

## ASX Announcement

19th February 2024

# Cleansing Notice, Grant of ASX Waiver, and Excluded Information

Jayride Group Limited (ASX:JAY) (**Jayride** or the **Company**) provides the following cleansing notice under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82*) (the **Cleansing Notice**).

The Company advises that it will today issue 699,983 Convertible Notes. These Convertible Notes will be issued without disclosure to investors under Part 6D.2 of the Corporations Act.

The purpose of this Cleansing Notice is to enable the shares that may be issued on any future conversion of the convertible notes to be on-sold to retail investors without further disclosure.

This Cleansing Notice is an important document and should be read in its entirety. Neither ASIC nor ASX takes any responsibility for the contents of this Cleansing Notice.

This Cleansing Notice also includes disclosure relating to the granting of a waiver by ASX from the application of ASX Listing Rule 10.1 in respect of the issuance of Tranche 2 Convertible Notes (as later defined) to certain persons.

## Background

The Company announced on 5 February 2024 that it was undertaking a \$1.5 million capital raising by way of issue of 2,000,000 Convertible Notes (the **Notes**). The Notes will be issued pursuant to a Convertible Note Trust Deed (the **Agreement**). A summary of the terms of the Notes as governed by the Agreement is set out below.

The issue of the Notes is being conducted in two tranches having regard to the placement capacity available to the Company under ASX Listing Rule 7.1 and other ASX Listing Rule requirements, as follows:

- Tranche 1: Raising \$0.525 million by issue of 699,983 Convertible Notes from parties unrelated to the Company (the **Tranche 1 Convertible Notes**);
- Tranche 2: Raising \$0.975 million by issue of 1,300,017 Convertible Notes including \$0.18 million from the directors and \$0.795 million from parties unrelated to the Company (the **Tranche 2 Convertible Notes**);

This Cleansing Notice relates only to the Tranche 1 Convertible Notes which are being issued today. A further Cleansing Notice will be issued in respect of the Tranche 2 Convertible Notes.

The Notes also provide for 30,000,000 Options to be issued pro-rata to the Noteholders (the **Attaching Options**). The issue of these Attaching Options is subject to shareholder approval, and as they are intended to be quoted Options (subject to meeting ASX quotation conditions), they will be issued pursuant to a Prospectus to be issued by the Company at a later date.

The Directors consider the issue of the Notes to be in the best interests of shareholders. The Company opted to raise capital by way of Notes having regard to the timing in which the funding was required, general market conditions, and the Company's financial position. The Company is pleased to note a number of existing shareholders also participated in the Notes, in addition to directors Rod Cuthbert, and Rod Bishop.

## Contents of this Cleansing Notice

This Cleansing Notice sets out the following:

- a) the effect of the issue of the Tranche 1 Convertible Notes on the Company;
- b) a summary of the rights and liabilities attaching to the Notes;
- c) a summary of the rights and liabilities attaching to the fully paid ordinary shares (**Shares**) that will be issued on the conversion of the Tranche 1 Convertible Notes should such occur; and
- a) any information that:
  - a. has been excluded from the Company's continuous disclosure notices in accordance with the ASX Listing Rules; and
  - b. is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
    - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
    - ii. the rights and liabilities attaching to the Shares; and
    - iii. other information relating to the Company's status as a disclosing entity.

## Effect of the issue on the Company

### Effect of the issue on the Company

The principal effect of the issue of the Tranche 1 Convertible Notes on the Company will be to:

- a) increase the Company's cash reserves by \$525,000 representing the aggregate subscription price for the Tranche 1 Convertible Notes;
- b) increase the number of Tranche 1 Convertible Notes on issue from nil to 699,983;
- c) give rise to the Company having a secured liability for the aggregate amount of the face value of the Tranche 1 Convertible Notes, being \$699,983;
- d) if the Tranche 1 Convertible Notes are converted, either wholly or in part to Shares, increase the number of Shares on issue as a consequence of the issue of Shares on such conversion.

The issue of the Attaching Options is not included here as the issue of the Attaching Options is entirely contingent on shareholder approval. However, if shareholders do not approve the issue of the Attaching Options the Agreement requires that the Company pay to the Noteholders in cash the value of the Attaching Options as determined by a Black-Scholes valuation of those securities.

