking rates, feeding methods, aeration systems, larvae weaning and growth systems.

Financial Review

The Company reported a profit for the half-year ended 31 December 2020 of \$542,015 (2019: loss \$354,376.)

Significant Events after Balance Date

No significant events have occurred since balance date.

Significant Changes in the State of Affairs

Other than the activities described in the Director's report above, there were no other significant changes in the state of affairs of the Company in the six months ended 31 December 2020.

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the accounts.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2020 has been received.

Indemnification and Insurance of Officers and Directors

The Company indemnifies its past and present Directors and Officers against liabilities arising out of their position with the company, except where the liability arises out of conduct involving a lack of good faith. The deed stipulates that the company will meet the full amount of any such liabilities, including costs and expenses.

Under the Company's directors' and officers' liability insurance policy, the Company cannot release to any third party or otherwise publish details of the nature of the liabilities insured by the policy or the amount of the premium. Accordingly, the Company relies on section 300(9) of the Corporations Act 2001 to exempt it from the requirements to disclose the nature of the liability insured against and the premium amount of the policy.

ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191

The company is an entity to which *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* applies and, accordingly, amounts in the directors' report have been rounded to the nearest dollar.

Signed in accordance with a resolution of the Directors.



Ross Anderson
Chairman

25 February 2021

Principals

John P Keenan CPA
Morris G Massarotto CPA
Graeme J Lyons CA
Geoffrey M Marin CPA
Allan J Andreazza CPA
Angela C Favell CPA
John P Farronato CA
Michael J Harris CA

MURRAY COD AUSTRALIA LIMITED AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF MURRAY COD AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020 there have been no contraventions of:

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



J.P. Keenan CPA

Registered Company Auditor 156228

135 Yambil Street Griffith NSW 2680

Dated this 25th day of February 2021

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

| Consolidated Group | | | |
|--|-------------|---------------------------------------|---------------------------------------|
| | | Half-year Ended 31- Dec-20 | Half-year Ended 31- Dec-19 |
| | Note | \$ | \$ |
| Continuing operations | | | |
| Revenue | 3 | 4,191,352 | 1,915,483 |
| Other Income | 3 | 351,470 | 222,583 |
| Net gain from change in fair value of biological assets | | 2,819,700 | 2,161,246 |
| Employee benefits expense | | (1,438,979) | (947,594) |
| Cost of sales - equipment | | (33,206) | (21,114) |
| Cost of sales - fish | | (2,633,574) | (1,809,007) |
| Cost of sales - processing plant | | (12,693) | - |
| Cost of sales - cattle | | - | (15,762) |
| Administrative and other expenses | | (501,230) | (521,140) |
| Fish farm operating expenses | | (1,339,012) | (995,826) |
| Depreciation and amortisation expense | | (588,547) | (373,758) |
| Share based payment expense | | (23,809) | (23,809) |
| Net Profit/(Loss) before Income tax | 4 | 791,472 | (408,698) |
| Tax expense | 5 | (249,457) | 54,322 |
| Net Profit/(loss) from continuing operations | | 542,015 | (354,376) |
| Discontinued operations | | - | - |
| Net Profit/(Loss) for the year after tax | | 542,015 | (354,376) |
| Other comprehensive income | | - | - |
| Total other comprehensive income for the period | | - | - |
| Total Net Profit/(loss) and other comprehensive income for the period attributable to Members | | 542,015 | (354,376) |
| Earnings per share | | | |
| From continuing and discontinued operations: | | | |
| Basic earnings per share (cents) | | 0.096 cents | (0.08) cents |
| Diluted earnings per share (cents) | | 0.081 cents | (0.06) cents |
| From continuing operations: | | | |
| Basic earnings per share (cents) | | 0.096 cents | (0.08) cents |
| Diluted earnings per share (cents) | | 0.081 cents | (0.06) cents |
| From discontinued operations: | | | |
| Basic earnings per share (cents) | | - | - |
| Diluted earnings per share (cents) | | - | - |

The accompanying notes form part of these financial statements.

