

31 August 2023

The Companies Announcements Office  
The Australian Securities Exchange Limited  
Sydney NSW

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#### Appendix 4D – Half Year Report

1. Name of Entity **WhiteHawk Limited**  
**ABN 97 620 459 823**

Half year ended 30 June 2023

Reporting period 1 January 2023 to 30 June 2023

Previous period 1 January 2022 to 30 June 2022

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

	30 June 2023 US\$	30 June 2022 US\$	% Change Up (Down)
2.1 Revenues from continuing operations	870,454	1,673,667	(48%)
2.2 Loss from continuing operations after tax attributable to members	(1,235,654)	(562,612)	(120%)
2.3 Net loss attributable to members	(1,235,654)	(562,612)	(120%)
2.4 Proposed dividends	Nil	Nil	
2.5 Record date for dividends	N/A	N/A	
2.6 Revenue contracted in the first half of the year over same period last year. Revenue in 1H23 does not include the US Federal Government Cyber Risk Radar contract renewal valued at US\$672k, as announced to ASX on 28 July 2023. Gross margin was reduced over same period last year due to a different mix of product sales over the same period as last year and as the Company continues to work with vendor partners to control increases in an inflationary economy. Increase in operating expenses were attributable to employee benefit expense and marketing expense, as a result of company's focus on allocating resources to marketing of sales channels, expanded and improved product lines and the continued development of WhiteHawk's online exchange. The operating expenditures also include other non-cash expenditures such as share based payment expense.			

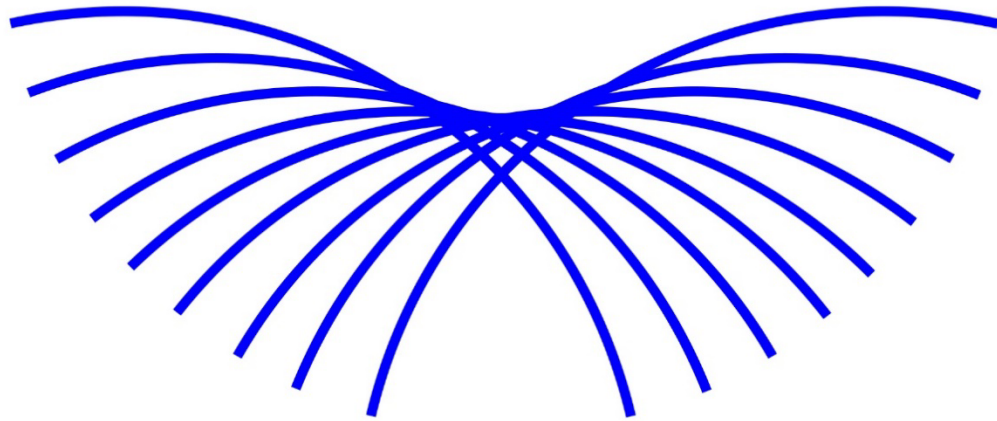
	<b>30 June 2022</b> US\$	<b>31 December 2022</b> US\$	<b>% Change Up (Down)</b>
3. Net tangible asset/(deficiency) per security	(0.0021)	0.0004	(625%)
4. There were no entities for which control was gained or lost during the period.			
5. There were no payments of dividends during the reporting period.			
6. There is no dividend reinvestment plan in operation.			
7. There are no associates or joint venture entities.			
8. The Company is not a foreign entity.			
9. The accounts are not subject to a modified opinion, emphasis of matter or other matter paragraph.			

The Group's half year report follows.

Yours sincerely,



**Terry Roberts**  
**Chief Executive Officer and Executive Chair**  
**WhiteHawk Limited**  
**31 August 2023**



WHITEHAWK

## **WhiteHawk Limited**

Interim Consolidated Financial Report

For the Six Months Ended 30 June 2023

ABN: 97 620 459 823

## TABLE OF CONTENTS

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<b>CORPORATE INFORMATION</b>	<b>3</b>
<b>DIRECTORS' REPORT</b>	<b>4</b>
<b>AUDITOR'S INDEPENDENCE DECLARATION</b>	<b>9</b>
<b>CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	<b>10</b>
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>	<b>11</b>
<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>	<b>12</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>	<b>13</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>14</b>
<b>DECLARATION BY DIRECTORS</b>	<b>20</b>
<b>AUDITOR'S CONCLUSION</b>	<b>21</b>

