



Australia's future in bioenergy and renewables

Quarterly Activities Report

for the quarter ended
30 June 2024

Delorean Corporation Limited
ACN 638 111 127

2024



Q4 FY2024 Highlights

- **Snapshot:** Delorean finished the FY2024 financial year strongly from a construction delivery, financial and project investment perspective with a core focus on a return to profit and bringing its next four bioenergy infrastructure projects to final investment decision (FID). These activities are underpinning the Company's future growth trajectory, ensuring sustained momentum and value creation.
- **Profit Guidance:** Delorean has released its annual profit guidance for FY2024, indicating expected results as follows: EBITDA of between \$4.5m and \$5.1m; Revenue of between \$27m and \$28m; and a record NPAT for the year.
- **Cash Balance:** Current cash balance of \$8.8m as at 30 June 2024.
- **LGC Shortfall Strategy:** During the quarter, Delorean received a refund of \$4.7m in historic Large Scale Generation Certificates (LGC) shortfall charges from the Clean Energy Regulator, contributing to the profit guidance as disclosed above, and paying down its loan with Roadnight Capital to \$1.1m at 30 June 2024 (down from \$3.4m as at March 2024).
- **Yarra Valley Water:** In Q4 FY2024 construction works continued on the \$53m Yarra Valley Water food waste to energy project with delivery of major plant items to site and significant progress on civils delivery.
- **SA1 and VIC1 Projects:** Delorean is working with a shortlist of potential investors to close out a platform of project finance for the SA1 and VIC1 projects (investment circa \$60m with \$10m already deployed). The undertaking of these build/own/operate projects remains subject to completion of this diligence and the FID being made to proceed.
- **Brickworks/NSW1 Project:** The ongoing co-development of the NSW1 project, in a landmark collaboration with Brickworks Building Products, reached a significant milestone with the progression of the development approval to the public exhibition phase.
- **Corporate:** Appointment of new COO, Neil Conquest, to lead operations, drive growth and support the company transition to a Build Own Operate infrastructure model. Alongside the COO, new hires in Engineering & Infrastructure with extensive experience in infrastructure development and engineering in the bioenergy sector.
- **Renewable Gas Demand:** Significant ongoing demand from both government and business sectors for Delorean's renewable natural gas (biomethane) product in a market where renewable gas is scarce.

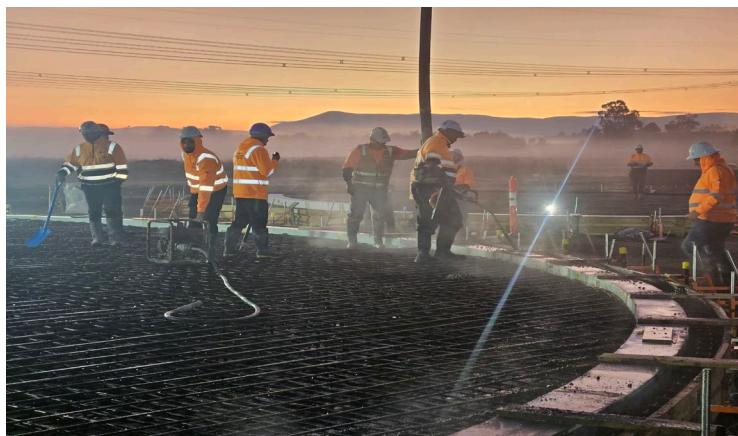


Image 1: YVW Bioenergy Project concrete slab construction



Q4 FY2024 Activities Report

Delorean Corporation Limited (ASX:DEL) is pleased to provide an overview of the June 2024 quarter (Q4 FY2024) activities and the associated cash flows and cash position in the Appendix 4C (attached).

Business Overview

Delorean Corporation is a vertically integrated business operating in two high growth investment sectors – renewable energy and waste management. Delorean is leading the Australian market with bioenergy and driving commercial production of mains-grade renewable gas. Delorean has the inhouse capability to deliver bioenergy projects across the full lifecycle, from project conception to completion; processing organic waste and generating and monetising renewable electricity, heat and gas.

