

APPENDIX 4D

Australian Securities Exchange Half-Year Report

Name of Entity	Carnegie Clean Energy Limited
ABN	69 009 237 736
Reporting Period	31 December 2021
Previous Corresponding Reporting Period	31 December 2020

Results for Announcement to the Market

	\$	Percentage increase / (decrease) over previous corresponding period
Revenue from Ordinary activities	242,056	52.7%
Profit / (loss) from ordinary activities after tax attributable to members	(1,187,658)	7.0%
Net profit / (loss) for the period attributable to members	(1,172,716)	(3.0)%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	nil	n/a
Interim Dividend	nil	n/a
Record date for determining entitlements to the dividends (if any)	n/a	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood: n/a		

Dividends

Date the dividend is payable	n/a
Record date to determine entitlement to the dividend	n/a
Amount per security	n/a
Total Dividend	nil
Amount per security of foreign sourced dividend or distribution	n/a
Details of any dividend reinvestment plans in operation	There is no dividend reinvestment plan.
The last date for receipt of an election notice for participation in any dividend reinvestment plans	n/a

Net Tangible Asset Backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security (cents per share)	0.05 cent	0.03 cent

Control Gained over Entities having a Material Effect

Name of Entity (or group of entities)	n/a
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Gain of Control of Entities having a Material Effect

Name of Entity (or group of entities)	n/a
Date of the gain of control	n/a
The contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	
n/a	

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit/(Loss)	
	Current Period	Previous Period	Current Period	Previous Period

Foreign Entities Accounting Framework

International Financial Reporting Standards

Audit/Review Status

This report is based on accounts to which one of the following applies: (Mark with "YES" or "NO")			
The accounts have been audited	No	The accounts have been subject to review	Yes
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:			
Not Applicable			

Print name: Grant Mooney
Company Secretary
Date: 24 February 2022

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CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
AND CONTROLLED ENTITIES

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
31 DECEMBER 2021

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CARNEGIE CLEAN ENERGY LIMITED

ABN 69 009 237 736

AND CONTROLLED ENTITIES

DIRECTORS' REPORT

31 DECEMBER 2021

The Directors present their report together with the interim condensed consolidated financial statements of Carnegie Clean Energy Limited ("the Company", or "Carnegie") and its controlled entities, ("the Consolidated Group", or "Group") for the half-year ended 31 December 2021.

DIRECTORS

The names of Directors who held office during or since the end of the half-year:

Mr Terry Stinson	(Chairman)
Mr Michael Fitzpatrick	(Non-Executive Director)
Mr Grant Mooney	(Non-Executive Director)
Mr Anthony Shields	(Non-Executive Director)

Directors were in office for the entire period and up to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Group during the period was the development of the CETO Wave Energy Technology.

OPERATING RESULTS

The net loss after tax of the Consolidated Group for the half year ended 31 December 2021 amounted to \$1,172,716 (2020: net loss \$1,208,997).

REVIEW OF OPERATIONS

During the period to 31 December 2021, the Consolidated Group's activities included the following:

Product Development

- Carnegie completed the CETO Digital Development Pathway which included advancing innovation opportunities capable of improving the performance of CETO through greater energy capture, more efficient conversion into electricity, higher system reliability, and reduction in cost. Significant progress was made on the development of Carnegie's Intelligent Control products, power take-off system and hydrodynamic simulations supporting the advancement of the CETO architecture. The technical and commercial progress achieved during the CETO Digital Development Pathway supported the Company's successful selection as a Contractor for Phase 1 of the EuropeWave Pre-Commercial Procurement (PCP).
- New products have been developed and external funding and support has been awarded to Carnegie's product development activities including:
 - In December 2021, CETO Wave Energy Ireland Limited, a wholly owned subsidiary of Carnegie Clean Energy, was selected to receive a Phase 1 contract under the EuropeWave Pre-Commercial Procurement (PCP) programme which aims to support promising wave energy converter systems. CETO Wave Energy Ireland will be paid €291k (A\$463k) to deliver required Phase 1 activities including tank testing and delivering a CETO concept design for potential deployment at the open-water facilities of the Biscay Marine Energy Platform (BiMEP) in the Basque Country and the European Marine Energy Centre (EMEC) in Scotland in Phase 3.

CETO Wave Energy Ireland Limited will deliver Phase 1 of the PCP, which runs from January to June 2022, with the support of an impressive team including SAITEC Offshore Technologies, Yavin Four Consultants, DNV UK Ltd, IHCantabria and Julia F. Chozas Consulting Engineer. Following the conclusion of Phase 1, another rigorous selection process will be conducted, with five of the seven contractors selected to proceed to Phase 2, and subsequently three contractors will be selected for the third and final deployment phase.

