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**PARKWAY CORPORATE LIMITED**

**ABN 62 147 346 334**

**Half-Year Financial Report**

**31 December 2021**

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CORPORATE DIRECTORY

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**Directors**

Adrian Griffin  
Bahay Ozcakmak  
Alexander Cook  
Penelope Creswell

**Joint Company Secretary**

Amanda Wilton-Heald

**Registered and Principal Office**

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Sunshine North VIC 3020 AUSTRALIA  
Telephone (+61 8) 9479 5386  
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Email [ir@pwnps.com](mailto:ir@pwnps.com)

**Share Registry**

Advanced Share Registry  
150 Stirling Highway  
Nedlands WA 6009 AUSTRALIA  
Telephone (+61 8) 9389 8033  
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**Auditor**

Ernst & Young  
Ernst & Young Building  
11 Mounts Bay Road  
Perth WA 6000 AUSTRALIA  
Telephone (+61 8) 9429 2222  
Facsimile (+61 8) 9429 2436

**Stock Exchange Listing**

Parkway Corporate Limited shares are listed on the Australian Securities Exchange (ASX: PWN).

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**DIRECTORS' REPORT**

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The Directors submit their report on Parkway Corporate Limited (the "Company") and the entities it controls ("Consolidated Entity" or "Group") for the half-year ended 31 December 2021.

**Directors**

The names of the Company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Adrian Griffin (Non-executive Chairman)

Bahay Ozcakmak (Group Managing Director & CEO)

Alexander Cook (Executive Director & Joint Company Secretary) – appointed 26 October 2021

Penelope Creswell (Non-executive Director) – appointed 26 October 2021

Patrick Power (Non-executive Director) – resigned 26 October 2021

Richard Beresford (Non-executive Director) – resigned 16 December 2021

**Names, qualifications, experience and special responsibilities**

Adrian Griffin *Non-Executive Chairman*

Adrian Griffin, an Australian-trained mining professional, has had exposure to metal mining and processing worldwide during a career spanning more than three decades. A pioneer of the lateritic nickel processing industry, he has helped develop extraction technologies for a range of minerals over the years. Today, Adrian specialises in mine management and production. He was a founding director and executive of Washington Resources Limited and also a founding director of Empire Resources Limited and Ferrum Crescent Limited. Mr Griffin was also a founding director of ASX-listed Northern Minerals Limited and Reedy Lagoon Corporation Limited. He is also managing director of ASX-listed Lithium Australia NL.

*Other listed company directorships during the last 3 years:*

Northern Minerals Ltd (Director June 2006 – November 2020), Lithium Australia NL (Director February 2011 – Present) and Reedy Lagoon Corporation Limited (Director June 2014 – Present).

Bahay Ozcakmak *Group Managing Director & CEO*

Mr Bahay Ozcakmak is the founder of Activated Water Technologies Pty Ltd and the CEO of its parent company, Consolidated Potash Corporation Ltd. In addition to two decades of successful technology commercialisation experience, Mr Ozcakmak has extensive corporate development expertise, including M&A in the energy and mining sectors, where he has led the successful acquisition of several flagship projects and major corporate transactions, particularly with listed companies.

Mr Ozcakmak has broad corporate experience ranging from corporate strategy development through to CEO and director level roles in the energy and mining sectors. Recent experience with resources companies have focused on gold, copper, nickel, cobalt, lithium, potash and uranium projects. Mr Ozcakmak has held directorships with several private and public companies in Australia, Europe and North America and is currently a director of several private companies.

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DIRECTORS' REPORT

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*Other listed company directorships during the last 3 years:*

TSX Venture exchange listed: Lions Bay Capital Inc. (Director May 2018 – October 2019), Fidelity Minerals Corp. (Director June 2019 – March 2021).

Alexander Cook *Executive Director & Joint Company Secretary* (appointed 26 October 2021)

Mr Alexander Cook is an experienced commercial lawyer, with both top tier law firm and in-house legal experience. Alexander started his legal career at King & Wood Mallesons and since that time has held various senior in-house legal roles at ASX-listed companies in the mining & resources and industrial services industries. Alexander was first admitted to practice as a Solicitor of the Supreme Court of Victoria and High Court of Australia on 14 October 2014.

Mr Cook was appointed General Counsel of Parkway on 5 July 2021. Mr Cook was separately appointed Joint Company Secretary and Executive Director of Parkway on 26 October 2021.

*Other listed company directorships during the last 3 years:*

None.

