

# **Top End Energy Pty Ltd**

**ACN 650 478 774**

**Annual Report - 30 June 2021**

**Top End Energy Pty Ltd****Contents****30 June 2021**

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**Top End Energy Pty Ltd**  
**Corporate directory**  
**30 June 2021**

Directors	Mr Greg Lee – Managing Director Mr Emmanuel Correia – Non-Executive Chairman
Company Secretary	Mr Shane Hartwig
Registered office	Ground Floor, 353 Rokeby Road Subiaco WA 6008
Share registry	Automic Registry Services Level 2, 267 St Georges Terrace Perth WA 6000 Ph: 1300 288 664 <a href="http://www.automic.com.au">www.automic.com.au</a>
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 15 Milligan Street Perth WA 6000
Auditor	BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008
Legal form of entity	Proprietary Limited Company
Country of incorporation and domicile	Australia

**Top End Energy Pty Ltd**  
**Directors' report**  
**30 June 2021**

The Directors present their report for the period from 25 May 2021 to 30 June 2021, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Top End Energy Pty Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the period of incorporation to 30 June 2021.

**Directors**

The following persons were Directors of Top End Energy Pty Ltd during the whole of the period and up to the date of this report, unless otherwise stated:

Mr Emmanuel Correia – Non-Executive Chairman – appointed 25 May 2021

Mr Greg Lee - Managing Director – appointed 23 June 2021

**Company secretary**

Mr Shane Hartwig is the Company Secretary and was appointed on 15 July 2021. Prior to Mr Hartwig's appointment, Mr Emmanuel Correia served as Company Secretary from incorporation to Mr Hartwig's appointment date.

**Meetings of Directors**

Given the Group was formed at the end of the period, there were no formal Board meetings. The Board met regularly throughout the period to discuss the Group's operational and financial activities and passed circular resolutions on all material matters.

**Directors' Interests in the securities of the Group**

As at the date of this report, the interest of the Directors in the securities of Company were:

<b>Director</b>	<b>Shares*</b>	<b>Options – Seed Issue**</b>	<b>Options ***</b>
Emmanuel Correia	750,001	750,000	1,000,000
Greg Lee	Nil	Nil	1,500,000

*\*1 share held directly by Mr Correia acquired on incorporation of the Company with the balance of the securities held by Cardrona Energy Pty Ltd (an entity which Mr Correia is a director of). The shares were acquired under the first seed capital raising round in July 2021.*

*\*\*Options were issued in July 2021 have an exercise price of \$0.30 and an expiry date of 30 November 2025 (with no vesting criteria).*

*\*\*\*Options were issued in July 2021 have an exercise price of \$0.30 and an expiry date of 30 November 2024.*

**Principal activities**

The principal activity of the Group is acquiring, exploring, and developing hydrocarbon and helium deposits, together with potentially developing other green energy assets (including renewable power generation, hydrogen, and carbon sequestration), within Australia and overseas.

**Corporate Structure**

Top End Energy Pty Ltd is a company limited by shares that is incorporated and domiciled in Australia.

**Review of operations**

The loss for the Group after providing for income tax amounted to \$32,962.

The Group had net liabilities of \$32,961 as at 30 June 2021.

**Employees**

The Group had no employees as at 30 June 2021.

**Dividends**

There were no dividends paid, recommended, or declared during the period ended 30 June 2021.

### **Significant changes in the state of affairs**

During the period, the following significant changes occurred in the state of affairs:

- Top End Energy Pty Ltd was incorporated on 25 May 2021; and
- 1 share for \$1 was issued on incorporation.

There were no other significant changes in the state of affairs of the Group during the period ended 30 June 2021.

### **Matters subsequent to the end of the financial period**

In July 2021, 15,000,000 shares with 15,000,000 free standing options were issued to seed capital investors at an issue price of \$0.02 per share, raising \$300,000 before transaction costs. The options are exercisable at \$0.30 expiring on 30 November 2025 and have a trivial value on issue.