DIRECTORS' REPORT
31 DECEMBER 2021

REVIEW OF OPERATIONS (continued)
Product Development (continued)

- o Carnegie launched MoorPower, a CETO derived wave energy product designed for moored vessels which offers a solution to the challenge of securing clean and reliable energy for offshore activities, reducing reliance on diesel generation. Funding of \$1.35m was awarded from the Blue Economy Cooperative Research Centre (CRC) to deliver a Moor Power Scaled Demonstrator Project. Over the 2 years of this Project, Carnegie will design, install and operate a scaled demonstrator of the MoorPower technology offshore from its headquarters and research facility in North Fremantle, Western Australia.

The Project will be delivered in collaboration with a consortium of partners including two of Australia's largest aquaculture companies, Huon Aquaculture and Tassal Group. Additional industry and academic partners include DNV GL Australia, Advanced Composite Structures Australia, University of Tasmania, Climate KIC/Australian Ocean Energy Group, AMC Search and University of Queensland. This \$3.4m Project is supported by \$1.35m cash from the Blue Economy CRC and \$265,000 cash from Carnegie with the balance of funding provided as in kind-support from all the project partners.

Garden Island Microgrid

- Carnegie's Garden Island Microgrid asset, a 2MW solar array with a 2MW/0.5MWh battery energy storage system, continues to operate and provide clean, reliable energy to HMAS Stirling, Australia's largest naval base. Department of Defence purchases all the power produced by the plant under Carnegie's Power Supply Agreement.

Corporate

- Carnegie received a research and development tax incentive cash rebate from the Australian Tax Office of \$106,565 in relation to eligible research and development expenditure incurred in the year ended 30 June 2020.
- Carnegie held its Annual General Meeting on 23 November 2021. All resolutions were passed on a poll.

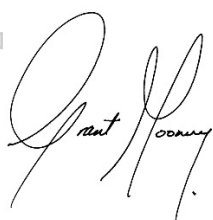
SIGNIFICANT EVENTS SUBSEQUENT TO THE HALF-YEAR END

There has been no additional matter or circumstance that has arisen after balance date that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half year ended 31 December 2021 has been received and can be found on page 5.

Signed on 24th February 2022 in accordance with a resolution of the Board of Directors.



GRANT MOONEY
Director



TERRY STINSON
Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Carnegie Clean Energy Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
24 February 2022

N G Neill
Partner

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CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	Consolidated Group	
		31.12.2021	31.12.2020
		\$	\$
Revenue			
Sales revenue	3	226,797	(243)
		<u>226,797</u>	<u>(243)</u>
Other income			
Cash flow boost		-	50,000
Net gain/(loss) on disposal of fixed assets		(2,498)	20,620
Other sundry income	3	17,756	88,142
		<u>15,258</u>	<u>158,762</u>
Expenses			
Depreciation and amortisation expense	4	(140,419)	(242,031)
Employee and directors' expenses		(390,195)	(274,167)
Employee share-based payments		(560,515)	(69,117)
Finance costs		-	(113,309)
Professional fees		(68,159)	(53,616)
Occupancy and administrative expenses		(270,512)	(149,151)
Impairment expense		-	(366,607)
Other expenses from ordinary activities		87	-
Total expenses		<u>(1,429,713)</u>	<u>(1,267,998)</u>
Loss before income tax		(1,187,658)	(1,109,478)
Income tax benefit/(expense)		-	-
Loss for the period from continuing operations		<u>(1,187,658)</u>	<u>(1,109,478)</u>
Profit/(Loss) from discontinued operations	15	14,942	(99,519)
Net Loss for the period		<u>(1,172,716)</u>	<u>(1,208,997)</u>
Other comprehensive income			
Exchange differences on translating foreign controlled entities		(2,789)	(741)
Total comprehensive loss for the period		<u>(1,175,505)</u>	<u>(1,209,738)</u>
<i>Total comprehensive income/(loss) attributable to:</i>			
Members of the parent entity		<u>(1,175,505)</u>	<u>(1,209,738)</u>
Earnings per share from continuing operations			
Basic loss per share (cents per share)		(0.008)	(0.010)
Diluted loss per share (cents per share)		(0.008)	(0.010)
Earnings per share from discontinued operations			
Basic loss per share (cents per share)		(0.000)	(0.001)
Diluted loss per share (cents per share)		(0.000)	(0.001)

The accompanying notes form part of these financial statements.

CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	Consolidated Group	
		31.12.2021	30.06.2021
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		4,695,577	3,633,171
Trade and other receivables	6	64,776	1,398,847
TOTAL CURRENT ASSETS		4,760,353	5,032,018
NON-CURRENT ASSETS			
Trade and other receivables	6	539,703	539,336
Other financial assets		12,414	12,414
Property, plant and equipment	7	2,075,924	2,092,948
Leased assets – right of use	5	-	39,940
Intangible assets		14,518,366	14,274,621
TOTAL NON-CURRENT ASSETS		17,146,407	16,959,259
TOTAL ASSETS		21,906,760	21,991,277
CURRENT LIABILITIES			
Trade and other payables	9	304,818	333,762
Short-term provisions		120,365	95,785
Lease liability	10	-	47,162
TOTAL CURRENT LIABILITIES		425,183	476,709
NON-CURRENT LIABILITIES			
Long-term provisions		54,983	68,233
TOTAL NON-CURRENT LIABILITIES		54,983	68,233
TOTAL LIABILITIES		480,166	544,942
NET ASSETS		21,426,594	21,446,335
EQUITY			
Issued capital	12	208,256,424	207,661,175
Reserves		1,510,696	962,970
Accumulated losses		(188,340,526)	(187,177,810)
TOTAL EQUITY		21,426,594	21,446,335

The accompanying notes form part of these financial statements.

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CARNEGIE CLEAN ENERGY LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED
31 DECEMBER 2021

Consolidated Group	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Option Reserve	Total
Balance at 1.7.2020	203,221,135	(186,245,965)	37,761	850,000	17,862,931
Comprehensive loss					
Loss for the period	-	(1,208,997)	-	-	(1,208,997)
Other comprehensive loss	-	-	(741)	-	(741)
Total comprehensive loss for the period	-	(1,208,997)	(741)	-	(1,209,738)
Transactions with owners					
Shares issued for interest on convertible notes for the period to 24 Nov 2020	69,967	-	-	-	69,967
Accrual for share issue for interest on convertible notes to 31 Dec 2020	43,341	-	-	-	43,341
Share-based payment expense	-	-	-	69,117	69,117
Total transactions with owners	113,308	-	-	69,117	182,425
Balance at 31.12.2020	203,334,443	(187,454,962)	37,020	919,117	16,835,618
Balance at 1.7.2021					
Comprehensive loss	207,661,175	(187,177,810)	37,087	925,883	21,446,335
Loss for the period	-	(1,172,716)	-	-	(1,172,716)
Other comprehensive loss	-	-	(2,789)	-	(2,789)
Total comprehensive loss for the period	-	(1,172,716)	(2,789)	-	(1,175,505)
Transactions with owners					
Expired options	-	10,000	-	(10,000)	-
Share issued from exercise of options	600,000	-	-	-	600,000
Share issue costs	(4,751)	-	-	-	(4,751)
Share-based payment expense	-	-	-	560,515	560,515
Total transactions with owners	595,249	10,000	-	550,515	1,155,764
Balance at 31.12.2021	208,256,424	(188,340,526)	34,298	1,476,398	21,426,594

The accompanying notes form part of these financial statements.

CARNEGIE CLEAN ENERGY LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
31 DECEMBER 2021

	Consolidated Group	
	31.12.2021	31.12.2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	249,478	(243)
Receipts from royalty sale	1,100,000	-
Interest received	7,596	3,260
Payments to suppliers and employees	(515,433)	(638,869)
Receipts from R&D Tax Rebate	106,575	749,938
Net cash provided by operating activities	948,216	114,086
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for development of asset	(791,178)	(191,604)
Receipts for development of asset	358,632	86,846
Purchase of property, plant and equipment	(1,351)	(71,680)
Proceeds from disposal of assets	-	22,589
Net cash used in investing activities	(433,897)	(153,849)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issue of shares	600,000	-
Share issue costs	(4,751)	-
Payments for leases	(47,162)	-
Net cash provided by financing activities	548,087	-
Net increase/(decrease) in cash held	1,062,406	(39,763)
Cash and cash equivalents at beginning of financial period	3,633,171	3,414,671
Cash and cash equivalents at end of financial period	4,695,577	3,374,908

The accompanying notes form part of these financial statements.