Penelope Creswell *Non-executive Director* (appointed 26 October 2021)

Ms Creswell is a highly experienced lawyer, with more than 25 years of professional experience, including 10 years at Allens (one of Australia's most prestigious top-tier law firms) and most recently 7 years as the leading in-house legal counsel for all planning and environmental legal matters at Cleanaway Waste Management Limited (ASX:CWY), Australia's largest waste management company. Ms Creswell also brings 4 years of experience at the Northern Land Council in the Northern Territory, as well as experience as a secondee General Counsel at Melbourne Water, to her role with the Company. While her professional career has spanned diverse areas of law, her key focus over the last 15 years has been infrastructure projects, planning and environmental law, including in the waste and water sectors.

*Other listed company directorships during the last 3 years:*

None.

Patrick Power *Non-Executive Director* (resigned 26 October 2021)

Mr Patrick Power is the founder of Western Potash, and was instrumental in securing substantial investment for the company and advancing the Milestone (under construction) project in Saskatchewan, Canada. Mr Power brings over 25 years' experience in mining finance, management and venture capital. Mr Power is currently a director of Western Potash and President and CEO of Arctic Star Exploration, a diamond exploration company. He has served as a director of other mineral exploration companies including Amarillo Gold Corp., First Narrows Resources Corp., and Goldtex Resources Ltd.

*Other listed company directorships during the last 3 years:*

Western Potash Corp. (Director April 2007 – April 2017), Arctic Star Exploration Corp. (Director June 2003 - Present).

## DIRECTORS' REPORT

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Richard Beresford *Non-Executive Director* (resigned 16 December 2021)

Mr. Beresford has over 30 years' experience in the international energy natural gas and renewable energy industries. Mr. Beresford served as a director of Eden Energy Limited. Mr. Beresford held the position of Executive Chairman of Green Rock Energy Limited (ASX: BKT), a Perth based energy explorer and developer from 2012 to 2015. Prior to his appointment as Executive Chairman, he was the Managing Director and a non-executive director from 2008 to 2012. Mr. Beresford was Head of Gas Strategy and Development of CLP Power Hong Kong Limited from 2005 to 2007. Mr. Beresford spent five years with Woodside Petroleum Limited and 12 years with British Gas Plc.

*Other listed company directorships during the last 3 years:*

Eden Energy Limited (Director May 2007 – May 2018), Liquefied Natural Gas Limited (February 2004 – April 2020)

### Joint Company Secretary

Amanda Wilton-Heald

Amanda is a Chartered Accountant with over 20 years of accounting, auditing (of both listed and non-listed companies) and company secretarial experience within Australia and the UK. Amanda has been involved in the listing of junior explorer companies on the ASX and has experience in corporate advisory and company secretarial services.

### RESULTS OF OPERATIONS

The net loss of the Group for the six months to 31 December 2021 is \$1,331,965 (2020: profit of \$377,229).

Following shareholder approval at two General Meetings held on 5 July 2021, a number of approved corporate status changes were finalised, including:

- conversion of the Company from a public no liability company to a public company limited by shares;
- a capital restructure, whereby partly paid shares in the capital of the Company were cancelled and replaced with newly issued exchange options; and
- a change of the Company's name from "Parkway Minerals NL" to "Parkway Corporate Limited".

Subsequent to the completion of the corporate status changes outlined above, on 8 July 2021, the Company announced the preliminary launch of Parkway Process Solutions (PPS), to target a range of industrial water treatment related opportunities, initially in Australia. In addition to generating revenue through the provision of conventional water treatment solutions, the establishment and growth of PPS is intended to support the commercialisation of the Company's next-generation technology portfolio, including the delivery of highly differentiated integrated water treatment related solutions. The recently launched PPS business (inclusive of recently announced acquisitions, including Mawpump), has enabled the Company to achieve increased deal flow, including opportunities to quote and/or tender for a range of industrial-scale water transfer and treatment related applications.

DIRECTORS' REPORT

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**RESULTS OF OPERATIONS (continued)**

Following the launch of PPS, the Company has successfully secured new business from a range of companies, for the provision of industrial water treatment related products, services, and solutions, in line with the stated objectives of establishing PPS. PPS is also developing a range of modular water treatment systems, which will further support a range of ongoing business development efforts.

