

Appendix 4D and Interim Financial Report for the Period ended 31 March 2022

Alterra Limited (ASX:1AG) ("Alterra" or "the Company") hereby encloses Appendix 4D as required under ASX Listing Rule 4.2A.3 and a copy of the Half-Year Report for the activities of Alterra Limited for the period ended 31 March 2022.

This announcement has been authorised by the Board of Directors of Alterra.

- ENDS -

For enquiries, please contact:

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About Alterra Limited

Alterra is developer of the Carpenters avocado project located between Manjimup and Pemberton in Western Australia's south-west.

Stage 2 (2021) (7ha) is complete following an initial Stage 1 (5ha) planting in 2020. The Company has optimised the development schedule for Carpenters with the planting of Stage 3 (85ha) due to commence in 2022.

Alterra is also a 15% shareholder in Carbon Conscious Investments Limited, which manages large scale projects registered with the Clean Energy regulator that generate Australian Carbon Credit Units.

Alterra continues to assess horticultural opportunities fitting within strategy.

Visit alterra.com.au for more information.

Details of Reporting Period

The reporting period is from 1 October 2021 through to 31 March 2022.

Results for Announcement to the Market

		Half-Year to March 2022 \$'000	Half-Year to March 2021 \$'000
Revenue from ordinary activities	Down 16.7%	353	424
Loss before income tax from continuing operations	Down 31.8%	(1,408)	(2,065)
Loss before income tax from all operations	Down 31.8%	(1,408)	(2,065)
Loss after tax attributable to members	Down 31.8%	(1,408)	(2,065)
EBITDA	Down 24.9%	(1,336)	(1,779)
EBITDA from continuing operations	Down 24.9%	(1,336)	(1,779)

Operational Highlights

- Updated feasibility confirms strong IRR of 14.6% and project NPV of \$15.5m (post tax)
- Infrastructure and Dam development progressing
- Completion of Stage 2 planting of 7ha
- Stage 3 land preparation underway with expected planting in 2022



Stage 3 – progression of land development for expected 85ha planting in 2022

Net Tangible Assets per Security

Net tangible assets per ordinary share is \$0.02 as at 31 March 2022 (as at 31 March 2021 - \$0.03).

Net assets per ordinary share is \$0.02 as at 31 March 2022 (as at 31 March 2021 - \$0.03).

Material Investments in Associates

The Company has the following investments in associates:

	31 March 2022	31 March 2021
Carbon Conscious Investments Limited		
Carrying value of Group's interest in associate	\$1,153,442	\$1,072,831
Group's ownership interest in associate	15%	15%

Dividends

No dividends have been paid or declared by Alterra Limited since the start of the financial period and the directors do not recommend the payment of a dividend in respect of the financial period.

The results should be read in conjunction with the Interim Financial reports for the period lodged with the ASX on 30 May 2022.

Authorised by the Board of Alterra Limited.



Mark Clements
Non-Executive Chairman
Date: 30 May 2022



Alterra Limited

ABN 20 129 035 221

and

Controlled Entities

Interim Financial Report

For the Half-Year Ended 31 March 2022

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COMPANY DIRECTORY

ABN 20 129 035 221

Directors

MR MARK CLEMENTS, Non-Executive Chairman
MR GREGORY HARVEY, Executive Director
MR JOHN PALERMO, Non-Executive Director

Share Registry

AUTOMIC PTY LTD
LEVEL 2, 267 ST GEORGES TERRACE
PERTH WA 6000

Company Secretary

MR MARK CLEMENTS

Solicitors

THOMSON GEER
EXCHANGE TOWER
LEVEL 27, 2 THE ESPLANADE
PERTH WA 6000

Principal and Registered Office

144 NORTHWOOD STREET
WEST LEEDERVILLE WA 6007
TELEPHONE: (08) 9204 8400

Auditors

HLB MANN JUDD (WA PARTNERSHIP)
LEVEL 4, 130 STIRLING STREET
PERTH WA 6000

Securities Exchange Listing

AUSTRALIAN SECURITIES EXCHANGE
(HOME EXCHANGE: PERTH, WA)
ASX CODE: 1AG

DIRECTORS' REPORT (continued)

Your Directors submit the interim financial report of Alterra Limited for the Half-Year ended 31 March 2022.

DIRECTORS

The names of Directors who held office during or since the end of the period and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

Mr Mark Clements	- Non-Executive Chairman (<i>Interim Executive Director until 31 December 2021; appointed Non-Executive Chairman on 31 December 2021</i>)
Mr Gregory Harvey	- Executive Director (<i>appointed 31 December 2021</i>)
Mr John Palermo	- Non-Executive Director
Mr John McGlue	- Non-Executive Chairman (<i>resigned 31 December 2021</i>)

COMPANY SECRETARY

Mr Mark Clements

REVIEW OF OPERATIONS

Operational Highlights

- Updated feasibility confirms strong IRR of 14.6% and project NPV of \$15.5m (post tax)
- Infrastructure and Dam development progressing
- Completion of Stage 2 planting of 7ha
- Stage 3 land preparation underway with expected planting in 2022

Financial Results

The loss of the Company for the half-year after providing for income tax was \$1,407,522 (2021:\$2,065,295). The loss reflected the costs associated with the further development of the Company's 100% owned flagship avocado development project located in Western Australia's south-west, in the premium horticultural corridor between Pemberton and Manjimup during the period including operating expenses of \$705,303 (2021:\$56,181). Employment costs of \$493,450 (2021: \$1,067,090) reduced following a restructure of the management team and appointment of leading investment management and corporate advisory firm, Pendulum Capital to optimise development plans for the Carpenters project with a strict focus on costs whilst managing site conditions to ensure the long-term performance and sustainability of the project.

The Company recorded revenue and other income of \$353,451 derived from its management agreement with and investment in Carbon Conscious Investments Limited ("CCIL")(Alterra:15%) during the period (2021: \$423,978). The Company also received dividends from CCIL of \$59,996 (2021:\$68,344).

