



Australia's future in bioenergy and renewables

## **Interim Financial Report for the half-year ended 31 December 2023**

**Delorean Corporation Limited  
ACN 638 111 127**



## Vision Statement

To be recognised as Australia and New Zealand's leading emerging renewable energy generator and retailer, led by its fast-growing bioenergy infrastructure footprint.

## Mission Statement

To build, own and operate the largest portfolio of commercially successful renewable energy infrastructure in Australia and New Zealand, measured by value of developed assets and quantity of renewable electricity, heat and gas produced.



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# Appendix 4D

## 1. Company details

Name of entity:	Delorean Corporation Limited
ABN:	62 638 111 127
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

## 2. Results for announcement to the market

Revenues from ordinary activities	down	64% to	6,580,649
Profit from ordinary activities after tax attributable to the owners of Delorean Corporation Limited	up	144% to	495,563
Profit for the half-year attributable to the owners of Delorean Corporation Limited	up	144% to	495,563

### Comments

The profit for the consolidated entity after providing for income tax and non-controlling interest amounted to \$495,563 (31 December 2022: Loss \$1,123,471).

Refer to the Review of Operations section included within the Directors' Report of the attached Financial Report for the half-year ended 31 December 2023.

## 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.96</u>	<u>5.03</u>

## 4. Control gained over entities

Not applicable.



## 5. Loss of control over entities

Not applicable.

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## 6. Details of associates and joint venture entities

Not applicable.

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## 7. Audit qualification or review

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

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

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## 8. Attachments

*Details of attachments (if any):*

The Interim Financial Report of Delorean Corporation Limited for the half-year ended 31 December 2023 is attached.

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## 9. Signed

**Hamish Jolly**  
Executive Chairman

**29 February 2024**  
Perth, Western Australia



# Corporate Directory

## Directors

Mr Hamish Jolly  
Mr Joseph Oliver  
Mr David McArthur  
Mr Steve Gostlow

## Company Secretary

Mr David McArthur

## Contact Details

deloreancorporation.com.au  
info@deloreancorporation.com.au  
+61 8 6147 7575

## Registered and Principal Office

Ground Floor  
1205 Hay Street  
WEST PERTH WA 6005

## Postal Address

Ground Floor  
1205 Hay Street  
WEST PERTH WA 6005

## Auditors

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
PERTH WA 6000

## Bank

Commonwealth Bank of Australia  
Level 14B, 300 Murray Street  
Perth WA 6000

## Share Registry

Automic Group  
Level 5, 191 St Georges Terrace  
PERTH WA 6000

Telephone: 1300 288 664

## ASX Code

Shares: DEL

## Legal Form of Entity

Public Company

## Country of Incorporation and Domicile

Australia



## Half-year ended 31 December 2023 at a glance

- ✓ Revenue for 1H FY2024 was \$6.58m (excluding R&D tax offset and other income).
- ✓ In 1H FY2024, Delorean realised an EBITDA profit of \$1.3m.
- ✓ Received the Yarra Valley Water \$53m project development approval and in January 2024 Delorean commenced construction of the project. Site works are now underway for the Company's fourth and largest bioenergy project to date. Suppliers for majority of the project's work packages were contracted during the period, with fabrication of long lead items underway.
- ✓ Cash balance of \$4.879m as at 31 December 2023, comprising \$1.460m in term deposits supporting cash-backed prudential and contract bonds and \$3.419m in available cash for working capital.
- ✓ Successfully reached an agreement with Palisade Impact to vary the terms of the convertible notes, extending the repayment date for the principal of the convertible notes until 31 October 2025.
- ✓ Engaged with a shortlist of potential investors with the objective of securing an alternative investment partner for its two shovel-ready bioenergy projects, SA1 and VIC1 (investment circa \$60m). The undertaking of these build/own/operate projects remains subject to completion of this diligence and the FID being made to proceed.
- ✓ Continued the development with Brickworks on a jointly-owned bioenergy plant in NSW. Progressed through concept stage into full development approval. The plant will supply renewable gas to Brickworks' manufacturing operations, with the further intent to roll out plants at Brickworks sites nationally.
- ✓ Progressed a new agreement to undertake feasibility work for a major organisation based on grain-based feedstock.
- ✓ Advanced the Company's Infrastructure Development Portfolio.
- ✓ Developed design and process intellectual property (IP) for bioenergy projects across the organic sector, from clean agricultural residues, to contaminated commercial and industrial waste, in addition to municipal food and green organic streams.
- ✓ Successfully completed ISO accreditation audit for ISO 9001, 14001, 45001
- ✓ Implemented enhancements in the project management processes and systems.
- ✓ Furthered the development of relationships and partnerships with leading industrial, utility, and energy players across Australia.
- ✓ Advanced the Company's ESG Strategy.



## Chairman's Address



**“The first half of FY2024 was a pivot point for Delorean Corporation. The company successfully closed out its legacy pre-COVID EPC construction projects, with all the complexities of that difficult period for the global construction sector fully resolved. The Company received Notice to Proceed to construct its fourth and largest bioenergy project for Yarra Valley Water (worth \$53m and now in active build from January 2024).**

**This half year Delorean reports a return to profit and is active in bringing its next four build/own/operate bioenergy infrastructure projects to FID - NSW1 (with Brickworks), SA1, VIC1 and QLD1 - together worth circa \$144m, to underpin a potentially stellar growth path for Delorean in terms of construction work but also downstream free cashflows from high-yielding infrastructure ownership.”**

Delorean is unchallenged now as Australia's leading bioenergy infrastructure developer, builder, owner and emerging operator, in an environment where demand for renewable natural gas is already massive and continues to grow, and the tsunami of available organic waste continues to build with Australia's national targets for 50% diversion of organics from landfill by 2030 starting to get traction.

International and local investor interest in Australia's organic waste and renewable gas sectors has led to a renewed investor focus on Delorean's projects, and the Company is working with some significant counterparties to close out a platform of project finance for these projects, including the shovel-ready SA1 and VIC1 projects.

With the Yarra Valley Water project now fully under way, Delorean is extrapolating towards an uplifted full year profit, and currently maintains a healthy cash balance (\$4.879m at 31 December 2023), noting its commitments to provide bank guarantees in support of construction contracts.

Under Delorean's national partnership with Australian brick and tile manufacturer Brickworks (market cap ~\$4.47B), the fully funded development continues on NSW1, the first jointly-owned bioenergy plant in NSW. Planning applications have been prepared for the project, ready for formal submission in Q3 FY24. The plant will supply renewable gas to Brickworks' manufacturing operations, with the further intent to roll out plants at Brickworks sites nationally.