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

| | Note | Consolidated Group | |
|--------------------------------------|------|--------------------|-------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 3,582,103 | 6,081,964 |
| Trade and other receivables | 7 | 1,550,934 | 906,602 |
| Inventories | 8 | 15,092,345 | 12,483,171 |
| Other assets | 9 | 272,291 | 265,904 |
| TOTAL CURRENT ASSETS | | 20,497,673 | 19,737,641 |
| NON-CURRENT ASSETS | | | |
| Other financial assets | | 87 | 87 |
| Property, plant and equipment | 10 | 10,670,747 | 9,847,111 |
| Deferred tax assets | 14 | 301,333 | 566,345 |
| Right of use assets | 20 | 3,109,626 | 1,828,113 |
| Intangible assets | 11 | 4,667,707 | 4,627,080 |
| TOTAL NON-CURRENT ASSETS | | 18,749,500 | 16,868,736 |
| TOTAL ASSETS | | 39,247,173 | 36,606,377 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 1,000,812 | 695,540 |
| Lease liability | 20 | 197,380 | 145,949 |
| Borrowings | 13 | 412,326 | 325,658 |
| Provisions | 15 | 292,534 | 192,222 |
| TOTAL CURRENT LIABILITIES | | 1,903,052 | 1,359,369 |
| NON-CURRENT LIABILITIES | | | |
| Lease liability | 20 | 2,992,564 | 1,752,150 |
| Borrowings | 13 | 1,159,683 | 1,001,574 |
| Deferred tax liabilities | 14 | 492,364 | 507,919 |
| TOTAL NON-CURRENT LIABILITIES | | 4,644,611 | 3,261,643 |
| TOTAL LIABILITIES | | 6,547,663 | 4,621,012 |
| NET ASSETS | | 32,699,510 | 31,985,365 |
| EQUITY | | | |
| Issued capital | | 37,518,594 | 37,410,131 |
| Reserves | | 4,731,512 | 4,667,845 |
| Retained earnings | | (9,550,596) | (10,092,611) |
| TOTAL EQUITY | | 32,699,510 | 31,985,365 |

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

| | Note | Share Capital | | Retained Earnings | Reserves | | | TOTAL |
|---|------|---------------|--------------------------|-------------------|---------------------------|----------------|----------------------------|------------|
| | | Ordinary | Deferred Ordinary Shares | | Asset Revaluation Reserve | Option Reserve | Performance Rights Reserve | |
| Consolidated Group | | | | | | | | |
| Balance at 1 July 2019 | | 22,325,588 | - | (10,109,683) | 569,250 | 3,211,901 | 625,000 | 16,622,056 |
| Cumulative adjustment upon change in accounting policy - AAS 16 | | - | - | (44,620) | - | - | - | (44,620) |
| Balance at 1 July 2019 restated | | 22,325,588 | - | (10,154,303) | 569,250 | 3,211,901 | 625,000 | 16,577,436 |
| Profit or (loss) and other comprehensive income | | | | | | | | |
| Profit or (loss) for the year | | - | - | (354,376) | - | - | - | (354,376) |
| Other comprehensive income for the year | | - | - | - | - | - | - | - |
| Total profit or (loss) and other comprehensive income for the year | | 22,325,588 | - | (10,508,679) | 569,250 | 3,211,901 | 625,000 | 16,223,060 |
| Other | | | | | | | | |
| Shares issued during the year | | 15,000,000 | - | - | - | - | - | 15,000,000 |
| Transaction costs on share issue | | (411,345) | - | - | - | - | - | (411,345) |
| Transfer unrealised gain on asset to Asset Revaluation Reserve | | - | - | - | 10,150 | - | - | 10,150 |
| Total other | | 14,588,655 | - | - | 10,150 | - | - | 14,598,805 |
| Balance at 31 December 2019 | | 36,914,243 | - | (10,508,679) | 579,400 | 3,211,901 | 625,000 | 30,821,865 |
| Consolidated Group | | | | | | | | |
| Balance at 1 July 2020 | | 37,410,131 | - | (10,092,611) | 582,950 | 3,334,895 | 750,000 | 31,985,365 |
| Cumulative adjustment upon change in accounting policy | | - | - | - | - | - | - | - |
| Balance at 1 July 2019 restated | | 37,410,131 | - | (10,092,611) | 582,950 | 3,334,895 | 750,000 | 31,985,365 |
| Profit or (loss) and other comprehensive income | | | | | | | | |
| Profit or (loss) for the year | | - | - | 542,015 | - | - | - | 542,015 |
| Other comprehensive income for the year | | - | - | - | - | - | - | - |
| Total profit or (loss) and other comprehensive income for the year | | 37,410,131 | - | (9,550,596) | 582,950 | 3,334,895 | 750,000 | 32,527,380 |
| Transactions with owners and other transfers | | | | | | | | |
| Shares issued during the year | | 110,384 | - | - | - | - | - | 110,384 |
| Transaction costs on share issue | | (1,921) | - | - | - | - | - | (1,921) |
| Options exercised or lapsed | | - | - | - | - | (34,133) | - | (34,133) |
| Transfer unrealised gain on asset to Asset Revaluation Reserve | | - | - | - | 97,800 | - | - | 97,800 |
| Total other | | 108,463 | - | - | 97,800 | (34,133) | - | 172,130 |
| Balance at 31 December 2020 | | 37,518,594 | - | (9,550,596) | 680,750 | 3,300,762 | 750,000 | 32,699,510 |

The accompanying notes form part of these financial statements.

