

D3 ENERGY LIMITED

ACN 649 276 808

AND ITS CONTROLLED ENTITY

INTERIM FINANCIAL REPORT

For the period ended 31 December 2023

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CORPORATE INFORMATION

This financial report includes the financial statements and notes on the consolidated entity (referred to hereafter as the “consolidated entity” or “group”) consisting of D3 Energy Limited (“D3 Energy” or “the Company”) and its subsidiary. The Company’s functional and presentation currency is AUD (\$).

A description of the Company’s operations and of its principal activities is included in the review of operations and activities in the Directors’ report. The Directors’ report is not part of the financial report.

Directors

Mr Gregory Columbus – Non-Executive Chairperson

Mr David Casey – Director

Mr Matthew Worner – Director

Company Secretary

Mr Cameron O’Brien

Registered Office & Principal Place of Business

Level 14, 234 George Street

Sydney, NSW, 2000

Share Registry

Automic Registry Services

Level 5, 191 St Georges Terrace

Perth WA 6000

Telephone: +1300 288 664

Auditors

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2

5 Spring Street

Perth WA 6000

Bankers

Westpac Banking Corporation

Level 13, 109 St Georges Terrace

Perth WA 6000

Solicitors

Poplar Legal

1202 Hay Street

West Perth WA 6005

DIRECTORS' REPORT

The Directors present the following report on the consolidated entity (referred to hereafter as the “consolidated entity” or “group”) consisting of D3 Energy Limited (“D3” or “the Company”) and its subsidiary for the period ended 31 December 2023.

Directors

The persons who were Directors of D3 Energy Limited during the reporting period and up to the date of this report are:

NAME		APPOINTMENT/RESIGNATION DATE
Mr David Casey	Managing Director/ Chief Executive Officer	Appointed on 07 April 2021
Mr Matthew Worner	Executive Director	Appointed on 07 April 2021
Mr Gregory Columbus	Non-Executive Chairman	Appointed on 07 April 2021
Mr Cameron O'Brien	Company Secretary/ Chief Financial Officer	Appointed on 07 April 2021

Principal Activities

During the period the Group identified several prospective tenements to target for acquisition.

Dividends

There were no dividends paid or proposed during the period.

Review of Operations

The company was incorporated on 28 January 2021, and the Statement of Profit or Loss and other Comprehensive Income shows the Group's operating loss for the period ended 31 December 2023 was \$1,108,943 (2022: loss of \$453,375).

Significant Change in State of Affairs

There were no other significant changes in the state of affairs of the company during the financial period.

Matters Subsequent to Reporting Date

The Company lodged a prospectus dated 5 March 2024 (as supplemented by a supplementary prospectus dated 10 April 2023) with ASIC. The initial public offer included 50,000,000 fully paid ordinary shares at an issue price of \$0.20 per Share to raise \$10,000,000 before costs. The offer also included 5,600,000 Management Options, 8,820,000 performance rights to be issued to directors, management and consultants and employees of the Company and 4,000,000 adviser options to be issued to the Pelton Capital Pty Ltd.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental Regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

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 on the page following this Directors' Report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of Directors

A handwritten signature in black ink, appearing to be 'David Casey', with a stylized, overlapping loop structure.

David Casey

Director

Perth, 03 May 2024

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF D3 ENERGY LIMITED

As lead auditor for the review of D3 Energy Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of D3 Energy Limited and the entity it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 3 May 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of D3 Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of D3 Energy Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty relating to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group'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 a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

The image shows a handwritten signature in dark ink. The signature appears to be 'J Prue' written in a cursive, flowing style. Above the signature, the letters 'BDO' are handwritten in a simple, blocky font.

Jarrad Prue

Director

Perth, 3 May 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 31 December 2023

		Period ended 31 December 2023 \$	Period ended 31 December 2022 \$
	Note		
Revenue from continuing operations			
Interest received & other income		10,697	12,889
Administration expenses		(179,246)	(35,066)
Public company expenses	2	(413,716)	(87,843)
Exploration expenses	2	(356,545)	(303,050)
Employee benefit expenses		(170,133)	(40,185)
Interest expense		-	(120)
Loss before income tax		(1,108,943)	(453,375)
Income tax expense		-	-
Loss after income tax		(1,108,943)	(453,375)
Other Comprehensive Income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange difference on translation of foreign operations		(94,429)	(4,970)
Other comprehensive loss for the period, net of tax		(94,429)	(4,970)
Total comprehensive loss for the period		(1,203,372)	(458,345)
Total comprehensive loss is attributable to:			
Owners of D3 Energy Limited		(1,203,372)	(458,345)
Loss per share from continuing operations attributable to the ordinary equity holders of D3 Energy Limited			
Basic and diluted profit/(loss) per share (cents)		(1.92)	(2.00)