### Pro-forma consolidated statement of financial position

Set out in the Annexure to this Cleansing Notice is a pro forma consolidated Statement of Financial Position as at 19 February 2024 for the Company based on the audited 30 June 2023 financial statements adjusted to reflect the Tranche 1 Convertible Notes issue and has been prepared on the basis of the accounting policies normally adopted by the Company.

The pro forma financial information is presented in an abbreviated form in so far as it does not include all of the disclosures required by the International Accounting Standards applicable to the Company's annual financial statements. The pro forma financial information is not audited. The classification of the allocations between debt and equity for the Notes may change in the future.

### Potential effect on capital structure

The capital structure of the Company as at the date of this Cleansing Notice, before the issue of the Tranche 1 Convertible Notes is set out below:

Type of Security	Number on Issue
Shares	234,409,118
Unlisted Options (various exercise prices ranging from \$0.1551 to \$0.553)	13,393,691

The tables below show the potential effect of the issue of the Tranche 1 Convertible Notes, and the potential effect of the conversion of the Tranche 1 Convertible Notes as at the date of this Cleansing Notice.

#### *Maximum Effect of Issue of Tranche 1 Convertible Notes*

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	234,409,118	100%	13,393,691	-
Issue of Notes	-	-	-	699,983
<b>Total</b>				

#### *Maximum Effect of Conversion of Tranche 1 Convertible Notes at \$0.05, being the ceiling price*

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	234,409,118	94.36%	13,393,691	699,983
Conversion of Notes	13,999,660	5.64%	-	-699,983
<b>Total</b>	248,408,778	100.00%	13,393,691	-

#### *Maximum Effect of Conversion of Tranche 1 Convertible Notes at \$0.02, being the floor price*

	Shares	% of Shares	Options	Notes
Existing Securities on Issue	234,409,118	87.01%	13,393,691	699,983
Conversion of Notes	34,999,150	12.99%	-	-699,983
<b>Total</b>	269,408,268	100.00%	13,393,691	-

These tables assume that the Company does not redeem any of the Tranche 1 Convertible Notes prior to their conversion, and does not account for any rounding in the event that some of the Tranche 1 Convertible Notes but not all of the Tranche 1 Convertible Notes are converted.

As at the date of this Notice, no Noteholder receiving Tranche 1 Convertible Notes has lodged a substantial shareholder notice to the Company.

### **Granting of Waiver by ASX**

ASX Listing Rule 10.1 prohibits, without shareholder approval, the disposal of a substantial asset to (relevantly) a related party such as a director or a person who holds more than 10% of the issued capital of the Company. ASX considers the granting of a security interest as being a disposal for this purpose. ASX Listing Rule 10.1 requires, amongst other things, that the Company present an independent expert report to shareholders in order for shareholders to consider approval of the issue of the security interest.

The Company has received commitments from certain parties to whom this rule relates to participate in the Notes. Those parties are being allocated Notes in the Tranche 2 Convertible Note issuance, not Tranche 1. Those parties are: Thorney Technologies Ltd (and their associates, together **Thorney**, \$300,000), and Messrs Cuthbert and Bishop (\$30,000 and \$150,000 respectively) (together, the **10.1 Noteholders**)

The Company has successfully sought a waiver from the application of ASX Listing Rule 10.1 to permit the 10.1 Noteholders to participate in the Notes on the same terms as the other Noteholders save for certain restrictions on their ability to exercise their security interest as defined below under the heading "Restriction on 10.1 Noteholders". Although the issue to the 10.1 Noteholders still requires shareholder approval (in the case of Thorney by reason of ASX Listing Rule 7.1 due to being in Tranche 2, and in the case of Messrs Cuthbert and Bishop by reason of ASX Listing Rule 10.11 being an issue of securities to a director) however an independent expert report and the other requirements of ASX Listing Rule 10.1 will not be required to be met.

The Company has offered participation in the Notes to the 10.1 Noteholders on the same terms as other Noteholders, and accordingly, the Company considers this to be on arms' length terms. The Company considers that it is desirable and beneficial to Shareholders to have the Company's largest shareholder and two directors participate in the Notes. Participation by the 10.1 Noteholders was also expected to provide confidence to other potential Noteholders that existing significant shareholders and directors of the Company continue to support the Company. The 10.1 Noteholders comprise only 32% of the Noteholders generally and are accordingly a minority compared to other unrelated Noteholders. The Company considers that the fact the 10.1 Noteholders are in the minority and are otherwise subject to the Agreement on the same terms as other Noteholders (subject to the restrictions imposed by ASX applicable to them only), that the participation by 10.1 Noteholders in the Notes is fair and reasonable to shareholders.