To further support the growth of PPS, on 3 September 2021, the Company announced the acquisition of 100% of Mawpump Pty Ltd ("Mawpump"), for up to \$1.3 million (before agreed adjustments). Mawpump is an established Darwin based supplier of pumping related products, services and packaged solutions, with a primary focus on the mining industry in Northern Australia. Mawpump has been successfully operating since 1996, during which time it has provided various products and/or services, to most of the major mining operations in the Northern Territory of Australia. Mawpump operates a fabrication and maintenance workshop, and also maintains a large product inventory (together with associated plant and equipment), enabling Mawpump to provide a fast and reliable service and maintain its position as a preferred vendor for various mining operations predominantly in the Northern Territory of Australia. Mawpump has recently been successfully integrated into the regular operations of PPS.

As part of the Company's commitment to continuous improvement and industry best practices, the Company recently developed an Integrated Management System, to facilitate and achieve certification for:

- ISO9001:2015, Quality Management System;
- ISO14001:2015, Environmental Management System; and
- ISO 45001:2018, Occupational Health & Safety Management System.

The Company expects the recent implementation of the Integrated Management System and corresponding certification (achieved after the balance date), will further support the establishment of PPS as a qualified vendor, and assist in a range of business development related initiatives.

In addition to generating growing revenues through the provision of conventional water treatment solutions, PPS is also increasingly supporting the commercialisation of the Company's next-generation technology portfolio, including the delivery of highly differentiated integrated water treatment and industrial process solutions.

The technology division of the Company, Parkway Process Technologies (Parkway Process Technologies Pty Ltd, PPT) also continued to make progress in leveraging its proprietary (core) process technology platform to support existing and emerging business development initiatives. PPT also made progress with a range of third-party process technologies, that enable the Company to provide a broader range of synergistic industrial process technologies.

Recent highlights include testwork confirming that in addition to achieving significant wastewater volume reductions, the adoption of the iBC<sup>®</sup> technology is likely to be able to achieve a highly desirable zero-liquid discharge (ZLD) solution for certain applications. Given the highly encouraging results, as well as positive industry feedback, the Company has finalised the design for a scaled-up iBC<sup>®</sup> pilot plant, with procurement of long-lead items well underway, and construction of the new pilot plant scheduled to commence in March 2022. The new iBC<sup>®</sup> pilot plant will assist the Company perform larger scale testwork and produce product samples, for industry evaluation.

DIRECTORS' REPORT

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**RESULTS OF OPERATIONS (continued)**

By leveraging the process engineering capabilities of the Company, PPT has been able to develop innovative applications of additional water treatment processes, to achieve improvements in the processing and treatment of challenging industrial wastewater streams. In addition, the Company continues to develop new technologies as well as identify additional applications for its portfolio of proprietary process technologies, to solve high-value problems facing industry. More broadly, the Company continues to perform a range of evaluations to demonstrate the substantial operational, financial and sustainability advantages of the technology portfolio, incorporating both the core and third-party technologies.

In addition to the industrial water treatment related activities, the Company also holds an equity interest in the Karinga Lakes Potash Project (KLPP), in the Northern Territory of Australia. As a result of an ongoing tenement rationalisation process that was completed during the half year to 31 December 2021, no substantive mining exploration activities occurred in relation to this project.

As a result of the Covid-19 induced pandemic, the Company continued to experience a range of disruptions, including delays in the transportation of goods and restrictions impacting the movement of staff to support various project and business development related activities. The Melbourne based operations of the Company have been particularly impacted, resulting in only limited access to both the PPS facility, as well as research and development facilities located at Victoria University, where most pilot scale studies are ordinarily performed by the Company.

**Events subsequent to balance date**

Subsequent to the balance date, the Company announced that it had achieved ISO certification, as well as an expansion of the strategic partnership with global engineering services company, Worley.

Other than the above, there have not been any other matters that have arisen after balance date that have significantly affected, or may significantly affect, the operations and activities of the Company, the results of those operations or the state of affairs of the Company in future financial years other than disclosed elsewhere in this half-year report.

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**DIRECTORS' REPORT**

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**ROUNDING OF AMOUNTS**

The Company is an entity of the kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. As a result, amounts in these interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

**AUDITORS' INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act is set out on page 24.

Signed in accordance with a resolution of the Directors



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Bahay Ozcakmak  
Director  
Perth, 15 March 2022