Net assets of the Company as at period end are \$6,802,350 (2021: \$4,815,253), including cash on hand of \$1,047,804 (2021: \$2,548,341). Capitalised work in progress costs of the Carpenters Project increased during the period by \$1,741,433 to \$4,212,796 (2021: \$1,286,615).

Carpenters Development

The Company considers that the Carpenters Project is highly suited to avocado production with potential for up to or in excess of 200ha of planted avocado orchard, which once developed will likely be one of Australia's largest contiguous avocado projects in Australia.

Following the appointment of leading investment management and corporate advisory firm, Pendulum Capital to project manage Stage 2 of the Carpenters project in July 2021, a revised development strategy was formulated which included;

- Higher density plantings
- High performance micro sprinklers in line with industry standards in the district whilst continuing to monitor and test the efficacy of the Stage 1 drip system
- Reduced spring 2021 planting to approximately 7ha (circa 5,300 trees) (Stage 2) due to heavy rain on site over winter, bringing the total planted area to approximately 12ha
- Enhanced draining and infrastructure on site to service growth in 2022 and beyond

During the period, Stage 2 planting was completed with approximately 5,300 additional trees planted.

Alterra Limited and Controlled Entities

Interim Financial Report for the Half-Year Ended 31 March 2022

DIRECTORS' REPORT (continued)

Stage 2 has been a successful planting during the tree establishment phase, as evidenced by the more optimal soil moisture profiles achieved, and absence of dry pots and burnt roots, ultimately culminating a higher percentage of healthy trees.

The total planted area is now circa 12ha including the innovative avocado growing methodology that has been implemented at the initial 5-hectare planting (Stage 1) in 2020.

On 31 December 2021, highly experienced agribusiness executive and investor Greg Harvey was appointed Executive Director of the Company and in March 2022 Ben Norrish, who was previously the General Manager of Jasper Farms (AustOn Group, OTTP), Western Australia's largest avocado producer, commenced as Chief Operating Officer. Mr Norrish has extensive expertise and experience in large-scale avocado orchard development and operations in Western Australia.

The Company continues to monitor the progression of both Stage 1 and Stage 2 which is providing useful information and metrics that can be applied to Stage 3.

Stage 3 land preparations and development has significantly progressed with a view to completion of planting in Spring of this year.

Carpenters Site Development

The Carpenters site, encompassing a total of 700ha, possess significant water storage potential including two distinct Dam sites. The project is intended to be serviced by a major dam currently under construction (Dam 1). Dam 1 construction continued during the period, albeit that progress is slowed due to labour constraints and unseasonably heavy rain interrupting the construction schedule in 2021. Dam 1 is fully funded by the lessor. To the extent that additional water is required and to mitigate any concerns with the timeframe of Dam 1 construction, the Company has negotiated access to an additional water supply on the adjacent land which is owned by the lessor.

Updated Feasibility Model

The Company completed a review of financial feasibility modelling completed in 2021 (refer ASX announcement 14 January 2021) ("Initial Feasibility") on the Carpenters project following the revision of the development strategy. The updated financial feasibility modelling underscores the strong and robust economics of the project.

The key outcomes based on 200ha of planted avocados include:

- Life of project revenue of \$283.7m
- EBITDA Margin 37%
- Base case NPV \$15.5m
- ROE 22%

The development of Carpenters is dependent on structuring and securing a funding solution which will maximise the benefits for all stakeholders. The primary aim of the updated feasibility modelling was to demonstrate that the Project has positive economics and strong potential to be a long-life avocado producer of world class potential.

The technical and economic outcomes of the updated feasibility modelling provide a strong platform for the Company to structure and secure a funding solution through one or a combination of sources, including debt and/ or equity markets, Government agencies (including funding/grants) and free cash flow generated by the Project.

Based on the updated feasibility modelling, there are reasonable grounds on which the funding assumptions are based, which include the following:

- 100% ownership;
- Premium avocado growing location;
- Abundant water capture and storage potential;
- Development would be significant to the Southern Forest region of Western Australia (likely to be the largest contiguous avocado orchard);
- Board and management team have extensive experience in agri-business and marketing; and
- The Company has secured and contributed \$5.0m in equity funding (including c.\$0.7m in R&D funding) to-date for the Project.

The Company has already had preliminary engagement with various financial institutions, non-bank lenders and government agencies with respect to the potential development at Carpenters and these entities have expressed interest, particularly as the Project establishes a cash flow profile.

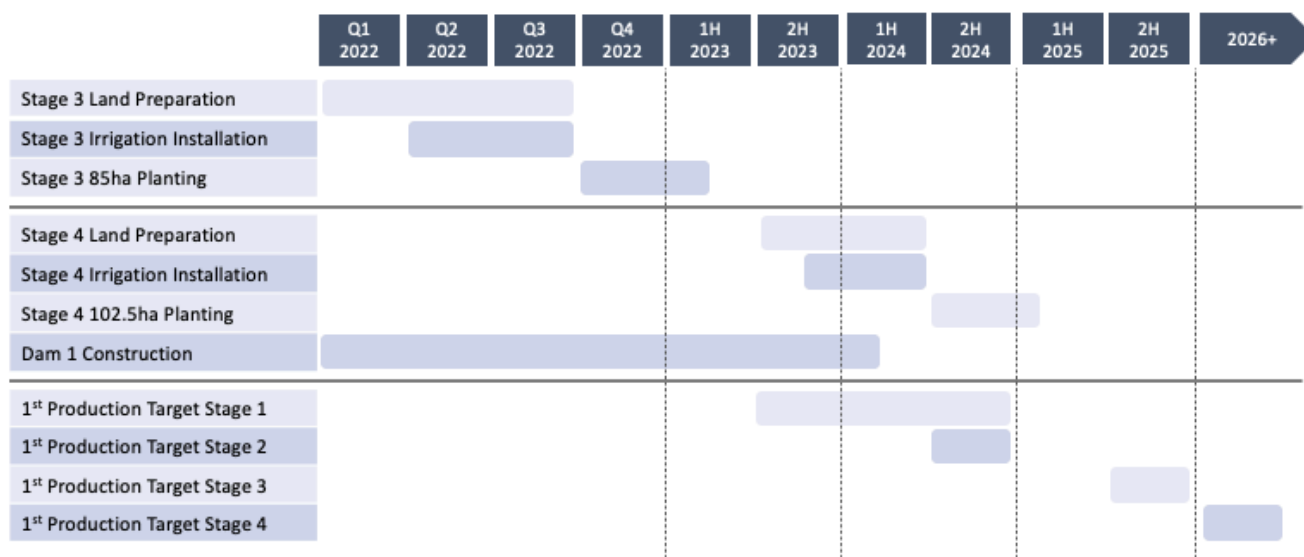
DIRECTORS' REPORT (continued)