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

| | | Consolidated Group | |
|---|-------------|---------------------------------------|---------------------------------------|
| | | Half-year Ended 31- Dec-20 | Half-year Ended 31- Dec-19 |
| | Note | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers and grants | | 3,517,210 | 1,655,855 |
| Payments to suppliers and employees | | (4,992,904) | (4,119,599) |
| Interest received | | 1,067 | 2,567 |
| Income tax paid | | - | - |
| Net cash provided by (used in) operating activities | 17 | <u>(1,474,627)</u> | <u>(2,461,177)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of trademarks | | (13,747) | (4,301) |
| Purchase of property, plant and equipment | | (1,473,956) | (546,146) |
| Disposal of property, plant and equipment | | 231,291 | |
| Purchase of intangible assets | | | (12,000) |
| Net cash provided by (used in) investing activities | | <u>(1,256,412)</u> | <u>(562,447)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issues of shares | | 76,250 | 15,000,000 |
| Capital costs on issue of share capital | | (1,922) | (411,345) |
| Proceeds from borrowings | | 356,476 | 163,272 |
| Repayment of borrowings | | (120,583) | (111,589) |
| Repayment of lease principal | | (87,926) | (67,424) |
| Net cash provided by (used in) financing activities | | <u>222,295</u> | <u>14,572,914</u> |
| Net increase in cash held | | <u>(2,508,744)</u> | <u>11,549,290</u> |
| Cash and cash equivalents at beginning of financial year | | 6,071,596 | 2,984,319 |
| Effect of exchange rates on cash holdings in foreign currencies | | - | - |
| Cash and cash equivalents at the end of the period | 6 | <u><u>3,562,852</u></u> | <u><u>14,533,609</u></u> |

The accompanying notes form part of these financial statements

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

These consolidated financial statements and notes represent those of Murray Cod Australia Limited and Controlled Entities (the "consolidated group" or "group").

The financial statements were authorised for issue on the 26th February 2021 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

(a) Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Murray Cod Australia Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2020, together with any public announcements made during the following half-year.

Except for cash flow information, the financial statements have been prepared on an accrual 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.

(b) Accounting Policies

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

(c) New and Amended Standards Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period, but determined that their application to the financial statements is either not relevant or not material.

Note 2 : Changes in Accounting Policies

There has been no changes to accounting policies.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 3 Revenue and Other Income

| | | Consolidated Group | |
|---|-------------|----------------------------|----------------------------|
| | | Half-year Ended 31- | Half-year Ended 31- |
| | Note | Dec-20 | Dec-19 |
| | | \$ | \$ |
| Revenue from continuing operations | | | |
| Sales revenue | | | |
| - Fish Sales | | 3,637,219 | 1,841,178 |
| - Cattle Sales | | - | 32,175 |
| - Equipment Sales | | 1,560 | 22,165 |
| | | <u>3,638,779</u> | <u>1,895,518</u> |
| Other revenue | | | |
| - Interest received | | 1,067 | 2,549 |
| - Insurance proceeds | | 506,622 | - |
| - Sundry income | | 44,884 | 17,416 |
| | | <u>552,573</u> | <u>19,965</u> |
| Total revenue | | <u>4,191,352</u> | <u>1,915,483</u> |
| Other Income | | | |
| - Subsidies and rebates | | 351,470 | - |
| - R & D Tax Incentive | | - | 222,583 |
| Total other income | | <u>351,470</u> | <u>222,583</u> |
| Total revenue and other income | | <u><u>4,542,822</u></u> | <u><u>2,138,066</u></u> |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 4 Profit for the Year

| | Note | Consolidated Group | |
|--|------|-------------------------------------|-------------------------------------|
| | | Half-year Ended 31- Dec-20 \$ | Half-year Ended 31- Dec-19 \$ |
| Profit/(Loss) before income tax from continuing operations includes the following specific expenses: | | | |
| Expenses | | | |
| Interest Expense on Financial Liabilities | | | |
| - Related parties | | - | 3,698 |
| - Unrelated parties | | 49,906 | 50,697 |
| Total Finance Cost | | 49,906 | 54,395 |
| Interest on Lease Liability | | 46,436 | 40,136 |
| Depreciation and amortisation | | 490,289 | 292,748 |
| Depreciation right of use asset | | 98,258 | 81,010 |
| | | 588,547 | 373,758 |
| Superannuation | | 102,735 | 76,502 |

Note part of employee benefits expenses, veterinary and depreciation are expenses incurred in Research and Development but are not listed separately as Research and Development.