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

The business comprises three interoperable divisions:

- Infrastructure (core): rollout of Delorean owned bioenergy projects through partnerships.
- Engineering: refocused to primarily support EPC and O&M of Delorean’s own projects whilst selectively taking on third party work
- Energy Retail : Delorean retains licenses for retailing of energy (electricity and gas) generated from Delorean projects.





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, and formal sustainability reporting
- ✓ **Ideally positioned** to capitalise on the national drive towards zero organic waste to landfill and decarbonisation of energy

Project Pipeline

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

Delorean has successfully delivered 3 award-winning bioenergy projects (Jandakot WA, Blue Lake Milling SA, Ecogas NZ) and is now in construction of its fourth and biggest project for Yarra Valley Water. Delorean's project pipeline will see Delorean delivering a greater number of projects at a larger scale across Australia, consistent with the growth in the bioenergy sector.



Image 2: Delorean Corporation Project Pipeline



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.

During the quarter, Delorean's Engineering Division was primarily focussed on:

- Construction of Yarra Valley Water's Lilydale facility, with delivery of major plant items to site and civils works significantly advanced.
- Supported the engineering design and submission of the Environmental Impact Statements for the Brickworks (NSW1) Bioenergy project Development Application, led by the Delorean Infrastructure Division.
- Engineering Design and regulatory support for the Delorean infrastructure projects SA1, Vic1 and QLD1
- Operational support for Blue Lake Milling and Ecogas Bioenergy facilities previously constructed by Delorean and now in operation.

Yarra Valley Water, VIC Bioenergy Plant

Project Background

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

Project Update

Bulk earthworks on the Waste to Energy facility and access road have been completed. Concrete works have been completed on the Tank Farm and Heavy Vehicle Pavement. The Reception Shed and equipment has arrived at site with installation to begin in early August.

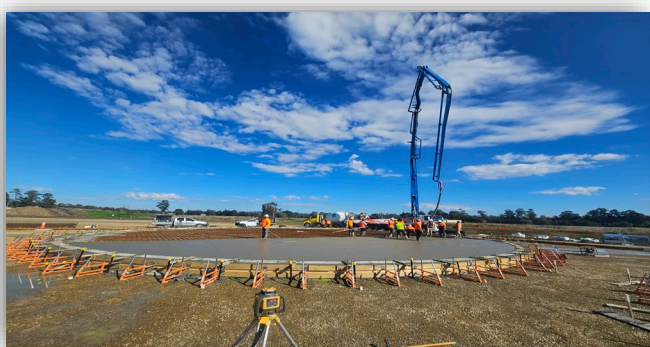


Image 3 - 5: Yarra Valley Water site work



Image 6: Yarra Valley Water food waste to energy plant render



Delorean Infrastructure Division

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

During the quarter, Delorean's Infrastructure Division was predominantly focussed on:

- Completing submission of Environmental Impact Statements and Development Application for the Brickworks Project (NSW1).
- Development and due diligence activities on the Company's VIC1 and SA1 projects
- Progress the development of QLD1 project, completing design and environment and regulatory compliance to progress toward development approval.
- Ongoing development of Delorean's infrastructure project pipeline.

Brickworks Bioenergy Project Development

Project Update

In Q4 FY2024, Brickworks Building Products and Delorean continued to progress the Development Stage of the NSW1 project under a Master Services Agreement (MSA). In Q4, FY2024, the project reached a significant milestone with the submission of the development approval now complete.



Image 7: NSW1 Bioenergy Plant Render



SA1 and VIC1 Project Development

During Q4 FY2024, Delorean was actively working with a shortlist of potential investors with the objective of securing a strategic investment partner for the SA1 and VIC1 projects.