As a condition of granting this waiver ASX requires:

- (a) that the Company must seek shareholder approval under ASX Listing Rule 10.1 in the event of any variation to the terms of the Agreement which advantages any of the Noteholders in a material respect, disadvantages the entity in a material respect; or is inconsistent with the terms of their waiver;
- (b) that for each year while the Notes to the 10.1 Noteholders remain on foot, a summary of the material terms of the Agreement is included in the related party disclosures in the Company's audited annual accounts;
- (c) that the Company describes the reasons why the Company has chosen to obtain financing from 10.1 Noteholders rather than a party whom is not a 10.1 Noteholder and the and the steps the board has taken to satisfy itself that the transaction is being entered into on arm's length terms and is fair and reasonable from the perspective of

- the holders of the Company's ordinary securities – which the Company has done so above; and
- (d) that there are restrictions on the 10.1 Noteholders ability to exercise their security interests, which are summarized under the heading "Restriction on 10.1 Noteholders" below.

### **Rights and liabilities attaching to the Notes**

The following is a broad summary of the rights, privileges, and restrictions attached to the Notes.

The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Noteholders.

Amount Raised	\$1,500,000
Note Face Value on Issue (in aggregate)	\$2,000,000 (including a \$500,000 component of capitalised year one interest at 33.3% per annum)
Conversion Price	Convertible at a 20% discount to the five day VWAP prior to conversion subject to a conversion price ceiling of \$0.05 and a floor of \$0.02. In the event the ten day VWAP of Jayride is below \$0.02, noteholders may, after that point, convert the note at a 20% discount to the five day VWAP irrespective of the floor price.
Conversion	Noteholder may convert at any time at their election. Any Notes not converted at Maturity will be redeemed.
Maturity	24 months from Note issue
Redemption	The Company may redeem the Notes (repay the Notes in cash) at any time with no penalty.
Interest	In the first year, interest is prepaid by way of a capitalisation into the Note Face Value (\$500,000, being 33.33% per annum)  If the Notes remain outstanding after 12 months, interest will become payable at 15% per annum accrued daily and paid monthly in cash on the outstanding Notes Face Value
Security	First ranking security interest in all present and after acquired property of the Company, held for the benefit of the Noteholders by Corporate Mining Pty Ltd, being the Security Trustee.  Notwithstanding this security interest, the Company may, from time to time, secure financing against accounts receivable, in which case this security is subordinate to that security interest to which the Security Trustee must consent (acting reasonably).
Attaching Options	30,000,000 Options each exercisable at \$0.05 per Option expiring 31 December 2027 issued pro-rata to the Noteholders, and subject to ASX approval and meeting of any quotation conditions, will be quoted on ASX.  Issue of the Attaching Options will be subject to shareholder approval to be sought at a future EGM.

Shareholder Approval for the Issue of the Notes	<p>The Company will issue up to \$525,000 of Convertible Notes, with a Face Value of \$699,983 which converts into a maximum of 34,999,125 New Shares and accordingly is within 7.1 placement capacity (being the Tranche 1 Convertible Notes).</p> <p>The remainder of the Convertible Notes (being Tranche 2 Convertible Notes), and all attaching Options, will be issued following and subject to shareholder approval to be sought in March 2024.</p>
Takeover limit	<p>Notwithstanding any term of the Notes, a Noteholder may not convert their Note where doing so would result a contravention of section 606 of the <i>Corporations Act 2001</i> (Cth) unless an exception in section 611 applies to that transaction.</p>
Restriction on 10.1 Noteholders	<p>Notwithstanding anything else in the terms of the Convertible Notes, the following additional terms apply:</p> <ul style="list-style-type: none"> <li>• in respect of a 10.1 Noteholder, the security is limited to the funds due under the financial accommodation;</li> <li>• in respect of a 10.1 Noteholder the security will be discharged when the funds due under the financial accommodation have been repaid in full;</li> <li>• in the event the security is enforced, the assets can only be disposed of to the 10.1 Noteholder or an associate of the 10.1 Noteholder if the disposal is first approved by the Company's shareholders under Listing Rule 10.1; and</li> <li>• otherwise, if the holder of the security exercises, or appoints a receiver, receiver and manager or analogous person to exercise, any power of sale under the security, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the 10.1 Noteholder in accordance with their legal entitlements;</li> </ul> <p>where: 10.1 Noteholder means any party described by ASX Listing Rule 10.1 including Thorney Technologies Ltd (and its associates, together <b>Thorney</b>), Mr Rodney Bishop, and Mr Rodney Cuthbert.</p>
Voting Rights	<p>The Notes do not confer any voting rights. Shares issued on conversion of the Notes rank pari passu with existing Shares.</p>
Quotation	<p>The Notes will not be quoted on ASX.</p>
Events of Default	<p>The Agreement includes events of default which the Company considers to be broadly on terms customary for securities of this nature, including in summary:</p> <ol style="list-style-type: none"> <li>(a) failing to pay any amount owed to the Noteholders which is unremedied;</li> <li>(b) a material breach of the Agreements which is unremedied;</li> <li>(c) a winding up or insolvency event in the Company;</li> <li>(d) a statutory demand being served on the Company or the Company is taken to have failed to comply with a statutory</li> </ol>