In July 2021, 1,000,000 options were issued to Mr Emmanuel Correia and 1,500,000 options issued to Mr Greg Lee. The options are exercisable at \$0.30 expiring on 30 November 2024 and have a trivial value on issue.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

### **Likely developments and expected results of operations**

Likely developments in the operations of the Group are set out in the above Review of operations in this annual report. Any future prospects are dependent upon the results of future exploration and evaluation activities.

On 30 January 2020, the World Health Organisation declared the coronavirus outbreak ('COVID-19') a "Public Health Emergency of International Concern" and on March 10, 2020, declared COVID-19 a pandemic. The operations of the Company could be negatively impacted by the regional and global outbreak of COVID-19 and may impact the Company's results and its ability to source funding for the next reporting year.

As at the date of this report, the full effect of the outbreak remains uncertain. The effects are likely to be significant but cannot be reliably estimated or quantified. The Company will monitor the ongoing developments and be proactive in mitigating the impact on its operations.

### **Environmental regulation**

The operations of the Group are presently subject to environmental regulation under the laws of Australia. The Group is, to the best of its knowledge, at all times in full environmental compliance with the conditions of its licences.

### **Shares under options**

As at the date of this report, there were 17,500,000 unissued ordinary shares under option.

### **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.

### **Indemnity and insurance of auditor**

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

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

### **Non-audit services**

The Group did not engage their auditors to perform any non-audit related services during the period.

**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



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Emmanuel Correia  
Non-executive Chairman

1 September 2021  
Perth



Tel: +61 8 6382 4600  
Fax: +61 8 6382 4601  
[www.bdo.com.au](http://www.bdo.com.au)

38 Station Street  
Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

**DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF TOP END ENERGY PTY LTD**

As lead auditor of Top End Energy Pty Ltd for the period ended 30 June 2021, 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.

A handwritten signature in black ink, appearing to read 'P. Murdoch', with a long horizontal flourish extending to the right.

**Phillip Murdoch**

Director

**BDO Audit (WA) Pty Ltd**

Perth, 1 September 2021

**Top End Energy Pty Ltd**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the period ended 30 June 2021**

	<b>Note</b>	<b>2021</b> <b>\$</b>
<b>Revenue</b>		-
<b>Expenses</b>		
Audit and accounting fees		(20,000)
Legal fees		(12,962)
<b>Loss before income tax expense</b>		(32,962)
Income tax expense	6	<u>-</u>
<b>Loss after income tax expense for the period attributable to the owners of Top End Energy Pty Ltd</b>		<u>(32,962)</u>
<b>Total comprehensive loss for the period attributable to the owners of Top End Energy Pty Ltd</b>		<u><u>(32,962)</u></u>

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



**Top End Energy Pty Ltd**  
**Consolidated statement of financial position**  
**As at 30 June 2021**

	<b>Note</b>	<b>2021</b> <b>\$</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	7	275,001
GST receivable		1,246
Prepayments		16,883
Total current assets		<u>293,130</u>
<b>Total assets</b>		<u>293,130</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	8	51,091
Funds received for unissued seed capital	9	275,000
Total current liabilities		<u>326,091</u>
<b>Total liabilities</b>		<u>326,091</u>
<b>Net liabilities</b>		<u>(32,961)</u>
<b>Equity</b>		
Issued capital	9	1
Retained losses		<u>(32,962)</u>
<b>Total equity deficit</b>		<u>(32,961)</u>

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

**Top End Energy Pty Ltd**  
**Consolidated statement of changes in equity**  
**For the period ended 30 June 2021**

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Retained losses \$</b>	<b>Total equity deficit \$</b>
Balance as at 25 May 2021	-	-	-
Contributions of equity, net of transaction costs (note 9)	1	-	1
Loss after income tax expense for the period		(32,962)	(32,962)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income for the period	-	(32,962)	(32,962)
Balance as at 30 June 2021	<u>1</u>	<u>(32,962)</u>	<u>(32,961)</u>

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

**Top End Energy Pty Ltd**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021</b> <b>\$</b>
<b>Cash flows from financing activities</b>		
Cash from issue of share on incorporation		1
Cash from unissued seed capital		<u>275,000</u>
Net cash from financing activities		<u>275,001</u>
Net increase in cash and cash equivalents		275,001
Cash and cash equivalents at the beginning of the financial period		<u>-</u>
Cash and cash equivalents at the end of the financial period	7	<u><u>275,001</u></u>

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

## **Note 1. General information**

The financial statements cover Top End Energy Pty Ltd as a Group consisting of Top End Energy Pty Ltd and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Top End Energy Pty Ltd is a company limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business is:

Ground Floor, 353 Rokeby Road, Subiaco WA 6008

A description of the nature of the Group'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 1 September 2021. The Directors have the power to amend and reissue the financial statements.

