

SKIN ELEMENTS LIMITED

ABN 90 608 047 794

and its controlled entities



Appendix 4E

Preliminary Final Report

2024

Corporate directory

Current Directors

Peter Malone	<i>Executive Chairman</i>
Filippo (Phil) Giglia	<i>Non-Executive Director</i>
Stuart Usher	<i>Non-Executive Director</i>

Company Secretary

Stuart Usher

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West Perth WA 6005

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WEST PERTH WA 6005

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Email: info@skinelements.com

Website: www.skinelementslimited.com

Auditors

BDO Audit (WA) Pty Ltd

Street: Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Telephone: +61 (0)8 6382 4600

Facsimile: +61 (0)8 6382 4601

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Share Registry

Link Market Services Limited

Street: Level 12, QV1 Building, 250 St Georges Terrace
Perth WA 6000

Telephone: 1300 554 474 (within Australia)
+61 1300 554 474 (International)

Facsimile: +61 (0)8 6370 4203

Email: registrars@linkmarketservices.com.au

Website: www.linkmarketservices.com.au

Securities Exchange

Australian Securities Exchange

Street: Level 40, Central Park, 152-158 St Georges Terrace
Perth WA 6000

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Website: www.asx.com.au


ASX Code: SKN





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Company update

1. Operating and financial review

1.1. Nature of Operations and Principal Activities




Skin Elements is a researcher and developer of the innovative proprietary SE Formula™ biotechnology. This plant-based and organic sourced SE Formula™ is used as a base in the Company's proprietary flagship products including the SuprCuvr TGA-registered hospital-grade plant-based disinfectant, ECO-Nurture plant bio-stimulant, Invisi Shield alcohol free natural sanitiser, Soléo Organics natural and organic sunscreen, PapayaActivs natural therapeutics skincare and Elizabeth Jane Natural Cosmetics brand.

1.2. Operations Review

1.2.1. Development of SE Formula™

The SE Formula™ has been developed by Skin Elements over the last 15 years and is the core of every natural product developed by Skin Elements. Products with the SE Formula™ have scientifically proven as high performance while using only natural and plant-based ingredients.

Skin Elements has a three-phase development process leading into commercial scale production and sales:

-  **Phase 1** Pure research and development to undertake investigations into natural organic ingredients and processes to prepare prototype formulations.
-  **Phase 2** Produce test batches and undertake product trials, test marketing and regulatory certifications.
-  **Phase 3** Negotiate distribution agreements and commence scale up production and launch into commercialisation.

1.2.2. Development of Eco Nurture Plant Bio-Stimulant

ECO-Nurture is a sustainable, horticultural-specific plant bio stimulant product developed from the plant-based SE Formula biotechnology research and development program as an effective alternative to chemical-based agricultural sprays currently used in crop disease protection globally.

Following extensive successful evaluation of ECO-Nurture in a live agricultural setting, including a full-season spray-program evaluation of ECO-Nurture on 10 kiwi fruit farms in New Zealand, ECO Nurture has demonstrated that it is effective against bacteria which has negatively impacted kiwifruit industry in addition to supporting high fruit quality, yield quantity, and cosmetic look of the fruit with zero residual toxicity.

During the quarter, over 2,500 litres of ECO Nurture concentrate have been delivered to kiwi fruit orchard managers in New Zealand with a further 1,500 litres delivered in July. For the third year of the farm evaluations commencing presently over 120 orchards out of the 200 kiwi fruit owners have all agreed to immediately move over to ECO Nurture spray application program instead of using chemicals – an immediate 60% take-up.

This evaluation was conducted under Zespri Crop Protection Standards Justified Approval (JA) protocols with ECO-Nurture now on the official list Zespri approved spray list. Headquartered in New Zealand, Zespri is the world's largest marketer of kiwifruit with over \$4.5 billion in sales annually.

With the initial success of its evaluation in the kiwifruit sector, the Company is assessing opportunities in other horticulture sectors, including testing on grapes and other fruit and vegetable crops.

