

## **1. Company details**

Name of entity:	ClearVue Technologies Limited
ABN:	45 071 397 487
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

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## **2. Results for announcement to the market**

			\$
Revenues from ordinary activities	up	100% to	287,613
Loss from ordinary activities after tax attributable to the owners of Clearvue Technologies Limited	down	39% to	4,195,231
Loss for the year attributable to the owners of Clearvue Technologies Limited	down	39% to	4,195,231

### *Dividends*

No dividend has been declared or paid for the year ended 30 June 2022(30 June 2021: \$nil).

### *Brief Explanation of Results*

During the financial year ended 30 June 2022, the Company continued its focus on the commercialisation of the Company's technology in its key target markets of the US and Europe.

In the US the Company appointed a CEO for North America in Basil Karampelas, opened a small office and showroom in Silicon Valley (adjacent to its solar research partner D2 Solar) and signed a new manufacturing partner in AITI Group to secure product supply in the US market. AIT will manufacture and supply its products as both a manufacturer and distributor and as an OEM supplier for ClearVue with the intent that a JV is established following a successful initial period. The Company also appointed a distributor, Graboyes for Pennsylvania.

Additionally during the year in the US, the Company completed Phase 1 of an Evaluation with the US Air Force in conjunction with dynamically tuneable glazing technology supplier Nodis Pte Ltd. This Evaluation has now entered Phase 2. Additionally, an LOI was signed for supply of the ClearVue products into the Company's first US commercial project.

As part of its European expansion, ClearVue has also now established its European subsidiary structure in the Netherlands and appointed Alexander Valenzuela as its General Manager for Europe. Plans to open a small office and showroom in Europe are underway.

There were no other significant changes in the nature of the activities of the Company during the financial year.

The loss for the consolidated entity after providing for income tax amounted to \$4,195,231 (30 June 2021 \$6,900,493).

### 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	5.75	7.81

### 4. Details of associates and joint venture entities

Name	Country of Incorporation	Ownership Interest	
		2022	2021
ClearVue International Pty Ltd	Australia	100%	100%
ClearVue USA Inc	United States of America	100%	100%
ClearVue (Asia) Pte.Ltd	Singapore	100%	100%
ClearVue Europe BV	Netherlands	100%	-

### 5. Details of entities over which control has been gained or lost during the period

ClearVue Europe BV was established during the period.

### 6. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

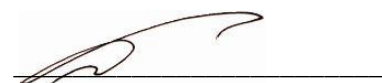
The financial statements are in the process of being audited.

### 7. Attachments

*Details of attachments (if any):*

The Preliminary Financial Report of ClearVue Technologies Limited for the year ended 30 June 2022 is attached.

### 8. Signed



Victor Rosenberg  
Chairman  
Perth

Date: 31 August 2022



**CLEARVUE TECHNOLOGIES LIMITED  
AND ITS CONTROLLED ENTITIES**

ABN 45 071 397 487

Appendix 4E  
Preliminary Financial Report

30 June 2022

**CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES**  
**ABN 45 071 397 487**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<u>Note</u>	<u>Consolidated</u> <u>30 Jun 2022</u> \$	<u>Consolidated</u> <u>30 Jun 2021</u> \$
Revenue from contracts with customers		287,613	-
Other income		1,121,739	1,217,490
		<u>1,409,352</u>	<u>1,217,490</u>
<b>Expenses</b>			
Consulting expense		(1,745,062)	(493,628)
Depreciation and amortisation expense		(207,732)	(172,774)
Employee benefits expense		(1,192,188)	(1,091,640)
Finance costs		(14,786)	(22,383)
Legal fees		(193,429)	(171,177)
Material costs		(591,653)	(97,146)
Project costs		-	(1,096,776)
Share-based payments expense	8	(800,867)	(4,215,632)
Travel expenses		(158,902)	(63,324)
Other expenses		(699,964)	(693,503)
		<u>(5,604,583)</u>	<u>(8,117,983)</u>
<b>Loss before income tax</b>		<b><u>(4,195,231)</u></b>	<b><u>(6,900,493)</u></b>
Income tax expense		-	-
<b>Loss for the year</b>		<b><u>(4,195,231)</u></b>	<b><u>(6,900,493)</u></b>
Other comprehensive income / (loss)		-	-
<b>Total comprehensive loss for the year</b>		<b><u>(4,195,231)</u></b>	<b><u>(6,900,493)</u></b>
<b>Loss per share attributable to the owners of the Company (cents)</b>			
Basic loss per share	9	(2.0)	(4.7)
Diluted loss per share	9	(2.0)	(4.7)