Meantime, in H1 FY2024 Delorean was in negotiations with the Queensland Government for a \$5m grant in support of the construction and commissioning of the Company's \$32m QLD1 project (now awarded in February 2024).

In the second half of FY2024, Delorean's focus will be on the profitable delivery of the Yarra Valley Project, planning submissions and resolution of commercial project finance for the NSW1 Brickworks project, and close out of project finance on the SA1 and VIC1 projects to progress these projects into build, while actively developing the QLD1 project.

More widely, the Company is in active business development for more than three additional build/own/operate and third party EPC projects with counterparties in the grain handling, mining, and waste management sectors.





In February 2024, the Company successfully reached an agreement with Palisade Impact to vary the terms of the \$5m convertible note, extending the repayment date for the principal of the convertible notes until 31 October 2025.

All up, Delorean Corporation delivered a solid first half result and is confident of an uplifted full year profit. The Company is delivering the biggest bioenergy facility in Australia. It is at the epicentre of investor interest in both the waste management and renewable gas sectors, and is closing in on its goal to roll out a backbone of Delorean-owned bioenergy infrastructure projects across Australia, supported by some of Australia's most iconic companies including Brickworks and Australian Gas Infrastructure Group.

I thank our current shareholders for their ongoing support and our committed Delorean Corporation team. The Delorean Board is bullish on the outlook for continued growth through FY2024 and into FY2025.

Yours sincerely,

**Hamish Jolly**  
**Executive Chair & Co-Founder**



# Directors' Report

The Directors present their report together with the financial statements of Delorean Corporation Limited ("Delorean" or "the Company" or "DEL") and its subsidiaries ("the Consolidated Entity") for the half year ended 31 December 2023 and the auditor's report thereon.

## Our Board

Delorean's Board comprises a balance of strong and committed executive leadership through its Co-founders, Executive Chair Hamish Jolly and Managing Director Joseph Oliver, matched with Steve Gostlow's deep experience and company growth track record in the Australian waste sector with Tox Free Solutions Ltd, and David McArthur's decades of experience in the complexities of ASX-listed businesses. The Board functions well with the Non-Executive Directors providing guidance on finance, performance management and M&A strategy. Together, the Directors hold 42.19% of DEL's issued capital and are motivated to guide the Company to meet its growth and profitability targets and realise the Company's vision.

## Strong Leadership



**Hamish Jolly**  
Executive Chair & Co-Founder

Hamish is a seasoned executive and holds a Bachelor of Business (Business Law and Accounting) and is a Member of the Institute of Chartered Accountants in Australia and New Zealand. He is a former Director of Strategy and Ventures at Bankwest, and former CEO of Greening Australia, one of Australia's largest environmental NGO's.



**Joseph Oliver**  
Managing Director & Co-Founder

Joe has 15 years' experience in engineering, power generation and renewable energy across both Australasia and Europe. Prior to Delorean, Joe worked for Edina Ltd, specialising in power generation. Joe has been involved in developing the UK Anaerobic Digestion sector, delivering over 10 facilities nationwide through both Farmgen Ltd and Monsal Ltd.



**Steve Gostlow**  
Non-Executive Director

Steve has over 20 years' experience in the waste management industry. He was Managing Director of Tox Free Solutions Ltd (Toxfree) for 16 years where he developed Toxfree into one of Australia's largest waste management companies. Steve has formal governance qualifications as a Graduate of the Australian Institute of Company Directors.



**David McArthur**  
Non-Executive Director & Company Secretary

David is a Chartered Accountant, with over 30 years' experience. David has recently sat on the board of a number of listed companies including Lodestar Minerals Ltd (ASX:LSR), Xstate Resources Ltd (ASX:XST) as well as Harvest Technology Ltd (ASX:HTC). Additionally, he was the Chair of the Audit and Risk Management Committee for all three.



## Directors' Report (continued)

### Operating and Financial Review

#### Principal Activities

Delorean is a leading builder and developer of bioenergy infrastructure throughout Australia. The principal activities of the Consolidated Entity during the financial year were:

- Renewable energy asset investment
- Development
- Construction
- Tank and infrastructure fabrication

#### Key Investment Highlights

- ✓ **Unique and proven track record** of delivering award-winning, innovative and successful Australasian bioenergy projects.
- ✓ **Strong pipeline of bioenergy projects** under development to capitalise on the growth of Australian bioenergy market.
- ✓ **A leading force** in advancing Australia's bioenergy sector and providing unique solutions to address especially hard to abate sectors.
- ✓ **Strong ESG credentials** with TCFD and global ESG standards alignment, multiple ESG certifications, and formal sustainability reporting.
- ✓ **Ideally positioned** to capitalise on the national drive towards zero organic waste to landfill and decarbonisation of energy.

#### Strategy

The core focus of the business is to develop, construct, own and operate bioenergy infrastructure in Australia. Revenue is generated through the acceptance of organic waste and agricultural residues, the generation of renewable electricity, and the production of renewable natural gas.

In addition, Delorean currently constructs bioenergy projects for third parties in Australia and New Zealand and maintains licenses for the retailing of electricity and gas. The Company's energy retail activities are confined to the monetisation of energy exclusively from the bioenergy assets constructed or developed, owned and operated by Delorean.