1.2.3. SuprCuvr - Development Phase 2 Market Testing

SuprCuvr is a TGA registered hospital-grade disinfectant made from the Company's proprietary 100% plant-based SE formula. It combines the world's highest level of efficacy against viral and bacterial infection with a 100% plant-based organic input certified formula to present a significant market opportunity for a chemical-free disinfectant in large-scale settings such as food manufacturing, hospitality retailing businesses, public transport, educational facilities, hospitals and health services.

Skin Elements has continued to focus on test market assessment and qualification of SuprCuvr in transport and educational sectors. These represent large-scale, commercial opportunities for SuprCuvr to be utilised as a disinfectant, replacing widely used chemical-based products.

The Company is currently delivering early sales of SuprCuvr 3 in 1 formulae for disinfectant cleaning, across all government high schools and urban train carriages and stations in Melbourne, Australia.

1.2.4. Soleo Organics

Soléo Organics is an award-winning, natural and organic sunscreen formulation, providing a highly effective, high-performance chemical-free sunscreen. It was the first application borne out of Skin Elements' SE Formula research and development program.

Negotiations continue to progress during the quarter with a leading health retail group in the United Kingdom for distribution of the Soléo Organics sunscreen formulation under white label.



Company update

As part of this process, independent laboratory testing designed to confirm key performance specifications for the UK market is in progress. This includes testing the Soléo Organics sunscreen formulation and final product development testing for both an SPF50 and 5-Star UVA rating which has previously been unheard of for a natural organic sunscreen formulation.

Skin Elements participated in an exclusive Rolls Royce Strive for Perfection: Celebrating 20 years of Goodwood event held in London, on 6 October 2023. Skin Elements was delighted to be a partner at the event and to promote its natural and organic Soléo Organics to a high net-worth audience with a focus on high-end, innovative and sustainable products.

1.2.5. PapayaActivs Phase 2 Completion

The fourth SE formulation, PapayaActivs combines a high concentration of natural pawpaw extract with other active natural ingredients to help relieve the symptoms of skin conditions, like psoriasis, rashes, eczema, assist in healing of minor burns and wounds, and relieve mild muscle, joint and arthritic pain. PapayaActivs is listed on the TGAs Australian Register of Therapeutic Goods.

Skin Elements has completed the Phase 2 product formulation improvements with products expected to go into Phase 3 test market launch in FY2025.

1.2.6. Research and development (R&D) tax incentive grant income

During the period, Skin Elements received R&D Rebate of \$1.13 million in relation to the eligible research and development spend in the 2023 financial year.

The Company's commitment to the continued research and development of its natural SE Formula Biotechnology sees it eligible for the Federal Government's R&D tax incentive for the FY2024 with R&D Rebate calculation of \$1.19 million as at 30 June 2024.

During the period, Skin Elements received an advance of \$717K under a R&D Rebate advance facility provided by Radium Capital in relation to the FY2024 eligible R&D expenditure.

1.2.7. Placement raises \$200,000








The Company announced on 23 October 2023 that it had undertaken a private placement to sophisticated investors raising \$200,000 (before costs). The Company issued 20,000,000 SKN fully paid ordinary shares (under the Company's ASX LR7.1A placement capacity) at \$0.01 each with one attaching SKNOD option exercisable at \$0.025 on or before 31 May 2026 (under the Company's ASX LR7.1 capacity) for each new share issued.

1.3. Financial Review

1.3.1. Key profit and loss measures

	Movement (increased/ decreased)	Movement \$	2024 \$	2023 \$
 Revenues from ordinary activities	increased	222,071	416,202	194,131
 Loss from ordinary activities after tax	decreased	9,542,364	(1,873,804)	(11,416,168)
 EBITDA Loss	decreased	(564,622)	(1,531,404)	(2,096,026)

1.3.2. Key net asset measures

	Movement (increased/ decreased)	Movement \$	2024 \$	2023 \$
 Cash and cash equivalents	decreased	216,104	142,328	358,432
 Working capital deficit (excluding prepayments)	decreased	1,403,956	(870,820)	533,136
 Net tangible liabilities	decreased	1,438,578	(833,775)	604,803
 Net liabilities	decreased	1,438,578	(833,775)	604,803
<i>Adjusted net asset measures¹ (excluding KMP payables)</i>				
 Working capital (excluding KMP payables)	decreased	653,126	308,935	962,061
 Net tangible assets (excluding KMP payables)	decreased	687,748	345,980	1,033,728
 Net assets (excluding KMP payables)	decreased	687,748	345,980	1,033,728



¹ As disclosed in note 3.4.1a, the Board intends, subject to shareholder approval, to issue equity securities to Directors and key management for unpaid executive services and Directors' services under current service agreements. Any unpaid amounts that remain will be paid on terms as agreed.