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

	Note	31 December 2023 \$	30 June 2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	1,270,095	1,885,105
Trade and other receivables	6	206,786	659,885
Total current assets		1,476,881	2,544,990
Non-current assets			
Property, plant and equipment		45,053	39,028
Exploration and evaluation expenditure	7	4,485,427	4,584,098
Total non-current assets		4,530,480	4,623,126
TOTAL ASSETS		6,007,361	7,168,116
LIABILITIES			
Current liabilities			
Trade and other payables	8	155,657	113,040
Consideration payable	9	1,714,576	1,714,576
Total current liabilities		1,870,233	1,827,616
Non-current liabilities			
Total non-current liabilities		-	-
TOTAL LIABILITIES		1,870,233	1,827,616
NET ASSETS		4,137,128	5,340,500
EQUITY			
Issued capital	10	7,708,710	7,708,710
Reserves		(442,051)	(347,622)
Accumulated losses		(3,129,531)	(2,020,588)
TOTAL EQUITY		4,137,128	5,340,500

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2023

	Issued Capital	Foreign Currency Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2023	7,708,710	(347,622)	(2,020,588)	5,340,500
Total comprehensive income for the period				
Loss for the period	-	-	(1,108,943)	(1,108,943)
Other comprehensive loss for the period, net of tax	-	(94,429)	-	(94,429)
Total comprehensive income/(loss) for the period	-	(94,429)	(1,108,943)	(1,203,372)
Transactions with owners, recorded directly in equity				
Issue of shares, net of costs (note 10)	-	-	-	-
Balance at 31 December 2023	7,708,710	(442,051)	(3,129,531)	4,137,128

	Issued Capital	Foreign Currency Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2022	4,055,085	-	(596,366)	3,458,719
Total comprehensive income for the period				
Loss for the period	-	-	(453,375)	(453,375)
Other comprehensive loss for the period, net of tax	-	-	(4,970)	(4,970)
Total comprehensive income/(loss) for the period	-	-	(458,345)	(458,345)
Transactions with owners, recorded directly in equity				
Issue of shares, net of costs	3,653,625	-	-	3,653,625
Balance at 31 December 2022	7,708,710	-	(1,054,711)	6,653,999

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Payments to suppliers and employees		(267,379)	(230,661)
Interest received		10,696	12,889
Payment for exploration and evaluation expenditure		(356,544)	(308,021)
Net cash outflow from operating activities		(613,227)	(525,793)
Cash flows from investing activities			
Payment for acquisition of projects		-	(3,172,319)
Payment for property, plant and equipment		(1,783)	(38,915)
Net cash outflow from investing activities		(1,783)	(3,211,234)
Cash flows from financing activities			
Proceeds from share issue (net of costs)		-	3,653,625
Net cash inflow from financing activities		-	3,653,625
Net increase/(decrease) in cash and cash equivalents		(615,010)	(83,402)
Cash and cash equivalents at beginning of the financial period		1,885,105	3,534,587
Cash and cash equivalents at end of the period	5	1,270,095	3,451,185

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

1. Summary of significant accounting policies

(a) Basis of preparation

These general purpose interim financial statements for the 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. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the period ended 30 June 2023 and any public announcements made by D3 Energy Limited during the half year 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, unless otherwise stated.

New and amended standards adopted by the entity

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Statement of Compliance

The interim financial statements were authorised for issue on 03 May 2024.

(b) Use of estimates and judgements

The significant accounting judgements, estimates and assumptions adopted in the half-year financial report are consistent with those applied in the preparation of the Group's annual report for the period ended 30 June 2023.

(c) Going concern

The half-year financial report has been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

As an Oil and Gas explorer, the Group does not generate cash flows from operating activities to finance these activities. As a consequence, the ability of the Group to continue as a going concern is dependent on the success of capital fundraising or other financing opportunities. For the half-year ended 31 December 2023 the Group recorded a loss before tax of \$1,108,943 (2022: \$453,375) and had net cash outflows from operating activities of \$613,227 (2022: \$525,793). These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The ability of the Group to continue as a going concern is dependent on securing additional funding and/or from asset sales in order for the Group to continue to fund its operational activities.

Notwithstanding this, the Directors believe that they will be able to raise additional capital as required and are continually evaluating the Group's cash requirements. The Directors believe that the Group will continue as a going concern. As a result, the financial report has been prepared on a going concern basis. However, should the Group be unsuccessful in undertaking additional fundraising or any alternative financing opportunities, the Group may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of the assets and liabilities that might be necessary should the Group not continue as a going concern.