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CARNEGIE CLEAN ENERGY LIMITED
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AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These interim condensed financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'. The Consolidated Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This condensed half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, they cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Consolidated Group as in the full annual financial report.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by Carnegie Clean Energy Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

These interim financial statements were authorised for issue on 24 February 2022.

b) Basis of Preparation

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact of the new and revised standards effective 1 July 2021 outlined in Note 2.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing the interim financial statements, the significant judgements made by management in applying the Consolidated Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial report for the year ended 30 June 2021.

NOTE 2: NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

In the period ended 31 December 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Consolidated Group and mandatory for the current reporting period. As a result of this review the Directors have determined that there is no material impact on the group of the new Standards and Interpretations mandatory for the current reporting period and, therefore, no change is necessary to Consolidated Group accounting policies.

Standards and Interpretations in issue not yet effective

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet mandatory. As a result of this review the Directors have determined that there will be no material impact of the Standards and Interpretations in issue not yet mandatory and they have not been early adopted.

CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 3: REVENUE AND OTHER INCOME

	Consolidated Group	
	31.12.2021	31.12.2020
	\$	\$
<i>Sales revenue</i>		
Electricity sales	226,797	-
Labour Income adjustment	-	(243)
	<u>226,797</u>	<u>(243)</u>
<i>Other sundry income</i>		
Interest income	5,834	8,885
Returned bank guarantee	-	68,342
Sublease of office	7,705	10,915
Overseas consulting income	4,217	-
	<u>17,756</u>	<u>88,142</u>

NOTE 4: DEPRECIATION

	Consolidated Group	
	31.12.2021	31.12.2020
	\$	\$
Depreciation – property, plant and equipment	100,479	202,091
Depreciation – right of use asset	39,940	39,940
	<u>140,419</u>	<u>242,031</u>

NOTE 5: RIGHT-OF-USE ASSETS

	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
Cost	159,761	159,761
Accumulated depreciation	(159,761)	(119,821)
Closing balance at end of the period	<u>-</u>	<u>39,940</u>

	Consolidated Group	
	Half-year to 31.12.2021	Year to 30.06.2021
	\$	\$
Reconciliation - Premises		
Balance at the beginning of period	39,940	119,821
Depreciation expense	(39,940)	(79,881)
Closing Balance at end of the period	<u>-</u>	<u>39,940</u>

CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
Trade receivables	42,881	71,315
GST receivable	4,713	37,662
Prepayments	15,753	42,837
Other receivables	1,429	247,033
Receivable for sale of gold royalty rights	-	1,000,000
	64,776	1,398,847
NON-CURRENT		
Security deposits	539,703	539,336
	539,703	539,336

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

<i>Movements for the period</i>	Consolidated Group	
	Half-year to 31.12.2021	Year to 30.06.2021
	\$	\$
Balance at the beginning of period	2,092,948	2,357,941
Additions	83,455	143,505
Disposals	-	-
Depreciation expense	(100,479)	(408,498)
Carrying amount at the end of period	2,075,924	2,092,948

NOTE 8: INTANGIBLE ASSETS

a) Impairment on assets

	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
CETO Technology	-	(366,607)

b) Intangibles – CETO technology development asset

Opening Balance at beginning of period	14,274,621	14,590,973
Subsequent development expenditure – CETO Technology	503,779	1,181,316
Impairment expense (i)	-	(159,218)
Other grants received	(358,632)	(971,843)
R&D tax incentive	98,598	(366,607)
Balance as at the end of the period	14,518,366	14,274,621

(i) The impairment expense was recognised due to the Wave Hub project finalisation held in CETO Wave Energy UK Limited.

CARNEGIE CLEAN ENERGY LIMITED
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AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 9: TRADE AND OTHER PAYABLES

	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
Trade creditors	124,940	162,785
GST payable	27,212	-
Accruals	152,666	170,977
	304,818	333,762

NOTE 10: LEASE LIABILITY

	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
Current lease liability	-	47,162
Total lease liability	-	47,162

	Consolidated Group	
	Half-year to 31.12.2021	Year to 30.06.2021
	\$	\$
<i>Movements for the period</i>		
Opening balance at beginning of period	47,162	128,484
Principal repayments	(47,162)	(81,322)
Closing balance at end of period	-	47,162

As at 31 December 2021, the lease for the Company's offices expired and it reverted to a month by month lease. In January 2022, a lease extension was negotiated for 3 years and signed.