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**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
<b>INCOME FROM CONTINUING ACTIVITIES</b>			
Other income		108,182	781
Interest		347	412
Sales revenue	4	1,362,634	-
Government Grant		-	138,467
Movement in fair value of financial assets		-	1,052,352
<b>TOTAL INCOME</b>		<b>1,471,163</b>	<b>1,192,012</b>
<b>EXPENSES FROM CONTINUING ACTIVITIES</b>			
Loss from the disposal of depreciated assets		1,670	2,842
Cost of goods sold		639,905	-
Administration		492,046	182,695
Depreciation		118,664	3,843
Equity based payments	11	112,643	(230,226)
Exploration		-	447,963
Research and Development		74,190	-
Legal		10,152	9,006
Occupancy		52,241	4,800
Impairment loss on goodwill		100,000	-
Remuneration (excluding equity based payments)		1,201,617	393,860
<b>(LOSS)/PROFIT BEFORE INCOME TAX</b>		<b>(1,331,965)</b>	<b>377,229</b>
Income tax expense		-	-
<b>NET (LOSS)/PROFIT FOR THE PERIOD</b>		<b>(1,331,965)</b>	<b>377,229</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
- Income tax on items that may be reclassified to profit or loss		-	-
Equity accounted investments – Share of other comprehensive income		-	-
<b>TOTAL OTHER COMPREHENSIVE (LOSS)/INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<b>(1,331,965)</b>	<b>377,229</b>
Basic and diluted loss per share (cents per share)	3	(0.06)	0.02

*The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.*

**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

		31 December 2021	30 June 2021
	Note	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		4,842,659	7,452,866
Trade and other receivables	6	491,313	209,344
Other assets		46,493	59,106
Inventory		1,348,832	671,732
<b>Total Current Assets</b>		<b>6,729,297</b>	<b>8,393,048</b>
<b>NON CURRENT ASSETS</b>			
Trade and other receivables	6	45,000	45,000
Intangible assets	7	4,819,706	3,749,706
Plant and equipment		287,198	286,614
Right of use assets	9	1,261,300	490,947
<b>Total Non-Current Assets</b>		<b>6,413,204</b>	<b>4,572,267</b>
<b>TOTAL ASSETS</b>		<b>13,142,501</b>	<b>12,965,315</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	503,152	378,086
Provisions		152,774	100,886
Deferred payment	8	455,000	100,000
<b>Total Current Liabilities</b>		<b>1,110,926</b>	<b>578,972</b>
<b>NON CURRENT LIABILITIES</b>			
Provisions		14,099	22,767
Lease liabilities	9	1,305,497	494,988
<b>Total Non-Current Liabilities</b>		<b>1,319,596</b>	<b>517,755</b>
<b>TOTAL LIABILITIES</b>		<b>2,430,522</b>	<b>1,096,727</b>
<b>NET ASSETS</b>		<b>10,711,979</b>	<b>11,868,588</b>
<b>EQUITY</b>			
Issued capital	10	35,494,676	35,383,574
Reserves		2,214,793	2,150,539
Accumulated losses		(26,997,490)	(25,665,525)
<b>TOTAL EQUITY</b>		<b>10,711,979</b>	<b>11,868,588</b>

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

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**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Issued Capital \$	Accumulated Losses \$	Share and Option Based Payment Reserve \$	AFS Reserve \$	Partly Paid Shares Reserve \$	Total \$
<b>Balance at 1 July 2020</b>	28,867,382	(24,741,810)	862,161	1,036,746	123,300	6,147,779
Profit for the period	-	377,229	-	-	-	377,229
<b>Other comprehensive income:</b>						
Equity accounted investments – share of other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	377,229	-	-	-	377,229
<b>Transactions with owners in their capacity as owners:</b>						
Shares issued	1,812,680	-	-	-	-	1,812,680
Share issued transaction costs	(111,315)	-	-	-	-	(111,315)
Share-based payments (Note 11)	-	-	(230,226)	-	-	(230,226)
<b>Balance as at 31 December 2020</b>	<b>30,568,747</b>	<b>(24,364,581)</b>	<b>631,935</b>	<b>1,036,746</b>	<b>123,300</b>	<b>7,996,147</b>

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

**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Issued Capital	Accumulated Losses	Share and Option Based Payment Reserve	AFS Reserve	Partly Paid Shares Reserve	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>35,383,574</b>	<b>(25,665,525)</b>	<b>990,493</b>	<b>1,036,746</b>	<b>123,300</b>	<b>11,868,588</b>
Loss for the period	-	(1,331,965)	-	-	-	(1,331,965)
<b>Other comprehensive income:</b>						
Equity accounted investments – share of other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(1,331,965)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,331,965)</b>
<b>Transactions with owners in their capacity as owners:</b>						
Shares issued	12,713	-	123,300	-	(123,300)	12,713
Share issued transaction costs	-	-	-	-	-	-
Share-based payments (Note 11)	98,389	-	64,254	-	-	162,643
<b>Balance as at 31 December 2021</b>	<b>35,494,676</b>	<b>(26,997,490)</b>	<b>1,178,047</b>	<b>1,036,746</b>	<b>-</b>	<b>10,711,979</b>

