KALIUM LAKES

KALIUM LAKES LIMITED

ABN: 98 613 656 643

and Controlled Entities

CONSOLIDATED HALF-YEARLY REPORT

For the half-year ended
31 December 2022

CONTENTS

CORPORATE DIRECTORY

DIRECTORS

Hon. Cheryl Edwardes AM	Non-Executive Director (Chairperson)
Mark Sawyer	Non-Executive Director
Brent Smoothy	Non-Executive Director
Salvatore Lancuba	Non-Executive Director
Robert Adam	Non-Executive Director
Simon Wandke	Non-Executive Director

CHIEF EXECUTIVE OFFICER
Leonard Jubber

CHIEF FINANCIAL OFFICER
Jason Shaw

COMPANY SECRETARIES
Jason Shaw and Loren King

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Perth WA 6021

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Perth WA 6914

SHARE REGISTRY
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Level 11, 172 St Georges Terrace
Perth WA 6000

AUDITORS
RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

SOLICITORS
DLA Piper Australia
Level 21, 240 St George's Terrace
Perth WA 6000

Thomson Geer
Level 27, 2 The Esplanade
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Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

ASX CODE
KLL

The Directors present their report together with the consolidated financial statements, on the Consolidated Entity (referred to hereafter as the "Consolidated Entity" or "Company") consisting of Kalium Lakes Limited ("Kalium Lakes") and the entities it controlled at the end of, or during, the half-year ended 31 December 2022, and the independent auditor's report thereon.

DIRECTORS

The Directors who held office during or since the end of the half-year and up to the date of this report are as follows:

Hon. Cheryl Edwardes AM	Non-Executive Director (Chairperson) (appointed on 25 November 2022)
Mark Sawyer	Non-Executive Director
Brent Smoothy	Non-Executive Director
Salvatore Lancuba	Non-Executive Director
Robert Adam	Non-Executive Director (appointed on 12 October 2022)
Simon Wandke	Non-Executive Director (appointed on 12 October 2022)
Stephen Dennis	Non-Executive Director (former Chairman, retired on 25 November 2022)

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity is the exploration and mining of mineral resources.

REVIEW OF OPERATIONS

The Company is progressing the operation and commissioning of its 100% owned Beyondie Sulphate of Potash ("SOP") Mine ("Beyondie") in Western Australia. During the half-year, focus continued on the recommencement of the purification plant and its operating performance. Key matters across the half-year included:

- In July 2022, the Company announced that it had commenced delivery of standard grade SOP to leading local WA fertiliser producer and distributor CSBP Fertilisers, as part of the inaugural sale under its 10-year offtake agreement with K+S Asia Pacific Pte Ltd ("K+S").
- On 18 August 2022, the Company announced that it had received firm commitments from investors for a two-tranche placement of fully paid ordinary shares ("Shares") at an issue price of $0.04 per Share to raise $22 million (before costs) ("Placement"). The Company announced that its largest shareholder, Greenstone Resources II (Australia) Holdings L.P. and co-founder and Director Brent Smoothy, respectively committed to subscribe for $8 million and $2 million under the Placement.
- In addition to the Placement, existing eligible shareholders were offered the opportunity to subscribe for Shares under a Share Purchase Plan ("SPP") at the Placement offer price of $0.04 per Share, to raise up to an additional $8 million (before costs) ("SPP Offer"). A SPP shortfall offer was also made, allowing the Company to accept subscriptions from investors who wanted to subscribe to make up any shortfall if total subscriptions for the SPP offer were below $8 million ("SPP Shortfall") (together the "SPP Offers"). The second tranche of the Placement and the SPP Offers were subject to shareholder approval, which was obtained at a General Meeting held on 3 October 2022.
- On 18 August 2022, the Company also announced that it had entered into formal binding documentation with Northern Australia Infrastructure Facility ("NAIF") and KfW IPEX-Bank GmbH ("KfW") ("Senior Lenders") to restructure its existing debt arrangements including, but not limited to, a deferral of the commencement of all senior principal repayments under the project finance term facilities from March 2024 to March 2025, an extension

to the final maturity date for the project finance term facilities to March 2040 and an extension to the maturity date for the existing $20 million liquidity facility to January 2026. The debt restructure was subject to the requirement that the Company successfully completed an equity raise of at least $20 million (net of costs). Completion of the Placement announced on the same day enabled this requirement to be met.