## CORPORATE INFORMATION

### Directors

Terry Roberts  
Philip George  
Melissa King  
Brian Hibbeln

### Registered Office

Level 28  
140 St Georges Terrace  
Perth WA 6000

### Principal Place of Business

Alexandria, VA  
USA

### Share Registry

Automatic Registry Services  
Level 5  
191 St Georges Terrace  
Perth WA 6000

### Company Secretary

Kevin Kye

### ASX Code

WHK

### Website

<http://www.whitehawk.com>

### Accountant

Traverse Accountants  
24-26 Kent Street  
Millers Point NSW 2000  
Australia

### Auditor

RSM Australia Partners  
Level 13  
60 Castlereagh Street  
Sydney NSW 2000  
Australia

### Lawyer

Steinepreis Paganin  
Level 4, The Read Buildings,  
16 Milligan Street  
Perth WA 6000  
Australia

## DIRECTORS' REPORT

Your directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of WhiteHawk Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the period ended 30 June 2023.

### DIRECTORS

The following persons were directors of the Company during the reporting period and up to the date of this report:

<b><u>TERRY ROBERTS</u></b>	<i>Chief Executive Officer and Executive Chair</i>
<b><u>PHILIP GEORGE</u></b>	<i>Non-Executive Director</i>
<b><u>MELISSA KING</u></b>	<i>Non-Executive Director</i>
<b><u>BRIAN HIBBELN</u></b>	<i>Non-Executive Director</i>

### CHIEF EXECUTIVE OFFICER

**TERRY ROBERTS**

### COMPANY SECRETARY

**KEVIN KYE** *B Comm, CA, AGIA, ACG*

### REVIEW OF OPERATIONS AND FINANCIAL RESULTS

The net loss after tax for the year was US\$1,235,654 (2022 loss: US\$562,612).

### PRINCIPAL ACTIVITIES AND STRATEGY

The Group has developed and operates an online Cybersecurity Exchange platform of end-to-end Cyber Risk Software as a Service (SaaS) and Platform as a Service (PaaS) Products and Virtual Services, focused cyber risk scoping, prioritization and mitigation for businesses and organizations of all sizes. Annual Product Line subscriptions include: Cyber Risk Profile & Scorecard with mapping to Solution Options for SME's; Cyber Risk Monitoring and Quarterly Scorecards; Cyber Risk Program for mid-sized to large Industry and Government entities, Cyber Risk Radar across Supply Chains, Vendors and Partners; Cyber Risk PaaS and/or Sontiq-WH Business Risk Suite for Prime Company Business Clients. All product lines are AI based, automated and scalable, and include tailored action plans named Cyber Risk Scorecards and virtual Cyber Risk Consults to by Cyber Analysts or Cyber deep Subject

Matter Experts. WhiteHawk's business model includes a complimentary initial Cyber Threat Readiness Questionnaire, Maturity Model, Scorecard and Virtual Consult.

By design the Group fully leverages publicly available global risk data sets and AI based algorithms, risk tradecraft, cyber maturity models and analytics, to assess, validate and mitigate Digital Age Risks efficiently and effectively. In addition, the Group continues to vet innovation continuously and partner with best of breed solution and channel providers, ensuring a breadth of solution options that address identified risk priorities.