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

**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Half-year ended 31 December 2021	Half-year ended 31 December 2020
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Other Receipts	-	9,694
Receipts from customers	525,707	-
Payments to suppliers and employees	(1,874,003)	(1,227,906)
Government grant	-	138,467
Interest received	300	389
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(1,347,996)</b>	<b>(1,079,356)</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of fixed asset	8,182	-
Purchase of plant and equipment	(54,683)	(3,356)
Payment to acquire Mawpump	(1,228,423)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,274,924)</b>	<b>(3,356)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	12,713	1,798,280
Share issue costs	-	(96,915)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>12,713</b>	<b>1,701,365</b>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,610,207)	618,653
Cash and cash equivalents at the beginning of the period	7,452,866	2,001,380
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>4,842,659</b>	<b>2,620,033</b>

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

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

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**Note 1: Basis of preparation of the half-yearly financial report**

This interim condensed financial report for the half-year ended 31 December 2021 was authorised for issue in accordance with a resolution of the directors on 15 March 2022. The financial report has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

It is recommended that the half-year financial statements be read in conjunction with the annual financial report for the year ended 30 June 2021 and considered with any public announcements made by Parkway Corporate Limited during the half-year ended 31 December 2021 in accordance with continuous disclosure obligations of the *ASX Listing Rules*.

The half-year financial statements do not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full and understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report which is available at [www.parkway-corp.com](http://www.parkway-corp.com).

The half-year financial statements have been prepared on the basis of accrual accounting and historical costs and the same accounting policies and methods of computation were followed as in the most recent annual financial statements.

The Company is an entity of the kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. As a result, amounts in this interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

**(a) New Accounting Standards and Interpretations**

The consolidated entity has applied the amendments to the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half year that are relevant to the consolidated entity are:

- *AASB 2021-3 Amendments to AASs – COVID-19-Related Rent Concessions beyond 30 June 2021*
- *AASB 2020-3 Amendments to AASs – Reference to the Conceptual Framework*
- *AASB 2020-3 Amendments to AASs – Property, Plant and Equipment: Proceeds before Intended Use*
- *AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current*
- *AASB 2021-2 Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates*

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

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

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**Note 1: Basis of preparation of the half-yearly financial report (continued)**

**Business Combination**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the

acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified

as equity, it should not be remeasured until it is finally settled within equity. Any goodwill arising from the business combination is accounted for under Intangibles and Goodwill accounting policy.

**Note 2: Segment reporting**

The consolidated entity has based its operating segment on the internal reports that are reviewed and used by the executive management team ("Chief Operating Decision Makers") in assessing performance and in determining the allocation of resources.

The consolidated entity is a listed public company, incorporated in Australia and operating in Australia. The company's principal activities include:

- the exploration for minerals and commercialisation of proprietary brine processing technologies, with applications in the energy and mining sectors ("Core Business"); and
- the development of an integrated water treatment products and services business, to complement and support the entity's Core Business.

The main activities of the consolidated entity in this reporting period are developing brine treatment related technologies, as well as delivering water treatment related products and services. The Group also has an exploration joint venture. The segment operations and results are reported internally based on the accounting policies as described in Note 1 for the computation of the consolidated entity's results presented in this set of financial statements.

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**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

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

**Note 3: Earnings per share**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Basic earning/(loss) per share (cents per share)	(0.06)	0.02
Diluted earning/(loss) per share (cents per share)	(0.06)	0.02
Earning/(loss) used in calculating basic and diluted earning/(loss) per share	(1,331,965)	377,229
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in the calculation of basic and diluted earning/(loss) per share	2,203,272,874	2,041,610,268

During the period there were no listed or key management personnel options exercised.

The options on issue are not considered dilutive for the purpose of the calculation of diluted loss per share as their conversion to ordinary shares would not decrease the profit from continuing operations per share. Consequently, diluted loss per share is the same as basic loss per share.