- On 13 September 2022, the Company announced that the SOP purification plant had restarted in-line with the targeted schedule, following an approximate four-week planned shutdown to perform key rectification and optimisation works. Further incremental plant optimisation occurred alongside normal plant operations during the ensuing months.
- On 19 September 2022, the Company announced that, it had received applications in excess of $8 million under the SPP Offer and, to accommodate the level of interest, the Company increased the SPP Offer to $12 million.
- On 13 October 2022, Kalium Lakes announced the appointment of two independent non-executive Directors, Mr Robert Adam and Mr Simon Wandke.
- On 14 October 2022, Kalium Lakes released its 30 June 2022 Mineral Resource and Ore Reserve Estimates for Beyondie, which reported:
  - an overall increase in Mineral Resources, including a 5.6% increase in Measured SOP Resources and a 1.4% increase in Indicated SOP Resources as at 30 June 2022 (relative to the prior year and after abstraction depletion); and
  - a decrease in Ore Reserves as at 30 June 2022 by 2.75% over the preceding 12 months following incorporation of abstraction depletion.
- On 25 October 2022, the Company released its 2022 Annual Report including the Mineral Resource and Ore Reserve Estimates as at 30 June 2022, its Corporate Governance Statement, and its 2022 Notice of Annual General Meeting ("AGM").
- On 31 October 2022, the Company provided an update on the SOP plant operations. The plant operated mechanically well when design grade KTMS was fed, achieving the highest average KTMS feed rate to date, with significant performance improvement within the schoenite circuit. Flotation and solid/ liquid separation were the limiting factors which constrained overall plant operation. The Company together with Ebtec GbR, a Joint venture of German based K-UTEC AG Salt Technologies and Ebner GmbH & Co. KG ("Ebtec"), focussed on developing a comprehensive plant performance improvement plan ("PPIP") targeting systematic and progressive resolution of key issues and improvement of overall plant operation.
- The Company held its AGM on 24 November 2022 where all resolutions, put to shareholders were passed.
- Following the Company's AGM, on 25 November 2022, Hon. Cheryl Edwardes AM joined the Company's Board in the role of independent non-executive director and Chairperson, at which time former Chairman, Mr Stephen Dennis, stepped down from the Board.
- On 30 November 2022, the Company announced the appointment of Mrs Loren King to the role of joint Company Secretary of Kalium Lakes and each of its subsidiary companies upon the resignation of Ms Sophie Raven. Mr Jason Shaw remains in his role as joint Company Secretary.
- On 22 December 2022, the Company announced the issue of 42,374,884 performance rights to certain employees and key management personnel (or their nominees) under long term incentive plans pursuant to the Kalium Lakes Employee Incentive Plan that was approved by shareholders at the AGM on 24 November 2022.

FINANCIAL PERFORMANCE

The loss after tax for the half-year ended 31 December 2022 was $102,273,002 (2021: $16,551,136), namely due to the non-cash impairment of non-current assets of $80,000,000. Non-cash realised and unrealised foreign exchange loss recorded $1,965,599 (2021: $3,455,678).

Operating expenses of $13,168,219 were also recorded, primarily in relation to brine supply and evaporation pond assets that were considered installed and ready for use from 1 October 2021. Depreciation and amortisation increased to $1,382,171 as a result of an increase in property, plant and equipment. Finance costs of $8,279,645 (2021: $6,230,046) were incurred primarily in relation to the restructure of debt facilities and the capital raising that took place during the half-year.

FINANCIAL POSITION

Total assets have decreased by $64,115,339 to $301,518,694 as a result of the $80,000,000 impairment across the non-current assets of capital work in progress and mine properties – in production. Details of the impaired assets are as follows:

The purification plant was still in commissioning phase during the half-year, and as a result, $172,661,394 of purification facilities (before impairment) and $2,008,039 of rehabilitation assets in relation to purification facilities are recorded as capital work in progress. The 120ktpa expansion project had incurred expenditure of $9,098,881 (before impairment) up to 31 December 2022, also recorded as capital work in progress at the half-year end. An impairment adjustment of $43,864,048 was made to the balance of capital work in progress as at 31 December 2022.

Mine properties - in production had a balance of $166,730,468 before impairment, which reduced to $130,594,516 as a result of the impairment adjustment of $36,135,952 made as at 31 December 2022.

CASH FLOW

Operating cash outflows for the half-year were higher compared to the prior half-year (2022: $18,485,260, 2021: $7,154,077) as a result of brine supply and evaporation pond in operations for the entirety of the half-year.

EVENTS SUBSEQUENT TO REPORTING DATE

The following events have occurred subsequent to the reporting date:

On 31 January 2023 the Company announced to the ASX its quarterly activities report for the December 2022 quarter, which included detailed information relating to key health & safety statistics, key operating statistics, borefield and trenching operations, pond operations, SOP plant operations, SOP product sales, the 120ktpa expansion and corporate and finance matters, including the following highlights:

- PPIP progressing well with improvements identified that are expected to drive production increases. Upstream operations performing well with record brine production and harvesting.

- Production of SOP for the December 2022 quarter was 780 tonnes, with cumulative SOP production of approximately 2,700 tonnes as at 31 December 2022. Reduced quarter-on-quarter production was expected given the focus on PPIP.
- Total SOP sales for the December 2022 quarter amounted to 1,244 tonnes with an average realised sale price of $1,350/tonne FOB. Positive feedback had been received from customers in relation to SOP product specification.
- Record brine production during the quarter of over 1.3 million cubic metres at an average K grade of 8,560 mg/L.
- Pond and harvesting operations highlighted included:
- Record harvesting of 77.7kt of KTMS and 224.6kt of waste salt during the quarter:
    - Second harvester commissioned.
    - Tonnage on ROM stockpile increased to 82.4kt (82% increase over prior quarter).
- Senior Lenders continue to support Beyondie and agreed in principle, to make $10 million of the $20 million liquidity facility ("Liquidity Facility") available, plus the deferral of quarterly interest cash payments and debt service reserve account payments due in CY2023. Availability of the balance of the Liquidity Facility to be subject to lender discretion following assessment of the ramp up performance of Beyondie in the March and June 2023 quarters.
- Targeted production rate of approximately 60ktpa by June 2023. No significant expenditure on the proposed 120ktpa expansion is planned until production targets beyond June 2023 are determined, which is expected once the PPIP has been fully implemented (around April 2023).