	<p>demand;</p> <p>(e) a compromise or arrangement with creditors except for the purpose of a reconstruction, amalgamation, merger, or consolidation on terms approved by the Security Trustee;</p> <p>(f) suspension of trading in the Company's shares for more than 5 consecutive trading days (without the consent of the Security Trustee), or removal from the Official List of the ASX;</p> <p>(g) a material change in the Company's constitution which is has not been consented to by the Security Trustee (not to be unreasonably withheld);</p> <p>(h) the security losing its first ranking status (except as permitted in relation to accounts receivable);</p> <p>(i) inability to perform the obligations of the Agreement.</p> <p>In the event of an unremedied default by the Company the Noteholders may be able to take action against the Company to protect their interests.</p>
<p>Representations and Warranties, and covenants</p>	<p>The Company has provided the Noteholder with customary representations and warranties, as well as customary negative covenants.</p>

### **Rights and liabilities attaching to the Shares**

The Shares issued to the Noteholders on the conversion of the Notes will rank equally in all respects with all of the Company's existing Shares.

The Company is domiciled in Australia. The rights attaching to Shares, including new Shares to be issued to the Noteholders on conversion of the Notes are set out in the Company's constitution, and regulated by Australian Law, the ASX Listing Rules, and the general law.

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements.

For a shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the shareholder should seek legal advice.

#### *Shares*

There is only one ordinary class of Company Shares. Detailed provisions relating to the rights attaching to Shares are set out in the Constitution and the Corporations Act. The Company has adopted a constitution of the kind usually adopted by a public company listed on the ASX. The following is a broad summary of the key provisions in the Constitution and the rights attaching to Shares

#### *General meetings*

Each Shareholder is entitled to receive notice of and be present, to vote and speak at general meetings of the Company.

### *Voting rights*

At a general meeting, every Shareholder present (in person or by proxy, attorney or representative) has one vote on a show of hands. Every Shareholder present (in person or by proxy, attorney or representative) has one vote per fully paid Share on a poll, except in respect of each partly paid Share held by a Shareholder, where the Shareholder has a fraction of a vote for each partly paid Share they hold. This is subject to any other rights or restrictions attached to any Shares.

### *Dividend rights*

Subject to any special rights or restrictions attached to a Share, each holder of a fully paid Share will participate in all dividends declared after their issue and rank equally with all existing Shares. Dividends are declared by the Directors at their discretion and, subject to any special rights, are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

### *Rights on winding up*

Subject to any special rights and restrictions attached to Shares, on a winding up any surplus must be divided among the Shareholders in the proportion that the amount paid up on the Shares bears to the total amount paid up on all Shares on issue. Subject to any special rights and restrictions attached to Shares, on a winding up, a liquidator of the Company may, with the sanction of a special resolution of Shareholders, divide among Shareholders the whole or any part of the property of the Company and may decide how to distribute the property as between the Shareholders.

### *Transfer of shares*

Subject to the Constitution, the Corporations Act and the ASX Listing Rules, generally, Shares are freely transferable.