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

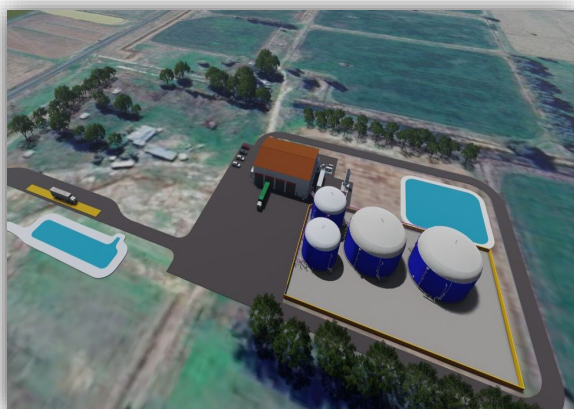


Image 8: VIC1 Bioenergy Plant Render



Image 9: SA1 Bioenergy Plant Render

Delorean Infrastructure Project Pipeline Development

During Q4 FY2024, Delorean continued the active development of its bioenergy infrastructure project pipeline. Beyond the SA1, VIC1 and NSW1 projects, the most advanced of these projects is the QLD1 Bioenergy Plant.

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.

Delorean Energy Retail Division

Delorean's Energy Retail Division is currently 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.

During this quarter, the Energy Retail Division received refunds totalling \$4.7m from the Clean Energy Regulator in relation to LGC shortfall charges paid historically in relation to calendar years 2020-2022. This has delivered on the Group's LGC shortfall strategy, with each transaction undertaken returning a profit (total LGC trading profit realised \$1.4m) and paying down the debt facility the Group obtained to support the strategy (debt position \$1.1m at 30 June 2024, vs \$3.4m at 31 March 2024).



Delorean Corporate

Delorean is excited to announce the arrival of Mr Neil Conquest as our new Chief Operating Officer, joining at the start of July 2024. Neil is an industry leader with over 20 years' experience in over 65 countries in both public and private sectors. Neil has been responsible for global operations, project delivery, supply chain, engineering and business excellence programs in the power generation, power distribution, and general infrastructure sectors.

Neil joins Delorean to further strengthen the Engineering and Infrastructure teams, building our capability for multi-project delivery and providing the platform to achieve our targets of building, owning and operating our own bioenergy infrastructure projects.

Market Guidance – FY24 Results

In July 2024, Delorean updated the market with its expected results for FY2024, subject to audit:

- EBITDA of between \$4.5m and \$5.1m;
- Revenue for the year of between \$27m and \$28m (respective to the aforementioned EBITDA range), and;
- A record Net Profit after Tax for the year.

These results have been driven by strong performance of the Company's divisions and Project delivery across the group. Audited results are expected to be released on or before 30 September 2024.

Environment, Social and Governance

Delorean remains proud to be advancing its commitment to sustainability. Throughout the Q4 FY2024, Delorean continued progressing activities to deliver on its ESG plan.

Delorean's ESG 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 2024. Additionally, it offers an update on our continued progress towards future sustainability goals.

Planned Activity – Q1 FY2025

In Q1 FY2025, Delorean's focus is in the following key areas:

- Progress and support the NSW1 project through the formal planning and development approval submission, and work on detailed commercial terms and project finance options with Brickworks.
- Continue to successfully deliver and progress the Delorean Engineering's Yarra Valley Water project, on time and budget
- Business improvements through strengthened leadership team with a focus on cash flow and profitability.
- Support current grants process applied for across the infrastructure projects nationally
- Progress the development of its QLD1 project.
- Move Delorean's Infrastructure projects into construction after achieving Financial Close.



Additional Appendix 4C Disclosures

The following information is provided as required under ASX Listing Rule 4.7C that has not been disclosed in the body of the quarterly activities report.

Summary of Expenditure incurred on Projects

A summary of expenditure incurred in AUD excluding GST (accruals basis) for the quarter on our key projects and cost centres is as follows:

- Ecogas - \$Nil
- Yarra Valley Water - \$8,800k
- Brickworks - \$93k
- South Australia One and Victoria One - \$4k
- Energy Retail - \$2,250k
- Operations & Maintenance - \$15k
- Overheads - \$1,017k

Payments made to Related Parties

Payments totalling \$170k made to related parties and their associates are for director salaries and superannuation of \$19k and payments for corporate services of \$19k. All payments were on normal commercial terms.