On 27 February 2023 the Company announced to the ASX that it had executed formal documentation with its Senior Lenders to amend select terms of its financing facilities ("Facility Amendments"), as follows:

- The Facility Amendments make available for drawdown up to $10 million of the Liquidity Facility, with drawdown targeted for the week of the announcement.
- The availability of the second $10 million tranche of the Liquidity Facility will be subject to Lender discretion following assessment of the ramp-up performance at Beyondie during the March and June 2023 quarters.
- The Facility Amendments also defer interest payments due in CY2023 in respect of both the senior project term facilities ("Senior Facilities") and the Liquidity Facility ("Deferred Interest").
- The deferred interest on the Liquidity Facility is to be repaid as a priority payment under the existing Liquidity Facility repayment mechanism from cash balances in excess of $10 million at each quarterly interest payment date. The repayment of deferred interest on the Senior Facilities will commence by way of the cash sweep which begins in March 2025 with the final repayment of any outstanding balance required to be made in December 2026.
- In addition, under the Facility Amendments the requirement to make quarterly debt service reserve account payments has been deferred by 12 months, with the first payment now scheduled for December 2024, delivering additional cash relief during CY2023.

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the half-year ended 31 December 2022 has been received and is included within the financial statements immediately after the directors' report as required under section 307C of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Hon. Cheryl Edwardes AM
Chairperson

16 March 2023
Perth WA

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Kalium Lakes Limited for the half year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) Any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 16 March 2023

AIK KONG TING
Partner

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

KALIUM LAKES

For the half-year ended 31 December 2022

	Note	31 December 2022 $	31 December 2021 $
Revenue			
Sales revenue	3	3,680,985	-
Other income	3	149,439	14,495
Expenditure			
Accounting fees		(55,000)	(32,500)
Changes in inventory		4,099,467	-
Depreciation and amortisation	4	(1,382,171)	(1,201,650)
Directors and executive remuneration		(988,461)	(590,226)
Employee expenses		(860,414)	(659,476)
Finance costs	5	(8,279,645)	(6,230,046)
Foreign exchange loss		(1,965,599)	(3,455,678)
Legal fees		(338,588)	(473,982)
Operating expenses		(13,168,219)	(2,173,926)
Share based payments (expense)/credit		(60,465)	92,188
Asset impairment charges	8,9	(80,000,000)	-
Other expenses		(3,104,331)	(1,840,335)
Loss before tax		**(102,273,002)**	(16,551,136)
Income tax expense		-	-
Net Loss for the half-year from operations		**(102,273,002)**	(16,551,136)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive loss for the half-year		**(102,273,002)**	(16,551,136)
Loss for the half-year attributable to:			
Owners of the parent		**(102,273,002)**	(16,551,136)
Total comprehensive loss for the half-year attributable to:			
Owners of the parent		**(102,273,002)**	(16,551,136)
Basic and diluted loss per share (cents)		(6.32)	(1.76)

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 2022

	Note	31 December 2022 $	30 June 2022 $
ASSETS			
Current Assets			
Cash and cash equivalents		13,731,764	21,512,780
Trade and other receivables		180,559	358,383
Other assets		1,139,412	2,112,287
Inventory and raw materials	6	10,026,884	4,524,848
Total Current Assets		**25,078,619**	**28,508,298**
Non-Current Assets			
Property, plant and equipment	7	5,242,538	3,372,790
Capital work in progress	8	139,904,266	168,065,199
Mine properties - in production	9	130,594,516	165,027,311
Collateral for bank guarantees		685,000	610,000
Right-of-use asset		13,755	50,435
Total Non-Current Assets		**276,440,075**	**337,125,735**
Total Assets		**301,518,694**	**365,634,033**
LIABILITIES			
Current Liabilities			
Trade and other payables		5,302,524	5,590,408
Provisions		567,307	606,288
Total Current Liabilities		**5,869,831**	**6,196,696**
Non-Current Liabilities			
Borrowings	10	180,848,549	179,080,406
Provisions		21,482,373	18,055,533
Total Non-Current Liabilities		**202,330,922**	**197,135,939**
Total Liabilities		**208,200,753**	**203,332,635**
Net Assets		**93,317,941**	**162,301,398**
EQUITY			
Contributed equity	11	276,842,569	243,613,489
Reserves	12	7,131,821	7,071,356
Accumulated losses		(190,656,449)	(88,383,447)
Total Equity		**93,317,941**	**162,301,398**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2022