Note 5 Tax Expense

| | Note | Consolidated Group | |
|---|------|-------------------------------------|-------------------------------------|
| | | Half-year Ended 31- Dec-20 \$ | Half-year Ended 31- Dec-19 \$ |
| a) The components of tax expense (income) comprise: | | | |
| Current Tax | | - | - |
| Deferred Tax | 14 | 249,457 | (54,322) |
| Research & Development Refundable Tax Offset | | - | - |
| | | 249,457 | (54,322) |
| b) The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows: | | | |
| Prima facie tax payable on profit from ordinary activities before income tax at 26% | | 205,783 | (112,392) |
| Add: Tax effect of | | | |
| - non-allowable items | | 94,925 | 143,576 |
| - decrease in corporate tax rate | | 12,459 | - |
| | | 313,167 | 31,184 |
| Less: Tax effect of | | | |
| - deductible expenses capitalised on balance sheet or otherwise claimable | | 42,182 | 85,506 |
| - income not assessable | | 12,256 | - |
| - decrease in corporate tax rate | | 9,272 | - |
| Income tax attributable to entity | | 249,457 | (54,322) |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 6 Cash and Cash Equivalents

| | Note | Consolidated Group | |
|----------------------------|-------------|---------------------------|------------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| Cash at bank and on hand | | 3,582,103 | 6,081,964 |
| Short - term bank deposits | | - | - |
| | | <u>3,582,103</u> | <u>6,081,964</u> |

The effective interest rate on short-term bank deposits was 1%.

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:

| | | Half-year Ended 31-Dec-20 | Half-year Ended 31-Dec-19 |
|---------------------------|----|----------------------------------|----------------------------------|
| Cash and cash equivalents | | 3,582,103 | 14,562,784 |
| Credit Cards | 13 | (19,251) | (29,175) |
| Bank Overdraft | | - | - |
| | | <u>3,562,852</u> | <u>14,533,609</u> |

A floating charge over cash and cash equivalents has been provided for certain debts.

Note 7 Trade and Other Receivables

| | Note | Consolidated Group | |
|--|-------------|---------------------------|------------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| CURRENT | | | |
| Trade receivables | | 786,568 | 516,312 |
| Provision for impairment | | (8,309) | (15,420) |
| | | <u>778,259</u> | <u>500,892</u> |
| Other receivables | | 772,675 | 389,207 |
| Business Activity Statement Refunds Receivable | | - | 16,503 |
| Amounts receivable from related parties | | - | - |
| Total current trade and other receivables | | <u>1,550,934</u> | <u>906,602</u> |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 8 Inventories

| | | Consolidated Group | |
|----------------------------------|-------------|---------------------------|------------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | Note | \$ | \$ |
| CURRENT | | | |
| At cost: | | | |
| Fish Feed and Chemical Inventory | | 172,922 | 201,959 |
| Livestock - Cattle | | 15,011 | 15,011 |
| Processing plant inventory | | 47,259 | 47,740 |
| Cage Building Stock and Parts | | 182,254 | 42,605 |
| | | <u>417,446</u> | <u>307,315</u> |
| At net realisable value: | | | |
| Biological Assets | | 14,674,899 | 12,175,856 |
| Total Inventory | | <u>15,092,345</u> | <u>12,483,171</u> |

Biological Assets

The Biological Asset is Murray Cod, a premium freshwater table fish.

| | | Consolidated Group | |
|--|-------------|---------------------------|------------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | Note | \$ | \$ |
| Biological Assets | | | |
| Murray Cod Broodstock | | 835,695 | 835,695 |
| Murray Cod Juveniles | | 316,000 | - |
| Murray Cod Fingerlings | | 2,810,750 | 1,862,935 |
| Murray Cod Pond Fish | | 10,712,454 | 9,477,226 |
| | | <u>14,674,899</u> | <u>12,175,856</u> |
| Carrying amount at the beginning of the period | | 12,175,856 | 7,188,515 |
| Purchases | | 1,123,291 | 1,575,265 |
| Growing Costs | | 948,290 | 1,469,388 |
| Decreases due to harvest for sale | | (2,392,238) | (2,571,797) |
| Gain from physical changes at fair value | | 2,819,700 | 4,514,485 |
| Carrying amount at the end of the period | | <u>14,674,899</u> | <u>12,175,856</u> |

