

**ENVIROMISSION LIMITED**  
**ACN 094 963 238**

**APPENDIX 4E**

**PRELIMINARY FINAL REPORT**

**FOR THE PERIOD ENDED 30 JUNE 2017**

---

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

---

Revenue from ordinary activities	Down	-81%	to	\$	84,162
Loss from ordinary activities attributable to	Up	31%	to	\$	1,990,633
Net loss for the period attributable to members	Up	31%	to	\$	1,990,633

No dividend has been paid during the financial year or in the previous corresponding period. No dividend has been proposed or declared since the end of the financial year end.

Revenue from ordinary activities \$84,162 compared to last year's revenue of \$452,217.

Net loss attributable to members \$1,990,633 compared to last year's loss of \$1,521,128.

Loss per share of 0.35 cents compared with last year's loss of 0.27 cents.

Diluted loss per share of 0.35 cents compared with last year's loss of 0.27 cents.

**REVIEW OF OPERATIONS**

**ARIZONA OPERATIONS**

The last 12 months has seen continued activity centred on the Arizona Solar Tower project with the major elements including:

1. Design engineering procurement
2. Geotechnical engineering procurement and work commencing
3. Transmission design and construction procurement
4. Project management execution plan and processes for a program roll out

The finalisation of the ongoing development outlined above and detailed below is all subject to the receipt of investment. All the consultants EnviroMission has secured have full knowledge of EnviroMission's financial status and have elected to support the delivery of the EnviroMission Solar Tower due to their belief in the US EnviroMission team, the project, technology and the company.

EnviroMission released a Request for Qualification (RFQ) to a pre-qualified group of design and construction companies, receiving full statements of qualification resulting in 3 firms being selected to submit a full proposal in response to an EnviroMission prepared Request for Proposal (RFP).

Since evaluating and interviewing all three firms and their sub-consultants EnviroMission has negotiated and selected their preferred consultant. Once funding is secured, EnviroMission will execute the Master Services Agreement (MSA) and issue the fully negotiated work order for Conceptual Design. The preferred party will be disclosed at the time the MSA is executed.

EnviroMission has been working with Terracon Consultants for several years and recently has moved forward with a number of geotechnical studies that will aid the design of the Solar Tower.

1. Depth to bedrock evaluation
2. Bore holes being drilled to various depth to evaluate soil conditions
3. Mineral and aggregate analysis

These studies and several others are in various stages of completion and will be finalized upon receipt of working capital.

EnviroMission completed a similar process as was the case with design engineering for the selection of the transmission Engineering Procurement and Construction consultant. EnviroMission recently released an RFP to 3 pre-qualified consultants and has received all proposals. EnviroMission anticipates selecting the preferred consultant in the latter part of September.

EnviroMission selected Currie and Brown (C&B) to join the EnviroMission team to support not only the delivery of the Arizona Solar Tower, but the delivery of Solar Tower Technology on a global basis. C&B is a specialist project management, cost and scheduling firm with offices globally.

Since joining the EnviroMission team, C&B have prepared in conjunction with the EnviroMission team several documents that will aid the development of the project(s).

These documents will include but not be limited to the following:

- Integration Management
- Project Scope Management
- Project Schedule Management
- Project Cost Management
- Project Communication Management
- Project Procurement Management
- Shareholder Manager Plan
- Project Quality Management
- Project Human Resources Management
- Project Risk Management

## **APOLLO DEVELOPMENT**

Apollo are moving forward with an Equity Offering to raise the necessary capital to meet their commitment under the HOA with EnviroMission

An outstanding amount of US\$680,000 is expected to be received by September 30, 2017

## **FINANCING**

EnviroMission has been active in identifying and examining alternative financing sources to replace the failed Valentia proposal that resulted in the cancellation of the HOA executed between Valentia and EnviroMission.

More details relating to financing structure and potential is expected to be released in the coming weeks.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Consolidated Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Revenue from ordinary activities	84,162	452,217
Business expenses	(194,995)	(296,336)
Contracting & consulting expenses	(1,421,334)	(1,097,633)
Depreciation and amortisation	(11,065)	(11,904)
Employee expenses	(117,963)	(144,517)
Finance cost	(9,890)	(439)
Occupancy expenses	(62,291)	(112,916)
Other administration expense	(256,711)	(292,588)
Travel expenses	(547)	(17,012)
<b>Loss before income tax expense</b>	<b>(1,990,633)</b>	<b>(1,521,128)</b>
Income tax expense	-	-
Loss after Income tax	(1,990,633)	(1,521,128)
<b>Other comprehensive income:</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Exchange difference on translating foreign controlled entities	19,784	(37,251)
	19,784	(37,251)
<b>Items that will be reclassified to profit or loss</b>	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>19,784</b>	<b>(37,251)</b>
<b>Total comprehensive income for the period</b>	<b>(1,970,849)</b>	<b>(1,558,379)</b>
<b>Loss attributed to:</b>		
Members of EnviroMission Limited	(1,990,633)	(1,521,128)
Non-controlling interest	-	-
	(1,990,633)	(1,521,128)
<b>Total comprehensive income attributed to:</b>		
Members of EnviroMission Limited	19,784	(37,251)
Non-controlling interest	-	-
	19,784	(37,251)
<b>Earnings per share</b>		
Basic loss per share (cents)	(0.35)	(0.27)
Diluted loss per share (cents)	(0.35)	(0.27)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Consolidated Group	
	2017	2016
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3,487	92,488
Trade and other receivables	982,233	1,083,740
<b>TOTAL CURRENT ASSETS</b>	<u>985,720</u>	<u>1,176,228</u>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	34,482	46,878
Other non-current assets	17,365	16,451
Intangibles	1,166,278	1,174,253
<b>TOTAL NON-CURRENT ASSETS</b>	<u>1,218,125</u>	<u>1,237,582</u>
<b>TOTAL ASSETS</b>	<u><u>2,203,845</u></u>	<u><u>2,413,810</u></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	2,540,541	948,005
Deferred income	965,717	1,065,078
Borrowings	298,818	100,438
Provision	38,546	32,555
<b>TOTAL CURRENT LIABILITIES</b>	<u>3,843,622</u>	<u>2,146,076</u>
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	1,332	1,375
Borrowings	61,136	44,678
<b>TOTAL CURRENT LIABILITIES</b>	<u>62,468</u>	<u>46,053</u>
<b>TOTAL LIABILITIES</b>	<u><u>3,906,090</u></u>	<u><u>2,192,129</u></u>
<b>NET ASSETS</b>	<u><u>(1,702,245)</u></u>	<u><u>221,681</u></u>
<b>EQUITY</b>		
Issued capital	40,986,478	40,939,555
Reserves	299,384	279,600
Accumulated losses	(42,988,107)	(40,997,474)
<b>TOTAL EQUITY</b>	<u><u>(1,702,245)</u></u>	<u><u>221,681</u></u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017**