*See accompanying notes to the consolidated financial statements*

**CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES**  
**ABN 45 071 397 487**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	<b><u>Note</u></b>	<b><u>Consolidated</u></b> <b><u>30 Jun 2022</u></b> <b>\$</b>	<b><u>Consolidated</u></b> <b><u>30 Jun 2021</u></b> <b>\$</b>
<b><u>ASSETS</u></b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	11,753,873	15,887,483
Trade and other receivables	3	941,873	939,018
Other assets		261,113	193,664
		<u>12,956,859</u>	<u>17,020,165</u>
<b>Non-Current Assets</b>			
Plant and equipment		282,517	279,096
Right of use asset		172,220	230,580
Intangible assets	4	4,096,043	2,959,894
Other assets		56,681	56,681
		<u>4,607,461</u>	<u>3,526,251</u>
<b>Total Assets</b>		<u><u>17,564,320</u></u>	<u><u>20,546,416</u></u>
<b><u>LIABILITIES</u></b>			
<b>Current Liabilities</b>			
Trade and other payables	5	688,670	539,963
Lease liabilities		71,025	62,490
Provisions		209,423	153,900
		<u>969,118</u>	<u>756,353</u>
<b>Non-Current Liabilities</b>			
Lease liabilities		102,823	176,026
Provisions		35,804	23,674
		<u>138,627</u>	<u>199,700</u>
<b>Total Liabilities</b>		<u><u>1,107,745</u></u>	<u><u>956,053</u></u>
<b>Net Assets</b>		<u><u>16,456,575</u></u>	<u><u>19,590,363</u></u>
<b><u>EQUITY</u></b>			
Share capital	6	31,373,822	31,040,246
Share-based payments reserve	7	6,131,862	5,627,363
Accumulated losses		(21,049,109)	(17,077,246)
<b>Total Equity</b>		<u><u>16,456,575</u></u>	<u><u>19,590,363</u></u>

*See accompanying notes to the consolidated financial statements*

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Share Capital \$</b>	<b>Share-Based Payments Reserve \$</b>	<b>Accumulated Losses \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2020</b>	<b>12,521,181</b>	<b>4,223,027</b>	<b>(13,516,057)</b>	<b>3,228,151</b>
Loss for the year	-	-	(6,900,493)	(6,900,493)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(6,900,493)	(6,900,493)
Shares issued	3,039,885	-	-	3,039,885
Share issue costs	(938,770)	-	-	(938,770)
Share based payments	209,140	903,640	-	1,112,780
Options exercised	16,208,810	(1,739,304)	1,739,304	16,208,810
Performance rights issued	-	3,840,000	-	3,840,000
Performance shares cancelled	-	(1,600,000)	1,600,000	-
<b>Balance at 30 June 2021</b>	<b>31,040,246</b>	<b>5,627,363</b>	<b>(17,077,246)</b>	<b>19,590,363</b>
<b>Balance at 1 July 2021</b>	<b>31,040,246</b>	<b>5,627,363</b>	<b>(17,077,246)</b>	<b>19,590,363</b>
Loss for the year	-	-	(4,195,231)	(4,195,231)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(4,195,231)	(4,195,231)
Options exercised	258,576	(223,368)	223,368	258,576
Share based payments	75,000	725,867	-	800,867
Options issued	-	2,000	-	2,000
<b>Balance at 30 June 2022</b>	<b>31,373,822</b>	<b>6,131,862</b>	<b>(21,049,109)</b>	<b>16,456,575</b>

