Gold Hydrogen Limited

ABN 74 647 468 899

Annual Financial Report - 30 June 2022

Gold Hydrogen Limited
Directors' report
30 June 2022

The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2022.

Gold Hydrogen Limited was incorporated as a private company on 28 January 2021. Consequently, the comparatives figures in the financial statements represent the period 28 January 2021 to 30 June 2021. The Company was converted to a public company on 23 September 2022.

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

Alexander J Downer - Chair (appointed 1 July 2022)
Neil J McDonald
John L Titus
Katherine E Barnet (appointed 1 July 2022)
Roger H Cressey (appointed 1 July 2022)

Principal activities
During the financial year the principal continuing activities of the Company consisted of preliminary desktop analysis of historic data associated with the Company's project and the broader geological modelling associated with the occurrences of natural hydrogen deposits in the Earth's crust. At the same time, the Company progressed a range of corporate issues including:

- Appointing Morgans to act as Lead Manager for a proposed Initial Public Offering (IPO) of the Company on the Australian Securities Exchange;
- Raising $5,500,000 in pre-IPO Convertible Note funding via the Lead Manager and also to a range of sophisticated investors known to the Company; and
- Negotiating collaborative research initiatives with CSIRO and Schlumberger.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the Company after providing for income tax amounted to $1,164,815 (30 June 2021: $29,202).

Significant changes in the state of affairs
On 31 May 2022, the Company issued convertible notes for $5,500,000 that mature on 31 May 2023 (refer to note 11).

There were no other significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year
(a) Office premises
On 1 July 2022, the Company entered into a 3-year lease for office premises. The lease rental for the first year is $79,375 on a gross basis, or $53,181 after the application of incentives.

(b) Acquisitions
The Company executed a conditional Share Sale Agreement dated 1 September 2022 with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA). The vendor parties are entities related to Gold Hydrogen Directors Neil McDonald and Luke Titus.

Byrock and WHA together hold seven (7) applications in South Australia covering an area in excess of 60,000km^2 for tenure considered to be prospective for natural hydrogen exploration. Neither company has any granted tenure, nor any other form of business activity. Accordingly, the acquisition will be treated by the Company as an asset acquisition for accounting purposes.

Consideration for the transaction includes an issue of $2,000,000 in new shares in the Company (in conjunction with its planned IPO and at the IPO price) and the cash reimbursement of costs incurred by the vendor parties through to 31 August 2022 (approximately $66,500).

Settlement of the transaction is conditional on the Company completing its planned IPO on or before 31 May 2023.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations
Likely developments in the operations of the Company that were not finalised at the date of this report included a proposed IPO of Company on the Australian Securities Exchange (ASX). The Company is expected to finalise its prospectus in the second half of the calendar year 2022 in order to facilitate a listing on the ASX.

Environmental regulation
Other than as part of the standard conditions attaching to its Exploration Licences, the Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Climate change risk
The Company does not consider that it currently has any adverse material exposure to the risks associated with Climate Change. Accordingly, the company does not consider it necessary to reflect any financial impact associated with Climate Change risks. The Company considers the following matters relevant to this conclusion:

- the Company's primary business focus is to assist with the decarbonisation of the Australian and Global economies via the use of hydrogen as an alternative energy source to fossil fuels;
- the Company currently has no infrastructure situated at its project site in South Australia, and is therefore not directly impacted by the physical risks generally associated with Climate Change (fire, flood, etc);
- the Company is not currently aware of any pending or proposed Climate Change related regulatory or legislative changes which would materially impact the Company at this time.

Information on Directors

Name:	**Alexander J Downer** (appointed 1 July 2022)
Title:	Chair
Qualifications:	B Arts (Hons in Politics and Economics)
Experience and expertise:	Mr Downer is one of the country's best known politicians and diplomats. The South Australian was leader of the Liberal Party from 1994 to 1995, Minister for Foreign Affairs from 1996 to 2007, and High Commissioner to the United Kingdom from 2014 to 2018. Before politics he was executive director of the Australian Chamber of Commerce. Since departing Canberra and the diplomatic service, he has had a number of board appointments, including the Advisory Board of British strategic intelligence and advisory firm Hakluyt & Company, merchant bankers Cappello Capital Corp. the Adelaide Symphony Orchestra, Huawei in Australia, the board of Lakes Oil and mining company Ironbark Zinc. He remains a columnist for the Australian Financial Review and is Companion of the Order of Australia.
Special responsibilities:	Chair