Alterra is working towards finalising Stage 3 funding and will continue its endeavours to secure funding for the Stage 4 planting subject to a final investment decision that will be made post-conclusion of the Stage 3 planting, informed by market and site conditions at the time, which are continually being re-assessed. However, there is no certainty that this will eventuate and the Company will be able to secure a funding solution as and when required.

INDICATIVE TIMETABLE

The Company is targeting first commercial production in 2H23. The indicative development timetable from land preparation to production is set out below:

Development Timeline



The Updated Feasibility Study provides strengthened expectation that the Carpenters Project will be commercially viable.

The Company has advanced the Stage 3 land preparation works preceding the planting with the installation of the Irrigation and Fertigation System whilst Dam 1 construction continues and funding is finalised.

Corporate

During the period the Company advised that further to the announcement 29 July 2021 and shareholder approval at the Company's annual general meeting on 28 February 2022, the Company issued 6,000,000 unlisted \$0.05 options, expiring 9 December 2023 to Chairman, Mr Mark Clements, subject to various vesting conditions, under the Company's Employee Long Term Incentive Plan.

Further, following the commencement of Mr Ben Norrish as Chief Operating Officer, the Company has issued the following unlisted options subject to various vesting conditions, under the Company's Employee Long Term Incentive Plan;

- 1,500,000 unlisted \$0.05 options, expiring 25 March 2027
- 1,500,000 unlisted \$0.08 options, expiring 25 March 2027
- 2,000,000 unlisted \$0.12 options, expiring 25 March 2027

Subsequent to period end, 1,000,000 fully paid ordinary shares were issued to the Company's Technical Partner in relation to the conversion of 1,000,000 performance rights.

Carbon Conscious Investments Limited ("CCIL")(Alterra 15%)

Alterra Limited owns a 15% interest in CCIL, a manager of large-scale carbon projects.

The Company recorded revenue of \$241,882 derived from its management agreement with and investment in Carbon Conscious Limited ("CCIL") during the period (2021: \$268,781). The Company also received dividend income from CCIL of \$59,996 (2021:\$68,344).

On 4 November 2021, CCIL advised shareholders it had received a partial offer for up to 19.9% of its shares at 2.5c per share. CCIL's Directors advised that other than an email with the unsolicited offer no approach or contact has been made by the party to CCIL.

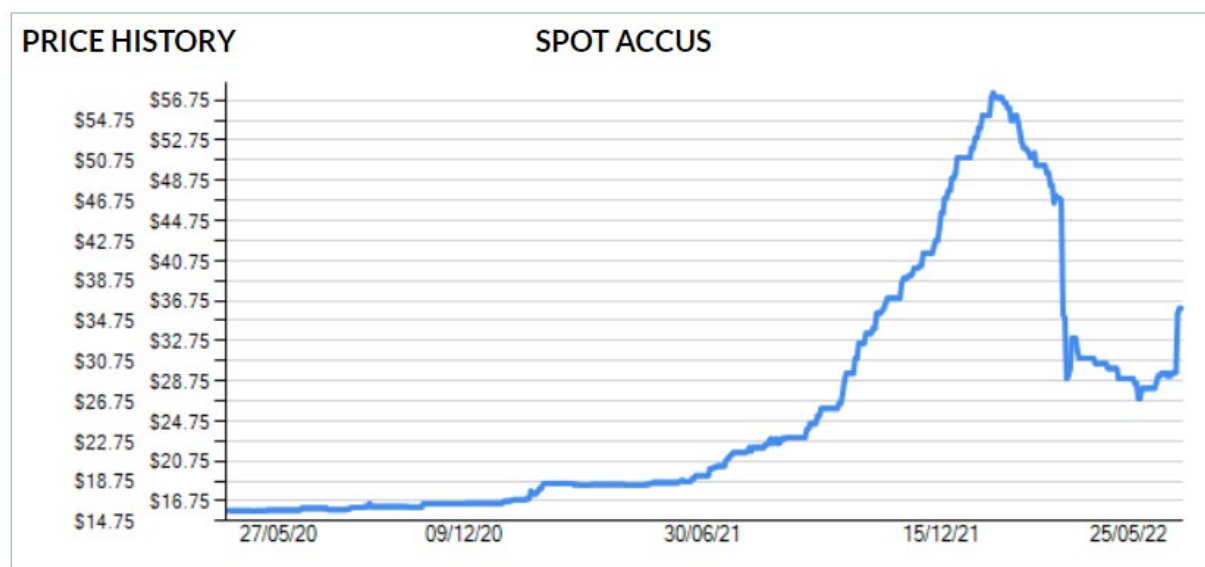
Alterra Limited and Controlled Entities

Interim Financial Report for the Half-Year Ended 31 March 2022

DIRECTORS' REPORT (continued)

CCIL advised shareholders not to accept the partial offer as it was in advanced negotiations with respect to a full takeover proposal from another party for all its shares which, if consummated, was expected to be a superior proposal to the unsolicited offer.