Should the going concern basis not be appropriate, the Group may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

2. Material profit and loss items for the period

Profit/(Loss) for the period includes the following items:

	2023 \$	2022 \$
Public company expenses:		
Audit and Legal Fees	104,736	15,450
Consulting Fees	87,868	27,211
Insurance	134,001	-
Travel	66,381	34,124
Other public company expenses	20,730	11,058
Total public company expenses	413,716	87,843
Exploration expense:		
Exploration expenses	356,545	303,050
Total exploration expenses	356,545	303,050

3. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and share data used in the total operation's basic earnings per share computations:

Basic and diluted profit/(loss) per share	2023 \$	2022 \$
Loss used to calculate basic and diluted profit/(loss) per share	(1,203,372)	(458,345)
Basic and diluted profit/(loss) per share from continuing operations (cents per share)	(1.92)	(2.00)
Weighted average number of ordinary shares	2023 No.	2022 No.
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	62,578,906	22,830,944

Diluted earnings per share are not disclosed because potential ordinary shares, being options granted, are not dilutive and their conversion to ordinary shares would not demonstrate an inferior view of the earnings performance of the Company.

4. Dividends paid or proposed

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

5. Cash and cash equivalents

	31 December 2023	30 June 2023
	\$	\$
Current		
Cash at bank and in hand	1,270,095	1,885,105
Total cash and cash equivalents	1,270,095	1,885,105

Cash at bank and in hand earns interest at both floating rates based on daily bank rates.

Non-cash investing activities

No non-cash investing activities during the period.

6. Trade and other receivables

	31 December 2023	30 June 2023
	\$	\$
Current		
Prepayments	2,635	2,635
Other Debtors ¹	-	513,365
GST Receivable	204,151	143,885
Total Trade and Other Receivables	206,786	659,885

¹ Other Debtors balance relates to cash in transit between D3 Energy and its subsidiary at period end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

7. Exploration and evaluation expenditure

	31 December 2023	30 June 2023
	\$	\$
Opening balance	4,584,097	-
Acquisition costs of Motuoane Energy Pty Ltd ⁽ⁱ⁾	-	4,885,029
FX revaluation reserve	(98,670)	(300,931)
Total exploration and evaluation expenditure	4,485,427	4,584,098

(i) Tenement acquisition

In October 2022, D3 Energy Limited issued 21,053,900 ordinary shares at an issue price of \$0.16 each, in consideration for the acquisition of Motuoane Energy Pty Ltd. With deferred consideration of 3,216,100 shares and 7,500,000 Performance shares to be issued. The 3,216,100 deferred consideration shares have been fair valued at \$0.16 per share with a total value of 514,576. The Company has assumed there is a more probable than not assessment of reaching milestone of the performance shares. The 7,500,000 performance shares have a been fair valued at \$0.16 per share, with a total value of \$1,200,000.

TRANCHE	Allotment	No. of Performance Rights	Vesting Condition to convert into one share in the Company per Performance Right	Expiry Date	Vested (Yes/No)
Tranche A	On IPO	2,500,000	Performance Rights will vest upon a successful well test being completed on the Permit which either: A. Flows at not less than 75mscf/d for a period of 5 consecutive days; or B. Tests Gas with helium of not less the 5%	4 years from Allotment	Yes
Tranche B	On IPO	2,500,000	Performance Rights will vest upon independent certification of a 2C Contingent Resource of not less than 100Bcf of gas on the Permit	4 years from Allotment	Yes
Tranche C	On IPO	2,500,000	Performance Rights will vest upon cumulative Gas sales from the Permit on not less than US\$25,000 being achieved	4 years from Allotment	No

For asset acquisitions settled via share-based payment arrangements, the Group measures the cost of the asset at the fair value of the asset acquired, or if this cannot be determined, at the fair value of the equity instruments. Consideration settled via issue of shares has been accounted under AASB 2 Share-based Payment.

Given the nature of the assets acquired, the fair value of the assets was unable to be determined and the transactions were recorded at the fair value of the equity instruments granted at acquisition date.

The total of \$4,885,030 pertaining to the value of shares and performance shares issued has been capitalised to the area of interest in accordance with applicable accounting standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

8. Trade and other payables

	31 December 2023	30 June 2023
	\$	\$
Current		
Trade Creditors	80,082	18,138
GST/VAT Payable	18,286	18,454
Other Payables	57,289	76,448
	155,657	113,040

9. Consideration Payable

	31 December 2023	30 June 2023
	\$	\$
Current		
Deferred consideration ¹	1,714,576	1,714,576
	1,714,576	1,714,576

¹ Refer to Note 7 for additional information

10. Issued capital (a) Issued and fully paid

	31 December 2023		30 June 2023	
	\$	No.	\$	No.
Ordinary shares	7,708,710	62,578,906	7,708,710	62,578,906
	7,708,710	62,578,906	7,708,710	62,578,906

(b) Movement reconciliation

Ordinary Shares	No. of Shares	\$
Opening Balance at 1 July 2022	17,400,100	4,055,085
Issue of seed capital – Oct 2022	24,124,906	510,207
Acquisition of Motuoane Energy Pty Ltd – Nov 2022	21,053,900	3,368,624
Share issue costs	-	(225,206)
Closing Balance at 30 June 2023	62,578,906	7,708,710
Ordinary Shares	No. of Shares	\$
Opening Balance at 1 July 2023	62,578,906	7,708,710
Closing Balance at 31 December 2023	62,578,906	7,708,710

The share capital of the Group as at 31 December 2023 was 62,578,906 ordinary shares.