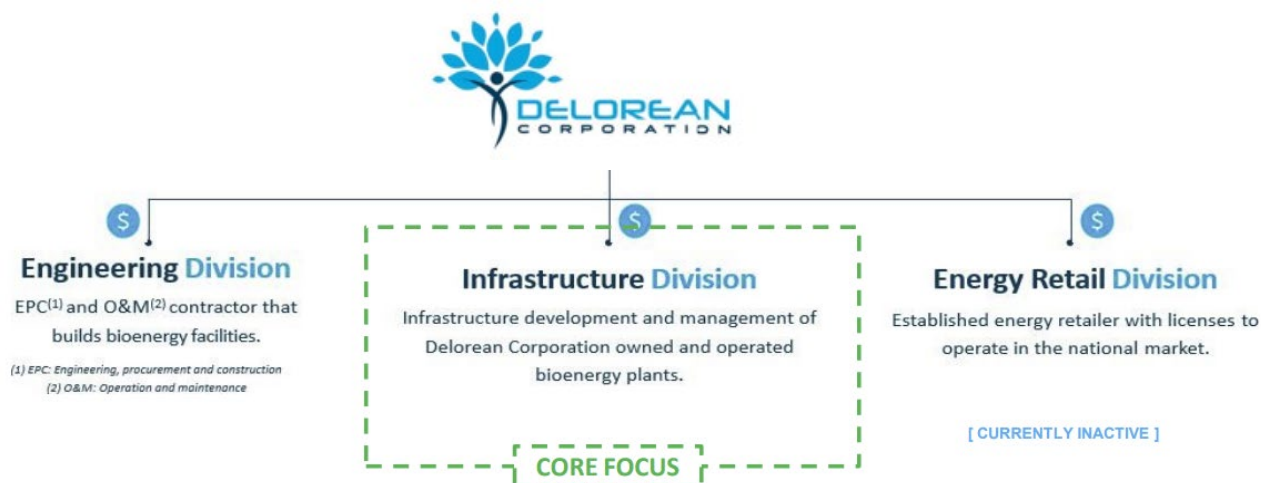


## Directors' Report (continued)

### Operating and Financial Review (continued)

#### Vertically Integrated Renewable Energy Business

The business comprises three interoperable divisions:



#### EPC Projects progressing with DEL-owned Project Development and Build Pipeline

The following graphic sets out an overview of Delorean projects, completed, under construction, under development and in the pipeline.

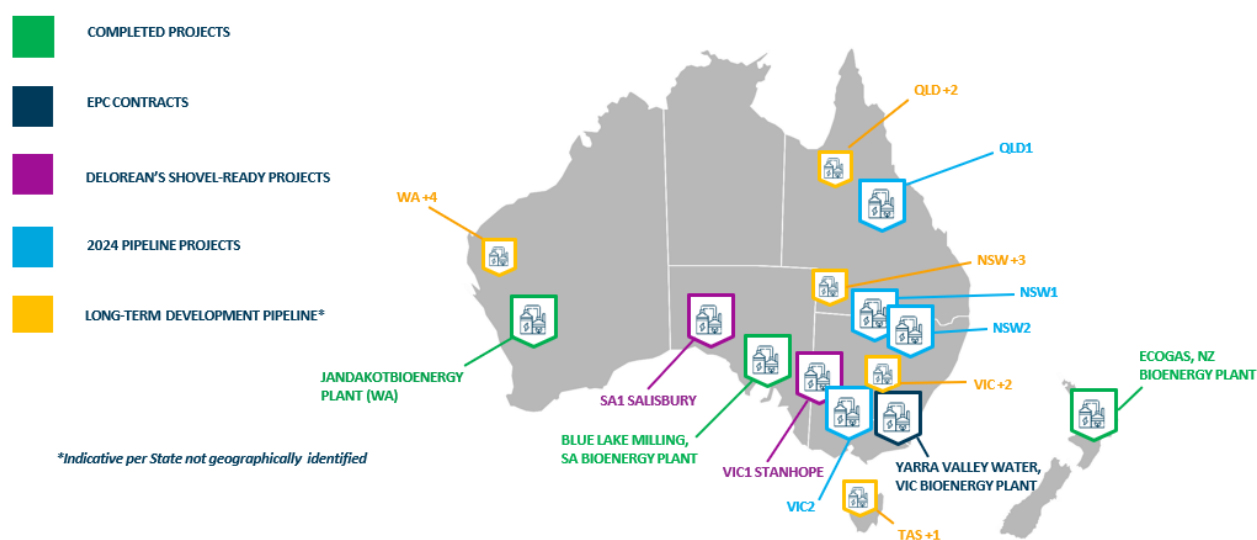


Image 1: Delorean Corporation Projects across Australia and New Zealand



## Directors' Report (continued)

### Operating and Financial Review (continued)

#### Overview

Delorean Corporation's activities in the half year ending December 2023 continued to support and refine the Company's strategic direction and ongoing growth. Delorean is committed to shaping a cleaner energy future through its vertically integrated renewable energy model. During the first half of FY2024, Delorean fully closed-out its pre-COVID legacy construction projects, and received Notice to Proceed under its construction contract with Yarra Valley Water (YVW) to build YVW's second bioenergy, being the largest in Australia and Delorean's fourth major project.

Delorean reported a return to profit and is active in bringing its next four build/own/operate bioenergy infrastructure projects to FID together worth circa \$144m.

## Delorean Engineering Division

Delorean's Engineering Division delivers engineering design, construction and operation/maintenance services for third parties under contract, and for Delorean Infrastructure Division's build/own/operate projects.

### Yarra Valley Water, VIC Bioenergy Plant

#### Project Background

*Location: Lilydale, Victoria – circa \$53M + \$6.5M O&M contract value*

Delorean Corporation's Engineering Division is in contract for the design, construction, operation, and maintenance of Yarra Valley Water's second food waste to energy plant at Lilydale, Victoria. This new facility will be one of the largest food waste to energy facilities of its kind in Australia.

The total design and construction contract sum is \$53M. Additionally, the contract includes a two-year agreement for operations and maintenance (and an option for digestate management) by Delorean with a value of \$6.5M.

#### Project Update

During the reporting period, Delorean Corporation's Engineering Division was awarded Notice to Proceed under the Yarra Valley Water project contract. Following completion of final regulatory and development approvals, site works are now underway as the project enters the full construction phase.



## Directors' Report (continued)

### Operating and Financial Review (continued)

#### WA Bioenergy Plant

##### Project Background

*Location: WA – circa \$100,000 contract value*

##### Project Update

Over the past 12 months, Delorean has been undertaking test work on a variety of feedstock available on site at key operational grain-handling assets. Following completion of a Desktop Study and Design to enable the client to assess the feasibility of anaerobic digestion plants to offset on site power usage, work continued this quarter, with Design Development and Value Engineering work underway. This follows on from DEL's previous success in delivering the Blue Lake Milling project, which processes similar agricultural residues for energy production.

#### Delorean Infrastructure Division

Delorean's Infrastructure Division is responsible for development, ownership and operation of commercial-scale anaerobic digestion bioenergy facilities in Australia.

During H1 FY2024, Delorean was actively connecting with a shortlist of potential investors with whom the Company was previously unable to engage during Palisade Impact's exclusivity period, with the objective of securing an alternative investment partner for the SA1 and VIC 1 projects.

Both projects are shovel ready for full construction pending project finance.

#### VIC1 Stanhope Bioenergy Plant

##### Project Background

*Location: Stanhope, Victoria*

In Stage 1, this facility will process 54,000TPA of organic waste. It will generate 15,400 MWh per annum of green electricity and contribute to emissions reduction of 69,400tCO<sub>2</sub>e per annum. **This is equivalent to powering 3,850 homes with green energy every year.**

##### Project Update

Project is shovel ready for full construction pending project finance.