#### RECENT HIGHLIGHTS

- As announced to ASX on 28 July 2023, the Cyber Risk Radar Contract with US Federal Government, first announced in July 2020, has been extended for fourth consecutive year of the Contract. The Contract is valued at USD\$672K base, with option for additional USD \$505K services, endorsing the value of the Cyber Risk Radar Product and Vendor Risk Management System.
- As announced to ASX on 18 August 2023, the Group completed a non-renounceable rights issue of one fully paid ordinary share in the capital of the Company for every six shares held, at an issue price of A\$0.032 per share, to raise up to A\$1,368,329. The rights issue received strong support from both existing shareholders and new investors and was oversubscribed.
- Global Social Media client of WhiteHawk asked for expansion of current Cyber Risk Radar contract to include automated Third-Party Risk Management (TPRM) Assessments, portfolio analytics across approximately 9,000 Vendors on an annual basis, to include high risk vendor risk mitigation via virtual consults and engagement via the WhiteHawk Cyber Risk Platform and Journey.
- Peraton as Prime Contractor submitted a final proposal for U.S. Department of Homeland Security, Cybersecurity and Critical Infrastructure Agency (CISA) ACTS, Request For Proposal (RFP) on a 5 year contract for cybersecurity capabilities, for USD\$2-3B per year with an award decision scheduled for autumn 2023. WhiteHawk, as a sub-contractor, has executed a teaming agreement with Peraton for Cyber Technology Insertion and Cyber Supply Chain Risk Management (C-SCRM) capabilities.
- Peraton as Prime Contractor submitted their proposal in June 2023 on the U.S. Veterans Administration Enterprise Supply Chain Modernization RFP, with the down select to be awarded in Fall 2023. WHK is the Supply Chain Risk and Cyber Risk technology Sub-Contractor.

- New active Leads and Proof of Value offers as a result of Sydney, Melbourne, and Perth engagements in May 2023 and follow-up discussions in June and July 2023 with entities from government, insurance, security, consulting and health sectors.
- Based upon May and June 2023 engagements, scoping and working technical, seamless integration with two Perth based, next generation technologies that will dramatically enhance the impact of the WHK Cyber Risk Program's continuous risk and threat monitoring.
- Continued TransUnion Sontiq and WHK Business Suite SaaS EMBED demonstrations to global Managed Service Providers (MSPs) and Financial & Insurance Firms for their SMB business Clients.
- Federal Reserve Board (FRB) Cyber Risk Monitoring opportunity across 5,000+ Financial Firms from December 2023 has not been awarded and is still active: [The Fed - Supplier Registration System \(federalreserve.gov\)](https://www.federalreserve.gov)
- Peraton as Prime Contractor has decided not to bid on RFQ from DHS CISA for the National Risk Management Center (NRMC) SCRMM SCRASS (which had been delayed from May 2023 to August 2023) because all commercial tools, datasets, analytics and automated reporting requirements were removed from the RFQ that had been present in the March 2023 Sources Sought. RFQ is now focused on manpower and intelligence analyses processes and tradecraft only.

#### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Group's state of affairs occurred during the reporting period.

#### MATTERS SUBSEQUENT TO BALANCE DATE

Subsequent to the balance date, the Group undertook a non-renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company (Share) for every six (6) Shares held at an issue price of A\$0.032 per Share, to raise A\$1,368,329 (Rights Issue).

There have been no other significant matters or circumstances that have arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- a) The Group's operations in future financial years; or
- b) The results of those operations in future financial years; or
- c) The Group's state of affairs in future financial years.



## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this statement because the directors believe it could potentially result in unreasonable prejudice to the Group.

## MATERIAL RISK EXPOSURE

The Board considers that adequate systems are in place to manage the Group's obligations and is not aware of Group's material exposure to economic, environmental, and social sustainability risks.

## ENVIRONMENTAL REGULATION

The Group's operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. The Board considers that adequate systems are in place to manage the Group's obligations and is not aware of any breach of environmental requirements as they relate to the Group.

## DIVIDENDS

No dividends were paid to members during the reporting period (2022: US\$Nil).

## INDEMNIFICATION OF OFFICERS

During the reporting period the Group paid premiums in respect of a contract insuring Directors and Executives against a liability incurred in the ordinary course of business.

## PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration is set out on page 9.

AUDITOR

RSM Australia Partners is the Company's appointed auditor.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Terry Roberts

Chief Executive Officer and Executive Chair

31 August 2023



**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of WhiteHawk Limited for the half year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM

**RSM AUSTRALIA PARTNERS**

A handwritten signature in blue ink, appearing to read 'GNS' or similar, written over the printed name.