Disclaimer

This report has been prepared by Delorean Corporation Limited (**Delorean**). The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in Delorean and neither this release nor anything contained in it shall form the basis of any contract or commitment.

This report may contain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Delorean business plans, intentions, opportunities, expectations, capabilities, and other statements that are not historical facts. Forward-looking statements include those containing such words as could, plan, target, estimate, forecast, anticipate, indicate, expect, intend, may, potential, should or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of Delorean, and which could cause actual results to differ from those expressed in this report. Because actual results might differ materially to the information in this report, Delorean does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of the underlying assumptions and uncertainties. Investors are cautioned to view all forward-looking statements with caution and to not place undue reliance on such statements.

The report has been prepared by Delorean based on information available to it, including information from third parties, and has not been independently verified. No representation or warranty, express or implied, is made to the fairness, accuracy or completeness of the information or opinions contained in this report.

About Delorean Corporation Ltd (ASX:DEL)

Shares in Delorean Corporation Limited (ASX: DEL) are traded on the Australian Securities Exchange (ASX). For more information, please visit our website: www.deloreancorporation.com.au

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Delorean Corporation Limited

ABN

62 638 111 127

Quarter ended ("current quarter")

30/06/2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	11,902	29,509
1.2 Payments for		
research and development	-	-
product manufacturing and operating costs	(10,320)	(19,545)
advertising and marketing	-	(2)
leased assets	(22)	(88)
staff costs	(860)	(3,300)
administration and corporate costs	(1,091)	(3,864)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	3
1.5 Interest and other costs of finance paid	(589)	(804)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	292	296
1.8 Other (provide details if material) - LGC shortfall charges refund	4,710	4,710
1.9 Net cash from / (used in) operating activities	4,024	6,915
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) Entities	-	-
businesses	-	-
property, plant and equipment	(9)	(185)
investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	intellectual property	-	-
	other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	businesses	-	73
	property, plant and equipment	-	31
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(9)	(81)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(113)
3.5	Proceeds from borrowings	1,985	5,385
3.6	Repayment of borrowings	(3,972)	(4,268)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(1,987)	1,004
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,814	1,004
4.2	Net cash from / (used in) operating activities (item 1.9 above)	4,024	6,915

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(9)	(81)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,987)	1,004
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	8,842	8,842

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,688	2,660
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits as security for CBA bank guarantees)	4,154	4,154
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,842	6,814

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	208
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Payments for directors' salaries and superannuation of \$189k.		
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	10	1
7.3	Other (please specify)	8,400	6,093
7.4	Total financing facilities	8,410	6,094
7.5	Unused financing facilities available at quarter end		2,316
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <ul style="list-style-type: none"> Unsecured CBA Credit Cards (17.99% interest rate), no maturity date Convertible note subscription of \$5,000,000 from Palisade Impact received in 2 tranches (refer ASX Announcements on 19 October 2022 and 29 December 2022) Corporate debt facility of \$3,400,000 from Roadnight Capital, received in two tranches in July 2023 and January 2024. This facility is linked to the Group's LGC strategy (refer ASX Announcement on 31 July 2023). The first shortfall refund of \$1,599,154 under this strategy was received from the Clean Energy Regulator in April 2024, reducing the amount drawn on the facility to \$1,800,846. In June 2024, a further \$1,581,580 was drawn down, with subsequent refunds from the Clean Energy Regulator supporting a further repayment on the facility of \$2,289,039 by 30 June 2024, reducing the amount drawn on the facility to \$1,093,387 at 30 June 2024. <p>Not included in the above balances are equipment finance, insurance premium funding finance and bank guarantee facilities as they are not available to draw for working capital requirements.</p> <p>No additional financing facilities have been entered into after quarter end.</p> </div>		

8.	Estimated cash available for future operating activities	(a)	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)		4,024
8.2	Cash and cash equivalents at quarter end (item 4.6)		8,842
8.3	Unused finance facilities available at quarter end (item 7.5)		2,316
8.4	Total available funding (item 8.2 + item 8.3)		11,158
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)		N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>			
8.6	<p>If item 8.5 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Answer: N/A</p> </div>		

8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2024

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.