In December 2021, CCIL advised that discussions with respect to the takeover proposal referred to above had concluded with CCIL withdrawing from the process. CCIL further advised that since commencement of these discussions, the Australian Carbon Credit Unit (ACCU) market has substantially strengthened and this had translated into increased investor interest in companies such as CCIL with carbon offset assets. The CCIL Board has stated they are undertaking a formal strategic process to identify options that may deliver shareholders with an opportunity to monetise their investment in CCIL.



ACCU spot price historic chart

ESG Commitment and Framework

As part of its commitment to a positive social and economic impact at its developments, Alterra has implemented five sustainability outcomes modelled off the United Nations global goals. These outcomes will help the Company to measure its contribution to the community and responsible use of resources in the regions in which it operates.

These goals include the following:

- Zero Hunger: create sustainable food production systems that strengthen the industry's resilience against climate change, extreme weather events and drought through the use of methodologies that improve land and soil quality.
- Clean Water: substantially increase water storage to reduce stress on existing freshwater resources and improve water-use efficiencies across the development. In addition, support and strengthen the Company's participation in local communities to improve water management.
- Economic Growth: Support local businesses wherever possible through local contracts, employment, and seasonal labour hire in the community. Ensure Alterra's operations contribute positively to the local economy. Implement best practice frameworks to ensure the safety of its local employees and seasonal staff.
- Industry, Innovation and Infrastructure: Enhance scientific research, upgrade the technological capabilities of industrial sectors and encourage innovation through Alterra's R&D claim for its innovative avocado growing methodology. Apply new practices from other horticultural sectors to avocados to improve growing techniques and water efficiencies.
- Responsible Consumption and Production: Ensure responsible and sustainable management of natural resources, notably water.

Greg Harvey
Executive Director

DIRECTORS' REPORT (continued)

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration for the period ended 31 March 2022 is set out on page 9.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3) of the Corporations Act 2001.



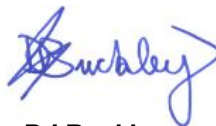
Mark Clements
Non-Executive Chairman
Dated: 30 May 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Alterra Limited for the half-year ended 31 March 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
30 May 2022



D I Buckley
Partner

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 MARCH 2022

	Note	Half-Year to 31 March 2022	Half-Year to 31 March 2021
		\$	\$
Continuing Operations			
Revenue	2a	241,882	317,065
Other income	2a	111,569	106,913
Loss on sale of investment		-	(446,014)
Operating expenses		(705,303)	(56,181)
Administrative expenses		(422,248)	(393,608)
Asset development		-	(311,028)
Business development expenses		(6,381)	(67,690)
Employee benefits expense		(493,450)	(1,067,090)
Occupancy expenses		(30,565)	(33,639)
Financing expenses		(8,426)	(18,023)
Depreciation and amortisation expense	2b	(63,310)	(41,987)
Share-based payments		(31,290)	(54,013)
Loss before income tax income		(1,407,522)	(2,065,295)
Income tax expense	3	-	-
Loss from continuing operations		(1,407,522)	(2,065,295)
Loss attributable to members of the parent entity		(1,407,522)	(2,065,295)
Other comprehensive income		-	-
Other comprehensive income / (loss) for the period		-	-
Total comprehensive loss attributable to members of the parent entity		(1,407,522)	(2,065,295)
Basic and Diluted loss per share (cents per share) from continuing operations	4	(0.51)	(1.11)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	31 March 2022 \$	30 September 2021 \$
Current Assets			
Cash and cash equivalents		1,047,804	4,346,827
Trade and other receivables	5	267,518	272,347
Other assets	6	239,259	198,773
Total Current Assets		1,554,581	4,817,947
Non-Current Assets			
Intangibles	7	85,017	79,611
Property, plant and equipment	9	6,298,151	3,918,445
Investment in associates	15	1,153,442	1,132,380
Right of use assets	8	12,749,122	12,921,768
Other assets	6	14,785	14,485
Total Non-Current Assets		20,300,517	18,066,689
Total Assets		21,855,098	22,884,636
Current Liabilities			
Trade and other payables	11	565,641	621,905
Provisions		-	18,737
Lease liabilities	12	96,942	91,757
Total Current Liabilities		662,583	732,399
Non-Current Liabilities			
Lease liabilities	12	14,390,165	13,973,657
Total Non-Current Liabilities		14,390,165	13,973,657
Total Liabilities		15,052,748	14,706,056
Net Assets		6,802,350	8,178,580
Equity			
Issued capital	13	13,947,477	13,947,477
Reserves		1,507,385	1,476,093
Accumulated losses		(8,652,512)	(7,244,990)
Total Equity		6,802,350	8,178,580

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES OF EQUITY

FOR THE HALF-YEAR ENDED 31 MARCH 2022

	Issued Capital	Accumulated Losses	Share-based Payment Reserve	Total
	\$	\$	\$	\$
Balance at 1 October 2020	10,403,651	(5,024,134)	1,447,018	6,826,535
Loss attributable to members	-	(2,065,295)	-	(2,065,295)
Total comprehensive loss for the period	-	(2,065,295)	-	(2,065,295)
Share-based payments	-	-	54,013	54,013
Balance at 31 March 2021	10,403,651	(7,089,429)	1,501,031	4,815,253
Balance at 1 October 2021	13,947,477	(7,244,990)	1,476,093	8,178,580
Loss attributable to members	-	(1,407,522)	-	(1,407,522)
Total comprehensive loss for the period	-	(1,407,522)	-	(1,407,522)
Share-based payments	-	-	31,292	31,292
Balance at 31 March 2022	13,947,477	(8,652,512)	1,507,385	6,802,350