Company update

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

1.4. Future Developments, Prospects, and Business Strategies

Likely developments in the operations, business strategies and prospects of the Group include:

-  The Company will undertake future capital raising through either equity placement facility, private placement or entitlement issue, and the consideration of other equity and debt proposals
-  The Company will continue to focus on development and commercialisation of its natural anti-microbial technology as set out in its review of operations.

Other likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report particularly given the early stage of the Company's commercial operations with its new expanded range of natural and organic products. The Directors believe that the inclusion of such information would be likely to be unreasonably prejudicial to the Group.

1.5. Environmental Regulations

The Group's operations are not subject to significant environmental regulations in the jurisdictions it operates in, namely Australia.

The Directors have considered the enacted *National Greenhouse and Energy Reporting Act 2007* (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act has no effect on the Company for the current, nor subsequent, financial year. The Directors will reassess this position as and when the need arises.



PETER MALONE

Executive Chairman

Dated this Friday, 30 August 2024



Results for announcement to the Market

for the year ended 30 June 2024

1. Reporting period (item 1)

Report for the financial year ended:

30 June 2024

Previous corresponding period is the year months ended:

30 June 2023

2. Results for announcement to the market

Movement

Percentage %

Amount \$

Increase in revenues from ordinary activities (item 2.1)

↑

114.39

to

416,202

Increase in loss from ordinary activities after tax attributable to members (item 2.2)

↑

(83.59)

to

(1,873,804)

Increase in loss after tax attributable to members (item 2.3)

↑

(83.59)

to

(1,873,804)

2.1. Dividends (item 2.4)

Amount per Security ¢

Franked amount per security %

Interim dividend

nil

n/a

Final dividend

nil

n/a

Record date for determining entitlements to the dividend (item 2.5)

n/a

2.2. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):

Refer to Company update on page 1 of this report.

3. Preliminary Final Report

3.1. Statement of comprehensive income (item 3):

Refer to Consolidated statement of profit or loss and other comprehensive income on page 6

3.2. Statement of financial position (item 4):

Refer to Consolidated statement of financial position on page 7

3.3. Statement of cash flows (item 5):

Refer to Consolidated statement of cash flows on page 9

3.4. Statement of changes in equity (item 6):

Refer to Consolidated statement of changes in equity on page 8

4. Dividends (item 7) and Returns to shareholders including distributions and buy backs (item 14.2)

Nil.

4.1. Details of dividend or distribution reinvestment plans in operation are described below (item 8):

Not applicable

5. Ratios

Current Period \$

Previous corresponding Period \$

5.1. Financial Information relating to 5.2 and 5.3:

Earnings for the period attributable to owners of the parent

Net assets

Less: Intangible assets (including net deferred tax balances)

Net tangible assets

(1,873,804)

(833,775)

-

(833,775)

(11,416,168)