**Gary Sherwood**  
Partner

Sydney, NSW  
Dated: 31 August 2023

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	For the Period Ended 30 Jun 2023 US\$	For the Period Ended 30 Jun 2022 US\$
Revenue	2	870,454	1,673,667
Cost of goods sold		(401,940)	(808,389)
<b>Gross profit</b>		<b>468,514</b>	<b>865,278</b>
Other income		2,203	146
Professional expenses		(158,627)	(137,242)
Research and development expense		(424,261)	(419,589)
Employee benefits expense		(763,407)	(628,368)
Share based payments expense	3	(149,834)	(58,084)
IT expenditure		(4,887)	(11,591)
Conference and travel expenditure		(27,793)	(9,847)
Marketing expenditure		(57,488)	(12,008)
Office and occupancy expenses		(11,055)	(8,077)
Depreciation expense		(23,447)	(32,761)
Finance costs	4	(549)	(5,774)
General and administration expenses		(85,023)	(104,695)
<b>Loss before income tax</b>		<b>(1,235,654)</b>	<b>(562,612)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(1,235,654)</b>	<b>(562,612)</b>
<i>Other comprehensive income/(loss)</i>			
Exchange differences on translation foreign operations		12,754	(27,700)
<b>Total comprehensive loss for the period</b>		<b>(1,222,900)</b>	<b>(590,312)</b>
<i>Loss per share</i>			
From continuing operations			
- Basic/diluted losses per share (US cents)		(0.50)	(0.25)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	As at 30 Jun 2023 US\$	As at 31 Dec 2022 US\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		310,742	2,171,183
Trade and other receivables		342,434	334,913
Other current assets		245,309	251,639
<b>Total Current Assets</b>		<b>898,485</b>	<b>2,757,735</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		162,294	191,166
<b>Total Non-Current Assets</b>		<b>162,294</b>	<b>191,166</b>
<b>Total Assets</b>		<b>1,060,779</b>	<b>2,948,901</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		198,872	339,171
Financial liabilities	5	674,878	1,009,324
Contract liabilities		466,727	1,260,754
Lease liabilities		90,483	68,667
<b>Total Current Liabilities</b>		<b>1,430,960</b>	<b>2,677,916</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		130,719	167,959
<b>Total Non-Current Liabilities</b>		<b>130,719</b>	<b>167,959</b>
<b>Total Liabilities</b>		<b>1,561,679</b>	<b>2,845,875</b>
<b>Net (Liabilities)/Assets</b>		<b>(500,900)</b>	<b>103,026</b>
<b>EQUITY</b>			
Contributed equity	6	14,064,435	13,475,921
Reserves	7	1,787,272	1,744,058
Accumulated losses		(16,352,607)	(15,116,953)
<b>Total (deficit)/equity</b>		<b>(500,900)</b>	<b>103,026</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	Contributed Equity US\$	Accumulated Losses US\$	Reserves US\$	Total US\$
<b>2022</b>					
At 1 January 2022		13,475,921	(13,579,213)	1,468,389	1,365,097
Loss for the period		-	(562,612)	-	(562,612)
Other comprehensive loss	7	-	-	(27,700)	(27,700)
<b>Total comprehensive loss</b>		-	<b>(562,612)</b>	<b>(27,700)</b>	<b>(590,312)</b>
<i>Transactions with owners in their capacity as owners</i>					
Issued capital net of issue costs	6	-	-	-	-
Performance rights issued		-	-	58,084	58,084
<b>At 30 June 2022</b>		<b>13,475,921</b>	<b>(14,141,825)</b>	<b>1,498,773</b>	<b>832,869</b>
<b>2023</b>					
At 1 January 2023		13,475,921	(15,116,953)	1,744,058	103,026
Loss for the period		-	(1,235,654)	-	(1,235,654)
Other comprehensive income	7	-	-	12,754	12,754
<b>Total comprehensive loss</b>		-	<b>(1,235,654)</b>	<b>12,754</b>	<b>(1,222,900)</b>
<i>Transactions with owners in their capacity as owners</i>					
Issued capital net of issue costs	6	469,140	-	-	469,140
Performance vested and converted		119,374	-	(119,374)	-
Performance rights issued		-	-	149,834	149,834
<b>At 30 June 2023</b>		<b>14,064,435</b>	<b>(16,352,607)</b>	<b>1,787,272</b>	<b>(500,900)</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	For the Period Ended 30 Jun 2023 US\$	For the Period Ended 30 Jun 2022 US\$
<b>Cash flows from operating activities</b>			
Receipts from customers		127,557	2,410,231
Payments to suppliers and employees		(1,953,830)	(2,243,707)
Interest received		2,203	146
Interest paid		(1,891)	(5,774)
<b>Net cash (outflow)/inflow from operating activities</b>	9	<b>(1,825,961)</b>	<b>160,896</b>
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		-	(4,588)
<b>Net cash outflow from investing activities</b>		<b>-</b>	<b>(4,588)</b>
<b>Cash flows from financing activities</b>			
Transaction costs related to issue of share capital		(15,017)	-
Repayment of finance lease liabilities		(14,894)	(37,595)
<b>Net cash outflow from financing activities</b>		<b>(29,911)</b>	<b>(37,595)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,855,872)</b>	<b>118,713</b>
Cash and cash equivalents at the beginning of the period		2,171,183	1,350,130
Foreign exchange adjustment to cash balance		(4,569)	(24,518)
<b>Cash and cash equivalents at end of the period</b>		<b>310,742</b>	<b>1,444,325</b>