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 MARCH 2022

	Half-Year to 31 March 2022 \$	Half-Year to 31 March 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and government subsidies received	332,976	463,850
Payments to suppliers and employees	(1,779,211)	(2,020,052)
Interest received	-	2,964
Interest paid	(5,802)	(22,648)
Net cash used in operating activities	(1,452,037)	(1,575,886)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(543,956)	(53,145)
Proceeds from sale of land	-	2,714,620
Expenditures on development assets	(1,309,727)	(654,061)
Dividends received	59,996	68,344
Net cash (used in)/provided by investing activities	(1,793,687)	2,075,758
CASH FLOWS FROM FINANCING ACTIVITIES		
Related party loans	(469)	203,070
Bank loan repayments	-	(1,400,000)
Principal repayment of leases	(52,830)	(37,821)
Net cash used in financing activities	(53,299)	(1,234,751)
Net decrease in cash and cash equivalents	(3,299,023)	(734,881)
Cash and cash equivalents at beginning of half-year	4,346,827	3,283,222
Cash and cash equivalents at end of half-year	1,047,804	2,548,341

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 MARCH 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 134 'Interim Financial Reporting', Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Group is a for-profit entity.

The interim report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide a full understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 September 2021 and any public announcements made by Alterra Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Group's annual financial report for the year ended 30 September 2021.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Going Concern

This financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group has incurred a loss for the interim financial period ended 31 March 2022 of \$1,407,522 (31 March 2021: loss on continuing activities of \$2,065,295) and net cash inflows/ (outflows) from operating and investing activities of \$(3,245,723) (31 March 2020: net cash inflows of \$499,872). At 31 March 2022, the Group had \$1,047,804 of cash and cash equivalents.

The development of the Carpenters project is dependent on structuring and securing a funding solution which will maximise the benefits for all stakeholders. The primary aim of the updated feasibility modelling (refer ASX announcement 7 May 2022) was to demonstrate that the project has positive economics and strong potential to be a long-life avocado producer of world class potential.

The technical and economic outcomes of the updated feasibility modelling provide a strong platform for the Company to structure and secure a funding solution through one or a combination of sources, including debt and/ or equity markets, Government agencies (including funding/grants) and free cash flow generated by the Project.

Based on the updated feasibility modelling, there are reasonable grounds on which the funding assumptions are based, which include the following:

- 100% ownership;
- Premium avocado growing location;
- Abundant water capture and storage potential;
- Development would be significant to the Southern Forest region of Western Australia (likely to be the largest contiguous avocado orchard);
- Board and management team have extensive experience in agri-business and marketing; and
- The Company has secured and contributed \$5.0m in equity funding (including c.\$0.7m in R&D funding) to-date for the project.

The Company has already had preliminary engagement with various financial institutions, non-bank lenders and government agencies with respect to the potential development at Carpenters and these entities have expressed interest, particularly as the project establishes a cash flow profile.

Alterra is working towards finalising Stage 3 funding and will continue its endeavours to secure funding for the Stage 4 planting subject to a final investment decision that will be made post-conclusion of the Stage 3 planting, informed by market and site conditions at the time, which are continually being re-assessed. However, there is no certainty that this will eventuate and the Company will be able to secure a funding solution as and when required.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Should the funding not eventuate there is material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The Board has historically demonstrated the ability to raise equity funding to strengthen the Group's working capital position as required.

New or Amended Accounting Standards and Interpretations Adopted

New and Revised Accounting Standards and Interpretations on issue

The Group has reviewed all of the new and revised Standards and Interpretations applicable to the half-year ended 31 March 2022. As a result of this review, the Group has determined that there is no material impact and therefore no change is necessary to its accounting policies.

Standards and Interpretations in issue not yet adopted

The Group has also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 March 2022. As a result of this review, the Group has determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and therefore no change is necessary to its accounting policies.

Reporting Basis and Conventions

The interim report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair value of the consideration given in exchange for assets.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Significant Accounting Judgements and Key Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from the estimates.

In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 September 2021.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2(a). REVENUE AND OTHER INCOME

The Group derives its revenue from the provision of services at a point in time and over time in the following major categories. This is consistent with the revenue information that is disclosed for each reportable segment under AASB 8 (see Note 18).

	Half-Year to 31 March 2022 \$	Half-Year to 31 March 2021 \$
Over time		
Land license / management fees	241,882	268,781
Lease income - Dambadgee Springs	-	44,071
Other income	-	4,213
	241,882	317,065
Other Income		
Share of net profit of associates accounted for using the equity method	81,059	58,517
Other income	30,510	48,396
	111,569	106,913

Other income of \$30,510 (2021: \$48,396) includes Government funded Covid-19 assistance (2021 only), and performance guarantee fees and interest.

2(b). DEPRECIATION AND AMORTISATION EXPENSE

	Half-Year to 31 March 2022 \$	Half-Year to 31 March 2021 \$
Depreciation on plant and equipment	56,452	27,927
Amortisation of right of use asset	248,504	158,114
Amortisation of avocado genetics and data asset	3,094	3,000
Capitalised costs	(244,741)	(147,054)
	63,310	41,987

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. INCOME TAX

	Half-Year to 31 March 2022 \$	Half-Year to 31 March 2021 \$
Numerical reconciliation between tax-expense and pre-tax net profit		
Loss before tax	(1,407,522)	(2,065,295)
Income tax using the domestic tax rate of 26% (2021: 27.5%)	(365,955)	(567,956)
Non-assessable income	-	-
Non-deductible expenses	-	-
Current year losses for which no deferred tax asset is recognised	365,955	567,956
Total Income tax benefit for the period	-	-

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. There were no deferred tax assets or liabilities recognised as at 31 March 2022.