There have been no transactions involving ordinary shares or potential shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

**Note 4: Sales revenue**

Set out below is the disaggregation of the Group's sales revenue:

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	<b>\$</b>	<b>\$</b>
<b>Type of goods or service</b>		
Sale of water treatment related products	85,698	-
Commercial water treatment solutions	442,013	-
Industrial water related solutions	834,923	-
	1,362,634	-
<b>Timing of sales revenue recognition</b>		
Goods and services transferred at a point in time	1,362,634	-
<b>Total revenue from sales</b>	<b>1,362,634</b>	<b>-</b>

At 31 December 2021, all revenue from sales are considered to be derived and held in one geographical area being Australia.

**Note 5: Contingent liabilities and contingent assets**

The consolidated entity does not have any contingent assets or liabilities outstanding at 31 December 2021 (30 June 2021: Nil) other than those disclosed in note 7.

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**PARKWAY CORPORATE LIMITED**  
**ABN 62 147 346 334**

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

**Note 6: Trade and other receivables**

	31-Dec-21	30-Jun-21
	\$	\$
<b>Current</b>		
Trade debtors	438,833	196,210
GST Receivables	22,809	7,269
Other Receivables	29,671	5,865
	<u>491,313</u>	<u>209,344</u>
<b>Non-Current</b>		
Other receivables	45,000	45,000
	<u>45,000</u>	<u>45,000</u>

Trade debtors are non-interest bearing and are generally on 30-90 days terms.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience for customer groups, adjusted for forward-looking factors specific to the debtors, industry payment profiles and the economic environment. As at 31 December 2021, an ECL of \$75,143 was recognised (30 June 2021: \$17,977)

**Note 7: Intangible assets**

	31-Dec-21	30-Jun-21
	\$	\$
Intellectual property		
- aMES® Technology	3,174,267	3,174,267
- iBC® Technology	109,032	109,032
- IP Portfolio	40,000	40,000
Goodwill and customer list, net of deferred tax liability – Multi - Wet	326,407	426,407
Goodwill (provisional)	1,170,000	-
	<u>4,819,706</u>	<u>3,749,706</u>

The Group's intellectual property portfolio consists of trade secrets, know-how, trademarks and patents. At 31 December 2021, the Group is still in the process of developing and commercialising the technologies associated with the intellectual property; hence, the corresponding asset is not yet available for use.

At 31 December 2021, the Group assessed that there are no indicators of impairment in relation to the intellectual property portfolio from the last impairment testing performed on 30 June 2021.

The Group did not amortise the intellectual property during the period as the estimated useful life and the corresponding amortisation will only be determined when the corresponding asset is available for use.

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

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**Acquisition of Mawpump**

On 03 September 2021, the Group, through its wholly owned subsidiary, Parkway Process Solutions Pty Ltd, entered into a Share Purchase Agreement to acquire the business of Mawpump, an established Darwin based pump supplies business, to acquire 100% of all shares in the capital of Mawpump. The acquisition of Mawpump will support the Group's evaluation and potential participation in the delivery of the project opportunities and other opportunities elsewhere in Australia.

The provisional fair values of the identifiable assets as at the date of acquisition were:

	\$	\$
Cash at bank	537,327	
Trade Debtors	294,380	
Liabilities	<u>(318,284)</u>	
Total identifiable net assets at fair value		<u>513,423</u>
Provisional goodwill arising on acquisition		<u>1,170,000</u>
Purchase consideration		<u><b>1,683,423</b></u>
Purchase consideration		\$
Cash consideration		1,228,423
Deferred Cash payment (Note 8)		<u>455,000</u>
Total purchase consideration		1,683,423

From the date of acquisition, Mawpump contributed \$834,923 of revenue and a loss of \$49,340 to the net loss before income tax of the Group. If the acquisition had taken place at the beginning of the year, the Group's revenue would have been \$1,559,447 and profit before tax for the Group would have been \$34,835.

The contingent consideration consists of \$455,000 cash payable 12 months after acquisition date, provided that Mawpump meets and exceeds a baseline revenue threshold.

Given the timing of the acquisition, the identification and valuation of the assets and liabilities acquired are provisional as management is currently in the process of completing the acquisition accounting. Management has assessed that there were no impairment triggers in relation to the unallocated provisional goodwill as at 31 December 2021.

**Acquisition of Multi-Wet**

On 1 March 2021, the Group, through its wholly owned subsidiary, Parkway Process Solutions Pty Ltd, entered into an agreement to acquire 100% of the business of Multi-Wet, a leading provider of industrial water treatment related products, chemicals, and services in Western Australia. This acquisition is generating revenue and support the successful commercialisation of the Group's next-generation technology portfolio, including the delivery of highly differentiated and integrated water-treatment related solutions.