*See accompanying notes to the consolidated financial statements*

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b><u>Note</u></b>	<b><u>Consolidated</u></b> <b><u>30 Jun 2022</u></b> <b>\$</b>	<b><u>Consolidated</u></b> <b><u>30 Jun 2021</u></b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Loss before income tax		(4,195,231)	(6,900,493)
Adjustment for:			
Effects of currency translation on cash		(207,677)	-
Depreciation of plant and equipment		92,544	80,882
Amortisation of intangible assets		115,188	91,893
Share based payments		800,867	4,215,632
<b>Operating loss before working capital</b>		<b>(3,394,311)</b>	<b>(2,512,086)</b>
Changes in working capital:			
Decrease/(Increase) in trade receivables		(2,855)	(367,776)
Decrease in other assets		(67,449)	(74,978)
(Decrease)/Increase in trade and other payables		141,720	(36,421)
Increase in provisions		67,653	62,353
<b>Net cash (used in) operating activities</b>		<b>(3,255,240)</b>	<b>(2,928,908)</b>
<b>Cash flows from investing activities</b>			
Patents and trademarks expenditure		(603,322)	(346,316)
Development expenditure		(648,014)	(248,889)
Purchase of plant and equipment		(30,738)	(197,771)
<b>Net cash (used in) investing activities</b>		<b>(1,282,075)</b>	<b>(792,976)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of ordinary shares		-	3,039,885
Options exercised		258,576	16,208,810
Share issue cost		-	(201,625)
Options issued		2,000	-
Proceeds from borrowings		84,560	70,953
Loan repayments		(77,575)	(326,040)
Lease payments		(71,534)	(46,824)
<b>Net cash from financing activities</b>		<b>196,027</b>	<b>18,745,159</b>
Net (decrease) in cash and cash equivalents		(4,341,287)	15,023,275
Effects of currency translation on cash		207,677	-
Cash and cash equivalents at beginning of year		15,887,483	864,208
<b>Cash and cash equivalents at end of year</b>	<b>2</b>	<b>11,753,873</b>	<b>15,887,483</b>

*See accompanying notes to the consolidated financial statements*

NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

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These notes form an integral part of and should be read in conjunction with the accompanying financial report:

**1. BASIS OF PREPARATION**

This preliminary financial report has been prepared in accordance with Australian Securities Exchange Listing Rules as they relate to the Appendix 4E and in accordance with the recognition and measurement requirements of the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 30 June 2022 and with any public announcement made by Clearvue Technologies Limited during the period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial year.

**2. CASH AND CASH EQUIVALENTS**

	<b>Consolidated 30 Jun 2022</b>	<b>Consolidated 30 Jun 2021</b>
	\$	\$
Cash and cash equivalents	11,753,873	15,887,483

**3. TRADE AND OTHER RECEIVABLE**

	<b>Consolidated 30 Jun 2022</b>	<b>Consolidated 30 Jun 2021</b>
	\$	\$
Trade receivables	48,019	-
R&D rebate receivable	812,830	847,661
Grants receivable	81,024	91,357
	941,873	939,018



NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

4. INTANGIBLE ASSETS

	<b>Consolidated 30 Jun 2022 \$</b>	<b>Consolidated 30 Jun 2021 \$</b>
Patents and trademarks	2,096,921	1,608,787
Development asset	1,999,122	1,351,107
	<u>4,096,043</u>	<u>2,959,894</u>
<u>Patents and trademarks</u>		
Cost	2,631,567	2,028,245
Less accumulated amortisation	(534,646)	(419,458)
Carrying amount	<u>2,096,921</u>	<u>1,608,787</u>
<b>Cost</b>		
Balance at 1 July	2,028,245	1,681,929
Additions	603,322	346,316
Balance at 30 June	<u>2,631,567</u>	<u>2,028,245</u>
<b>Accumulated amortisation</b>		
Balance at 1 July	419,458	327,565
Amortisation for the year	115,188	91,893
Balance at 30 June	<u>534,646</u>	<u>419,458</u>
Carrying amount at 30 June	<u>2,096,921</u>	<u>1,608,787</u>
<u>Development asset</u>		
<b>Cost</b>		
Balance at 1 July	1,351,107	1,102,217
Additions	648,015	248,890
Balance at 30 June	<u>1,999,122</u>	<u>1,351,107</u>
Carrying amount at 30 June	<u>1,999,122</u>	<u>1,351,107</u>
Net carrying amount at 30 June	<u>4,096,043</u>	<u>2,959,894</u>