Name:	**Neil J McDonald**
Title:	Managing Director and Chief Executive Officer
Qualifications:	Bachelor of Laws and Arts, GAICD
Experience and expertise:	Mr McDonald has more than 20 years of extensive commercial experience across the energy and minerals sectors in multiple Australian states. He has been involved from greenfield exploration to early development in projects across Queensland, Northern Territory and South Australia. He has worked on and helped commercialise some of Australia's largest exploration projects for private and public companies. As a commercial lawyer, he has a strong legal grounding in commercial and regulatory compliance in the resources industry. Areas of focus in his career have been: acquiring new assets for business growth, monetisation of existing assets, engaging domestic and international investors, new partnerships to maximise commercialisation of assets, developing non-partisan relationships at the highest political levels, both Federal and State. Mr McDonald is a graduate of the Australian Institute of Company Directors and has sat on private boards.
Special responsibilities:	Managing Director and Chief Executive Officer

Name:	**John L Titus**
Title:	Executive Director and Chief Operating Officer
Qualifications:	BSc (Geology)
Experience and expertise:	Mr Titus has 25 years' of relevant international exploration and development experience in industrial rocks and minerals, precious metals, conventional and unconventional hydrocarbons, and associated gases, including hydrogen and helium. His qualifications include a Bachelor of Science from Fort Lewis College, Colorado, USA, and he is an active member of AAPG and SPE. Mr Titus is highly skilled in early-stage undercover exploration using low-impact innovative techniques for data acquisition and analysis. After keeping abreast of international literature on the development of natural (gold) hydrogen in Africa and other continents, it was his research of Australian sites that found the previous accidental discovery of natural hydrogen here, seen as a by-product of other exploration. As such he can fulfil the role of Competent Person for ASX announcements and resource estimates under the JORC Code.
Special responsibilities:	Chief Operating Officer

Name:	**Katherine E Barnet** (appointed 1 July 2022)
Title:	Non-Executive Director
Qualifications:	MComm, FCA, AICD
Experience and expertise:	Ms Barnet is a well-regarded financial professional and Chartered Accountant with a 25+ year career in professional services. She is currently a partner at Olvera Advisors, a boutique Sydney-based consultancy. Ms Barnet has worked on some of Australia’s largest corporate matters and achieved success in developing, evaluating and understanding complex financial transactions, optimising sustainable growth and increasing value to corporate entities. Her recent corporate expertise has focused on: Renewable energy/ mining; Retail; Property & Construction; SME.
Special responsibilities:	None

Name:	**Roger H Cressey** (appointed 1 July 2022)
Title:	Executive Director – Commercial & Operations
Qualifications:	B Eng (Mechanical)
Experience and expertise:	Mr Cressy has more than 35 years of experience in resource industries, predominantly in gas exploration and production. He’s also been involved in minerals processing and materials handling. He’s held CEO, COO and other executive roles on upstream and downstream operations across Australia, most recently in Queensland, NT and before that PNG. He has also had senior roles in Indonesia and Uganda.
Special responsibilities:	Executive Director – Commercial & Operations

Company secretary
Karl Schlobohm (B.Comm, B.Econ, M.Tax, CA, FGIA) was appointed Company Secretary on 1 May 2022. Karl is a Chartered Accountant with over 30 years’ experience across a wide range of industries and businesses. He has extensive experience with financial accounting, corporate governance, company secretarial duties and board reporting.

Shares under option
There were no unissued ordinary shares of the Company under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Neil McDonald
Managing Director

27 September 2022

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DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF GOLD HYDROGEN LIMITED

As lead auditor of Gold Hydrogen Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 27 September 2022

Gold Hydrogen Limited
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General information

The financial statements cover Gold Hydrogen Limited as an individual entity. The financial statements are presented in Australian dollars, which is Gold Hydrogen Limited's functional and presentation currency.

Gold Hydrogen Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 14
110 Eagle Street
Brisbane QLD 4000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 September 2022 2022. The Directors have the power to amend and reissue the financial statements.