## Directors' Report (continued)

### Operating and Financial Review (continued)

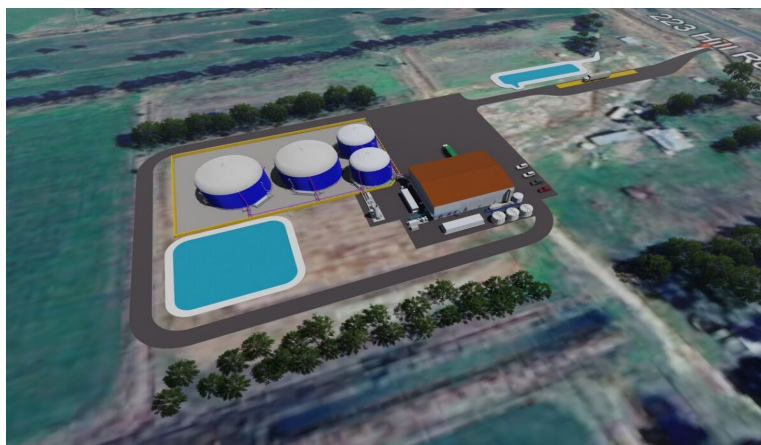


Image 2: VIC1 Stanhope Bioenergy Plant Render

## SA1 Salisbury Bioenergy Plant

### Project Background

*Location: Salisbury, South Australia*

This project will be one of Australia's first to create green gas to mains utilising commercial and industrial organic waste.

In Stage 1 it will process 70,000TPA of organic waste, generating 200 TJs of biomethane per annum. This will contribute to 92,200 tonnes per annum emissions reduction, **the equivalent of powering 5,120 homes with green energy per year.**

### Project Update

Project is shovel ready for full construction pending project finance.



Image 3: SA1 Salisbury Bioenergy Plant Render



## Directors' Report (continued)

### Operating and Financial Review (continued)

#### Brickworks Bioenergy Project (NSW1)

##### Project Background

Brickworks Building Products (ASX: BKW) and Delorean are party to a landmark collaboration agreement to build and operate bioenergy facilities that will be co-located at Brickworks' brick manufacturing sites. The facilities will convert organic waste to green gas and electricity for use in Brickworks' operations.

The collaboration has commenced with Brickworks' Horsley Park brick manufacturing site in NSW, and if successful there is the potential for the model to be rolled out on a national basis.

##### Project Update

In H1 FY2024, Brickworks Building Products and Delorean continued to progress the Development Stage of the NSW1 project under a Master Services Agreement (MSA). The Company has been active in preparing documentation for full planning/development approval ready for full submission in Q3 FY2024.

Progress on the development application activities has been in line with expectations and the development work remains materially on track.



Image 4: NSW1 Bioenergy Plant Render





## Directors' Report (continued)

### Operating and Financial Review (continued)

#### QLD1 Bioenergy Plant

##### Project Background

At full capacity, this site will process approximately 130,000TPA of organic waste with the primary energy output being either biomethane or green electricity. The facility is likely to be developed with a staged approach, with Stage 1 seeing 70,000TPA of waste accepted. **This is equivalent to powering 9,000 homes with green energy every year (based on full capacity).**

##### Project Update

The Company is currently preparing to progress the project from feasibility stage to development approval. The project is expected to be FID-ready by late CY2024.

In February 2024, DEL announced the award of a \$5m grant under the Queensland Government's Resource Recovery Industry Development Program. The Department of State Development and Infrastructure grant is to be applied towards the construction, commissioning and operation of Delorean's QLD 1 bioenergy facility project.

Subject to conditions precedent the grant will be available on or before 31 December 2024 and must be utilized by 30 December 2028.



Image 5: QLD1 Bioenergy Plant Render



## Directors' Report (continued)

### Operating and Financial Review (continued)

## Delorean Energy Retail Division

Delorean's Energy Retail Division remains inactive, pending a future scale up of its retail operations as Delorean's Infrastructure assets come onstream.

Delorean intends to retain its WA and National retail electricity and Victorian Gas licenses on an ongoing basis in support of the Company's rollout of bioenergy infrastructure across Australia.

## Delorean Corporate

### Environment, Social and Governance

Delorean remains proud to be advancing its commitment to sustainability. In October 2023, Delorean published its second annual ESG Report.

This report provides our stakeholders a comprehensive analysis of the Group's Environmental, Social and Governance (ESG) performance, highlighting key sustainability milestones achieved during the Financial Year 2023. Additionally, it offers an update on our continued progress towards future sustainability goals.

### Planned Activity – 2H FY2024

- Select a preferred Infrastructure Projects Investor towards moving Delorean's SA1 and VIC1 projects into construction.
- Progress NSW1 project through formal planning and development approval submission, and work on detailed commercial terms and project finance options with Brickworks.
- Progress from siteworks through to full construction on Delorean Engineering's Yarra Valley Water project.
- Progress the development of its QLD1 project.



## Directors' Report (continued)

### Operating and financial review (continued)

#### Financial results and condition

The net profit for the half-year ended 31 December 2023 after income tax was \$495,563 (2022: Loss \$1,123,471) with an EBITDA (Earnings before Interest, Tax, Depreciation & Amortisation) of \$1,319,520 (2022: Loss \$2,315,363) as summarised in the below table.

#### Summary of results

EBITDA is a financial measure which is not prescribed by Australian Accounting Standards.

	31 December 2023 \$	31 December 2022 \$
<b>Profit / (Loss) after income tax expense:</b>	<b>495,563</b>	<b>(1,123,471)</b>
EBITDA add backs:		
Interest & financing costs	640,850	107,348
Interest income	(11,780)	(5,631)
Income tax expense / (benefit)	21,020	(1,499,660)
Depreciation	173,867	206,051
<b>EBITDA</b>	<b>1,319,520</b>	<b>(2,315,363)</b>



## Directors' Report (continued)

### Operating and financial review (continued)

#### Financial results and condition (continued)

##### Summary of results (continued)

The Consolidated Entity comprises three operating segments being the Energy Retail Division, Engineering Division and Infrastructure Division. Unallocated balances include the Consolidated Entity's corporate balances. A summary of the associated segment results is set out below:

##### Energy Retail Division

	1HY24	1HY23
	\$	\$
Revenue	90,027	15,398,683
EBITDA	(16,374)	(213,648)

Energy Retail discontinued substantially all its operation in December 2022, but retained all of its existing energy retail licenses in WA and the Eastern States to underpin its bioenergy infrastructure asset pipeline.