	Ordinary Share Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Total \$
<b>Consolidated Group</b>				
<b>Balance as at 1 July 2015</b>	39,432,556	(39,476,346)	316,851	273,061
Share issued during the year	1,506,999	-	-	1,506,999
Loss attributable to members of parent entity	-	(1,521,128)	-	(1,521,128)
Other comprehensive income for the year	-	-	(37,251)	(37,251)
<b>Balance at 30 June 2016</b>	<b>40,939,555</b>	<b>(40,997,474)</b>	<b>279,600</b>	<b>221,681</b>
<b>Balance as at 1 July 2016</b>	40,939,555	(40,997,474)	279,600	221,681
Share issued during the year	46,923	-	-	46,923
Loss attributable to members of parent entity	-	(1,990,633)	-	(1,990,633)
Other comprehensive income for the year	-	-	19,784	19,784
<b>Balance at 30 June 2017</b>	<b>40,986,478</b>	<b>(42,988,107)</b>	<b>299,384</b>	<b>(1,702,245)</b>

---

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

---

	<b>Consolidated 2017 \$</b>	<b>Consolidated 2016 \$</b>
<b>Net cash flows from operating activities</b>		
Interest income	5	274
Development right fees received	66,786	293,449
Payments to suppliers & employees	(410,955)	(1,819,798)
Interest paid	-	(1)
Net cash outflow from operating activities	<u>(344,164)</u>	<u>(1,526,076)</u>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	46,923	1,007,000
Proceeds from borrowings	218,591	100,000
Repayment of borrowings	(9,195)	(12,709)
Net cash inflow from financing activities	<u>256,319</u>	<u>1,094,291</u>
<b>Net increase in cash and cash equivalents</b>	(87,845)	(431,785)
Cash and cash equivalents at the beginning of the financial year	92,488	609,150
Effects of exchange rate changes on the balance of cash and cash	(1,156)	(84,877)
Cash and cash equivalents at the end of the financial year	<u>3,487</u>	<u>92,488</u>
<b>Notes to the condensed consolidated statement of cash flows</b>		
<b>Reconciliation of cash</b>		
Cash on hand and at bank	<u>3,487</u>	<u>92,488</u>

## SEGMENT INFORMATION

The Company has one business segment, being the development of Solar Towers as a source of renewable energy and currently operates in two geographical segments, Australia and the United States of America.

## ACCUMULATED LOSSES

	Consolidated Group	
	2017 \$	2016 \$
Accumulated losses at beginning of the financial period	(40,997,474)	(39,476,347)
Net loss attributable to members	(1,990,633)	(1,521,128)
Accumulated losses at end of financial period	<u>(42,988,107)</u>	<u>(40,997,474)</u>

## EARNINGS PER SHARE

Loss used to calculate basic and dilutive EPS	(1,990,633)	(1,521,128)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	563,362,744	555,829,353
Weighted average number of dilutive options outstanding	-	-
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted EPS	<u>563,362,744</u>	<u>555,829,353</u>
Basic earnings/(loss) per share (cents)	(0.35)	(0.27)
Diluted earnings/(loss) per share (cents)	(0.35)	(0.27)

## Potential ordinary shares not considered dilutive

At 30 June 2016, the Company had on issue 72,775,000 unlisted options over unissued capital and had incurred a net loss of \$1,990,633 (2016: \$1,521,128). Unlisted options are not considered dilutive and have not been included in the calculations of diluted earnings per share.

## NET TANGIBLE ASSET BACKING

Net tangible asset backing per ordinary share at 30 June 2017, 0.095 cents, and at previous corresponding period, 0.171 cents.

**EVENTS SUBSEQUENT TO REPORTING DATE**

There have been no events subsequent to 30 June 2017 that have had a material effect on the Company that have not been disclosed to ASX via company announcements.

**COMPLIANCE STATEMENT**

The financial information provided in the Appendix 4E is based on the annual financial report, which is being prepared in accordance with Australian accounting standards or standards acceptable to ASX.

This report and the accounts upon which the report is based use the same accounting policies.

This report does give a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited, this Appendix 4E has not been subjected to audit.

The financial report is not likely to be the subject of dispute or qualification.



Signed: .....

Roger C. Davey  
Director

Melbourne, 31 August 2017