Gold Hydrogen Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 $	4 months to 30 June 2021 $
Expenses			
Consultants		(369,499)	(3,000)
Legal		(57,055)	-
Licence fees		(17,972)	(11,782)
Public relations		(61,866)	-
Movement in fair value of convertible note derivative		(97,907)	-
Transaction costs in connection with proposed IPO		(35,016)	-
Travel		(15,567)	-
Other expenses		(56,321)	(14,420)
Finance costs	3	(453,612)	-
Total expenses		(1,164,815)	(29,202)
Loss before income tax expense		(1,164,815)	(29,202)
Income tax expense	4	-	-
Loss after income tax expense for the year attributable to the owners of Gold Hydrogen Limited		(1,164,815)	(29,202)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Gold Hydrogen Limited		(1,164,815)	(29,202)
		$	**$**
Basic earnings per share	23	(11,648)	(292)
Diluted earnings per share	23	(11,648)	(292)

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

Gold Hydrogen Limited
Statement of financial position
As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	5	4,258,507	753
Trade and other receivables	6	141,581	2,263
Other	7	5,123	-
Total current assets		4,405,211	3,016
Non-current assets			
Property, plant and equipment	8	1,925	-
Exploration and evaluation	9	622,270	12,121
Other	7	31,505	-
Total non-current assets		655,700	12,121
Total assets		5,060,911	15,137
Liabilities			
Current liabilities			
Trade and other payables	10	475,809	26,905
Borrowings	11	3,979,066	17,334
Derivative financial instruments	12	1,799,953	-
Total current liabilities		6,254,828	44,239
Total liabilities		6,254,828	44,239
Net liabilities		(1,193,917)	(29,102)
Equity			
Issued capital	13	100	100
Accumulated losses		(1,194,017)	(29,202)
Total deficiency in equity		(1,193,917)	(29,102)

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

Gold Hydrogen Limited
Statement of changes in equity
For the year ended 30 June 2022

	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 28 January 2021	100	-	100
Loss after income tax expense for the year	-	(29,202)	(29,202)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(29,202)	(29,202)
Balance at 30 June 2021	100	(29,202)	(29,102)

	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2021	100	(29,202)	(29,102)
Loss after income tax expense for the year	-	(1,164,815)	(1,164,815)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,164,815)	(1,164,815)
Balance at 30 June 2022	100	(1,194,017)	(1,193,917)

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

Gold Hydrogen Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 $	4 months to 30 June 2021 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		(400)	-
Payments to suppliers and employees		(363,417)	(4,560)
Interest and other finance costs paid		(84,329)	-
Net cash used in operating activities	22	(448,146)	(4,560)
Cash flows from investing activities			
Payments for property, plant and equipment	8	(1,925)	-
Payments for exploration and evaluation assets		(555,165)	(12,121)
Payments for security deposits		(31,505)	-
Net cash used in investing activities		(588,595)	(12,121)
Cash flows from financing activities			
Proceeds from issue of shares	13	-	100
Proceeds from convertible notes net of transaction costs	11	5,311,829	-
(Repayment of)/proceeds from Director loans - net		(17,334)	17,334
Net cash from financing activities		5,294,495	17,434
Net increase in cash and cash equivalents		4,257,754	753
Cash and cash equivalents at the beginning of the financial year		753	-
Cash and cash equivalents at the end of the financial year	5	4,258,507	753

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
Except for derivative financial instruments, the financial statements have been prepared under the historical cost convention,

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
For the year ended 30 June 2022, the Company incurred a loss of $1,164,815 after income tax (2021: $29,202) and net cash outflows from operating activities of $448,146. At 30 June 2022, the Company has net current liabilities of $1,849,617 and total net liabilities of $1,193,917.

These conditions give rise to a material uncertainty, which may cast significant doubt over the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is principally dependent upon raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the Company to continue to progress the exploration properties in which it has an interest and to meet the Company's working capital requirements.

The Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:
- The Company expects to complete an IPO on the Australian Securities Exchange (ASX) in the 2023 financial year and has appointed Morgans to act as Lead Manager in relation thereto.
- Other forms of capital may also be available to the Company from commercial contractual arrangements and/or farm-in arrangements.
- Included in current liabilities at 30 June 2022, are convertible notes (including the derivative instrument) of $5,935,828. The Company has the option to convert these notes into shares in the Company on or before the maturity of the notes.

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the Company will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Company not be able to continue as a going concern.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration & evaluation assets
The Company will perform regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2022, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Derivative instruments - conversion feature of convertible notes
The fair value of the conversion feature of the convertible notes is estimated using present value techniques, by discounting the probability-weighted estimated future cash outflows. The critical inputs underlying the estimated fair value of the conversion feature of the convertible notes is contained in note 16. Any change in these inputs may impact the fair value of the derivative.