(c) Terms and conditions of issued capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Group, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

11. Financial instruments

Financial risk management

The Group's activities expose it to a variety of financial risks including market risk (interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments; however the Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and aging analysis for credit risk.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external and internal advisors. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Group.

(a) Market risk

(i) Interest Rate Risk

The Group hold cash at bank with variable interest rates. The interest rate is low and changes in the interest rates will have minimal impact to the Group.

(ii) Foreign exchange risk

The Group operated predominantly in Australia in the period ended 31 December 2023 and had minimal exposure to foreign exchange risk.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis. The Company does not have any significant credit risk exposure to a single counterparty or any Group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the fair value of any collateral or other security obtained.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings:

	31 December 2023	30 June 2023
	\$	\$
Cash and cash equivalents AA-	1,270,095	1,885,105
Total	1,270,095	1,885,105

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

11. Financial instruments (continued)

(c) Maturity analysis of financial liabilities

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As at reporting date the Group had sufficient cash reserves to meet its requirements. The Group therefore had no credit standby facilities or arrangements for further funding in place.

The financial liabilities of the Group at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments. The Group does not consider this to be material to the Group and have therefore not undertaken any further analysis of risk exposure.

31 December 2023 Contractual maturities of financial liabilities	Less than 6 months	1 year or less	Over 1 to 5 years	More than 5 years	Over 5 years	Total contractual cash flows	Carrying amount of liabilities
Financial liabilities							
Trade payables	80,082	-	-	-	-	80,082	80,082
Other payables	75,575	-	-	-	-	75,575	75,575
Total financial liabilities	155,657	-	-	-	-	155,657	155,657

30 June 2023 Contractual maturities of financial liabilities	Less than 6 months	1 year or less	Over 1 to 5 years	More than 5 years	Over 5 years	Total contractual cash flows	Carrying amount of liabilities
Financial liabilities							
Trade payables	29,464	-	-	-	-	29,464	29,464
Other payables	83,576	-	-	-	-	83,576	83,576
Total financial liabilities	113,040	-	-	-	-	113,040	113,040

12. Operating segments

Operating segments that meet the quantitative criteria of AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to the users of the financial statements.

The Group operates within the mineral exploration industry within South Africa.

The Group determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Board of Directors currently receive Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards.

The Statement of Financial Position and Statement of Comprehensive Income information received by the Board of Directors does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information. Based on this criterion, the Group has only one operating segment, being exploration, and the segment operations and results are the same as the Group results.

13. Commitments and contingent liabilities

Since the last annual reporting date, there has not been a material change to commitments or contingencies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2023

14. Related party disclosure

(a) Parent entity

D3 Energy Limited is the ultimate Australian parent entity.

(b) Subsidiary

The consolidated financial statements include the financial statements of D3 Energy Limited and the subsidiary listed in the following table.

	Country of Incorporation	31 December 2023 % Equity Interest	30 June 2023 % Equity Interest	Principal Activity
Motuoane Energy Proprietary Limited	Republic of South Africa	100	100	Holding Subsidiary

(c) Key management personnel compensation

	2023 \$	2022 \$
Short-term employee benefits	125,000	36,000
Post-employment long term benefits	13,750	3,780
Long term benefits (annual leave and long service leave)	-	-
Share based payments	-	-
Total	138,750	39,780

15. Events after the reporting date

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly

The Company lodged a prospectus dated 5 March 2024 (as supplemented by a supplementary prospectus dated 10 April 2023) with ASIC. The initial public offer included 50,000,000 fully paid ordinary shares at an issue price of \$0.20 per Share to raise \$10,000,000 before costs. The offer also included 5,600,000 Management Options, 8,820,000 performance rights to be issued to directors, management and consultants and employees of the Company and 4,000,000 adviser options to be issued to the Pelton Capital Pty Ltd.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future years.

DIRECTORS' DECLARATION

The directors of the Company declare that:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
 - (ii) giving a true and fair view of the financial position as at 31 December 2023 and the performance for the half year ended 31 December 2023.
- (b) At the date of this statement there are reasonable grounds to believe that D3 Energy Limited will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



David Casey

Director

Perth, 03 May 2024