##### Engineering Division

	1HY24	1HY23
	\$	\$
Revenue	5,520,847	2,517,564
EBITDA	1,960,925	(438,216)

1H FY2024 EBITDA shows the impact of the Yarra Valley Water project on the results of the Engineering Division. As the Group's main project during this period, it is the driver for the turnaround in results to a profit for the half year. With site possession received in January 2024, the Group looks forward to seeing the Engineering Division continue to deliver this project profitably through to completion. The small loss in the previous period reflects the impact of the Group's COVID-impacted projects, which were closed out in the previous financial year.



## Directors' Report (continued)

### Operating and financial review (continued)

#### Financial results and condition (continued)

#### Summary of results (continued)

#### Infrastructure Division

	1HY24	1HY23
	\$	\$
Revenue	969,775	161,344
EBITDA	180,815	(32,274)

Revenue for the Infrastructure Division relates to the Brickworks development contract in both periods. The increase in revenue and EBITDA for the 1H FY2024 period shows the increased level of activity on the project in this half year, as development work accelerates. Outside of Brickworks, the majority of expenditure in this Division is capitalised to the Bioenergy portfolio of assets in the Infrastructure pipeline.

Complete details of our operating segments are disclosed in the financial statements Note 2: Operating Segments.

#### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

#### Environmental Regulation

Waste management activities are subject to significant environmental and other regulation. Key legislation that the Consolidated Entity is required to comply with includes legislation relating to the environment and the protection of the environment.



## Directors' Report (continued)

### Share Options

Unissued shares under options

At the date of this report unissued ordinary shares of the Company under option are:

Expiry date	Exercise price (cents)	Number of options
31-03-25	20	6,250,000
12-04-25	25	14,000,000
30-11-26	14	1,500,000

All unissued shares are ordinary shares of the Company. These options do not entitle the holder to participate in any share issue of the Company. Further details in relation to the share-based payments to directors are included in the Remuneration Report.

#### Shares issued on exercise of options

During the half-year, no shares were issued as a result of the exercise of options. Since the end of the half-year, no options have been converted.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the directors

**JOSEPH OLIVER**  
Managing Director

Signed at Perth, Western Australia this 29<sup>th</sup> day of February 2024.



**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100  
F +61 (0) 8 9261 9111  
www.rsm.com.au

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the interim financial report of Delorean Corporation Limited for the half-year ended 31 December 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 AUSTRALIA PARTNERS

MATTHEW BEEVERS  
Partner

Perth, WA  
Dated: 29 February 2024

**THE POWER OF BEING UNDERSTOOD**  
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# Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 \$	31 December 2022 \$
Revenue	3	6,580,649	18,077,591
Other income	4	368,651	2,449,710
<b>Expenses</b>			
Cost of sales		(4,292,297)	(20,337,325)
Occupancy expenses		(82,686)	(37,919)
Employee benefits expenses		(780,966)	(1,362,160)
Administrative expenses		(207,932)	(406,855)
Depreciation and amortisation		(173,867)	(206,051)
Share based payment expense		-	(197,179)
Other expenses		(894,969)	(602,943)
<b>Profit / (loss) before income tax (expense) / benefit</b>		<b>516,583</b>	<b>(2,623,131)</b>
Income tax (expense) / benefit		(21,020)	1,499,660
<b>Profit / (loss) after income tax (expense) / benefit for the year</b>		<b>495,563</b>	<b>(1,123,471)</b>
<b>Other comprehensive income</b>			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land at fair value through other comprehensive income, net of tax	13	1,612,500	-
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(34,571)	(178,556)
<b>Total comprehensive income / (loss) for the year</b>		<b>2,073,492</b>	<b>(1,302,027)</b>
<b>Earnings / (loss) per share (cents per share)</b>			
Basic (cents per share)	11	0.23	(0.52)
Diluted (cents per share)	11	0.19	(0.52)

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 31 DECEMBER 2023

		31 December 2023	30 June 2023
	Note	\$	\$
<b>Assets</b>			
Cash and cash equivalents	5	4,878,847	1,003,797
Trade and other receivables	6	434,514	1,706,507
Other current assets		286,613	416,406
Income tax		-	21,311
<b>Total current assets</b>		<b>5,599,974</b>	<b>3,148,021</b>
Property, plant and equipment		12,400,011	10,539,105
Right of use assets		2,292,574	2,154,898
Deferred tax assets		2,047,146	2,047,146
Intangible assets		20,593	25,995
<b>Total non-current assets</b>		<b>16,760,324</b>	<b>14,767,144</b>
<b>Total assets</b>		<b>22,360,298</b>	<b>17,915,165</b>
<b>Liabilities</b>			
Trade and other payables	7	2,174,380	5,014,998
Provisions		269,709	306,396
Income tax		24,342	-
Borrowings	8	5,617,650	5,532,751
Lease liabilities		142,076	65,617
Contract liabilities		4,879,465	2,639,545
<b>Total current liabilities</b>		<b>13,107,622</b>	<b>13,559,307</b>
Deferred tax liabilities		675,182	162,534
Borrowings	9	2,211,900	-
Lease liabilities		2,123,381	2,024,603
<b>Total non-current liabilities</b>		<b>5,010,463</b>	<b>2,187,137</b>
<b>Total liabilities</b>		<b>18,118,085</b>	<b>15,746,444</b>
<b>Net assets</b>		<b>4,242,213</b>	<b>2,168,721</b>
<b>Equity</b>			
Share capital	10	20,492,994	20,492,994
Accumulated losses		(19,537,638)	(20,033,201)
Reserves		3,286,857	1,708,928
<b>Total equity</b>		<b>4,242,213</b>	<b>2,168,721</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 HALF-YEAR ENDED 31 DECEMBER 2023

	Share capital	Share based payments reserve	Other reserve	Asset revaluation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2023	20,492,994	2,539,269	(830,341)	-	(20,033,201)	2,168,721
<b>Total comprehensive income for the half-year</b>						
Profit after income tax benefit for the half-year	-	-	-	-	495,563	495,563
<b>Other comprehensive income for the half-year</b>						
Asset valuation reserve (Note 13)	-	-	-	1,612,500	-	1,612,500
Foreign exchange translation difference on foreign operations	-	-	(34,571)	-	-	(34,571)
Total other comprehensive income for the half-year	-	-	(34,571)	1,612,500	495,563	2,073,492
<b>Balance as at 31 December 2023</b>	<b>20,492,994</b>	<b>2,539,269</b>	<b>(864,912)</b>	<b>1,612,500</b>	<b>(19,537,638)</b>	<b>4,242,213</b>