Note 3. Expenses

	2022 $	4 months to 30 June 2021 $
Loss before income tax includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable on borrowings	453,612	-

Note 4. Income tax

	2022 $	4 months to 30 June 2021 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(1,164,815)	(29,202)
Tax at the statutory tax rate of 25% (2021: 26%)	(291,204)	(7,593)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible amounts	13,562	-
	(277,642)	(7,593)
Current year tax losses and temporary differences not recognised	277,642	7,593
Income tax expense	-	-

Note 4. Income tax (continued)

	2022 $	2021 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	436,962	7,593
Potential tax benefit @ 25%	109,241	1,898

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	2022 $	2021 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Accrued expenses	5,750	-
Convertible notes	95,641	-
Transaction costs	210,160	-
Licence fee	4,493	-
Tax losses	109,241	-
Deductible temporary differences offset against taxable temporary differences	(148,643)	-
Net deferred tax assets not recognised	276,642	-

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

	2022 $	2021 $
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Exploration expenditure	148,643	-
Deductible temporary differences offset against taxable temporary differences	(148,643)	-
Deferred tax liability	-	-

Accounting policy for income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 4. Income tax (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 5. Cash and cash equivalents

	2022 $	2021 $
Current assets		
Cash on hand	100	100
Cash at bank	4,258,407	653
	4,258,507	753

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 6. Trade and other receivables

	2022 $	2021 $
Current assets		
GST receivable	141,581	2,263

Accounting policy for trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 7. Other

	2022 $	2021 $
Current assets		
Prepayments	4,875	-
Other current assets	248	-
	5,123	-
Non-current assets		
Security deposits	31,505	-
	36,628	-

Note 8. Property, plant and equipment

	2022 $	2021 $
Non-current assets		
Computer equipment - at cost	1,925	-

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

	Computer equipment $
Balance at 28 January 2021	-
Balance at 30 June 2021	-
Additions	1,925
Balance at 30 June 2022	1,925

Accounting policy for property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Computer equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 9. Exploration and evaluation

	2022 $	2021 $
Non-current assets		
Exploration and evaluation - at cost	622,270	12,121

Note 9. Exploration and evaluation (continued)

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

	Exploration and evaluation $
Balance at 28 January 2021	-
Additions	12,121
Balance at 30 June 2021	12,121
Additions	610,149
Balance at 30 June 2022	622,270

Accounting policy for exploration and evaluation assets
Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest.

These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review will be undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. A provision is raised against exploration and evaluation assets where the directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

The Company performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploration and drilling results performed to reporting date.

Note 10. Trade and other payables

	2022 **$**	**2021** **$**
Current liabilities		
Trade payables	306,913	13,705
Accrued expenses	168,896	13,200
	475,809	26,905

Refer to note 15 for further information on financial instruments.

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 11. Borrowings

	2022 $	2021 $
Current liabilities		
Convertible notes (a)	3,979,066	-
Loans due to Directors (b)	-	17,334
	3,979,066	17,334

Refer to note 15 for further information on financial instruments.

(a) Convertible notes
On 31 May 2022, the Company issued convertible notes for $5,500,000. The following are the key terms of the facility:
- The notes mature on 31 May 2023 and the Company, at its option, can either convert the notes into shares in the Company or redeem the notes.
- Interest is payable at a rate of 12% per annum and can be accrued or paid in cash at the election of the Company.
- In the event of an IPO or Company sale that occurs before the expiry of 6 months from the issue date, the notes will convert into ordinary shares in the Company at an issue price that is the lesser of:
  (i) 75% of the price at which the shares are issued or transferred under the IPO/Company sale; or
  (ii) the Pricing Cap.
- In the event of an IPO or Company sale that occurs after 6 months from the issue date, the notes will convert into ordinary shares in the Company at an issue price that is the lesser of:
  (i) 65% of the price at which the shares are issued or transferred under the IPO/Company sale; or
  (ii) the Pricing Cap.
- The *Pricing Cap* is calculated by dividing $50 million by the aggregate value of the Company (as determined by the Company in consultation with the Lead Manager), and then multiplying that result by:
  (i) for conversion on an IPO, the price at which the Shares are issued or transferred under the IPO;
  (ii) for conversion on a Company sale, the price paid per share; or
  (iii) for conversion on the maturity date, the value of a share in the Company (as determined by the Company in consultation with the Lead Manager).
- In the event of an early conversion, the number of shares to be issued in the Company will be calculated by multiplying the number of notes to be converted by the face value of a note and by a factor of 1.35.
- The notes may be fully or partially converted by the Company at any time prior on or before the date that 30 days prior to the maturity date.
- During the term of the notes, either the Company or the noteholders may request that the notes be redeemed. The notes will only be redeemed if the receiving party consents to the redemption.
- The notes are unsecured.