KALIUM LAKES

Consolidated	Contributed equity $	Reserves $	Accumulated losses $	Total Equity $
Balance at 1 July 2021	**184,670,756**	**8,271,356**	**(53,035,724)**	**139,906,388**
Loss for the period	-	-	(16,551,136)	(16,551,136)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**(16,551,136)**	**(16,551,136)**
Transactions with owners in their capacity as owners:				
Transfer from reserves to accumulated losses	-	(1,200,000)	1,200,000	-
Shares issued during the period	59,459,738	-	-	59,459,738
Share issue costs	(2,349,853)	-	-	(2,349,853)
Balance at 31 December 2021	**241,780,641**	**7,071,356**	**(68,386,860)**	**180,465,137**
Balance at 1 July 2022	**243,613,489**	**7,071,356**	**(88,383,447)**	**162,301,398**
Loss for the period	-	-	(102,273,002)	(102,273,002)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**(102,273,002)**	**(102,273,002)**
Transactions with owners in their capacity as owners:				
Performance rights – share based payments	-	60,465	-	60,465
Shares issued during the period	34,000,000	-	-	34,000,000
Share issue costs	(770,920)	-	-	(770,920)
Balance at 31 December 2022	**276,842,569**	**7,131,821**	**(190,656,449)**	**93,317,941**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2022

KALIUM LAKES

	31 December 2022 $	31 December 2021 $
OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	3,524,298	14,011
Interest received	149,439	484
Payments to suppliers and employees (inclusive of GST)	(22,158,997)	(7,168,572)
Net cash used in operating activities	**(18,485,260)**	**(7,154,077)**
INVESTING ACTIVITIES		
Payments for mine development	(11,527,317)	(21,066,064)
Interest paid	(4,204,489)	-
Payment for site and exploration expenditure	(489,397)	(6,367,976)
Payments for property, plant and equipment	(2,521,449)	(516,129)
Net cash used in investing activities	**(18,742,652)**	**(27,950,169)**
FINANCING ACTIVITIES		
Proceeds from issue of shares	34,000,000	59,459,738
Share issue transaction costs	(770,921)	(2,349,854)
Proceeds from borrowings	-	1,271,792
Transaction costs related to borrowings	(3,698,420)	(4,518,118)
Collateral for bank guarantee	(75,000)	-
Repayment of borrowings	-	(332,414)
Net cash provided by financing activities	**29,455,659**	**53,531,144**
Net (decrease)/increase in cash and cash equivalents	(7,772,253)	18,426,901
Cash and cash equivalents at the beginning of the financial half-year	21,512,780	34,206,120
Effects of currency translation on cash and cash equivalent	(8,763)	41,427
Cash and cash equivalents at the end of the half-year	**13,731,764**	**52,674,448**

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

1. Significant Accounting Policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Consolidated Entity during the interim 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 and corresponding interim reporting period, unless otherwise stated.

Going concern basis

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

As disclosed in this report the Consolidated Entity incurred a net loss of $102.3 million (after asset impairment) and had net cash outflows from operating and investing activities of $18.5 million and $18.7 million respectively for the half-year ended 31 December 2022. The Consolidated Entity has unrestricted cash reserves of $13.7 million, net current assets of $19.2 million and net assets of $93.3 million (after asset impairment) as at 31 December 2022. The Consolidated Entity indicated a delay in its production schedule in its 31 January 2023 announcement to ASX. As a result of its plant performance improvement plan ("PPIP") commenced in October 2022 the Company is targeting a production run rate of 60ktpa by June 2023, with further improvements targeted to be achieved through operational experience in running the plant and optimisation, in conjunction with technical partner Ebtec. The Company intends to update the market on its timetable for production ramp up beyond June 2023 once the PPIP has been finalised and fully implemented, expected around April 2023.

These factors indicate a material uncertainty regarding the Consolidated Entity's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The continuation of the Consolidated Entity as a going concern depends on the Consolidated Entity's ability to achieve its reforecast production commencement and ramp up schedule and quantities as well as continued support from its Senior Lenders.

Despite this, the directors believe that the going concern basis of preparation of the financial report remains appropriate, after consideration of the following factors:

- Recent discussions between Kalium Lakes and its Senior Lenders regarding their continued support of Beyondie and the Company's liquidity position, resulted in the Senior Lenders executing formal documentation to amend their financing facility agreements with the Company ("Facility Amendments") to:
    - make available for drawdown $10 million of the $20 million liquidity facility; and

  - defer both the quarterly interest payments due in CY2023 (with the repayment of deferred interest commencing in January 2025) and the quarterly debt service reserve account payments due in December 2023 to December 2024.
- The Company drew down $10 million of the Liquidity Facility on 28 February 2023.
- The availability of the $10 million undrawn balance of the Liquidity Facility is subject to Senior Lender discretion following assessment of the ramp up performance of Beyondie in the March and June 2023 quarters.

Accordingly, the Directors believe that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis of preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification or recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of SOP

Sale of SOP is recognised at the point of sale with the Consolidated Entity's offtake partner, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer. Amounts disclosed as revenue are net of sales returns and trade discounts.

New or Amended Accounting Standards and Interpretations Adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. Operating Segments

The Consolidated Entity has considered the requirements of AASB 8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors in assessing performance and determining the allocation of resources.

The Consolidated Entity operates as a single segment being the exploration for and development of minerals in Australia.