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

**Note 7: Intangible assets (continued)**

The fair values of the identifiable assets as at the date of acquisition were:

	31-Dec-21	30-Jun-21 (provisional)
	\$	\$
Stocks	50,000	50,000
Customer list	97,500	-
Plant and equipment	70,000	70,000
Deferred tax liability	(25,350)	-
Total identifiable net assets at fair value	<u>192,150</u>	<u>120,000</u>
Goodwill arising on acquisition on the acquisition date	<u>254,257</u>	<u>426,407</u>
Purchase consideration	<u>446,407</u>	<u>546,407</u>

The purchase consideration is comprised of:

	31-Dec-21	30-Jun-21
	\$	
Purchase consideration	\$	
Cash consideration	446,407	446,407
Contingent consideration	-	<u>100,000</u>
Total purchase consideration	<u>446,407</u>	<u>546,407</u>

Management has assessed that there was an impairment trigger in relation to goodwill as at 31 December 2021. The recoverable amount was assessed by reference to a 'value in use'. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The recoverable amount was lower than the carrying value; hence, an impairment amounting to \$100,000 was recognised.

**Note 8: Trade and other payables**

	31-Dec-21	30-Jun-21
	\$	\$
<b>Current</b>		
<i>Unsecured liabilities</i>		
Trade payables	503,152	328,086
Contingent consideration payable in shares (a)	-	50,000
Contingent consideration on the acquisition of Multi-Wet (b)	-	100,000
Contingent consideration payable in cash on the acquisition of Mawpump	455,000	-
	<u>958,152</u>	<u>478,086</u>

Due to short term nature of these payables, their carrying value is assumed to approximate their fair value.

(a) Relates to the Tranche 2 consideration amounting to \$50,000 which is payable in shares as part of iBC® technology acquisition transaction.

(b) The baseline revenue requirement of \$1million dollars within 12 months from the acquisition date was not satisfied.

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

**Note 9: Leases**

Location	Commencement Date	Term (Months)	Option (Months)	Expiry
Sunshine North, VIC	11/01/2021	60	36	11/01/2029
Yarrawonga, NT	14/09/2021	24	96	13/05/2030

**Right-of-use asset**

	31-Dec-21	30-Jun-21
	\$	\$
<b>Building and land – Sunshine North, VIC</b>		
Cost	517,740	517,740
Less accumulated depreciation	(57,526)	(26,793)
<b>Carrying amount</b>	<b>460,214</b>	<b>490,947</b>

	31-Dec-21	30-Jun-21
	\$	\$
<b>Building and land – Yarrawonga, NT</b>		
Cost	842,837	-
Less accumulated depreciation	(41,752)	-
<b>Carrying amount</b>	<b>801,085</b>	<b>-</b>

**Lease liabilities**

	31-Dec-21	30-Jun-21
	\$	\$
<b>Sunshine North, VIC</b>		
<b>Opening balance</b>	494,988	-
Additions	-	485,935
Payments	(25,907)	-
Accretion of interest	10,384	9,053
<b>As at 31 Dec 2021</b>	<b>479,465</b>	<b>494,988</b>

	31-Dec-21	30-Jun-21
	\$	\$
<b>Yarrawonga, NT</b>		
<b>Opening balance</b>	-	-
Additions	842,837	-
Payments	(31,836)	-
Accretion of interest	15,031	-
<b>As at 31 Dec 2021</b>	<b>826,032</b>	<b>-</b>

**PARKWAY CORPORATE LIMITED**  
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**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**Note 9: Leases (continued)**

In relation to the right-of-use assets and lease liabilities the following amounts were recognised in profit or loss:

	<b>31-Dec-21</b>	<b>31-DEC-20</b>
	\$	\$
Depreciation expense	72,485	-
Interest expense	25,414	-
Expense relating to short-term and low value leases (included in General and Administration expenses)	52,241	4,800
<b>Total amount recognised in profit or loss</b>	<b>150,140</b>	<b>4,800</b>