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*

# NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

These consolidated financial statements and notes represent those of the consolidated entity (referred to hereafter as the 'Group') consisting of WhiteHawk Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the six months ended 30 June 2023.

The Company is a listed public company limited by shares, incorporated and domiciled in Australia.

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 on 31 August 2023 by the directors of the company.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF PREPARATION

These general purpose interim financial statements have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. 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.



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## ACCOUNTING POLICIES

### A. Going concern

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The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the half-year interim financial report, the Group incurred a loss after tax of US\$1,235,654 and had net cash outflows from operating activities of US\$1,825,961 for the half year ended 30 June 2023. The ability to continue as a going concern is dependent on the company achieving its revenue targets, obtaining additional funding, or a combination of the two.

The directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- Whitehawk has cash and cash equivalents of US\$310,742 as at 30 June 2023;
- The Group undertook a Rights Issue subsequent to 30 June 2023, which resulted in proceeds of \$1,368,329 (before costs);
- Existing contracts and sales pipeline, including US\$672k Cyber Risk Radar Annual Subscription Renewal as announced to ASX on 28 July 2023;
- If required, the Group has the ability to scale back expenditure and/or raise additional funds on a timely basis pursuant to the Corporations Act 2001.

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

### B. New, revised or amending Accounting Standards and Interpretations adopted

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There have been no accounting pronouncements which have become effective from 1 January 2023 that have had a significant impact on the Group's financial results or position.

## 2. REVENUE

	For the Period Ended 30 Jun 2023 US\$	For the Period Ended 30 Jun 2022 US\$
<i>Rendering of services and sale of goods</i>		
United States	870,454	1,673,667
Australia	-	-
	<b>870,454</b>	<b>1,673,667</b>
Goods transferred at a point in time	-	-
Goods and services transferred over time	870,454	1,673,667
<b>Total sales revenue</b>	<b>870,454</b>	<b>1,673,667</b>
Interest income	2,203	146
<b>Total other income</b>	<b>2,203</b>	<b>146</b>
<b>Total income</b>	<b>872,657</b>	<b>1,673,813</b>

## 3. SHARE BASED PAYMENTS EXPENSE

	For the Period Ended 30 Jun 2023 US\$	For the Period Ended 30 Jun 2022 US\$
Vesting expense on employee performance rights and options	57,167	58,084
Supplier share based payments	92,667	-
	<b>149,834</b>	<b>58,084</b>

## 4. FINANCE COSTS

	For the Period Ended 30 Jun 2023 US\$	For the Period Ended 30 Jun 2022 US\$
Interest expense – financial liabilities	158,443	-
Interest expense - leases	13,584	5,774
Other finance costs	1,617	-
<b>Gain on revaluation of embedded derivatives</b>	<b>(173,095)</b>	
	<b>549</b>	<b>5,774</b>