3. Revenue

	31 December 2022 $	31 December 2021 $
Revenue from contracts with customers		
Sale of goods	3,680,985	-
Other income		
Other income	-	14,011
Interest income	149,439	484
Revenue	**3,830,424**	**14,495**
Disaggregation of revenue The disaggregation of revenue from contracts with customers is as follows:		
Geographical regions		
Australia and Asia	**3,680,985**	-
Timing of revenue recognition		
Goods transferred at a point in time	**3,680,985**	-

4. Depreciation

	31 December 2022 $	31 December 2021 $
Depreciation - Property, plant and equipment	663,489	583,295
Depreciation – Mine properties	682,002	560,845
Amortisation – Right of use	36,680	57,510
Depreciation and amortisation expense	**1,382,171**	**1,201,650**

The increase in depreciation was a result of increased production increasing the units of production rate applied to Mine Properties.

Key Estimate and Assumption: Unit-of-production method of depreciation/amortisation

The Company uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation change proportionate to the depletion of the anticipated remaining life of mine production.

Each asset's economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of the economically recoverable mine plan. These calculations require the use of estimates and assumptions.

5. Finance Costs

	31 December 2022 $	31 December 2021 $
Refinance costs	3,589,298	4,812,648
Interest expense	4,204,489	1,379,584
Accretion of interest	376,736	-
Others	109,122	37,814
Finance Costs	**8,279,645**	**6,230,046**

6. Inventory and Raw Materials

	31 December 2022 $	30 June 2022 $
KTMS	7,943,862	2,474,590
Finished goods	269,800	1,224,356
Consumables	1,813,222	825,902
Inventory and raw materials	**10,026,884**	**4,524,848**

Accounting Policy:

Kainite Type Mixed Salt (KTMS)

KTMS is potassium based feed salt harvested from evaporation ponds and used to feed the purification plant. Stockpiles are physically measured or estimated and stated at the lower of weighted average cost and net realisable value. Costs include direct material, direct labour and overhead expenditure which is directly related to the production of KTMS.

Finished goods

Finished goods include the stockpile of SOP, measured or estimated and stated at the lower of weighted average and net realisable value. Costs include direct material, direct labour and overhead expenditure which is directly related to the production of SOP as well as the input of the costs from the KTMS feed.

Consumables

Warehouse stores and consumables are stated at the lowest of weighted average cost and net realisable value. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

7. Property, Plant and Equipment

	Exploration & mine equipment	Office equipment	Motor vehicles	Rehabilitation assets	Computer software	Total
	$	$	$	$	$	$
Balance at 1 Jul 2021	**1,709,295**	**61,903**	**404,240**	**13,681,710**	**99,724**	**15,956,872**
Additions	1,893,627	100,584	182,644	-	104,732	2,281,587
Transferred to mine properties	-	-	-	(13,681,710)	-	(13,681,710)
Depreciation	(940,124)	(48,384)	(149,651)	-	(45,800)	(1,183,959)
Balance at 1 Jul 2022	**2,662,798**	**114,103**	**437,233**	**-**	**158,656**	**3,372,790**
Additions	2,516,031	8,155	31,790	-	-	2,555,976
Disposals	-	-	(22,738)	-	-	(22,738)
Depreciation	(537,598)	(28,408)	(71,057)	-	(26,427)	(663,490)
Balance at 31 Dec 2022	**4,641,231**	**93,850**	**375,228**	**-**	**132,229**	**5,242,538**

Accounting policy:

Property, plant and equipment

Property, plant and equipment is recorded at historical cost less accumulated depreciation and any impairment. The carrying value of assets are reviewed for impairment at the reporting date. An asset is immediately written down to its recoverable amount if the carrying value of the asset exceeds its estimated recoverable amount. The depreciation rates per annum for each class of fixed asset are as follows:

Exploration and mining equipment	20%
Office equipment	33%
Motor vehicles	20%
Computer software	20%

Subsequent expenditure relating to an item of property, plant and equipment, that has already been recognised, is added to the carrying amount of the asset if the recognition criteria are met. All assets are depreciated over their anticipated useful lives, up to their residual values using a straight-line depreciation basis. These useful lives are determined on the day of capitalisation and are re-assessed annually by Management.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment

The carrying values of plant and equipment and capital work in progress are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable or at least on an annual basis. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash generating units are written down to their recoverable amount.

8. Capital Work in Progress

	31 December 2022 $	30 June 2022 $
120 ktpa expansion target	9,098,881	6,093,980
Purification plant	174,669,433	161,971,219
Less: Impairment adjustment	(43,864,048)	-
Capital work in progress	**139,904,266**	**168,065,199**