## **Note 2. Comparatives**

As Top End Energy Pty Ltd was incorporated on 25 May 2021, there are no comparatives to disclose in this financial report.

## **Note 3. 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.

### **New or amended Accounting Standards and Interpretations adopted**

The Group 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.

### **Going concern**

The annual financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of the business. The Group has incurred a net loss after tax for the period ended 30 June 2021 of \$32,962 and had net cash inflows from operating, investing and financing activities of \$275,001. As at 30 June 2021 the Group had a working capital deficit of \$32,961 and cash and cash equivalents of \$275,001. In July 2021, the liability relating to unissued seed capital funds converted to share capital as the shares were issued to the investors. This resulted in the Group being in a working capital surplus position post period end and therefore the Directors consider it appropriate for the annual financial report to be prepared on a going concern basis.

### **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**

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

### **Note 3. Significant accounting policies (continued)**

#### *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 Group'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 4.

#### **Basis of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Top End Energy Pty Ltd ('Company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the period then ended. Top End Energy Pty Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

#### **Foreign currency translation**

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

#### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

#### *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 assets 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.

### **Note 4. 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.

## **Note 4. Critical accounting judgements, estimates and assumptions (continued)**

### *Income tax*

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

## **Note 5. Operating segments**

### *Identification of reportable operating segments*

The Group has identified its operating segments on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating leases where the evaluation and exploration interests are considered to form a single project. This is indicated by:

- having the same ownership structure; and
- investment being focused on the same resource or type of resource.

Unless otherwise stated, all amounts reported to the Board of Directors as the chief decision maker with respect to operating leases, are determined in accordance with AASB 8 Operating Segments.

## **Note 6. Income tax**

	<b>2021</b>
	<b>\$</b>
<i>Income tax expense</i>	
Current tax	-
Deferred tax - origination and reversal of temporary differences	-
Aggregate income tax expense	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>	
Loss before income tax expense	(32,962)
Tax at the statutory tax rate of 26%	(8,570)
Current period tax losses not recognised	8,570
Income tax expense	-

**Note 6. Income tax (continued)**

	2021 \$
<i>Tax losses not recognised</i>	
Unused tax losses for which no deferred tax asset has been recognised	<u>32,962</u>
Potential tax benefit @ 26%	<u>8,750</u>

The above potential tax benefit for tax losses has not been recognised in the statement of financial position because the Directors do not believe it is appropriate to regard realisation of the future income tax benefits as probable.

The benefit of these tax losses will only be obtained if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legalisation continue to be complied with;
- no changes in tax legislation adversely affect the Group in realising the benefit; and
- satisfaction of either the continuity of ownership or the same business test.

*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.

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. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

## Note 7. Cash and cash equivalents

	2021 \$
<i>Current assets</i>	
Cash and cash equivalents	275,001

The perceived credit risk is low as cash and cash equivalents are with authorised deposit taking institutions.

### *Accounting policy*

Cash and cash equivalents comprise cash balances and deposits with maturities of three months or less, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Note 8. Trade and other payables

	2021 \$
Trade payables	14,208
Accrued audit fees	18,000
Accrued accounting fees	2,000
Accrued legal fees	16,883
	<u>51,091</u>

### *Accounting policy for trade and other payables*

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

## Note 9. Issued capital

	2021 Shares	2021 \$
Share capital	<u>1</u>	<u>1</u>

### *Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	25 May 2021			-
Issue of share on incorporation	25 May 2021	1	\$1.00	1
Balance	30 June 2021	1		1



## **Note 9. Issued capital (continued)**

### *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. All issued shares are fully paid.

Funds of \$275,000 were received by seed investors prior to 30 June 2021. As the shares were not issued until July 2021, the seed funds received have been classified as a liability and capital raising costs of \$16,883 have been recognised as prepayments as at 30 June 2021.