NOTE 11: BORROWINGS

a) Convertible notes

	Consolidated Group	
	31.12.2021	30.06.2021
	\$	\$
CURRENT		
March 2021 Convertible Notes (113 @ \$25,000 per note)	-	-
	-	-

	Consolidated Group	
	Half-year to 31.12.2021	Year to 30.06.2021
	\$	\$
Balance at the beginning of period	-	2,825,000
Conversion to equity during the period (i)	-	(2,825,000)
	-	-

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ABN 69 009 237 736
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 12: SHARE CAPITAL

	Consolidated Group	
	Half-year to 31.12.2021 No.	Year to 30.06.2021 No.
a. Ordinary shares number		
At the beginning of reporting period	14,702,573,710	11,141,452,450
Shares issued during the year	-	3,561,121,260
Options exercised during the year	400,000,000	-
At reporting date	15,102,573,710	14,702,573,710
	Consolidated Group	
	Half-year to 31.12.2021 \$	Year to 30.06.2021 \$
b. Ordinary shares \$		
At the beginning of reporting period	207,661,177	203,221,135
Shares issued during the year	-	4,440,042
Options exercised during the year (net of issue costs)	595,249	-
At the end of the financial period	208,256,424	207,661,177

NOTE 13: RELATED PARTY TRANSACTIONS

Company secretarial services have been provided by Mooney & Partners Pty Ltd, a company associated with Mr Grant Mooney during the period. These transactions were under normal commercial terms and the total fees paid were \$24,000 (2020: \$24,000).

Director Grant Mooney and Chief Executive Officer Jonathan Fievez jointly own solar energy microgrid operation and maintenance company EMC Asset Management Pty Ltd (EMCAM). EMCAM provides operation and maintenance services to Carnegie to maintain the Garden Island Solar Battery System. For the period, EMCAM was paid \$81,780 inclusive of GST for those services (2020: \$63,583).

NOTE 14: SHARE OPTIONS

166,000,000 options were issued during the half year to the CEO and other staff under the Company's Employee Incentive Plan. The following options are on issue at period:

	Consolidated Group	
	Half-year to 31.12.2021 \$	Year to 30.06.2021 \$
Opening balance 5,465,000,000 (30 June 2021: 2,805,000,000) options	925,883	850,000
Options issued	560,515	123,251
Options exercised	-	(32,357)
Options forfeited/expired	(10,000)	(15,011)
Closing balance 4,695,500,000 (30 June 2021: 3,105,000,000 options)	1,476,398	925,883

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 14: SHARE OPTIONS (continued)

For the options granted during the half-year ended 31 December 2021, the valuation model inputs used to determine the fair value at the grant date are outlined below:

Grant date	Expiry date	Share price at grant date (\$)	Exercise price (\$)	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date (\$)
13 Oct 2021	13 Oct 2024	0.002	0.0036	75%	0.00%	0.10%	\$105,000
23 Nov 2021	22 Nov 2024	0.003	0.0036	75%	0.00%	0.10%	\$520,000
15 Sep 2021	15 Sep 2023	0.003	0.0036	75%	0.00%	0.10%	\$17,600

The fair value of these options will be brought to account over the vesting period.

NOTE 15: PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

On 14 March 2019, Energy Made Clean Pty Ltd (EMC) was placed into voluntary administration. After holding meetings with creditors, the Administrators are taking steps to liquidate EMC. In addition, the loss from Northam Solar farm was also classified as a discontinued operation. On 28 October 2019 the Deed of Company Arrangement was effectuated, and debts and asset sales were moved to the creditors trust. The total amounts paid or received in this or prior year period relate to residual issues.

	Consolidated Group	
	31.12.2021	31.12.2020
	\$	\$
(Loss)/Profit for the financial year from discontinued operations	14,942	(99,519)
Profit/(Loss) from discontinued operations	14,942	(99,519)

NOTE 16: FAIR VALUE

The fair value of financial assets and liabilities measured at fair value on a non-recurring basis approximate their carrying amount at balance date.

NOTE 17: EVENTS SUBSEQUENT TO THE HALF-YEAR END

There has been no additional matter or circumstance that has arisen after balance date that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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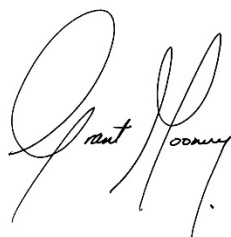
CARNEGIE CLEAN ENERGY LIMITED
ABN 69 009 237 736
AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 15, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards AASB 134: Interim Financial Reporting; and
 - b. give a true and fair view of the Consolidated Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



GRANT MOONEY
Director



TERRY STINSON
Chairman

Dated this 24th day of February 2022

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Carnegie Clean Energy Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Carnegie Clean Energy Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2021, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the consolidated group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) 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 responsibility for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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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 consolidated group's financial position as at 31 December 2021 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
24 February 2022



N G Neill
Partner

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