**Note 10: Issued capital**

	<b>Six months to 31 Dec 2021</b>	<b>Year to 30 June 2021</b>	<b>Six months to 31 Dec 2021</b>	<b>Year to 30 June 2021</b>
	Number	Number	\$	\$
<b>Ordinary Shares</b>				
<b>At beginning of the period</b>	<b>2,196,309,541</b>	<b>1,720,700,652</b>	<b>35,383,574</b>	<b>28,867,382</b>
Sale of nil (30 June 2021: 24,000,000) treasury shares	-	-	-	194,000
Issue of nil shares (30 June 2021: 469,808,889) via share placements	-	469,808,889	-	6,852,280
Issue of 8,376,525 shares (30 June 2021: 5,800,000) as share based payments	8,376,525	5,800,000	69,500	54,400
Issue of 669,095 shares for the exercised options (30 June 2021: nil)	669,095	-	12,604	-
Shares to be issued*	-	-	28,998	31,500
Equity Raising Costs	-	-	-	(615,988)
<b>At end of the period</b>	<b>2,205,355,161</b>	<b>2,196,309,541</b>	<b>35,494,676</b>	<b>35,383,574</b>

\* Shares have not yet been issued, with the number of shares to be determined at issue date, dependent on the market share price.

**Note 11: Equity based payments**

**Expenses arising from share based payment transactions**

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	\$	\$
Shares issued to employees	19,500	-
Reversal of reserve shares	-	(230,226)
	19,500	(230,226)
Options issued to employees	64,254	-
<b>Total equity based payments expense</b>	<b>83,754</b>	<b>(230,226)</b>
Shares issued to Worsley	50,000	-
Shares to be issued to employee	28,889	-
<b>Total equity based payments recorded in equity</b>	<b>78,889</b>	-

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**PARKWAY CORPORATE LIMITED**  
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**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**Note 11: Equity based payments (continued)**

During the previous financial year, the Company transferred 3,150,000 reserve shares to managing director as part of salary sacrificed shares, previously recorded expenses \$230,226 total value of the reserve shares were reversed accordingly.

During the reporting period, the consolidated entity issued 1,500,000 shares to directors as part of remuneration and 3,876,525 shares to Worsley as part of iBC® technology acquisition transaction, these were approved by shareholders at annual general meeting. Also, the consolidated entity issued 22 million options to the employees as part of remuneration after reaching the requisite length of service.

**Note 12: Related party transactions**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the period, the following transactions were undertaken between the Company, executive officers and director-related entities.

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	\$	\$
Fees were paid to Horn Resources Pty Ltd; a company of which Robert Van der Laan is a director and shareholder. Fees included investor relations, corporate advisory, office accommodation, accounting staff (excluding fees directly related to Robert Van der Laan), and administrative staff.	-	32,784

**Note 13: Commitments**

The consolidated entity has certain obligations with respect to Research Projects and the minimum expenditure requirements are as follows:

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Within 1 year	49,192	250,000
1 to 2 years	-	250,000
	<b>49,192</b>	<b>500,000</b>

The commitments may vary depending upon additions or relinquishments of funding agreements. The above figures are based on the agreements as at 31 December 2021. The figures are adjusted on the anniversary date of each funding projects.

**Note 14: Dividends**

The Group did not declare any dividend during the half-year and the directors do not recommend the payment of a dividend in respect of the financial period.

**Note 15: Events subsequent to balance date**

There have not been any other matters that have arisen after balance date that have significantly affected, or may significantly affect, the operations and activities of the Company, the result of those operations, or the state of affairs of the Company in future financial years other than disclosed elsewhere in this half-year report.

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**DIRECTORS' DECLARATION**

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The Directors of Parkway Corporate Limited declare that:

- (a) the financial statements and notes set out on page 9 to 22 are in accordance with the Corporations Act 2001, including:
- giving a true and fair view of the financial position of the Group as at 31 December 2021 and of its performance for the half-year ended 31 December 2021; and
  - complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001.
- (b) 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

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



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Bahay Ozcakmak  
Director  
Perth

15 March 2022

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working world**

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## **Auditor's independence declaration to the directors of Parkway Corporate Limited**

As lead auditor for the review of the half-year financial report of Parkway Corporate Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b) No contraventions of any applicable code of professional conduct in relation to the review; and
- c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Parkway Corporate Limited and the entities it controlled during the financial period.

Ernst & Young

T Dachs  
Partner  
15 March 2022

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## **Independent auditor's review report to the members of Parkway Corporate Limited**

### **Report on the half-year financial report**

#### **Conclusion**

We have reviewed the accompanying half-year financial report of Parkway Corporate Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and 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.

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 the Group does not comply with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group 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.

#### **Directors' responsibilities for the half-year financial report**

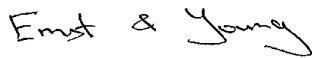
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation 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 responsibilities for the review of the half-year 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 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.



Ernst & Young



T Dachs  
Partner  
Perth  
15 March 2022

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