Alterra Limited and its wholly owned subsidiaries in Australia formed a consolidated tax group as defined under the tax consolidation legislation. Consequently, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Alterra Limited.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. EARNINGS PER SHARE

	Half-Year to 31 March 2022 Cents per share	Half-Year to 31 March 2021 Cents per share
Basic and diluted loss per share from continuing operations	(0.51)	(1.11)
The earnings and weighted average number of Ordinary Shares used in the calculation of basic earnings per share is as follows:		
Loss for the period after income tax from continuing operations	(1,407,522)	(2,065,295)
Loss for the period after income tax from discontinued operations	-	-
	No.	No.
Weighted average number of Ordinary Shares outstanding during the year used in calculating basic and diluted EPS	277,776,274	185,222,009

5. TRADE AND OTHER RECEIVABLES

	31 March 2022 \$	30 September 2021 \$
Accrued income	-	5,454
Trade receivables	126,125	181,554
GST receivable	141,393	85,339
	<u>267,518</u>	<u>272,347</u>

6. OTHER ASSETS

	31 March 2022 \$	30 September 2021 \$
Current		
Unsecured loans to third parties	110,946	110,477
Prepayments	128,313	88,296
	<u>239,259</u>	<u>198,773</u>
Non-Current		
Other	14,785	14,485
	<u>14,785</u>	<u>14,485</u>

Unsecured loans to third parties are costs incurred and recoverable from the lessor under the terms of the Carpenters lease agreement.

7. INTANGIBLES

	31 March 2022 \$	30 September 2021 \$
Avocado genetics and data asset	98,500	90,000
Less: Accumulated amortisation	(13,483)	(10,389)
	<u>85,017</u>	<u>79,611</u>

The Avocado genetics and data asset are being amortised over 15 years in line with the contractual terms and anticipated pattern of economic benefits.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. RIGHT OF USE ASSETS

	31 March 2022	30 September 2021
	\$	\$
Land and buildings - right of use	252,515	252,515
Less: Accumulated depreciation	(111,404)	(88,123)
Motor vehicle – right of use	72,098	-
Less: Accumulated depreciation	(2,326)	-
Land - Carpenters - right of use	13,433,828	13,429,770
Less: Accumulated depreciation	(895,589)	(671,394)
	12,749,122	12,922,768

9. PROPERTY, PLANT AND EQUIPMENT

	31 March 2022	30 September 2021
	\$	\$
Capitalised work in progress (Property) 10	4,212,796	2,471,363
Property, plant and equipment at cost	2,377,030	1,654,806
Less: Accumulated depreciation	(291,675)	(243,724)
	6,298,151	3,882,445

Property, plant and equipment are recorded at cost, less any impairment losses.

10. CARPENTERS PROJECT UNDER DEVELOPMENT

	31 March 2022	30 September 2021
	\$	\$
Carpenters Beedelup - capitalised work in progress	4,212,796	2,471,363
	4,212,796	2,471,363

The capitalised work in progress (property) relate solely to expenditures incurred by Alterra's wholly owned subsidiary, Carpenters Beedelup Pty Ltd, on the development of the Company's Carpenters project in Beedelup. These expenditures include various tangible and intangible items required to be invested to support Stages 1,2 and 3 of the development and planting of avocado trees. Costs continue to be capitalised in respect of the development of the site as the crop is considered early stage and cannot yet be fair valued.

11. TRADE AND OTHER PAYABLES

	31 March 2022	30 September 2021
	\$	\$
Current		
Trade payables	362,575	342,308
Employee benefits accrual	13,260	20,266
Unearned prepaid management fee	38,255	64,353
Sundry payables and accruals	151,551	194,978
	565,641	621,905

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. LEASE LIABILITY

	31 March 2022	30 September 2021
Current	\$	\$
Lease Liability	96,942	91,757
	96,942	91,757
Non-Current		
Lease Liability	14,390,165	13,973,657
	14,390,165	13,973,657

13. ISSUED CAPITAL

	31 March 2022	30 September 2021
	\$	\$
277,776,274 (30 Sept 2021: 277,776,274) fully paid Ordinary Shares	13,947,477	13,947,477

	31 March 2022	31 March 2022	30 September 2021	30 September 2021
	No.	\$	No.	\$
Movement in Ordinary Shares on issue				
At beginning of the period	277,776,274	13,947,477	185,222,009	10,403,651
Shares issued	-	-	90,554,265	3,622,171
Conversion of performance rights	-	-	2,000,000	-
Capital raising costs	-	-	-	(78,345)
At end of reporting period	277,776,274	13,947,477	277,776,274	13,947,477

14. OPTIONS AND PERFORMANCE RIGHTS

Options

	31 March 2022	31 March 2022	30 September 2021	30 September 2021
	No.	Weighted average exercise price	No.	Weighted average exercise price
Movement in Options over Ordinary Shares on issue				
At beginning of the period	18,000,000	\$0.04	12,000,000	\$0.04
Granted during the period	11,000,000	\$0.07	6,000,000	\$0.04
Exercised over the period	-	-	-	-
Expired during the period	-	-	-	-
Exercisable at end of reporting period	29,000,000	\$0.05	18,000,000	\$0.04

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. OPTIONS AND PERFORMANCE RIGHTS (continued)

Options (continued)

6,000,000 Options were issued to Mark Clements during the period. 2,000,000 vest on market capitalisation of \$10m. 2,000,000 vest on market capitalisation of \$20m. 1,000,000 vest on market capitalisation of \$30m. 1,000,000 vest on market capitalisation of \$40m. The 6,000,000 unquoted options have been valued as follows:

	Tranche 1a	Tranche 2a	Tranche 3a	Tranche 4a	Total
Number	2,000,000	2,000,000	1,000,000	1,000,000	6,000,000
Value per option	\$0.0044	\$0.0038	\$0.0024	\$0.0014	
Value	\$8,880	\$7,520	\$2,380	\$1,390	\$20,170

5,000,000 Options were issued to Ben Norrish subject to various vesting conditions, under the Company's Employee Long Term Incentive Plan;

- 1,500,000 unlisted \$0.05 options, expiring 25 March 2027
- 1,500,000 unlisted \$0.08 options, expiring 25 March 2027
- 2,000,000 unlisted \$0.12 options, expiring 25 March 2027

The 5,000,000 unquoted options have been valued as follows:

	Tranche 1b	Tranche 2b	Tranche 3b	Tranche 4b	Tranche 5b	Tranche 6b	Total
Number	750,000	750,000	1,000,000	750,000	750,000	1,000,000	5,000,000
Value per option	\$0.0105	\$0.0079	\$0.0059	\$0.0109	\$0.0081	\$0.0060	
Value	\$7,875	\$5,925	\$5,900	\$8,175	\$6,075	\$6,000	\$39,950

Note , the share based payment expense is recorded over the expected vesting period for each tranche of options.