Note 9 Other Assets

| | | Consolidated Group | |
|-------------|-------------|---------------------------|------------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | Note | \$ | \$ |
| CURRENT | | | |
| Prepayments | | 272,291 | 265,904 |
| | | <u>272,291</u> | <u>265,904</u> |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 10 Property, Plant and Equipment

| | Note | Consolidated Group | |
|----------------------------|------|--------------------|------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| LAND AND BUILDINGS | | | |
| Freehold land at: | | | |
| - at cost | | 4,076,381 | 4,076,381 |
| Total Land | | <u>4,076,381</u> | <u>4,076,381</u> |
| Buildings | | | |
| - at valuation | | 250,000 | 250,000 |
| - accumulated depreciation | | (8,339) | (2,089) |
| Total buildings | | <u>241,661</u> | <u>247,911</u> |

The land and buildings held at Bilbul and Grong Grong were acquired at the time of the business acquisitions in 2017. At that time of acquisition, the land and buildings were valued by independent valuers. The land and buildings recently acquired at Euberta as part of the purchase of the 2nd hatchery from Murray Darling Fisheries Pty Ltd was acquired at market value at the date of purchase on 16 March 2020. The land and buildings are recorded at the deemed cost as this is the cost of the purchase at the time of acquisition. Directors have determined not to revalue land and buildings at the reporting date, as the deemed cost was market value at purchase. The Directors believe the value has not increased significantly since that date. Buildings acquired are purchased as part of the acquisition of Murray Darling Fisheries Pty Ltd and are recorded at market value at purchase.

PLANT AND EQUIPMENT

| | | | |
|-------------------------------------|--|-------------------|------------------|
| Plant and equipment | | | |
| At cost | | 7,875,775 | 6,657,444 |
| Accumulated depreciation | | (1,870,159) | (1,518,634) |
| | | <u>6,005,616</u> | <u>5,138,810</u> |
| At valuation | | 396,350 | 396,350 |
| Accumulated depreciation | | (49,261) | (12,341) |
| | | <u>347,089</u> | <u>384,009</u> |
| Total Plant and Equipment | | <u>6,352,705</u> | <u>5,522,819</u> |
| Total Property, Plant and Equipment | | <u>10,670,747</u> | <u>9,847,111</u> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 11 Intangible Assets

| Note | Consolidated Group | |
|---|--------------------|------------------|
| | As at 31-Dec-20 | As at 30-Jun-20 |
| | \$ | \$ |
| Water Rights and Licences at Market Value | 2,567,200 | 2,469,400 |
| Trademarks at Cost | 46,260 | 32,513 |
| Intellectual property at cost | 12,000 | 12,000 |
| Goodwill | 2,042,247 | 2,113,167 |
| Total Intangible Assets | 4,667,707 | 4,627,080 |

| | Goodwill | Water Rights & Licences | Trademarks & Intellectual Property |
|--|------------------|-------------------------|------------------------------------|
| Year ended 30 June 2020 | | | |
| Balance at the beginning of the year | - | 1,255,700 | 18,400 |
| Additions | 2,113,167 | 1,200,000 | 26,113 |
| Revaluation | - | 13,700 | - |
| Closing value at 30 June 2020 | 2,113,167 | 2,469,400 | 44,513 |
| Half Year ended 31 December 2020 | | | |
| Balance at the beginning of the year | 2,113,167 | 2,469,400 | 44,513 |
| Additions | - | - | 13,747 |
| Amortisation charge | (70,920) | - | - |
| Revaluation | - | 97,800 | - |
| Closing value at 31 December 2020 | 2,042,247 | 2,567,200 | 58,260 |

Water Licences held by the company are classified as intangible assets. The licences are issued by the NSW Government and by Murrumbidgee Irrigation Limited and provide the company with the right to receive allocations of water from Murrumbidgee river supplies and from underground aquifers. The volume of water allocated to the general security Murrumbidgee licences each year is dependent upon the volumes available within the Snowy Mountains storages each year and the allocations are announced progressively throughout the irrigation season each year by the government. Both the licences and the annual allocations of water are readily tradeable assets. There is a sophisticated and well regulated market network which provides daily prices of the permanent licences and the annual allocations. The company revalues the water licences each half year in accordance with the prevailing market prices at balance date. The value of annual allocations is not accounted for by the company as such allocations expire on 30 June each year.

Goodwill purchased by the acquisition of Murray Darling Fisheries Pty Ltd has been amortised on a straight line basis over a 20 year period.