	2022 $	2021 $
Opening balance	-	-
Notes issued at inception	5,500,000	-
Transaction costs*	(188,171)	-
Derivative instrument - conversion feature (note 12)**	(1,702,046)	-
Interest and finance costs	369,283	-
Closing balance	3,979,066	-

* Transaction costs have been apportioned between the borrowings and the derivative instrument. Costs attributable to the derivative interest were expensed through profit and loss immediately.
** The derivative instrument was measured at fair value using inputs that are not based on observable market data.

(b) Loans due to Directors
The loans due to Directors were unsecured and interest-free, and to be repaid on successful securing of third-party funding. The loans were repaid in full on receipt of the Convertible Note funding.

Note 11. Borrowings (continued)

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	2022 $	2021 $
Total facilities		
Convertible notes	5,500,000	-
Loans due to Directors	-	17,334
	5,500,000	17,334
Used at the reporting date		
Convertible notes	5,500,000	-
Loans due to Directors	-	17,334
	5,500,000	17,334
Unused at the reporting date		
Convertible notes	-	-
Loans due to Directors	-	-
	-	-

Accounting policy for borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Note 12. Derivative financial instruments

	2022 $	2021 $
Current liabilities		
Conversion feature - convertible notes	1,799,953	-

Refer to note 15 for further information on financial instruments.

Refer to note 16 for further information on fair value measurement.

Movements:

	2022 $	2021 $
Opening balance	-	-
Convertible notes - derivative instrument conversion feature	1,702,046	-
Fair value movement	97,907	-
Closing balance	1,799,953	-

Note 12. Derivative financial instruments (continued)

The conversion option amount represents the additional value provided to convertible note holders (refer note 11) compared to the same corporate bond that would have no feature to convert the notes into shares in Gold Hydrogen Limited at the end or during the term of the notes. For accounting purposes such a conversion feature is accounted for separately from the convertible notes as a derivative financial instrument and is carried at fair value.

Note 13. Issued capital

	2022 Shares	2021 Shares	2022 $	2021 $
Ordinary shares - fully paid	100	100	100	100

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Shares issue on incorporation	28 January 2021	100	$1.00	100
Balance	30 June 2021	100		100
Balance	30 June 2022	100		100

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There are no externally imposed capital requirements.

The capital risk management policy remains unchanged from the 2021 Annual Report.

The Company monitors capital on the basis of its working capital position (i.e. liquidity risk). The net working capital of the Company at 30 June 2022 was as a net deficit of $1,849,617 (2021 net deficit: $41,223).

Accounting policy for issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 14. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 15. Financial instruments

Financial risk management objectives
The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's financial instruments consist mainly of deposits with banks, receivables, convertible notes and payables.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness
and flexibility. Further details regarding these policies are set out below.

Market risk

Foreign currency risk
The Company is not exposed to any significant foreign currency risk.

Price risk
The Company is not exposed to any significant price risk.

Interest rate risk
The Company's interest rate risk arises principally from cash and cash equivalents, and from borrowings. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return. The Company does not have any significant exposure to interest rate risk.

Credit risk
Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Company incurring a financial
loss. This usually occurs when debtors fail to settle their obligations owing to the Company. The Company's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the
carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial
statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Company's credit risk arises from cash and cash equivalents with banks and financial institutions, and from outstanding receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Company's only outstanding receivable at 30 June 2022 was an amount due from the Australian Tax Office.

Liquidity risk
Vigilant liquidity risk management requires the Company 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 Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 15. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include 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.

2022	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	475,809	-	-	-	475,809
Interest-bearing - fixed rate					
Convertible notes payable	6,160,000	-	-	-	6,160,000
Total non-derivatives	6,635,809	-	-	-	6,635,809

2021	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	26,905	-	-	-	26,905
Director loans	17,334	-	-	-	17,334
Total non-derivatives	44,239	-	-	-	44,239

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 16. Fair value measurement

Fair value hierarchy
The following tables detail the Company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2022	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Derivative instruments - conversion feature of convertible notes	-	-	1,799,953	1,799,953
Total liabilities	-	-	1,799,953	1,799,953

There were no transfers between levels during the financial year.