604,803

-

604,803

Results for announcement to the Market

for the year ended 30 June 2024

5	Ratios (cont.)	Current Period No.	Previous corresponding Period No.
	Fully paid ordinary shares	563,986,095	543,986,095
	Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS	570,543,472	437,027,832
		¢	¢
5.2.	Net tangible assets backing per share (item 9):	(0.148)	0.111
5.3.	Earnings per share attributable to owners of the parent (item 14.1):	(0.328)	(2.612)
As at 30 June 2024 the Group has 191,351,198 unissued shares under options (2023: 197,351,198) and 209,000,000 performance shares on issue (2023: 209,000,000). The Group does not report diluted earnings per share on losses generated by the Group. During the year, the Group's unissued shares under option and performance shares were anti-dilutive.			
6.	Details of entities over which control has been gained or lost during the period (item 10):		
6.1.	Control gained over entities		
	 Name of entities (item 10.1)	Nil	
	 Date(s) of gain of control (item 10.2)		
6.2.	Loss of control of entities		
	 Name of entities (item 10.1)	Nil	
	 Date(s) of loss of control (item 10.2)	N/A	
6.3.	Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 10.3).	Nil	
6.4.	Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 10.3)	Nil	
7.	Details of associates and joint venture (item 11):		
	 Name of entities (item 11.1)	Nil	
	 Percentage holding in each of these entities (item 11.2)	n/a	
		Current Period \$	Previous corresponding Period \$
	 Aggregate share of profits (losses) of these entities (item 11.3)	N/A	N/A
8.	Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position (item 12): Refer to Company update on page 1 of this report.		
9.	The financial information provided in the Appendix 4E is based on the preliminary final report (attached), which has been prepared in accordance with Australian Accounting Standards (item 13).		
10.	Commentary on the results for the period (item 14): Refer to Company update on page 1		
11.	The preliminary final report has been prepared based on the 30 June 2024 accounts which are in the process of being audited by an independent Audit Firm in accordance with the requirements of s.302 of the <i>Corporations Act 2001</i> (Cth). (item 15)		

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
<i>Continuing operations</i>			
Revenue	1.1	416,202	194,131
Cost of sales		(54,328)	(99,014)
Gross profit		361,874	95,117
Other income	1.2	1,197,149	1,183,463
Administrative and other costs		(1,333,812)	(1,946,879)
Research and development costs		(1,688,692)	(1,690,254)
Selling and distribution costs		(74,017)	(143,647)
Operating loss		(1,537,498)	(2,502,200)
Interest and finance costs		(81,851)	(58,252)
Impairment expense	3.2.2	(254,455)	(8,017,774)
Put option agreement fees expensed		-	(837,942)
Loss before tax	2.1	(1,873,804)	(11,416,168)
Income tax benefit		-	-
Net loss for the year		(1,873,804)	(11,416,168)
<i>Other comprehensive income, net of income tax</i>			
		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income attributable to members of the parent entity		(1,873,804)	(11,416,168)
<i>Earnings per share:</i>			
		¢	¢
Basic and diluted loss per share (cents per share)	6.4	(0.33)	(2.61)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2024

Current assets

Cash and cash equivalents

Trade and other receivables

Inventories

Other current assets

Total current assets*Non-current assets*

Right of use asset - property, plant, and equipment

Financial assets

Intangible assets

Total non-current assets**Total assets***Current liabilities*

Trade and other payables

Borrowings

Total current liabilities**Total liabilities****Net assets***Equity*

Issued capital

Reserves

Accumulated losses

Total equity

Note	2024 \$	2023 \$
3.1	142,328	358,432
3.2	542,104	1,172,336
4.1	31,908	83,845
3.3.1	28,680	57,207
	745,020	1,671,820
	8,365	14,460
3.6.1	-	-
4.2	-	-
	8,365	14,460
	753,385	1,686,280
3.4.1	1,572,213	1,063,725
3.5.1	14,947	17,752
	1,587,160	1,081,477
	1,587,160	1,081,477
	(833,775)	604,803
5.1.1	24,444,454	24,244,454
5.4	1,059,924	824,698
	(26,338,153)	(24,464,349)
	(833,775)	604,803

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.