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 12 Trade and Other Payables

| | Note | Consolidated Group | |
|--|------|--------------------|-----------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| CURRENT | | | |
| Unsecured liabilities | | | |
| Trade payables | | 820,102 | 544,639 |
| Sundry payables and accrued expenses | | 180,710 | 150,901 |
| Amounts payable to related parties | | | |
| - key management personnel related entities | | - | - |
| | | <u>1,000,812</u> | <u>695,540</u> |
| Financial liabilities classified as trade and other payables | | | |
| Trade and other payables | | | |
| - Total current | | 1,000,812 | 695,540 |
| - Total non-current | | - | - |
| | | <u>1,000,812</u> | <u>695,540</u> |

Note 13 Borrowings

| | Note | Consolidated Group | |
|-------------------------------------|------|--------------------|------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| CURRENT | | | |
| Secured liabilities | | | |
| Lease Liability - Equipment Finance | | 393,075 | 315,291 |
| Credit Cards | | 19,251 | 10,367 |
| Westpac Overdraft Account | | - | - |
| | | <u>412,326</u> | <u>325,658</u> |
| NON-CURRENT | | | |
| Secured liabilities | | | |
| Lease Liability - Equipment Finance | | 1,159,683 | 1,001,574 |
| | | <u>1,159,683</u> | <u>1,001,574</u> |
| Total Borrowings | | <u>1,572,009</u> | <u>1,327,232</u> |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 14 Tax

| | Note | Consolidated Group | |
|---|------|---------------------------|---------------------------|
| | | Half-year Ended 31-Dec-20 | Half-year Ended 31-Dec-19 |
| | | \$ | \$ |
| CURRENT | | | |
| Income tax payable | | - | - |
| | | - | - |
| NON-CURRENT | | | |
| Deferred tax liabilities | | | |
| Property, Plant and equipment - tax allowance | | | |
| Opening balance | | 507,919 | 287,267 |
| Charged to income | | 12,150 | 26,698 |
| Change in tax rates | | (27,705) | - |
| Closing balance | | 492,364 | 313,965 |
| Deferred tax assets | | | |
| Accrued expenses, provisions and carry forward losses | | | |
| Opening balance | | 566,345 | 668,493 |
| Charged to income | | (234,120) | 81,020 |
| Change in tax rates | | (30,892) | - |
| Closing balance | | 301,333 | 749,513 |

Note 15 Provisions

| | Note | Consolidated Group | |
|-------------------------------------|------|--------------------|-----------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | | \$ | \$ |
| CURRENT | | | |
| Employee Benefits | | | |
| Opening balance at 1 July | | 192,222 | 86,066 |
| Additional provisions | | 100,312 | 106,156 |
| Closing balance | | 292,534 | 192,222 |
| Analysis of Total Provisions | | | |
| Current | | 292,534 | 192,222 |
| Non-current | | - | - |
| | | 292,534 | 192,222 |

**MURRAY COD AUSTRALIA LIMITED ABN: 74 143 928 625
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 16 Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities outstanding at 31 December 2020 (30/6/20: nil)

Note 17 Cash Flow Information

| | | Consolidated Group | |
|---|------|-------------------------------|-------------------------------|
| | | Half-year Ended 31- Dec-20 | Half-year Ended 31- Dec-19 |
| | Note | \$ | \$ |
| (a) Reconciliation of Cash Flows from Operating Activities with Profit after Income Tax | | | |
| Profit after income tax | | 542,015 | (354,376) |
| Non-cash flows in profit | | | |
| Depreciation and Amortisation | | 605,547 | 373,758 |
| Share Based Payment | | 23,809 | 23,810 |
| Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries: | | | |
| (Increase)/decrease in trade and term receivables | | (644,332) | (266,332) |
| (Increase)/decrease in other assets | | (47,531) | 8,289 |
| (Increase)/decrease in inventories | | (2,609,173) | (1,857,341) |
| Increase/(decrease) in trade payables and accruals | | 305,271 | (354,568) |
| Increase/(decrease) in deferred taxes payable | | (15,556) | 26,698 |
| (Increase)/decrease in deferred taxes receivable | | 265,012 | (81,020) |
| Increase/(decrease) in provisions | | 100,311 | 19,905 |
| Cash flows from operating activities | | (1,474,627) | (2,461,177) |

Note 18 Events after the Reporting Period

There have been no significant events occur since balance date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 19 Fair Value Measurements

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Biological Assets
- Water rights and licences

The Group measures some items of freehold land and buildings at fair value on a recurring basis after initial recognition.