# Consolidated Statement of Changes in Equity (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Share capital	Share based payments reserve	Other reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2022	20,492,994	2,144,912	(741,713)	(10,014,396)	<b>11,881,797</b>
<b>Total comprehensive income for the half-year</b>					
Loss after income tax benefit for the half-year	-	-	-	(1,123,471)	<b>(1,123,471)</b>
<b>Other comprehensive income for the half-year</b>					
Foreign exchange translation difference on foreign operations	-	-	(178,556)	-	<b>(178,556)</b>
Total other comprehensive income for the half-year	-	-	(178,556)	(1,123,471)	<b>(1,302,027)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Equity component of convertible note (Note 8)	-	-	111,784	-	<b>111,784</b>
Share based payment	-	197,179	-	-	<b>197,179</b>
<b>Balance as at 31 December 2022</b>	<b>20,492,994</b>	<b>2,342,091</b>	<b>(808,485)</b>	<b>(11,137,867)</b>	<b>10,888,733</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 HALF-YEAR ENDED 31 DECEMBER 2023

	31 December 2023	31 December 2022
Note	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	11,989,916	22,260,814
Receipts from government grants	4,400	-
Payments to suppliers and employees	(9,642,089)	(24,820,484)
Interest received	11,663	-
Interest paid	(144,052)	(101,930)
<b>Net cash from/ (used in) operating activities</b>	<b>2,219,838</b>	<b>(2,661,600)</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of plant and equipment	(143,766)	(295,372)
<b>Net cash (used in) investing activities</b>	<b>(143,766)</b>	<b>(295,372)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of convertible notes	-	5,000,000
Proceeds from borrowings	2,211,900	1,226,882
Repayment of borrowings	(254,848)	-
Transaction costs related to loans and borrowings	(113,000)	-
Repayment of lease liabilities	(43,941)	(201,283)
<b>Net cash from financing activities</b>	<b>1,800,111</b>	<b>6,025,599</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,876,183</b>	<b>3,068,627</b>
Cash and cash equivalents at the beginning of the financial half-year	1,003,797	3,124,648
Effects of exchange rate changes on cash and cash equivalents	(1,133)	-
<b>Cash and cash equivalents at the end of financial half-year</b>	<b>4,878,847</b>	<b>6,193,275</b>

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



# Notes to the Consolidated Financial Statements

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 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 30 June 2023 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 principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

#### Going concern

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

For the six months ended 31 December 2023, the Consolidated Entity recorded a profit after tax of \$495,563 (2022: loss \$1,123,471) and derived cash inflows from operating activities of \$2,219,838 (2022: cash outflow \$2,661,600).

As at 31 December 2023, the Consolidated Entity has a net current liability of \$7,507,648 (30 June 2023: \$10,411,286), including a convertible note of \$5,576,946. In February 2024, the Directors executed a binding agreement to revise the terms of the convertible notes as follows:

1. Interest accrued 26<sup>th</sup> April 2024 will be paid in cash, in two instalments (26<sup>th</sup> April 2024 & 20<sup>th</sup> December 2024);
2. Interest will be charged at a rate of 12% per annum between 26<sup>th</sup> April 2024 and 29<sup>th</sup> June 2025, and will be paid in cash on 30<sup>th</sup> June 2025;
3. Interest will be charged at a rate of 20% per annum from 30<sup>th</sup> June 2025 to 31<sup>st</sup> October 2025, and will be paid in cash monthly in arrears; and
4. The Maturity Date of the convertible notes have been extended to 31 October 2025.

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 1. Significant accounting policies (continued)

### Going concern (continued)

With consideration to this agreement, and the factors listed below, the Directors believe that there are reasonable grounds to believe that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report:

- The Yarra Valley Water project is generating strong operating cash inflows for the business;
- Progressive discussions are underway with several funders for new construction projects that the Group has developed and will part-own;
- The Company has the capacity to raise additional funds via access to capital markets;
- The Company has access to other funding opportunities, such as debt and other hybrid funding instruments; and
- The ability of the directors and management to continue to manage its cash flows and cash reserves to successfully execute its contracted projects and win new work while operating within the Group's budget.

Accordingly, the Directors believe that the Consolidated Entity 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.

### **New or amended accounting standards and interpretations adopted**

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Note 2. Operating segments

### ***Identification of reportable operating segments***

The Consolidated Entity is organised into four operating segments based on products and services provided being:

- Infrastructure
- Engineering
- Energy Retail
- Corporate

These operating segments are based on the internal reports that are reviewed and utilised by the Board of Directors (who are identified as the Chief Operating Decision Makers (**CODM**)) in assessing performance of the Consolidated Entity and in determining the allocation of resources. There is no aggregation of operating segments.

Other segment represents the holding company of the Consolidated Entity.

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 2. Operating segments (continued)

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information provided to the CODM is on a monthly basis. There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2023.

### Types of products and services

The principal products and services of each of these operating segments are as follows:

- Infrastructure the infrastructure asset investment and development division
- Engineering the construction of site-specific anaerobic digestion plants division
- Energy retail the electricity sale division
- Corporate the corporate division

31 December 2023	Infrastructure	Engineering	Energy Retail	Corporate	Total
	\$	\$	\$	\$	\$
<b>Revenue</b>					
Sales to external customers	969,775	5,520,847	90,027	-	6,580,649
Intersegment sales	-	-	-	-	-
<b>Total segment revenue</b>	969,775	5,520,847	90,027	-	6,580,649
Other income	-	-	65,000	291,871	356,871
Intersegment eliminations	-	-	-	-	-
Unallocated revenue:					
Interest income	-	9,667	327	1,786	11,780
<b>Total income</b>	<b>969,775</b>	<b>5,530,514</b>	<b>155,354</b>	<b>293,657</b>	<b>6,949,300</b>
<b>EBITDA</b>	<b>180,815</b>	<b>1,960,925</b>	<b>(16,374)</b>	<b>(805,846)</b>	<b>1,319,520</b>
Depreciation / amortisation	(46,093)	(77,193)	(5,871)	(44,710)	(173,867)
Interest income	-	9,667	327	1,786	11,780
Finance costs	(13,369)	(9,561)	(267,565)	(350,355)	(640,850)
<b>Profit before income tax</b>	<b>121,353</b>	<b>1,883,838</b>	<b>(289,483)</b>	<b>(1,199,125)</b>	<b>516,583</b>
Income tax expense	-	-	-	(21,020)	(21,020)
<b>Profit after income tax</b>	<b>121,353</b>	<b>1,883,838</b>	<b>(289,483)</b>	<b>(1,220,145)</b>	<b>495,563</b>
<b>Assets</b>					
Segment assets	15,654,598	5,746,033	(46,670)	9,961,323	31,315,284
Intersegment eliminations	(1,542,638)	-	-	(7,412,348)	(8,954,986)
<b>Total assets</b>	<b>14,111,960</b>	<b>5,746,033</b>	<b>(46,670)</b>	<b>2,548,975</b>	<b>22,360,298</b>
<b>Liabilities</b>					
Segment liabilities	2,229,175	6,453,552	2,528,537	6,906,821	18,118,085
Intersegment eliminations	-	-	-	-	-
<b>Total liabilities</b>	<b>2,229,175</b>	<b>6,453,552</b>	<b>2,528,537</b>	<b>6,906,821</b>	<b>18,118,085</b>