### *Future changes in capital*

Subject to the ASX Listing Rules and the Constitution, the Directors may issue, grant options over, or otherwise dispose of Shares on such conditions, at such times and with the preferred, deferred or other special rights or restrictions as the Directors think fit. Subject to the Corporations Act and the ASX Listing Rules, the Company may by resolution, consolidate and divide its share capital or reduce its share capital and buy back its Shares.

### *Variation of rights*

The Company may only vary or cancel the rights attaching to any class of shares, or convert shares from one class to another, by a special resolution of the Company and a special resolution passed at a meeting of the holders of shares in that class or the written consent of Shareholders with at least 75% of the votes in that class.

### *Marketable parcels*

Subject to certain conditions, the Company may sell non-marketable parcels of Shares on issue as agent for the holders of those parcels. Shareholders will be provided notice enabling the Shareholder to elect not to have their Shares sold. In the event the Shareholder does not elect to retain their Shares the Shares may be sold and the proceeds held in trust on behalf of the Shareholder.

### **Compliance with disclosure obligations**

The Company is a “disclosing entity” under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules. Broadly, these obligations require:

- a) the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from ASX; and
- b) the preparation of yearly and half-yearly financial statements and a report of the Company's operations during the relevant account period, together with an audit or review report prepared by the Company's auditor. These documents are lodged with ASIC and ASX.

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. Copies of all documents announced to the ASX can be found at [www.asx.com.au](http://www.asx.com.au) or the Company's website at [jayride.com](http://jayride.com)

The Company will provide free of charge to any person who requests it during normal business hours:

- a) the Annual Report for the financial year ended 30 June 2023 lodged with ASX on 31 August 2023 (**Annual Report**);
- b) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report lodged with ASX on 31 August 2023 until the date of this cleansing notice:

<b>Date</b>	<b>Announcement</b>
31/8/2023	Managing Director Transition and CEO Recruitment
31/8/2023	FY23 Results Presentation
31/8/2023	FY23 Corporate Governance Statement and Appendix 4G
31/8/2023	FY23 Annual Report and Appendix 4E
4/9/2023	FY23 Results Call Transcript
22/9/2023	Trading Halt
22/9/2023	Director Resignation
26/9/2023	Suspension from Quotation
28/9/2023	Timetable for Placement and Entitlement Offer
28/9/2023	Reinstatement to Quotation
28/9/2023	Cleansing Notice for Entitlement Offer
28/9/2023	Proposed issue of securities - JAY
28/9/2023	Placement and Entitlement Offer
5/10/2023	Application for quotation of securities - JAY
9/10/2023	Entitlement Offer Opens

9/10/2023	Cleansing Statement
11/10/2023	Q1 FY24 Market Update - Record Trips Booked
18/10/2023	Response to ASX Query Letter
19/10/2023	Notice of Annual General Meeting/Proxy Form
20/10/2023	Entitlement Offer Closing Monday
24/10/2023	Quarterly Conference Call Details
30/10/2023	\$2 million raised in Placement and Entitlement Offer
30/10/2023	Application for quotation of securities - JAY
31/10/2023	Quarterly Business Review and Appendix 4C
31/10/2023	Application for quotation of securities - JAY
2/11/2023	Change in substantial holding
3/11/2023	Quarterly Business Review Call Transcript
3/11/2023	Director Interest Notices
23/11/2023	Results of Meeting
23/11/2023	Chairmans Address & Strategic Review
27/11/2023	Final Director's Interest Notice
28/11/2023	Managing Director Transition Update
15/1/2024	Q2 FY24 Market Update
31/1/2024	Quarterly Business Review and Appendix 4C
31/1/2024	Updated FY23 CGS and Appendix 4G
1/2/2024	Trading Halt
5/2/2024	Proposed issue of securities - JAY
5/2/2024	Jayride raises \$1.5 million

**Information excluded from continuous disclosure notices**

The Company notes the following:

- The Company expects to release its half yearly results on or before 29 February 2024, being the date they are due, however as at today they are not yet finalised or audit reviewed.

- The Company has previously disclosed that it is undertaking a strategic and operational review, led by the Executive Chairman. This review is ongoing and the Company expects to report its results on or before 29 February 2024 however as at today the Company is not able to provide complete and fulsome disclosure to investors as to the outcomes of this review.
- An outcome of the review will include the Company seeking to explore corporate transactions to provide further value to Jayride shareholders which may include mergers, acquisitions, or other similar activities. Although early stage confidential discussions are ongoing, the Company is unable to provide complete and fulsome disclosure to investors as to any potential transaction at this time. The Company's intention to explore transactions was first disclosed on 23 November 2023 in the Chairman's Address and Strategic Review announcement.