The Group does not subsequently measure any liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair Value Measurement* 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 | Level 2 | Level 3 |
|--|--|---|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

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

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

| 31 December 2020 | | | | | |
|---|------|-----------|-----------|------------|------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Recurring fair value measurements | Note | \$ | \$ | \$ | \$ |
| Inventory | | | | | |
| Inventory at fair value through profit or loss | | | | | |
| — Biological Assets - current | | - | - | 14,674,899 | 14,674,899 |
| Total inventory recognised at fair value on a recurring basis | | - | - | 14,674,899 | 14,674,899 |
| Non-financial assets | | | | | |
| Water Rights and licences | | 2,567,200 | - | - | 2,567,200 |
| Total non-financial assets recognised at fair value on a recurring basis | | 2,567,200 | - | - | 2,567,200 |
| Non-recurring fair value measurements | | | | | |
| Land and Buildings | | - | 4,318,042 | - | 4,318,042 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | 4,318,042 | - | 4,318,042 |
| Total non-financial assets recognised at fair value | | 2,567,200 | 4,318,042 | - | 6,885,242 |

- (i) On the 17th of January 2017 settlement occurred for the purchase of Farm 1444d Bilbul and 563 Pinehope Road Grong Grong. The Farming properties have not been revalued as at 31 December 2020 as the Directors believe their market value at 31 December 2020 would be the same as the purchase price paid.

- (ii) All Land and Buildings were acquired at the time of the business acquisitions from Silverwater and Riverina Aquaculture. At the time of acquisition the Land and Buildings were valued by an independent valuer. The Land and Buildings are recorded at the deemed cost as this is the cost of purchase at time of acquisition. Directors have determined not to revalue Land and Buildings at the reporting date as the deemed cost was the market value at purchase. The acquisition date is less than 3 years prior to the reporting date and the directors believe the value has not increased since that date.

- (iii) The Land and Buildings recently acquired at Euberta as part of the purchase of the 2nd Hatchery from Murray Darling Fisheries Pty Ltd was acquired at market value at the date of purchase on 16 March 2020. The Land and Buildings are recorded at the deemed cost as this is the cost of purchase at the time of acquisition. Directors have determined not to revalue Land and Buildings at the reporting date as the deemed cost was market value at purchase. The Directors believe the value has not increased significantly since that date. Buildings acquired are purchased as part of the acquisition of Murray Darling Fisheries Pty Ltd and are recorded at market value at purchase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

| 30 June 2020 | | | | | |
|---|------|---------------|---------------|---------------|-------------|
| | Note | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
| Recurring fair value measurements | | | | | |
| <i>Inventory</i> | | | | | |
| Inventory at fair value through profit or loss | | | | | |
| — Biological Assets - current | | - | - | 12,175,856 | 12,175,856 |
| Total inventory recognised at fair value on a recurring basis | | - | - | 12,175,856 | 12,175,856 |
| <i>Non-financial assets</i> | | | | | |
| Water Rights and licences | | 2,469,400 | - | - | 2,469,400 |
| Total non-financial assets recognised at fair value on a recurring basis | | 2,469,400 | - | - | 2,469,400 |
| <i>Non-recurring fair value measurements</i> | | | | | |
| Land and Buildings | | - | 4,324,292 | - | 4,324,292 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | 4,324,292 | - | 4,324,292 |
| Total non-financial assets recognised at fair value | | 2,469,400 | 4,324,292 | - | 6,793,692 |

(b) Valuation techniques and inputs used to measure Level 2 fair values

| Description | Fair Value (\$) at 31 Dec 2020 | Valuation Technique(s) | Inputs Used |
|-----------------------------|--------------------------------|--|--|
| Non-financial assets | | Market approach using recent observable market data for similar properties: income approach using discounted cash flow methodology | Price per hectare; market borrowing rate |
| Land and Buildings | 4,318,042 | | |

- The fair value of freehold land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.
- (i)

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

(c) Valuation techniques and unobservable inputs used to measure Level 3 fair values

Valuation processes

The biological assets of the company are considered Level 3 and are valued internally by the company as there is no observable market for them. The value is based on the estimated exit price per kilogram and the value changes for the average weight of each fish as it progresses through the growth and transformation cycle. The average weight of the fish is sample measured periodically, and the value is determined by applying the average weight to the estimated price based on staged weight values (100 gram stages). The life cycle of the fish is approximately 2 years to minimum initial harvest size. The value per fish is based on the weight estimate, multiplied by the expected market price at the relevant point of transformation. Significant changes in any of the significant unobservable inputs in isolation would result in significant changes in fair value measurement.

The net increment/decrement in the fair value of Murray Cod Fish is recognised as income/(expense) in the reporting period. There has been no change in the fair value per unit of Murray Cod from the 30 June 2020 to 31 December 2020.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

Note 20: Leases

The Group's lease portfolio includes land and buildings. These leases have an average term of 12 years.

Options to Extend or Terminate: The option to extend or terminate are contained in the clauses of several property leases in the Group. These clauses provide the Group with opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Group.