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 2. Operating segments (continued)

31 December 2022	Infrastructure \$	Engineering \$	Energy Retail \$	Corporate \$	Total \$
<b>Revenue</b>					
Sales to external customers	161,344	2,517,564	15,398,683	-	18,077,591
Intersegment sales	-	-	-	-	-
<b>Total segment revenue</b>	161,344	2,517,564	15,398,683	-	18,077,591
Other income	-	1,919,079	525,000	-	2,444,079
Intersegment eliminations	-	-	-	-	-
Unallocated revenue:					
Interest income	-	288	5,343	-	5,631
<b>Total income</b>	<b>161,344</b>	<b>4,436,931</b>	<b>15,929,026</b>	<b>-</b>	<b>20,527,301</b>
<b>EBITDA</b>	<b>(32,274)</b>	<b>(438,216)</b>	<b>(213,648)</b>	<b>(1,631,225)</b>	<b>(2,315,363)</b>
Depreciation / amortisation	(47,907)	(102,282)	(49,516)	(6,346)	(206,051)
Interest income	-	288	5,343	-	5,631
Finance costs	(13,263)	(30,111)	(60,999)	(2,975)	(107,348)
<b>Loss before income tax</b>	<b>(93,444)</b>	<b>(570,321)</b>	<b>(318,820)</b>	<b>(1,640,546)</b>	<b>(2,623,131)</b>
Income tax benefit	-	-	-	1,499,660	1,499,660
<b>Loss after income tax</b>	<b>(93,444)</b>	<b>(570,321)</b>	<b>(318,820)</b>	<b>(140,886)</b>	<b>(1,123,471)</b>
30 June 2023	Infrastructure \$	Engineering \$	Energy Retail \$	Corporate \$	Total \$
<b>Assets</b>					
Segment assets	13,531,220	3,554,023	83,537	9,701,371	26,870,151
Intersegment eliminations	(1,542,638)	-	-	(7,412,348)	(8,954,986)
<b>Total assets</b>	<b>11,988,582</b>	<b>3,554,023</b>	<b>83,537</b>	<b>2,289,023</b>	<b>17,915,165</b>
<b>Liabilities</b>					
Segment liabilities	2,243,519	4,672,484	2,638,261	6,192,180	15,746,444
Intersegment eliminations	-	-	-	-	-
<b>Total liabilities</b>	<b>2,243,519</b>	<b>4,672,484</b>	<b>2,638,261</b>	<b>6,192,180</b>	<b>15,746,444</b>



# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 3. Revenue

	31 December 2023	31 December 2022
	\$	\$
Energy retail	90,027	15,398,683
Construction revenue	5,475,840	2,502,564
Consulting revenue	965,775	176,344
Government grants	4,000	-
Operating and maintenance	45,007	-
	<b>6,580,649</b>	<b>18,077,591</b>
<i>Geographical regions</i>		
Australia	6,531,318	16,188,882
New Zealand	49,331	1,888,709
	<b>6,580,649</b>	<b>18,077,591</b>
<i>Timing of revenue recognition</i>		
Services transferred at a point in time	94,027	15,398,683
Services transferred over time	6,486,622	2,678,908
	<b>6,580,649</b>	<b>18,077,591</b>

## Note 4. Other Income

	31 December 2023	31 December 2022
	\$	\$
Interest received	11,780	5,631
R&D grant	291,871	1,919,079
Other income	65,000	525,000
	<b>368,651</b>	<b>2,449,710</b>

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 5. Cash and cash equivalents

	31 December 2023	30 June 2023
	\$	\$
Cash at bank and in hand	3,419,093	371,087
Cash on deposit (restricted in use)*	1,459,754	632,710
	<b>4,878,847</b>	<b>1,003,797</b>

The Consolidated Entity has \$1,459,754 (30 June 2023: \$632,710) cash held in trust in the bank accounts, which is not available for use in the ordinary course of business.

## Note 6. Trade and other receivables

	31 December 2023	30 June 2023
	\$	\$
Trade debtors	148,916	1,571,056
Less: Allowance for expected credit losses	(13,702)	(38,256)
	135,214	1,532,800
Accrued income	7,429	173,707
R&D tax offset rebate receivable	291,871	-
Total trade and other receivables	<b>434,514</b>	<b>1,706,507</b>

## Note 7. Trade and other payables

	31 December 2023	30 June 2023
	\$	\$
Trade creditors	410,445	3,153,118
GST collected	499,977	270,574
Superannuation payable	78,505	70,373
PAYG withholding payable	70,439	75,698
Payroll tax	197,341	471,883
Accrued expenses	892,355	924,974
Other payable	25,318	48,378
	<b>2,174,380</b>	<b>5,014,998</b>

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 8. Current liabilities - borrowings

	31 December 2023	30 June 2023
	\$	\$
Insurance premium funding	40,704	284,927
Convertible notes (a)	5,576,946	5,247,824
<b>Current liabilities - borrowings</b>	<b>5,617,650</b>	<b>5,532,751</b>
(a) Convertible notes		
Opening balance	5,247,824	-
Proceeds from issue of convertible notes	-	5,000,000
Convertible note reserve (equity)	-	(111,783)
Interest accrued	329,122	359,607
	<b>5,576,946</b>	<b>5,247,824</b>

On 18 October 2022, the Company entered into an agreement (“Framework Deed”) in relation to a secured convertible note facility with Impact DL Pty Ltd as trustee for Impact DL Holding Trust (Palisade Impact). The Company issued secured convertible notes in 2 tranches with a total face value of \$5,000,000.