Intangible assets are stated at cost. The useful life of these patents and trademarks is estimated to be finite. No impairment losses were recognised during the financial year (2021: nil).

NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER PAYABLES

	Consolidated 30 Jun 2022 \$	Consolidated 30 Jun 2021 \$
Trade payables	369,366	367,203
Other payables <sup>1</sup>	110,186	130,147
Accruals	209,118	42,613
	<u>688,670</u>	<u>539,963</u>

<sup>1</sup>Other payables include amount from Attvest Finance of \$42,879 that is secured against the current D&O insurance policy. Interest accrues monthly at 11.7% per annum and is repayable monthly instalments of \$8,823 with the final payment during November 2022.

6. SHARE CAPITAL

	30 Jun 2022 NO. OF SHARES	30 Jun 2021 NO. OF SHARES	30 Jun 2022 \$	30 Jun 2021 \$
<u>Share issued and fully paid</u>				
Balance at 1 July	210,112,365	111,153,044	31,040,246	12,521,181
Issue of shares under a placement	-	31,998,787	-	3,039,885
Options exercised <sup>1</sup>	1,580,380	66,326,567	258,576	16,208,810
Share based payments <sup>2</sup>	347,599	633,967	75,000	209,140
Share issue costs	-	-	-	(938,770)
<b>Balance at 30 June</b>	<u><b>212,040,344</b></u>	<u><b>210,112,365</b></u>	<u><b>31,373,822</b></u>	<u><b>31,040,246</b></u>

<sup>1</sup>On 22 July 2021, 23 September 2021, 19 October 2021, 15 December 2021 and 2 February 2022, a total of 580,380 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.20.

<sup>1</sup>On 9 November 2021 a total of 1,000,000 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.145

<sup>2</sup>On 23 September 2021, 16,479 fully paid ordinary shares were issued at deemed price of \$0.455

<sup>2</sup>On 3 February 2022, 31,120 fully paid ordinary shares were issued at deemed price of \$0.241

<sup>2</sup>On 28 June 2022, 300,000 fully paid ordinary shares were issued to employees under the Company's employee securities incentive plan.

The share capital of the Company consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Company

**NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**7. SHARE-BASED PAYMENTS RESERVE**

	<b>Consolidated 30 Jun 2022</b>	<b>Consolidated 30 Jun 2021</b>
	<b>\$</b>	<b>\$</b>
Share plan for Directors <sup>1</sup>	536,900	536,900
Performance rights to Directors	3,840,000	3,840,000
Options issued to Consultants	396,019	156,173
Options issued under CSIP	488,021	-
Options issued to Lead Manager of placement	390,922	614,290
Performance shares to Directors	480,000	480,000
	<b>6,131,862</b>	<b>5,627,363</b>

<sup>1</sup>The share plan arises on the grant of loan for a term of 10 years to Directors and related parties for the purchase of the Company's ordinary shares under the ClearVue Loan Funded Share Plan in 2017. Amounts are transferred out of the reserve and into share capital when the loans are settled.