Note 16. Fair value measurement (continued)

Valuation techniques for fair value measurements categorised within level 2 and level 3
- Derivative instruments - conversion feature of convertible notes
The fair value of the conversion feature of the convertible notes is estimated using present value techniques, by discounting the probability-weighted estimated future cash outflows.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Derivative instruments $
Balance at 28 January 2021	-
Balance at 30 June 2021	-
Additions	(1,702,046)
Losses recognised in profit or loss	(97,907)
Balance at 30 June 2022	(1,799,953)
Total losses for the current year included in profit or loss that relate to level 3 assets held at the end of the current year	(97,907)

Unobservable inputs and sensitivity of the level 3 liabilities
Changing the risk-adjusted discount rate to reflect reasonably possible alternative assumptions would not significantly change the fair value of the derivative instrument.

Accounting policy for fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 17. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2022 $	4 months to 30 June 2021 $
Short-term employee benefits	562,200	-

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company:

	2022 $	4 months to 30 June 2021 $
Audit services - BDO Audit Pty Ltd		
Audit of the financial statements	17,000	10,000

Note 19. Commitments

	2022 $	2021 $
Future exploration commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	960,000	-
One to five years	11,065,000	-
	12,025,000	-

The Company has certain obligations to expend minimum amounts on exploration areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Company.

Note 20. Related party transactions

Parent entity
Gold Hydrogen Limited is the parent entity.

Key management personnel
Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

Note 20. Related party transactions (continued)

	2022 $	2021 $
Director loans		
Opening balance	17,334	-
Advances	248,285	225,562
Repayments	(265,619)	(208,228)
Closing balance	-	17,334

The Director loans were unsecured, interest free and had no fixed repayment terms.

Note 21. Events after the reporting period

(a) Office premises
On 1 July 2022, the Company entered into a 3-year lease for office premises. The lease rental for the first year is $79,375 on a gross basis, or $53,181 after the application of incentives.

(b) Acquisitions
The Company executed a conditional Share Sale Agreement dated 1 September 2022 with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA). The vendor parties are entities related to Gold Hydrogen Directors Neil McDonald and Luke Titus.

Byrock and WHA together hold seven (7) applications in South Australia covering an area in excess of 60,000km^2 for tenure considered to be prospective for natural hydrogen exploration. Neither company has any granted tenure, nor any other form of business activity. Accordingly, the acquisition will be treated by the Company as an asset acquisition for accounting purposes.

Consideration for the transaction includes an issue of $2,000,000 in new shares in the Company (in conjunction with its planned IPO and at the IPO price) and the cash reimbursement of costs incurred by the vendor parties through to 31 August 2022 (approximately $66,500).

Settlement of the transaction is conditional on the Company completing its planned IPO on or before 31 May 2023.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 22. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	2022 $	4 months to 30 June 2021 $
Loss after income tax expense for the year	(1,164,815)	(29,202)
Adjustments for:		
Movement in fair value of convertible note derivative	97,907	-
Interest and finance costs - non-cash	369,283	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(139,318)	(2,263)
Increase in prepayments	(4,875)	-
Increase in other operating assets	(248)	-
Increase in trade and other payables	393,920	26,905
Net cash used in operating activities	(448,146)	(4,560)

Non-cash investing and financing activities

There were no non-cash investing activities during the current and prior periods.

Changes in liabilities arising from financing activities

	Convertible notes $	Derivative instruments - convertible notes $	Loans due to Directors $	Total $
Balance at 28 January 2021	-	-	-	-
Net cash from financing activities	-	-	17,334	17,334
Balance at 30 June 2021	-	-	17,334	17,334
Net cash from/(used in) financing activities	5,311,829	-	(17,334)	5,294,495
Bifurcation of derivative instrument	(1,702,046)	1,702,046	-	-
Interest and finance costs	369,283	-	-	369,283
Movement in fair value of convertible note derivative	-	97,907	-	97,907
Balance at 30 June 2022	3,979,066	1,799,953	-	5,779,019

Note 23. Earnings per share

	2022 $	4 months to 30 June 2021 $
Loss after income tax attributable to the owners of Gold Hydrogen Limited	(1,164,815)	(29,202)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	100	100
Weighted average number of ordinary shares used in calculating diluted earnings per share	100	100
	$	**$**
Basic earnings per share	(11,648)	(292)
Diluted earnings per share	(11,648)	(292)

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Gold Hydrogen Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Gold Hydrogen Limited
Directors' declaration
30 June 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

- 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 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Neil McDonald

Neil McDonald
Managing Director

27 September 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Gold Hydrogen Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gold Hydrogen Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) 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 Company in accordance with 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 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 report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Annual Financial report, 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 on the other information obtained prior to the date of this auditor's report, 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 Company's ability 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 Company or to cease operations, or has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

R M Swaby
Director

Brisbane, 27 September 2022