9. Mine Properties - in Production

	Brine supply & ponds $	Rehabilitation assets $	Access Road $	Airstrip $	Camp Facilities $	Gas pipeline & power station $	Total $
Balance at 1 Jul 2021	-	-	-	-	-	-	-
Transfer	90,000,516	13,681,710	6,331,986	989,646	11,181,772	41,898,241	164,083,871
Additions	-	2,351,142	-	-	-	-	2,351,142
Depreciation	(698,265)	(198,934)	(53,517)	(8,364)	(94,506)	(354,116)	(1,407,702)
Balance at 1 Jul 2022	**89,302,251**	**15,833,918**	**6,278,469**	**981,282**	**11,087,266**	**41,544,125**	**165,027,311**
Additions	107,151	3,050,103	-	-	-	-	3,157,254
Refund	-	-	-	-	-	(772,095)	(772,095)
Depreciation	(437,077)	(3,296)	(26,351)	(4,119)	(46,534)	(164,625)	(682,002)
Impairment adjustment	(21,745,605)	-	(1,528,093)	(238,830)	(2,698,487)	(9,924,937)	(36,135,952)
Balance at 31 Dec 2022	**67,226,720**	**18,880,725**	**4,724,025**	**738,333**	**8,342,245**	**30,682,468**	**130,594,516**

Accounting policy:

Mine properties – in production represents expenditure in respect of exploration, evaluation, feasibility and pre-production operating costs incurred by the Consolidated Entity previously accumulated and carried forward in capital work in progress and mine properties under development in relation to areas of interest in which mining has now commenced. Mine properties – in production are stated at cost, less accumulated amortisation and accumulated impairment losses. These assets were depreciated by the unit-of-production method from 1 October 2021.

Rehabilitation asset and the corresponding provision is discounted to its net present value and amortisation is charged using the units-of-production method. Amortisation and corresponding finance charges incurred in the unwinding of the provision will be recognised in the profit or loss.

Key Estimate and Assumption: Impairment of non-financial assets

The Consolidated Entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

The carrying values of non-current assets are reviewed for impairment when indicators of impairment exist or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit ('CGU') to which the asset belongs and where the carrying values exceed the estimated recoverable amount, the assets or CGU are written down to their recoverable amount.

The recoverable amount of an asset is the greater of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Determination of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates and provisions for decommissioning and restoration. The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the AusIMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves". The information has been prepared by or under supervision of competent persons as identified by the Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation which may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs, ore grades and/or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

The relevant CGU for Consolidated Entity is the Beyondie SOP Mine.

Impairment of mine properties – in production, capital work in progress and property, plant and equipment

The future recoverability of capitalised mine properties, capital work in progress and property, plant and equipment is dependent on a number of key factors including; SOP prices, discount rates used in determining the estimated discounted cash flows of CGUs, foreign exchange rates, the level of proved and probable reserves and measured, indicated and inferred mineral resources included in the determination of fair value less cost to dispose ('fair value'), future technological changes which could impact the cost of mining, and future legal changes (including changes to environmental restoration obligations).

Fair value is estimated based on discounted cash flows using market-based commodity price and exchange assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, based on CGU life of mine ('LOM') plans. The Consolidated Entity considers this valuation approach to be consistent with the approach taken by market participants.

In determining the fair value of CGUs, future cash flows were discounted using rates based on the Consolidated Entity's estimated weighted average cost of capital. When it is considered appropriate to do so, an additional premium is applied with regard to the geographic location and nature of the CGU. Life of mine operating and capital cost assumptions are based on the Consolidated Entity's latest budget and LOM plans. Operating cost assumptions reflect the expectation that costs will, over the long term, have a degree of positive correlation to the prevailing commodity price assumptions.

The Consolidated Entity determined that the carrying amount of the CGU in the statement of financial position exceeded the fair value of that CGU as assessed by the Directors as at 31 December 2022 by $80,000,000 and determined that it was appropriate to make impairment adjustments of $43,864,048 to capital work in progress and $36,135,952 to mine properties – in production as at 31 December 2022.

Key assumptions for this review:
SOP price (US$ per tonne): US$500/tonne to US$1,000/tonne
Commodity prices are estimated with reference to forecasts provided by market analysts. The rates applied to the valuation have regard to observable market data.

Discount rate: 9.00% (post tax, nominal basis)
In determining the fair value of the CGU, the future cash flows were discounted using rates based on the consolidated entity's estimated weighted average cost of capital, with an additional premium applied having regard to the geographic location of the CGU (where applicable).

Operating and capital costs:
Life-of-mine operating and capital cost assumptions are based on the Consolidated Entity's latest forecasts and LOM operating plans. Operating cost assumptions reflect the expectation that costs will, over the long term, have a degree of positive correlation to the prevailing commodity price and exchange rate assumptions.

Sensitivity analysis:
Any variation in the key assumptions used to determine fair value would result in a change of the assessed fair value. It is estimated that changes in the key assumptions would have the following approximate impact on the fair value of the CGU that has been subject to impairment testing:

	Increase $000	Decrease $000
Change of:		
SOP price by 10%	112,000	(123,000)
Discount rate by 10%	(38,000)	46,000

Changes in the SOP price and discount rate assumption above are assumed to move in isolation, while other assumptions are held constant.

10. Borrowings

Non-current Borrowings	31 December 2022 $	30 June 2022 $
Loan from KfW / Euler Hermes	51,122,846	51,604,012
Loan from KfW	52,472,330	50,276,859
Loans from NAIF	72,513,621	72,513,621
	176,108,797	**174,394,492**
Interest on loan from KfW [1]	1,113,157	1,390,228
Interest on loan from KfW / Euler Hermes [1]	1,413,621	1,094,735
Interest on loans from NAIF [1]	1,486,379	1,486,379
Commitment fees on loan from KfW / Euler Hermes [1]	726,595	714,572
	4,739,752	**4,685,914**
Non-current Borrowings	**180,848,549**	**179,080,406**

[1] The interest and commitment fees on the non-current borrowings above represent all interest and commitment fees capitalised into the loan balances as at 31 December 2022.