	<b>NO. OF OPTIONS</b>	<b>NO. OF PERFORMANCE RIGHTS</b>	<b>NO. OF PERFORMANCE SHARES</b>	<b>\$</b>
<i>Movements in Share based payment reserve</i>				
Balance at 1 July 2020	63,148,024	-	13,000,000	4,223,027
Options issued to Lead Manager of placement <sup>1</sup>	3,300,000	-	-	737,148
Options issued to consultants <sup>2</sup>	900,000	-	-	166,492
Free attaching options issued under placement <sup>3</sup>	15,999,389	-	-	-
Options exercised <sup>4</sup>	(66,326,567)	-	-	(1,739,304)
Options expired <sup>5</sup>	(3,745,599)	-	-	-
Performance rights issued to director <sup>6</sup>	-	10,000,000	-	3,840,000
Performance shares cancelled <sup>7</sup>	-	-	(10,000,000)	(1,600,000)
Balance at 30 June 2021	<b>13,275,247</b>	<b>10,000,000</b>	<b>3,000,000</b>	<b>5,627,363</b>

**NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**7. SHARE-BASED PAYMENTS RESERVE – continued**

<sup>1</sup> On 18 November 2020, 3,300,000 unlisted options exercisable at \$0.1425 per option, expiring 11 July 2024 were issued pursuant to the Company's Placement, as announced in August 2020.

<sup>2</sup> On 23 December 2020, 100,000 unlisted options exercisable at \$0.25 per option, expiring 21 June 2021 and 800,000 unlisted options exercisable at \$0.25 per option, expiring 22 December 2023 were issued pursuant to various agreements, as approved by shareholders on 27 November 2020.

<sup>3</sup> On 18 November 2020, 15,999,389 unlisted options exercisable at \$0.20 per option, expiring 31 December 2022 were issued pursuant to the Company's Placement, as announced in August 2020

<sup>4</sup> During the year, a total of 6,274,142 fully paid ordinary shares on exercise of unlisted options, each option exercisable at \$0.20 and 59,502,425 fully paid ordinary shares on exercise of unlisted options, each option exercisable at \$0.25 and 550,000 fully paid ordinary shares on exercise of unlisted options, each option exercisable at \$0.1425

<sup>5</sup> On 22 June 2021, 3,745,599 unlisted options exercisable at \$0.25 per option, expiring 21 June 2021 lapsed unexercised

<sup>6</sup> On the 10 June 2021 10,000,000 performance rights were issued to Victor Rosenberg. Mr Rosenberg was issued with 1,000,000 Class A Performance Rights, 3,000,000 Class B Performance Rights and 6,000,000 Class C Performance Rights

<sup>7</sup> On the 10 June 2021 10,000,000 performance shares previously issued to Mr Rosenberg were cancelled. These were 1,000,000 Class A Performance Shares, 3,000,000 Class B Performance Shares and 6,000,000 Class C Performance Shares.

	<b>NO. OF OPTIONS</b>	<b>NO. OF PERFORMANCE RIGHTS</b>	<b>NO. OF PERFORMANCE SHARES</b>	<b>\$</b>
<i>Movements in Share based payment reserve</i>				
Balance at 1 July 2021	13,275,247	10,000,000	3,000,000	5,627,363
Options issued to consultants <sup>1</sup>	2,000,000	-	-	237,846
Options issued to consultants – cash consideration <sup>1</sup>				2,000
Options issued under IOP <sup>2</sup>	3,000,000			488,021
Options exercised <sup>3</sup>	(1,580,380)	-	-	(223,368)
Balance at 30 June 2022	16,694,867	10,000,000	3,000,000	6,131,862

<sup>1</sup> On 23 September 2021, 2,000,000 unlisted options exercisable at \$0.75, expiring 30 June 2024 were issued at cash consideration of \$2,000 pursuant to a corporate advisory agreement, ratified by shareholders on 25 November 2021

<sup>2</sup> On 3 February 2022, 3,000,000 unlisted options exercisable at \$0.37, expiring 2 February 2024 were issued to US CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of AUD \$1.50 per Share for at least 30 days), 500,000 tranche 2 options (introduction and procuring a strategic alliance), 500,000 tranche 3 options (introduction and securing a strategic investment), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB US listing onto the NASDAQ), within 18 months from date of grant. Options were issued under the Company's incentive option plan

<sup>3</sup> On 22 July 2021, 23 September 2021, 19 October 2021, 15 December 2021 and 2 February 2022, a total of 580,380 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.20.