Consolidated statement of changes in equity

for the year ended 30 June 2024

	Note	Contributed equity \$	Accumulated losses \$	Share-based payment reserve \$	Total equity \$
<i>Balance at 1 July 2022</i>		22,871,096	(13,048,181)	229,094	10,052,009
Loss for the year attributable to the owners of the parent		-	(11,416,168)	-	(11,416,168)
Other comprehensive income for the year attributable to the owners of the parent		-	-	-	-
Total comprehensive income for the year attributable to the owners of the parent		-	(11,416,168)	-	(11,416,168)
<i>Transaction with owners, directly in equity</i>					
Shares issued during the year (<i>net of costs</i>)	5.1.1	1,268,355	-	-	1,268,355
Share-based payments during the year	5.1.1	105,003	-	-	105,003
Share-based payments during the year: <i>options</i>	5.2.1	-	-	335,827	335,827
Share-based payments during the year: <i>rights</i>	5.3.1	-	-	259,777	259,777
Balance at 30 June 2023		24,244,454	(24,464,349)	824,698	604,803
<i>Balance at 1 July 2023</i>		24,244,454	(24,464,349)	824,698	604,803
Loss for the year attributable to the owners of the parent		-	(1,873,804)	-	(1,873,804)
Other comprehensive loss for the year attributable to the owners of the parent		-	-	-	-
Total comprehensive loss for the year attributable to the owners of the parent		-	(1,873,804)	-	(1,873,804)
<i>Transaction with owners, directly in equity</i>					
Shares issued during the year (<i>net of costs</i>)	5.1.1	200,000	-	-	200,000
Share-based payments during the year: <i>rights</i>	5.3.1	-	-	235,226	235,226
Balance at 30 June 2024		24,444,454	(26,338,153)	1,059,924	(833,775)

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
<i>Cash flows from operating activities</i>			
Receipts from customers		403,821	193,326
Payments to suppliers and employees		3,520	(2,955,997)
Receipt of <i>Research and development tax incentive</i> grant income		(1,707,544)	984,992
Interest paid and facility fees		1,129,934	(58,252)
Interest paid		(81,851)	-
Net cash used in operating activities		(252,120)	(1,835,931)
<i>Cash flows from investing activities</i>			
Net cash used in investing activities		-	-
<i>Cash flows from financing activities</i>			
Proceeds from issue of shares	5.1.1	200,000	1,772,102
Share issue costs		(39,708)	(129,837)
Proceeds of borrowings		983,413	638,251
Repayments of borrowings		(1,107,689)	(834,203)
Net cash provided by financing activities		36,016	1,446,313
Net increase in cash and cash equivalents held		(216,104)	(389,618)
Cash and cash equivalents at the beginning of the year		358,432	748,050
Cash and cash equivalents at the end of the year	3.1	142,328	358,432

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the preliminary final report

for the year ended 30 June 2024

Note	1	Revenue and other income		2024 \$	2023 \$
1.1		Revenue			
		Sales to customers		416,202	194,131
				416,202	194,131
1.2		Other Income			
		Research and development tax incentive grant income		1,193,629	1,129,934
		Fair value adjustment of fee options		-	53,000
		Other income		3,520	529
				1,197,149	1,183,463
Note	2	Expenses	Note	2024 \$	2023 \$
2.1		Expenses by nature			
		Administration expenses	2.2	414,222	462,142
		Advertising and marketing expenses		74,017	143,647
		Amortisation	4.2	6,094	406,174
		Corporate expenses	2.3	181,354	230,753
		Employee benefits expense	2.4	698,999	798,625
		Impairment expense	3.2.2	254,455	8,017,774
		Occupancy costs		114,994	107,437
		Manufacturing, purchasing, and distribution costs		54,328	99,014
		Put Option Agreement fees expensed		-	837,942
		Research and development expenses		1,688,692	1,690,254
		Total expenses by nature		3,487,155	12,793,762
2.1.1		Reconciliation to net profit or loss before tax			
		Total revenue and other income		1,613,351	1,377,594
		Less: Total expenses by nature		(3,487,155)	(12,793,762)
		Net loss before tax		(1,873,804)	(11,416,168)
2.2		Administration expenses			
		Accounting expenses		121,143	157,709
		External consulting fees		30,000	81,892
		Travel expenses		234	13,898
		Interest expenses and finance facility costs		81,851	58,252
		Other expenses		180,994	150,391
				414,222	462,142
2.3		Corporate expenses			
		ASX fees		37,705	51,545
		Audit expenses		88,362	71,376
		Legal expenses		32,040	61,444
		Share Registry and shareholder communications		23,247	46,388
				181,354	230,753