Lender	Borrower	Facility Limit (Ccy)	Drawn (Principal & Capitalised Interest) AUD	Undrawn (AUD)	Maturity Date[5]
KfW / Euler Hermes	Kalium Lakes Potash (Facility A) [1]	EUR €32,487,268	AUD $52,236,002	AUD $2,457,901	31 March 2040
KfW	Kalium Lakes Potash (Facility B) [2]	USD $37,000,000	AUD $54,612,546	-	31 March 2040
NAIF	Kalium Lakes Potash (Facility C)	AUD $26,000,000	AUD $26,000,000	-	31 March 2040
NAIF	Kalium Lakes Infrastructure	AUD $48,000,000	AUD $48,000,000	-	31 March 2040
KfW	Kalium Lakes Potash (Liquidity Facility A) [4]	USD $8,000,000	-	AUD $10,000,000	1 January 2026
NAIF	Kalium Lakes Potash (Liquidity Facility B) [4]	AUD $10,000,000	-	AUD $10,000,000	1 January 2026
			AUD $180,848,548	**AUD $22,457,901**	

[1] Facility A has an EUR denominated facility limit. When a loan is drawn down it is immediately converted into USD at the EUR:USD spot rate in existence at the time of the drawdown, with interest accruing in USD. The USD loan balance is the aggregate amount of all drawdowns converted from EUR to USD at the respective EUR:USD spot rates at the date of drawing. The USD drawn down and unused facility has been converted into AUD using the AUD:USD 31 December 2022 spot rate of 0.6775.

[2] Facility B is a USD denominated loan facility. The USD facility limit, loan balance and unused facility has been converted to AUD at the 31 December 2022 AUD:USD spot rate of 0.6775.

[3] The Liquidity Facility is divided into Liquidity Facility A provided by KfW for USD $8 million, and Liquidity Facility B provided by NAIF for AUD $10 million. The KfW Liquidity Facility A, whilst a USD denominated facility, is subject to being drawn for the same AUD equivalent as the NAIF Liquidity Facility B and as such its AUD equivalent facility limit is stated above at AUD $10 million.

[4] Following amendments to the facility agreements signed on 24 February 2023, the Senior Lenders have agreed, to make a first tranche of A$10m of the A$20m Liquidity Facility available for drawdown, which was drawn on 28 February 2023. The availability of the second tranche of A$10m of the Liquidity Facility will be subject to Senior Lender discretion following assessment of the SOP plant performance in the March and June 2023 quarters.

[5] The maturity dates are revised based on the amendments entered on 15 August 2022.

The weighted average interest rate for the six months ending 31 December 2022 on drawn amounts across all facilities is 4.65% per annum.

11. Contributed Equity

	31 December 2022 Shares	30 June 2022 Shares	31 December 2022 $	30 June 2022 $
Ordinary shares - fully paid	**2,031,712,214**	**1,181,712,214**	**276,842,569**	**243,613,489**

Movements in share capital	Date	Shares	Issue price	$
Balance	**1 Jul 2022**	**1,181,712,214**		**243,613,489**
Issue of shares	24 Aug 2022	142,522,883	0.04	5,700,915
Issue of shares	07 Sep 2022	34,733,949	0.04	1,389,358
Issue of shares	04 Oct 2022	300,000,000	0.04	12,000,000
Issue of shares	07 Oct 2022	372,743,168	0.04	14,909,727
Share issue costs	-	-	-	(770,920)
Balance	**31 Dec 2022**	**2,031,712,214**		**276,842,569**

12. Reserves

	31 December 2022 $	30 June 2022 $
Performance rights reserve	60,465	-
Options reserve	7,071,356	7,071,356
Reserves	**7,131,821**	**7,071,356**

Movements in Performance Rights Reserve	Number	$
Balance at 1 July 2022	**-**	**-**
Performance rights issued as incentive[1]	35,107,442	-
Performance rights issued to CEO[1]	7,267,442	60,465
Balance at 31 December 2022	**42,374,884**	**60,465**

[1] Performance rights have been valued at $60,465 issued in December 2022 under the Employee Incentive Plan approved by the shareholders at the AGM held on 24 November 2022.

Number of Performance Rights	Grant Date	Expiry Date	Fair Value	Vesting Conditions / Measures
14,042,977	21 December 2022	30 June 2025	$0.0000	Total Shareholder Return
21,064,465	21 December 2022	30 June 2025	$0.0260	Average Return on Capital Employed
				EBITDA margin
4,360,466	21 December 2022	31 December 2023	$0.0260	Achieving nameplate production
				Remaining employed with the Company until 31 December 2023
1,453,488	21 December 2022	31 December 2023	$0.0260	Funding
1,453,488	21 December 2022	31 December 2023	$0.0260	Funding
				Achieving nameplate production

Movements in Options Reserve	Number	$
Balance at 1 July 2022	**22,677,493**	**7,071,356**
Movement during the period	-	-
Balance at 31 December 2022	**22,677,493**	**7,071,356**

13. Contingent Liabilities and Assets

The Consolidated Entity has no contingent liabilities and assets at 31 December 2022.