## 5. FINANCIAL LIABILITIES

	As at 30 Jun 2023 US\$	As at 31 Dec 2022 US\$
<b>CURRENT</b>		
Shares issuable under subscription agreement	674,878	1,009,324
<b>Embedded derivative financial liability</b>	<b>674,878</b>	<b>1,009,324</b>
<i>Shares issuable under subscription agreement</i>		
<b>Balance at the beginning of the period/year</b>	1,009,324	-
Subscription proceeds received, net of costs	-	1,009,324
Amounts converted to shares	(301,590)	-
Interest expense	158,443	-
<b>Gain on embedded derivative</b>	(173,095)	-
Gain on foreign exchange	(18,204)	-
<b>Closing balance</b>	<b>674,878</b>	<b>1,009,324</b>

In October 2022, the Company executed a share subscription agreement with Lind Global Fund II, LP. Lind will pre-pay A\$2,000,000 (“Advance Payment”) for a deemed value of A\$2,200,000 (“Advance Payment Credit”), which may be used to subscribe to ordinary shares of the Company (“Subscription Shares”) within 24 months from the date of Advance Payment.

## 6. CONTRIBUTED EQUITY

## A. SHARE CAPITAL

	As at 30 Jun 2023		As at 31 Dec 2022	
	No. of Shares	US\$	No. of Shares	US\$
<b>Ordinary shares</b>				
At the beginning of the period	240,724,749	13,475,921	227,074,542	13,475,921
Issue of shares	14,271,518	469,140	13,000,000	-
Shares issued on vesting of performance rights and share award to employees of the Company	1,564,313	119,374	650,207	-
<b>Balance at end of the period</b>	<b>256,560,580</b>	<b>14,064,435</b>	<b>240,724,749</b>	<b>13,475,921</b>

## Ordinary shares

Each ordinary shareholder maintains, when present in person or by proxy or by attorney at any general meeting of the Company, the right to cast one vote for each ordinary share held.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

### B. OPTIONS

As at the balance date, the following options over unissued ordinary shares were on issue:

1. 5,000,000 unlisted options expiring 24 September 2024, exercisable at AU\$0.30 each;
2. 22,500,000 unlisted options expiring 12 May 2026, exercisable at AU\$0.10 each.

### C. PERFORMANCE RIGHTS AND STOCK APPRECIATION RIGHTS

As at the balance date, the following performance rights over unissued ordinary shares were on issue:

1. 1,285,480 unlisted performance rights, which will vest and convert into equivalent number of shares for every year of service by non-executive directors of the Company;
2. 30,229,711 unlisted stock appreciation rights (SAR). Please refer to Schedule 5 and 7 of the 2023 Notice of Annual General Meeting issued on 6 April 2023 for full details of the terms and conditions.

## 7. RESERVES

	Options and Performance Rights Reserve US\$	Foreign Currency Translation Reserve US\$	Total Reserves US\$
<b>Balance at 1 January 2022</b>	<b>1,653,224</b>	<b>(184,835)</b>	<b>1,468,389</b>
Share-based payments expense	58,084	-	58,084
Foreign currency translation differences arising during the period	-	(27,700)	(27,700)
<b>Balance at 30 June 2022</b>	<b>1,711,308</b>	<b>(212,535)</b>	<b>1,498,773</b>
<b>Balance at 1 January 2023</b>	<b>2,055,753</b>	<b>(311,695)</b>	<b>1,744,058</b>
Share-based payments expense	149,834	-	149,834
<b>Rights converted to share capital</b>	<b>(119,374)</b>	<b>-</b>	<b>(119,374)</b>
Foreign currency translation differences arising during the period	-	12,754	12,754
<b>Balance at 30 June 2023</b>	<b>2,086,213</b>	<b>(298,941)</b>	<b>1,787,272</b>

## A. FOREIGN TRANSLATION RESERVE

The reserve is used to recognise exchange differences arising from the translation of the financial statements to US dollars.

## B. OPTIONS AND PERFORMANCE RIGHTS RESERVE

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

## 8. SEGMENT INFORMATION

The Group operates in the retail, consulting and business intelligence segments being a business to business (B2B) e-commerce cybersecurity exchange. WhiteHawk CEC Inc is a Delaware, USA corporation with operations based in Alexandria VA, USA and offices in Alexandria VA, USA and Perth, Australia.