<sup>3</sup> On 9 November 2021 a total of 1,000,000 fully paid ordinary shares were issued on exercise of unlisted options, each option exercisable at \$0.145.

NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

7. SHARE-BASED PAYMENTS RESERVE – continued

Options

The following share-based payment arrangements were in place during the current and prior periods:

	Number	Grant date	Expiry date	Exercise price \$	Fair value at grant date \$	Vesting date
CPVAE	9,144,867	18/11/2020	31/12/2022	0.20	0.00	Vests at the date of grant
CPVAG	800,000	23/12/2020	22/12/2023	0.25	0.195	Vests at the date of grant
CPVAF	1,750,000	18/11/2020	11/07/2024	0.1425	0.223	Vests at the date of grant
CPVAI	2,000,000	23/09/2021	30/06/2024	0.75	0.163	Vests at the date of grant
CPVAJ	3,000,000	03/02/2022	02/02/2024	0.37	0.12	Vests at the date of grant <sup>1</sup>

<sup>1</sup>On 3 February 2022, 3,000,000 unlisted options exercisable at \$0.37, expiring 2 February 2024 were issued to US CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of AUD \$1.50 per Share for at least 30 days), 500,000 tranche 2 options (introduction and procuring a strategic alliance), 500,000 tranche 3 options (introduction and securing a strategic investment), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB US listing onto the NASDAQ), within 18 months from date of grant.

Options were issued under the Company's incentive option plan.

There has been no alteration of the terms and conditions of the above share-based payment arrangement since grant date.

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

	2022		2021	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding at the beginning of year	13,275,247	0.191	63,148,024	0.25
Granted during the year	5,000,000	0.522	20,199,389	0.193
Exercised during the year	(1,580,380)	0.164	(66,326,567)	0.244
Expired during the year	-	-	(3,745,599)	0.25
Outstanding at the end of year	16,694,867	0.293	13,275,247	0.191
Exercisable at the end of year	16,694,867	0.293	13,275,247	0.191

The share options outstanding at the end of the year had a weighted average exercise price of \$0.293 (2021: \$0.191) and a weighted average remaining contractual life of 397 days (2021: 321 days).

NOTES TO CONSOLIDATED PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

7. SHARE-BASED PAYMENTS RESERVE – continued

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

The conversion of the performance rights is dependent on the following:

	CPVAI	CPVAJ
Dividend yield (%)	-	-
Expected volatility (%)	93.47	92.24
Risk-free interest rate (%)	0.18	0.80
Expected life of option (years)	2.77	2.00
Exercise price (cents)	0.75	0.37
Grant date share price	23/09/2021	03/02/2022

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value

The conversion of the performance rights is dependent on the following:

(i) **Class A Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue (Orders and the ClearVue Payments is equal to or greater than \$2,000,000 within a period of 24 months commencing on the date of issue of the Performance Rights (**Issue Date**) (**Class A Milestone 1**), each Class A Performance Right will vest and be convertible into one Share; or
- (B) in the event that Class A Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (**Class A Milestone 2**), each Class A Performance Right will vest and be convertible into one Share; or
- (C) in the event that neither Class A Milestone 1 or Class A Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class A Performance Right will vest and be convertible into one Share.

(ii) **Class B Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$5,000,000 within a period of 24 to 36 months from the Issue Date (**Class B Milestone 1**), each Class B Performance Right will vest and be convertible into one Share; or
- (B) in the event that Class B Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Issue Date (Class B Milestone 2), each Class B Performance Right will vest and be convertible into one Share; or
- (C) in the event that neither Class B Milestone 1 or Class B Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class B Performance Right will vest and be convertible into one Share.

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7. SHARE-BASED PAYMENTS RESERVE – continued

(iii) **Class C Performance Rights**

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$10,000,000 within a period of 36 to 48 months from the Issue Date (**Class C Milestone 1**), each Class C Performance Right will vest and be convertible into one Share; or
- (B) In the event that Class C Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Issue Date, each Class C Performance Right will vest and be convertible into one Share.