As at the date of this Cleansing Notice, other than as set out in this Cleansing Notice, the Company advises that there is no information that:

- a) the Company has excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
  - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - b. the rights and liabilities of the Notes (and the underlying Shares) offered by the Company.

### **For more information please contact**

#### **Sonny Didugu**

Company Secretary

Email: [corporate@jayride.com](mailto:corporate@jayride.com)

ASX release authorised by the Board of Directors of Jayride Group Limited.

### **About Jayride Group Limited (ASX:JAY)**

Jayride Group is a leading publicly listed online travel marketplace for airport transfers, where travellers compare and book rides around the world. With Jayride, travellers can compare and book with 3,700+ ride service companies, servicing 1,600+ airports in 110+ countries around the world which cover 95% of world airport trips, including across the Americas, Europe, Middle East, Africa, Asia and the Pacific.

The Jayride platform aggregates ride service companies and distributes them to travellers at Jayride.com, AirportShuttles.com, and via travel brand partners including other technology platforms, online travel agencies, travel management companies, and wholesalers. These travel brands implement Jayride APIs to sell door-to-door ride services that build traveller confidence and grow their core travel business.

Founded in 2012, Jayride Group is a global company incorporated in Australia and listed on the Australian Securities Exchange (ASX:JAY).

For more information, please visit [www.jayride.com](http://www.jayride.com)

**Annexure: Pro-forma consolidated statement of financial position**

Reflecting the issue of the Tranche 1 Convertible Notes based on the last audited balance sheet of 30 June 2023

## Statement of Financial Position

	30 June 2023	Tranche 1 Convertible Notes	Costs	Adjusted position
<u>Assets</u>				
<u>Current assets</u>				
Cash and cash equivalents	2,517,966	525,000	-31,500	3,011,466
Trade and other receivables	1,338,927			1,338,927
Contract Assets	1,078,432			1,078,432
Deposits	18,328			18,328
Prepayments	191,563			191,563
<b>Total current assets</b>	<b>5,145,216</b>	<b>525,000</b>	<b>-31,500</b>	<b>5,638,716</b>
<u>Non-current assets</u>				
Plant and equipment	50,495			50,495
Right-of-use assets				
Capitalised technology costs	2,467,847			2,467,847
<b>Total non-current assets</b>	<b>2,518,342</b>	<b>0</b>	<b>0</b>	<b>2,518,342</b>
<b>Total assets</b>	<b>7,663,558</b>	<b>525,000</b>	<b>-31,500</b>	<b>8,157,058</b>
<u>Liabilities</u>				
<u>Current liabilities</u>				
Trade and other payables	3,078,832			3,078,832
Contract liabilities	153,251			153,251

Employee benefits	356,417			356,417
Future transport payments	1,847,014			1,847,014
<b>Total current liabilities</b>	<b>5,435,514</b>	<b>0</b>	<b>0</b>	<b>5,435,514</b>
<u>Non-current liabilities</u>				
Borrowings – convertible notes		699,983		699,983
Employee benefits	99,920			99,920
<b>Total non-current liabilities</b>	<b>99,920</b>	<b>699,983</b>	<b>0</b>	<b>799,903</b>
<b>Total liabilities</b>	<b>5,535,434</b>	<b>699,983</b>	<b>0</b>	<b>6,235,417</b>
<b>Net assets</b>	<b>2,128,124</b>	<b>-174,983</b>	<b>-31,500</b>	<b>1,921,641</b>
Equity				
Issued capital	42,054,859			42,054,859
Reserves	4,260,118			4,260,118
Accumulated losses	-44,186,853	-174,983	-31,500	-44,393,336
<b>Total equity</b>	<b>2,128,124</b>	<b>-174,983</b>	<b>-31,500</b>	<b>1,921,641</b>

Notes:

- Costs associated with the Tranche 1 Convertible Notes relate to the fee paid to the Lead Manager, GBA Capital, for their services to the Company.
- Classification of the Convertible Notes as debt vs equity will be subject to change as part of future audited financial statements preparation.