Notes to the preliminary final report

for the year ended 30 June 2024

Note	2	Expenses (cont.)	2024 \$	2023 \$
2.4		Employee benefits expense		
		Directors' fees	160,000	106,510
		Executive services contracts	239,782	241,749
		Wages and salaries – non-R&D	63,991	190,589
		Share-based performance rights: <i>amortisation</i>	235,226	259,777
			698,999	798,625

Note	3	Financial assets and financial liabilities		
3.1	Cash and cash equivalents		2024 \$	2023 \$
	Cash at bank		142,328	358,432
			142,328	358,432
3.2	Trade and other receivables	Note	2024 \$	2023 \$
3.2.1	Current			
	Trade receivables	3.2.2	31,662	1,074,847
	Less: Loss allowance	3.2.2	-	(527,784)
	Research and development tax incentive rebate receivable	3.2.3	1,193,629	1,129,934
	Less: R&D Rebate Advance Facility Terms		(716,780)	(538,251)
	Net Research and Development rebate receivable		476,849	591,683
	Other receivables		33,593	33,590
			542,104	1,172,336

3.2.2 In the previous year the Company had received an order from Pacific Health for SuprCuvr totalling \$1,055,568 which was produced and delivered into secured warehouse. Subsequently, due to the rapidly evolving market at that time and the launch of the newly developed SuprCuvr disinfectant range, the Company has revised the terms of the order with Pacific Health, including extended payment terms. Due to the uncertainty of the timing of payments under these new terms, as at 31 December 2023, the Company has agreed to the settlement of the debtor's balance through the repurchase of the SuprCuvr inventory. The Company will continue to work with Pacific Health for the launch of SuprCuvr disinfectant into scale markets and will recognise sales revenue as product is delivered.

3.2.3 The Group continued its development program during the year ended 30 June 2024 resulting in a claim for research and development tax incentive which has been included as a receivable at year end.

3.2.4 During the year, the Group received advance funding (wholly or predominantly for working capital or research and development expenditures) on its expected annual R&D rebate from Radium Capital. Refer key terms below:

Amounts	For 30 June 2024: 09/23: \$229,000; 12/23: \$238,000; 3/24: \$112,200; 5/24: \$137,580.
Final Maturity Date	30 November 2024.
Repayment	Skin Elements has the option to repay earlier without penalties.
Interest Rate	14% - 15% per annum, with default rate of 18% if repayment is later than 30 November 2024.
Security	Secured against the R&D refund receivable from the ATO

Notes to the preliminary final report

for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (cont.)

3.3 Other assets

Note	2024 \$	2023 \$
------	------------	------------

3.3.1 Current

Prepayments – Raw materials

28,680	57,207
28,680	57,207

3.4 Trade and other payables

2024 \$	2023 \$
------------	------------

3.4.1 Current

Unsecured – Third-party

Trade payables

307,988 233,664

Sundry payables and accrued expenses

111,178 102,218

Net Goods and Services Tax (receivable) / payable

(26,708) (1,082)

Commitment Fee payable

- 300,000

Sub-total

392,458 634,800

*Other current payables**Unsecured – Related party*

Key management personnel related

3.4.1a	1,179,755	428,925
	1,572,213	1,063,725

- a. The Board intends, subject to shareholder approval, to issue equity securities to Directors and key management for unpaid executive services and Directors' services under current service agreements. Any unpaid amounts that remain will be paid on terms as agreed.

3.5 Borrowings

2024 \$	2023 \$
------------	------------

3.5.1 Current

Leases – motor vehicle

14,947	17,752
14,947	17,752

Note 4 Non-financial assets and financial liabilities

4.1 Inventories

2024 \$	2023 \$
------------	------------

Finished goods

31,908	83,845
31,908	83,845

4.2 Intangible assets

2024 \$	2023 \$
------------	------------

SE Formula™

9,859,296 9,859,296

Accumulated amortisation and impairment

(9,859,296) (9,859,296)

- -

Website development costs

55,410 55,410

Accumulated amortisation and impairment

(55,410) (55,410)