### *Accounting policy*

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 10. Financial risk management**

### *Financial risk management objectives*

The Group'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 Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange, and ageing analysis for credit risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

### *Market risk*

#### *Foreign currency risk*

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

#### *Interest rate risk*

The Group only has interest rate risk relating to its funds on deposit with banking institutions. Accordingly, the Group does not hedge its interest rate risk exposure.

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the 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.

#### *Cash and cash equivalents*

The Group held cash and cash equivalents as at 30 June 2021 of \$275,001. The cash and cash equivalents are held with authorised banking institutions and only with counterparties that have an acceptable credit rating.

## **Note 10. Financial risk management (continued)**

### *Other receivables*

As the Group operates primarily in exploration activities, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

### *Liquidity risk*

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

### *Fair value of financial instruments*

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

## **Note 11. Fair value measurement**

### *Fair value hierarchy*

The Group'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

Cash and cash equivalents, trade and other receivables, trade creditors, other creditor and accruals have been excluded from the above analysis as their fair values are equal to the carrying values.

## **Note 12. Related party transactions**

### *Parent entity*

Top End Energy Pty Ltd is the parent entity.

### *Subsidiaries*

Interests in subsidiaries are set out in note 13.

### *Transactions with related parties*

The following transactions with related parties occurred during the financial period;

- Mr Emmanuel Correia purchased 1 share in the Company on incorporation for an issue price of \$1.00 during the period.
- Mr Emmanuel Correia paid \$15,000 for 750,000 shares in the Company at \$0.02 per share with 750,000 free attaching options. The shares and options were issued in July 2021.

There were no other transactions with related parties during the period. Refer to note 17 for details of transactions with related parties post year end.

### *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*

There were no loans to related parties during the financial period.

### Note 13. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 3:

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %
Tomorrow Energy Corporation Pty Ltd	Australia	100.00%

### Note 14. Parent entity information

Set out below is the supplementary information about the parent entity.

#### *Statement of profit or loss and other comprehensive income*

	Parent 2021 \$
Loss after income tax	(32,962)
Total comprehensive income	(32,962)

#### *Statement of financial position*

	Parent 2021 \$
Total current assets	293,130
Total assets	293,130
Total current liabilities	326,091
Total liabilities	326,091
Equity	
Issued capital	1
Accumulated losses	(32,962)
Total equity	(32,961)

## **Note 15. Remuneration of auditors**

During the period the following fees were paid or payable for services provided by BDO Audit (WA) Pty Ltd, the auditor of the Group:

	2021 \$
<i>Audit services – BDO Audit (WA) Pty Ltd</i>	
Audit of the financial statements	<u>18,000</u>

## **Note 16. Contingent liabilities**

There are no material contingent liabilities of the Group at the reporting date.

## **Note 17. Events after the reporting period**

In July 2021, 15,000,000 shares with 15,000,000 free standing options were issued to seed capital investors at an issue price of \$0.02 per share, raising \$300,000 before transaction costs. The options are exercisable at \$0.30 expiring on 30 November 2025 and have a trivial value on issue.

In July 2021, 1,000,000 options were issued to Mr Emmanuel Correia and 1,500,000 options issued to Mr Greg Lee. The options are exercisable at \$0.30 expiring on 30 November 2024 and have a trivial value on issue.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Top End Energy Pty Ltd**  
**Directors' declaration**  
**30 June 2021**

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 3 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Group 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



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Emmanuel Correia  
Non-executive Chairman

1 September 2021  
Perth

## INDEPENDENT AUDITOR'S REPORT

To the members of Top End Energy Pty Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Top End Energy Pty Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period 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 the Group is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the period 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 Group 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.

#### 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 Directors' 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 Group'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 Group 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](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit (WA) Pty Ltd**

BDO  
A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line.

**Phillip Murdoch**

**Director**

Perth, 1 September 2021