The outstanding balance as at 31 March 2022 is represented by:

- 4,000,000 options over Ordinary Shares with an exercise price of \$0.04 each, expiring on 5 April 2023
- 14,000,000 options over Ordinary Shares with an exercise price of \$0.04 each, expiring on 9 December 2023
- 6,000,000 options over Ordinary Shares with an exercise price of \$0.05 each, expiring on 9 December 2023
- 1,500,000 options over Ordinary Shares with an exercise price of \$0.05 each, expiring on 25 March 2027
- 1,500,000 options over Ordinary Shares with an exercise price of \$0.08 each, expiring on 25 March 2027
- 2,000,000 options over Ordinary Shares with an exercise price of \$0.12 each, expiring on 25 March 2027

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. OPTIONS AND PERFORMANCE RIGHTS (continued)

The fair value of the equity-settled share options granted is estimated as at the date of grant using an option pricing model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used:

	Tranche 1a	Tranche 2a	Tranche 3a	Tranche 4a	Tranche 1b	Tranche 2b	Tranche 3b	Tranche 4b	Tranche 5b	Tranche 6b
No of options	2,000,000	2,000,000	1,000,000	1,000,000	750,000	750,000	1,000,000	750,000	750,000	1,000,000
Spot Price	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027	\$0.027
Exercise price	\$0.050	\$0.050	\$0.050	\$0.050	\$0.050	\$0.080	\$0.120	\$0.050	\$0.080	\$0.120
Parisian Barrier Price	\$0.045	\$0.091	\$0.136	\$0.182	-	-	-	-	-	-
Expiry date	9 Dec 23	9 Dec 23	9 Dec 23	9 Dec 23	25 Mar 27	25 Mar 27	25 Mar 27	25 Mar 27	25 Mar 27	25 Mar 27
Expected future volatility	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Risk free rate	1.75%	1.75%	1.75%	1.75%	2.68%	2.68%	2.68%	2.68%	2.68%	2.68%

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. OPTIONS AND PERFORMANCE RIGHTS (continued)

Performance Rights

Performance Rights	Class 1	Class A	Class B	Class C	Class D	Class E	Class F	Total
Movement in Performance Rights								
At beginning of the period	2,000,000	2,250,000	2,250,000	3,000,000	3,000,000	6,500,000	2,000,000	21,000,000
Granted during the period	-	-	-	-	-	-	-	-
Exercised over the period	-	-	-	-	-	-	-	-
Expired during the period	-	-	-	-	-	-	-	-
Cancelled during the period	-	-	-	-	-	-	-	-
Total	2,000,000	2,250,000	2,250,000	3,000,000	3,000,000	6,500,000	2,000,000	21,000,000

- **Performance Rights:** 2,000,000 to vest upon execution of a binding term sheet for the development or purchase of a minimum of 200 hectares of crops at the Carpenters Project (**Vesting condition**).
- **Class A Performance Rights:** 2,250,000 to vest on the date that the 30-day VWAP for the Shares on the ASX is \$0.08 or higher during the period to the 12 months ending on 30 September 2020 (**Milestone 1**);
- **Class B Performance Rights:** 2,250,000 to vest on the date that the 30-day VWAP for the Shares on the ASX is \$0.12 or higher during the period to the 12 months ending on 30 September 2021 (**Milestone 2**); and
- **Class C Performance Rights:** 3,000,000 to vest on the date that the 30-day VWAP for the Shares on the ASX is \$0.16 or higher during the period to the 12 months ending on 30 September 2022 (**Milestone 3**);
- **Class D Performance Rights:** 3,000,000 to vest on the date that the 30-day VWAP for the Shares on the ASX is \$0.20 or higher during the period to the 12 months ending on 30 September 2023 (**Milestone 4**);
- **Class E Performance Rights:** 6,500,000 to vest on the date that the 30-day VWAP for the Shares on the ASX is \$0.30 or higher during the period to the 12 months ending on 30 September 2024 (**Milestone 5**);
- **Class F Performance Rights:** 2,000,000 to vest upon execution of a binding term sheet for the development or purchase of a minimum of 50 hectares (**Condition 1 relating to 1,000,000 performance rights**) and 200 hectares (**Condition 2 relating to 1,000,000 performance rights**) of crops at the Carpenters project.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

	31 March 2022	30 September 2021
	\$	\$
Investment in associate	1,153,442	1,132,380
	1,153,442	1,132,380

Associate

Details of the Group's material associate at the end of the reporting period is as follows:

	Principal Activity	Country	Ownership Interest		Carrying Amount	
			31 March 2022	30 September 2021	31 March 2022	30 September 2021
			%	%	\$	\$
Carbon Conscious Investments Limited	Management of agroforestry estates for carbon sequestration on behalf of clients	Australia	15	15	1,153,442	1,132,380

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Carbon Conscious Investments Limited became an associate as at 1 January 2019 post the demerger of the Carbon Business from Alterra Limited.

The Group has determined that it has significant influence over Carbon Conscious Investments Ltd as it holds 15% of the voting power in combination with being contracted to provide management services for the carbon business. Alterra also has a contractual obligation to provide a performance guarantee to a Carbon Conscious Investment Ltd customer.