<sup>5</sup> On the 10 June 2021 10,000,000 performance shares previously issued to Mr Rosenberg were cancelled. These were 1,000,000 Class A Performance Shares, 3,000,000 Class B Performance Shares and 6,000,000 Class C Performance Shares.

**Performance shares**

The Performance Shares in the relevant class will convert into Shares upon satisfaction of the milestones as follows:

(i) **Class D Performance Shares:**

- (C) In the event the Company executes two Agreements within a period of 12 months from the Listing Date (**Class D Milestone 1**), each Class D Performance Share will convert into one Share; or
- (D) In the event that the Class D Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class D Performance Share will convert into one Share (**Class D Milestone 2**); or
- (E) In the event that the Class D Milestone 1 or the Class D Milestone 2 are not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class D Performance Share will convert into one Share.

(ii) **Class E Performance Shares:**

- (A) In the event the Company executes two Agreements within a period of 12-24 months from the Listing Date (**Class E Milestone 1**), each Class E Performance Share will convert into one Share; or
- (B) In the event that Class E Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class E Performance Share will convert into one Share (**Class E Milestone 2**); or
- (C) In the event that the Class E Milestone 1 or the Class E Milestone 2 are not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class E Performance Share will convert into one Share.

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7. SHARE-BASED PAYMENTS RESERVE – continued

(iii) Class F Performance Shares:

- (A) In the event the Company executes two Agreements within a period of 24-36 months from the Listing Date (**Class F Milestone 1**), each Class F Performance Share will convert into one Share; or
- (B) In the event that Class F Milestone 1 is not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class F Performance Share will convert into one Share.

8. SHARE-BASED PAYMENTS EXPENSE

	<u>Consolidated</u> <u>30 Jun 2022</u>	<u>Consolidated</u> <u>30 Jun 2021</u>
	\$	\$
Shares issued under (ESIP) <sup>1</sup>	60,000	-
Shares issued to consultants <sup>2</sup>	15,000	209,140
Options issued to consultants <sup>3</sup>	237,846	166,492
Options issued under (IOP) <sup>4</sup>	488,021	
Performance Rights issued to director	-	3,840,000
	<u>800,867</u>	<u>4,215,632</u>

<sup>1</sup>On 28 June 2022, 300,000 fully paid ordinary shares were issued to employees under the Company's Employee Securities incentive Plan in recognition of service.

<sup>2</sup>On 23 September 2021, 16,479 fully paid ordinary shares were issued at deemed price of \$0.455

<sup>2</sup>On 3 February 2022, 31,120 fully paid ordinary shares were issued at deemed price of \$0.241

<sup>3</sup>On 23 September 2021, 2,000,000 unlisted options exercisable at \$0.75, expiring 30 June 2024 were issued at cash consideration of \$2,000 pursuant to a corporate advisory agreement, ratified by shareholders on 25 November 2021

<sup>4</sup>On 3 February 2022, 3,000,000 unlisted options exercisable at \$0.37, expiring 2 February 2024 were issued to US CEO. The options comprise vesting milestones of 500,000 tranche 1 options (VWAP of AUD \$1.50 per Share for at least 30 days), 500,000 tranche 2 options (introduction and procuring a strategic alliance), 500,000 tranche 3 options (introduction and securing a strategic investment), 500,000 tranche 4 options (securing a commercial deployment) and 1,000,000 tranche 5 options (commence up-listing of its OTCQB US listing onto the NASDAQ), within 18 months from date of grant. Options were issued under the Company's incentive option plan.



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9. LOSS PER SHARE

	<b>Consolidated 30 Jun 2022</b>	<b>Consolidated 30 Jun 2021</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax used in calculating basic and diluted earnings per share	(4,195,231)	(6,900,493)
	<b>No.</b>	<b>No.</b>
Weighted average number or ordinary shares used in calculating basic and diluted earnings per share	211,153,859	145,153,802
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	(2.0)	(4.7)
Diluted loss per share	(2.0)	(4.7)