The notes are convertible to ordinary shares of the Company, at the option of the holder or repayable on 26 April 2024.

The notes have an interest rate of 12% per annum that will capitalise and will be convertible into the ordinary shares of the Company at a conversion price of \$0.1244 per share.

Subsequent to the period end date, the terms of the convertible notes were varied under a binding agreement. Please see Note 16 for details of this change.

## Note 9. Non-current liabilities – borrowings

	31 December 2023	30 June 2023
	\$	\$
Debt facility	2,211,900	-
<b>Non-current liabilities - borrowings</b>	<b>2,211,900</b>	<b>-</b>

On 28 July 2023, the Company entered into a corporate debt facility to satisfy the Company's debt due to the CER for LGC shortfall charges CAL 22. The facility has a funding limit of \$3.4m and is and repayable on 28 July 2025. The current interest rate is 15% p.a.

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 10. Share capital

	Number of shares		Amount in \$	
	31 December 2023	30 June 2023	31 December 2023	30 June 2023
Ordinary shares	215,720,915	215,720,915	20,492,994	20,492,994
	215,720,915	215,720,915	20,492,994	20,492,994

There are no movements in ordinary shares on issue since the financial year ended 30 June 2023.

## Note 11. Profit / (Loss) per share

	31 December 2023	31 December 2022
	\$	\$
Net profit / (loss) for the half-year attributable to ordinary shareholders	495,563	(1,123,471)
Weighted average number of ordinary shares used in the calculation of basic loss per share	215,720,915	215,720,915
Diluted weighted average number of ordinary shares at 31 December	260,551,671	215,720,915*
Basic earning / (loss) per share (cents per share)	0.23	(0.52)
Diluted earning / (loss) per share (cents per share)	0.19	(0.52)

\* Options are anti-dilutive as the average share price during the period was lower than the exercise price of the options.

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 12. Fair value measurement

### Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

<b>Consolidated – 31 December 2023</b>	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Land	-	3,400,000	-	3,400,000
Total assets	-	3,400,000	-	3,400,000

<b>Consolidated – 30 June 2023</b>	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Land	-	1,250,000	-	1,250,000
Total assets	-	1,250,000	-	1,250,000

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

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

### Valuation techniques for fair value measurements categorised within level 2 and level 3

The basis of the valuation of land is fair value. The land was revalued on 31 December 2023 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land being valued which gave rise to an increase in its carrying value of \$2,150,000. Valuations are based on current prices for similar properties in the same location and condition.

# Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 12. Fair value measurement (continued)

Movements in level 2 assets during the current financial half-year are set out as below:

Revalued assets	Total \$
Balance as at 30 June 2023	1,250,000
Revaluation – Land	2,150,000
Balance as at 31 December 2023	<u>3,400,000</u>

## Note 13. Asset revaluation reserve

	31 December 2023 \$	30 June 2023 \$
Asset revaluation reserve	1,612,500	-
	<b>1,612,500</b>	-

This reserve is used to recognised increments and decrements in the fair value of land.

### Movement in reserve

Consolidated	Total \$
Balance as at 30 June 2023	-
Revaluation (refer note 12)	2,150,000
Deferred tax provision	(537,500)
Balance as at 31 December 2023	<u>1,612,500</u>

## Notes to the Consolidated Financial Statements



FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 14. Contingent liabilities

The Consolidated Entity has given bank guarantees as at 31 December 2023 of \$1,459,754 (30 June 2023: \$493,127) to various customers and suppliers.

Other than the above there were no material contingent liabilities or assets at 31 December 2023 and 30 June 2023.

### Note 15. Commitments

The Consolidated Entity has entered into agreements for the purchase of Large-scale Generation Certificates of \$1,318,782. These agreements are committed as at the reporting date but not recognised as liabilities (30 June 2023: \$191,250).

Other than the above there were no material commitments at 31 December 2023 and 30 June 2023.

### Note 16. Events after the reporting period

In February 2024, the Consolidated Entity was awarded an A\$5,000,000 grant by the Queensland Department of State Development and Infrastructure. This grant is to be applied towards the construction, commissioning, and operation of the Consolidated Entity's QLD1 bioenergy facility project.

On 28 February 2024, the Company executed a binding agreement with Impact DL Pty Ltd to revise the terms of the convertible notes as follows:

1. Interest accrued 26<sup>th</sup> April 2024 will be paid in cash, in two instalments (26<sup>th</sup> April 2024 & 20<sup>th</sup> December 2024);
2. Interest will be charged at a rate of 12% per annum between 26<sup>th</sup> April 2024 and 29<sup>th</sup> June 2025, and will be paid in cash on 30<sup>th</sup> June 2025;
3. Interest will be charged at a rate of 20% per annum from 30<sup>th</sup> June 2025 to 31<sup>st</sup> October 2025, and will be paid in cash monthly in arrears; and
4. The Maturity Date of the convertible notes has been extended to 31 October 2025.
5. A review event will occur on 31 December 2024, wherein the Company will provide Impact DL Pty Ltd with various project and financial information to confirm that the Company is on track for the repayment of the notes by the Maturity Date. From January 2025, Impact DL Pty Ltd retains certain rights to request that the Company fast-track a partial repayment of the notes including by commencement of a process for an asset sale. If this was required, the Company would seek to undertake any sale process in a way which does not impact progress on or investment in the Company's infrastructure projects. The Company has also undertaken to use its best endeavours to redeem the Convertible Notes in full by 30 June 2025.

Other than the above, there has been no other matter or circumstance that has arisen since 31 December 2023 that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity.



## Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink that reads "J. Oliver". The signature is written in a cursive, flowing style.

**JOSEPH OLIVER**

Managing Director

Dated at Perth, Western Australia this 29<sup>th</sup> day of February 2024.





**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +618 9261 9100

F +618 9261 9111

[www.rsm.com.au](http://www.rsm.com.au)

## INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Delorean Corporation Limited

### Report on the Interim Financial Report

#### *Conclusion*

We have reviewed the accompanying interim financial report of Delorean Corporation Limited which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 interim financial report of Delorean Corporation 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 31 December 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.

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

*Directors' Responsibility for the Interim Financial Report*

The directors of the Delorean Corporation Limited 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 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 interim 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 interim 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 31 December 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 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.



RSM AUSTRALIA PARTNERS



Perth, WA  
Dated: 29 February 2024

MATTHEW BEEVERS  
Partner