14. Commitments

	31 December 2022 $	30 June 2022 $
Committed at the reporting date but not recognised as liabilities, payable:		
Rental, rates and expenditure commitments relating to tenements	2,670,595	2,473,016
90ktpa project	3,156,468	4,358,080
120ktpa expansion	-	11,246,878
Total committed at the reporting date	**5,827,063**	**18,077,974**
Non-contractual at the reporting date:		
90ktpa project	1,000,000	4,909,921
120ktpa expansion	37,693,279	29,373,809
Total non- contractual at the reporting date	**38,693,279**	**34,283,730**

15. Events Subsequent to Reporting Date

The following events have occurred subsequent to the reporting date:

On 31 January 2023 the Company announced to the ASX its quarterly activities report for the December 2022 quarter, which included detailed information relating to key health & safety statistics, key operating statistics, borefield and trenching operations, pond operations, SOP plant operations, SOP product sales, the 120ktpa expansion and corporate and finance matters, including the following highlights:

- PPIP progressing well with improvements identified that are expected to drive production increases. Upstream operations performing well with record brine production and harvesting.
- Production of SOP for the December 2022 quarter was 780 tonnes, with cumulative SOP production of approximately 2,700 tonnes as at 31 December 2022. Reduced quarter-on-quarter production was expected given the focus on PPIP.
- Total SOP sales for the December 2022 quarter amounted to 1,244 tonnes with an average realised sale price of $1,350/tonne FOB. Positive feedback had been received from customers in relation to SOP product specification.
- Record brine production during the quarter of over 1.3 million cubic metres at an average K grade of 8,560 mg/L.
- Pond and harvesting operations highlighted included:
- Record harvesting of 77.7kt of KTMS and 224.6kt of waste salt during the quarter:
    - Second harvester commissioned.
    - Tonnage on ROM stockpile increased to 82.4kt (82% increase over prior quarter).
- Senior Lenders continue to support Beyondie and agreed in principle, to make $10 million of the $20 million liquidity facility ("Liquidity Facility") available, plus the deferral of quarterly interest cash payments and debt service reserve account payments due in CY2023. Availability of the balance of the Liquidity Facility to be subject to lender discretion following assessment of the ramp up performance of Beyondie in the March and June 2023 quarters.
- Targeted production rate of approximately 60ktpa by June 2023. No significant expenditure on the proposed 120ktpa expansion is planned until production targets beyond June 2023 are determined, which is expected once the PPIP has been fully implemented (around April 2023).

On 27 February 2023 the Company announced to the ASX that it had executed formal documentation with its Senior Lenders to amend select terms of its financing facilities ("Facility Amendments"), as follows:

- The Facility Amendments make available for drawdown up to $10 million of the Liquidity Facility, with drawdown targeted for the week of the announcement.
- The availability of the second $10 million tranche of the Liquidity Facility will be subject to Lender discretion following assessment of the ramp-up performance at Beyondie during the March and June 2023 quarters.
- The Facility Amendments also defer interest payments due in CY2023 in respect of both the senior project term facilities ("Senior Facilities") and the Liquidity Facility ("Deferred Interest").
- The deferred interest on the Liquidity Facility is to be repaid as a priority payment under the existing Liquidity Facility repayment mechanism from cash balances in excess of $10 million at each quarterly interest payment date. The repayment of deferred interest on the Senior Facilities will commence by way of the cash sweep which begins in March 2025 with the final repayment of any outstanding balance required to be made in December 2026.

- In addition, under the Facility Amendments the requirement to make quarterly debt service reserve account payments has been deferred by 12 months, with the first payment now scheduled for December 2024, delivering additional cash relief during CY2023.

Apart from the events disclosed above, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Company's state of affairs in future financial years.

16. Dividends

No dividends were paid or declared since the end of the half-year. The directors do not recommend the payment of a dividend.

The directors of the Company declare that:

a) the financial statements and notes are in accordance with the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 'Interim Financial Reporting', the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

b) the financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date.

In the Director's 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 signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a)of the *Corporations Act 2001*.

Hon. Cheryl Edwardes AM
Chairperson

16 March 2023
Perth WA

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of KALIUM LAKES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Kalium Lakes Limited which comprises the consolidated statement of financial position as at 31 December 2022, consolidated statement of profit or loss and other 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 of the consolidated entity 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 Kalium Lakes Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's position as at 31 December 2022 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the consolidated entity incurred a loss of $102,273,002 and had net cash outflows from operating and investing activities of $18,485,260 and $18,742,652 respectively for the half-year ended 31 December 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in the going concern note, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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 Kalium Lakes Limited 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.

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

Directors' Responsibility for the Half-Year Financial Report

The directors of Kalium Lakes Limited 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. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 entity's financial position as at 31 December 2022 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.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 16 March 2023

AIK KONG TING
Partner