- -

Total intangibles

- -

Notes to the preliminary final report











for the year ended 30 June 2024

Note	5	Equity				
5.1	Issued capital		2024 No.	2023 No.	2024 \$	2023 \$
	Fully paid ordinary shares		563,986,095	543,986,095	24,444,454	24,244,454
5.1.1	Ordinary shares		2024 No.	2023 No.	2024 \$	2023 \$
	At the beginning of the year		543,986,095	407,727,266	24,244,454	22,871,096
	Shares issued during the year:					
	26.10.22 Consultancy fees		-	1,216,075	-	71,376
	26.10.22 LDA fees		-	1,691,556	-	43,473
	04.11.22 Placement		-	30,000,000	-	750,000
	31.05.23 Entitlement issue		-	93,226,979	-	932,270
	20.06.23 Shortfall placement		-	3,971,238	-	39,712
	30.06.23 Underwriting fee		-	6,152,981	-	61,530
	Unplaced applications		-	-	-	26,120
	01.11.23 Placement		20,000,000	-	200,000	-
	Share issue transaction costs		-	-	-	(551,123)
	At end of the year		563,986,095	543,986,095	24,444,454	24,244,454
	a. 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. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.					
5.1.2	Treasury shares		2024 No.	2023 No.		
	At beginning of the year		25,500,000	25,500,000		
	At end of the year		25,500,000	25,500,000		
	a. Treasury shares are ordinary shares issued as collateral shares for nil consideration.					



Notes to the preliminary final report

for the year ended 30 June 2024

Note	5	Equity (cont.)				
5.2	Options		2024 No.	2023 No.	2024 \$	2023 \$
	Options on issue		191,351,198	197,351,198	335,827	335,827
5.2.1	Options movement during the year:		2024 No.	2023 No.	2024 \$	2023 \$
	At the beginning of the year		197,351,198	26,000,000	335,827	-
	 04.11.22 Issued free attaching to Placement shares		-	30,000,000	-	-
	 17.02.23 Lead manager fee		-	28,000,000	-	277,827
	 31.05.23 Issued free attaching to Entitlement shares		-	93,226,979	-	-
	 20.06.23 Issued free attaching to Shortfall shares		-	3,971,238	-	-
	 30.06.23 Issued free attaching to underwriter fee shares		-	6,152,981	-	-
	 30.06.23 Lead manager fee		-	10,000,000	-	58,000
	 01.11.23 Issued free attaching to Placement shares		20,000,000	-	-	-
	 15.03.24 Expiration of LDA options		(26,000,000)	-	-	-
	At end of the year		191,351,198	197,351,198	335,827	335,827
5.3	Performance rights		2024 No.	2023 No.	2024 \$	2023 \$
	Performance rights		209,000,000	209,000,000	724,097	488,871
5.3.1	Performance rights movement during the year:		2024 No.	2023 No.	2024 \$	2023 \$
	At the beginning of the year		209,000,000	209,000,000	488,871	229,094
	 Amortisation of rights		-	-	235,226	437,794
	 Derecognition of rights not achieved		-	-	-	(178,017)
	At end of the year		209,000,000	209,000,000	724,097	488,871
5.4	Reserves				2024 \$	2023 \$
	Share-based payment reserve				1,059,924	824,698
					1,059,924	824,698

Notes to the preliminary final report

for the year ended 30 June 2024

Note	6	Earnings per share (EPS)	2024 \$	2023 \$
6.1	Reconciliation of loss to profit or loss			
	Loss for the year		(1,873,804)	(11,416,168)
	Loss used in the calculation of basic and diluted EPS		(1,873,804)	(11,416,168)
			2024 No.	2023 No.
6.2	Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		570,543,472	437,027,832
	Weighted average number of dilutive equity instruments outstanding		N/A	N/A
6.3	Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		570,543,472	437,027,832
6.4	Earnings per share		2024 ¢	2023 ¢
	Basic EPS (cents per share)		(0.33)	(2.61)
	Diluted EPS (cents per share)		N/A	N/A
Note	7	Share-based payments	2024 \$	2023 \$
7.1	Share-based payments:			
	Net recognised/derecognised in profit and loss (expenses/contra-expense)		235,226	259,777
	Recognised in equity (transaction costs):	Shares	-	105,003
		Options	-	335,827
	Recognised in net assets (payables)		-	71,376
	Gross share-based payments		235,226	771,983



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