This operating segment is monitored by the Group's chief operating decision makers and strategic decisions are made on the basis of adjusted segment operating results. The chief operating decision makers of the Group are the Chief Executive Officer and Chief Financial Officer.

The following tables present certain asset and liability information regarding geographical segments for the periods ended 30 June 2023 and 30 June 2022 and this is the format of the information provided to the chief operating decision maker.

### Segment performance

	Australia		USA		Total	
	June 2023	June 2022	June 2023	June 2022	June 2023	June 2022
	US\$	US\$	US\$	US\$	US\$	US\$
External sales	-	-	870,454	1,673,667	870,454	1,673,667
<b>Total segment revenue</b>	-	-	<b>870,454</b>	<b>1,673,667</b>	<b>870,454</b>	<b>1,673,667</b>
Segment operating result	(451,284)	(306,837)	(760,374)	(217,240)	(1,211,658)	(524,077)
<b>EBITDA</b>	<b>(451,284)</b>	<b>(306,837)</b>	<b>(760,374)</b>	<b>(217,240)</b>	<b>(1,211,658)</b>	<b>(524,077)</b>
Depreciation expense	-	-	(23,447)	(32,761)	(23,447)	(32,761)
Finance costs	13,035	-	(13,584)	(5,774)	(549)	(5,774)
<b>Loss before income tax expense</b>	<b>(438,249)</b>	<b>(306,837)</b>	<b>(797,405)</b>	<b>(255,775)</b>	<b>(1,235,654)</b>	<b>(562,612)</b>
Income tax expense	-	-	-	-	-	-
<b>Loss after income tax expense</b>	<b>(438,249)</b>	<b>(306,837)</b>	<b>(797,405)</b>	<b>(255,775)</b>	<b>(1,235,654)</b>	<b>(562,612)</b>

**Assets and liabilities**

	June 2023	December 2022	June 2023	December 2022	June 2023	December 2022
	US\$	US\$	US\$	US\$	US\$	US\$
Segment assets	234,125	304,837	826,654	2,644,632	1,060,779	2,948,901
Segment liabilities	711,714	1,134,601	849,965	1,711,274	1,561,679	2,845,875

**9. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	For the Period Ending 30 Jun 2023 US\$	For the Period Ending 30 Jun 2022 US\$
<b>Loss for the period</b>	<b>(1,235,654)</b>	<b>(562,612)</b>
Depreciation expense	23,447	32,761
Share-based payments expense	149,834	58,084
<b>Finance expense</b>	549	-
Other non-cash transactions	154,103	(2,600)
Lease payments	14,895	43,369
<i>Change in operating assets and liabilities</i>		
Decrease/(increase) in trade receivables and other current assets	1,191	640,815
Increase/(decrease) in trade payable and contract liabilities	(934,326)	(48,921)
<b>Net cash outflow from operating activities</b>	<b>(1,825,961)</b>	<b>160,896</b>

**10. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

Subsequent to the balance date, the Group undertook a non-renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company (Share) for every six (6) Shares held at an issue price of A\$0.032 per Share, to raise A\$1,368,329 (Rights Issue).

There have been no other significant matters or circumstances that have arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- a) The Group's operations in future financial years; or
- b) The results of those operations in future financial years; or
- c) The Group's state of affairs in future financial years.

## DECLARATION BY DIRECTORS

In the directors' opinion:

- (a) the financial statements and notes set out on pages 10 to 20 are in accordance with the Corporations Act 2001, including
  - (i) giving a true and fair view of the financial position of the Group as at 30 June 2023 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date;
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that WhiteHawk Limited 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 directors.



**Terry Roberts**

**Chief Executive Officer and Executive Chair**

**31 August 2023**

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Whitehawk Limited

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Whitehawk Limited which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity 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 half-year financial report of Whitehawk Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Whitehawk Limited, would be in the same terms if given to the directors as at the time of this auditor's report.




*Responsibility of the Directors' for the Financial Report*

The directors of the Whitehawk Limited are responsible for the preparation of the half-year 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 those charged with governance determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 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 a half-year 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.



**Gary Sherwood**  
Partner

**RSM Australia Partners**

Sydney, 31 August 2023