Summarised Financial Information

	31 March 2022 \$	31 March 2021 \$
Statement of comprehensive income		
Revenue	1,333,995	1,309,395
Profit for the period	540,387	390,114
Other comprehensive expenses for the period	-	-
Total comprehensive income	540,387	390,114
Dividends received by Alterra	59,996	68,344
Statement of financial position		
Current assets	2,375,274	1,662,816
Non-current assets	2,554,449	3,135,262
Total assets	4,929,722	4,798,078
Current liabilities	334,500	319,720
Non-current liabilities	423,119	547,178
Total liabilities	757,620	866,898
Net assets of the associate	4,172,102	3,931,180
Proportion of the Group's ownership interest in associate	15%	15%
Group's share of associate's net assets	625,816	589,677
Goodwill on associate	527,626	483,154
Carrying value of the Group's interest in associate	1,153,442	1,072,831

16. SEGMENT REPORTING

Alterra's core business of developing agricultural land and water opportunities continued during the period, with a focus on the Carpenters. As such, the segment reporting remains consistent with prior year.

- Asset Management – relates to the management of operating assets including the contract to manage the demerged Carbon Business;
- Asset Development – relates to assets owned or being developed by the Company;
- Business Development – relates to the development of potential assets and or opportunities;
- Corporate.

Information regarding the results of each reportable segment is included on this note. Performance is measured on net profit / loss before taxation as detailed in the management reports presented to the Board of Directors. Segmented cashflows are not regularly provided to the Board of Directors and as such are not reported for in these accounts.

In the tables below, revenue is disaggregated by reportable segment and represents services transferred at a point in time as well as over time.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. SEGMENT REPORTING (continued)

Half-Year ended 31 March
2022

	Asset Management \$	Asset Development \$	Corporate \$	Consolidated \$
Revenue and Other Income				
Fees to external customers	241,882	-	-	241,882
Other revenues from external customers	-	-	111,569	111,569
Total segment revenue	241,882	-	111,569	353,451
Expenses				
Operating costs	141,521	-	-	141,521
Interest expense	-	-	8,426	8,426
Depreciation and amortisation	-	-	63,310	63,310
Other costs	6,686	-	1,541,030	1,547,716
Total segment expenses	148,207	-	1,612,765	1,760,973
Income tax benefit / (expense)	-	-	-	-
Net profit / (loss) after tax from continuing operations	93,675	-	(1,501,197)	(1,407,522)
Timing of revenue and other income recognition:				
At a point in time	-	-	-	-
Over time	241,882	-	111,569	353,451
Total revenue	241,882	-	111,569	353,451

Half-Year ended 31
March 2022

	Asset Management \$	Asset Development \$	Corporate \$	Consolidated \$
Current assets	-	302,104	1,252,477	1,554,581
Non-current assets	-	18,547,036	1,753,481	20,300,517
Total segment assets	-	18,849,140	3,005,958	21,855,098
Segment liabilities				
Current liabilities	-	211,140	451,443	662,583
Non-current liabilities	-	14,053,124	337,041	14,390,165
Total segment liabilities	-	14,264,264	788,484	15,052,748
Net segment assets	-	4,584,876	2,217,474	6,802,350

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. SEGMENT REPORTING (continued)

Half-Year ended 31 March 2021	Asset Management \$	Asset Development \$	Corporate \$	Consolidated \$
Revenue and Other Income				
Fees to external customers	268,781	-	-	268,781
Government incentives	-	-	12,076	12,076
Other revenues from external customers	-	-	135,943	135,943
Interest revenue	-	-	7,178	7,178
Total segment revenue	268,781	-	155,197	423,978
Expenses				
Operating costs	57,464	-	-	57,464
Interest expense	-	-	18,023	18,023
Depreciation and amortisation	11,220	-	30,767	41,987
Loss on sale of investments	-	-	446,014	446,014
Other costs	9,619	-	1,916,166	1,925,785
Total segment expenses	78,303	-	2,410,970	2,489,273
Net profit / (loss) before tax	190,478	-	(2,255,773)	(2,065,295)
Income tax benefit / (expense)	-	-	-	-
Net profit / (loss) after tax from continuing operations	190,478	-	(2,255,773)	(2,065,295)
Timing of revenue and other income recognition:				
At a point in time	-	-	106,913	106,913
Over time	268,781	-	48,284	317,065
Total revenue	268,781	-	155,197	423,978

Half-Year ended 31 March 2021	Asset Management \$	Asset Development \$	Corporate \$	Consolidated \$
Current assets	-	121,693	2,823,310	2,945,003
Non-current assets	-	5,242,001	2,767,561	8,009,562
Total segment assets	-	5,363,694	5,590,871	10,954,565
Segment liabilities				
Current liabilities	-	24,752	537,062	561,814
Non-current liabilities	-	5,338,941	238,556	5,577,497
Total segment liabilities	-	5,363,693	775,618	6,139,311
Net segment assets	-	1	4,815,252	4,815,253

17. CONTINGENT LIABILITIES

The Group currently has no contingent liabilities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no subsequent events since the reporting date.

19. FINANCIAL INSTRUMENTS

As at 31 March 2022, the Group held no financial instruments at fair value.

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position.

The carrying amounts of these financial assets and liabilities are considered to be a reasonable approximation of their fair value.

The fair values of financial liabilities are estimated by discounting the remaining contractual maturities at the current market rate that is available for similar liabilities.

DIRECTORS' DECLARATION

The Directors of Alterra Limited declare that:

1. The financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - (a) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Group's financial position as at 31 March 2022 and its performance for the half-year ended on that date.
2. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the Corporations Act 2001.



Mark Clements
Non-Executive Chairman
Dated: 30 May 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Alterra Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of Alterra Limited ("the company"), which comprises the condensed consolidated statement of financial position as at 31 March 2022, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Alterra Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 March 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated Group's financial position as at 31 March 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 May 2022


D I Buckley
Partner