AASB 16 related amounts recognised in the balance sheet

| | | Consolidated Group | |
|---|------|--------------------|------------------|
| | | As at 31-Dec-20 | As at 30-Jun-20 |
| | Note | \$ | \$ |
| Right of Use Assets: Leased Land and Buildings | | | |
| Opening Balance | | 3,598,452 | 2,218,682 |
| Depreciation expense for the half-year ended | | (488,826) | (390,569) |
| Net Carrying Amount | | <u>3,109,626</u> | <u>1,828,113</u> |
| Current | | - | - |
| Non-Current | | <u>3,109,626</u> | <u>1,828,113</u> |
| Total | | <u>3,109,626</u> | <u>1,828,113</u> |
| Lease Liabilities: Leased Land and Buildings | | | |
| Current | | 197,380 | 145,949 |
| Non-Current | | <u>2,992,564</u> | <u>1,752,150</u> |
| TOTAL | | <u>3,189,944</u> | <u>1,898,099</u> |

| | Half-year Ended 31-Dec-20 | Half-year Ended 31-Dec-19 |
|--|------------------------------|------------------------------|
| AASB 16 related amounts recognised in the statement of profit or loss | | |
| Depreciation Charge related to right-of-use assets | 98,258 | 81,010 |
| Interest expense of lease liabilities | 46,436 | 40,136 |

The company has 3 property leases:

a) Farm 1444c Burley Griffin Way Bilbul (known as "Molloys"), lease is currently for Land, including a residence, and 52 ML's of High Security Water and 41 ML's of General security water. The lease is a 5 year lease with an option to renew in 5 years and then again in 10 years. The Lease commenced August 2017. Lease payments are indexed annually in accordance with the CPI.

b) Farm "Carawatha" Irrigation Way Widgegelli (known as "McFarlanes"). Lease is currently for land. The lease is a 15 year lease. Lease payments are indexed annually in accordance with the CPI.

c) The property being Shed 1/15A Lenehan Road Griffith has been leased to operate the Processing Plant. The lease commenced 1 October 2018 and is for a 3 year term with an option to renew for a further 3 years.

d) The property being the Whitton site has been leased to build and operate 35 ponds with access to Murrumbidgee Irrigation water supply. The lease commenced 1st October 2020 and is for a 10 year term with an option to renew for a further two periods of 5 years.

In accordance with a resolution of the directors of Murray Cod Australia Limited, the directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 2020 and of the performance for the six months ended on that date of the consolidated group;
2. 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.

R. Anderson

Dated this 25th day of February 2021

Principals

John P Keenan CPA
Morris G Massarotto CPA
Graeme J Lyons CA
Geoffrey M Marin CPA
Allan J Andreazza CPA
Angela C Favell CPA
John P Farronato CA
Michael J Harris CA

MURRAY COD AUSTRALIA LIMITED AND CONTROLLED ENTITIES

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
MURRAY COD AUSTRALIA LIMITED**

Report on the Half-Year Consolidated Financial Report

I have reviewed the accompanying half-year financial report of Murray Cod Australia Limited, which comprises the consolidated statement of financial position as at 31 December 2020, 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.

Directors' Responsibility for the Half-Year 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

My responsibility is to express a conclusion on the half-year financial report based on my review. I conducted my review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, I have become aware of any matter that makes me 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 2020 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*. As the auditor of Murray Cod Australia Limited, ASRE 2410 requires that I comply with the ethical requirements relevant to the audit of the annual financial report.

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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Griffith

135 Yambil Street, Griffith NSW 2680
Phone: 02 6960 1200 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
Email: info@pinnaclehpc.com.au

Leeton

Unit 1, 2 Kurrajong Avenue, Leeton NSW 2705
Phone: 02 6953 4515 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
Web: www.pinnaclehpc.com.au

Principals

John P Keenan CPA
Morris G Massarotto CPA
Graeme J Lyons CA
Geoffrey M Marin CPA
Allan J Andreazza CPA
Angela C Favell CPA
John P Farronato CA
Michael J Harris CA

Independence

In conducting my review, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Murray Cod Australia Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on my review, which is not an audit, I have not become aware of any matter that makes me believe that the half-year report of Murray Cod Australia Limited 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 2020 and of its performance for the half-year ended on that date; and complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



J.P. Keenan CPA
Registered Company Auditor 156228
135 Yambil Street Griffith NSW 2680

Dated this 25th day of February 2021

Griffith

135 Yambil Street, Griffith NSW 2680
Phone: 02 6960 1200 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
Email: info@pinnaclehpc.com.au

Leeton

Unit 1, 2 Kurrajong Avenue, Leeton NSW 2705
Phone: 02 6953 4515 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
Web: www.pinnaclehpc.com.au

