

The Archer logo features the word "ARCHER" in a bold, white, sans-serif font. A small orange and red graphic element, resembling a stylized arrowhead or a checkmark, is positioned to the left of the letter 'A'.

ARCHER

FINANCIAL REPORT

For the half-year ended
31 December 2021

www.archerx.com.au

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About this Report

This report has been prepared for Archer stakeholders in line with statutory and regulatory obligations. It summarises the Company's operations, performance and financial position as at and for the half year ended 31 December 2021.

All references to Archer, the Group, the Company, we, us, and our, refer to Archer Materials Limited (ABN 64 123 993 233) and its subsidiaries. All dollar figures are in Australian currency unless otherwise stated. All references to half year refer to the six-month period ending 31 December 2021.

This report should be read in conjunction with the Company's Annual Report for the year ended 30 June 2021 and any public announcements made by the Company during the half year ended 31 December 2021 and up to the date of this report.

The laboratory plant and equipment shown in the photos and images in this report are not assets of the Company.

Directors' Report

Your Directors present this report for the half year ended 31 December 2021.

Directors

The Directors of Archer during the half year and until the date of this report are as follows:

Gregory English (Executive Chairman)

Kenneth Williams (Non-Executive Director)

Bernadette Harkin (Non-Executive Director) - appointed 6 October 2021

Alice McCleary (Non-Executive Director) - resigned 24 November 2021

Principal activities

Archer is a technology company that operates within the semiconductor industry. The Company is developing advanced semiconductor devices, including chips relevant to quantum computing and medical diagnostics.

During the half year, the principal activities of the Group were:

- Progressing its world-first technology development, including its ¹²CQ quantum computing qubit processor chip ("¹²CQ chip") and 'lab-on-a-chip' biochip technology ("biochip").
- Utilising world-class technology development infrastructure and facilities, R&D, people and IP, to support pre-market development.
- Protecting key intellectual property assets (e.g. patents and international patent applications) with global competitive advantages underpinning the Company's technology.
- Establishing and strengthening commercial partnerships.
- Divestment of the Company's mineral exploration business.

Summary of financial performance

The net loss of the Group for the half year ended 31 December 2021 was \$3,236,881 (31 December 2020: \$6,412,221) and includes:

- Net loss for the half year ended 31 December 2021 from discontinued operations of \$67,233 (31 December 2020: \$4,989,285). Refer Note 10.
- Unrealised loss associated with the fair value adjustment of Archer's share investments in Volatus Capital Corp as at 31 December 2021 (\$384,657).
- Share based payments expense of \$1,853,017 representing the fair value of unlisted options issued during the half year ended 31 December 2021 (31 December 2020: \$404,250).

The above expense items are offset by:

- A \$464,224 gain associated with the prior period sale of exploration assets to ChemX Materials Ltd ('ChemX'). During the half year ended 31 December 2021 Archer received a further 2,321,119 shares in ChemX as payment of the purchase price, according to the terms of the sale agreement. The transaction was completed on 18 June 2021. Refer Note 6.
- A gain on the sale of plant and equipment (\$45,000) and service fee income associated with the provision of technical assistance to third parties (\$30,000).
- A \$355,000 other income item being the estimated research and development tax incentive receivable based on associated expenditure for the half year to 31 December 2021.

During the reporting period the Group's net cash position increased by \$22,840,999 from \$6,931,514 (1 July 2021) to \$29,080,098 (31 December 2021), and the Group has no corporate debt.

This net increase in cash was predominantly influenced by cash inflows associated with:

- A share placement to professional and sophisticated investors (\$15,000,000) before costs.
- A share purchase plan to eligible Archer shareholders (\$10,000,000) before costs.
- The exercise of unlisted options (\$484,362).
- The receipt of a research and development tax incentive (\$459,368).
- Proceeds from the sale of plant and equipment, interest income and service fee income (\$83,696)

These inflows were offset by outflows associated with:

- Direct expenditure on advanced materials & technology activities (\$758,361).
- Intellectual property assets and plant and equipment (\$95,574).
- Corporate, administration and wages (net of allocations to advance materials & technology activities) expenditure (\$1,202,206).
- Costs associated with the share placement to professional and sophisticated investors (\$991,457).
- Outflows from discontinued operations (\$135,110). Refer Note 10.

Dividends

No dividends were paid, recommended or declared during the current or previous reporting period.

Review of Operations

Archer is developing innovative deep tech for commercialisation in the semiconductor industry. During the half-year, Archer changed its GICS code from 'Materials - Diversified Metals & Mining' to 'Information Technology - Semiconductors'. The Company was added to the S&P/ASX All Technology Index on 20 December 2021.

Technology development and commercialisation activities

¹²CQ Chip

Archer's ¹²CQ chip is a world-first qubit processor technology the Company is developing that, if successful, would allow for mobile quantum computing powered devices. During the half-year, Archer made significant progress towards on-chip qubit control, reporting the first indication of on-chip qubit control in microscopic-scale qubit material (Image 1). For the first time, the Company also validated that the qubits' quantum coherence properties¹ are preserved under an inert atmosphere (Image 2).

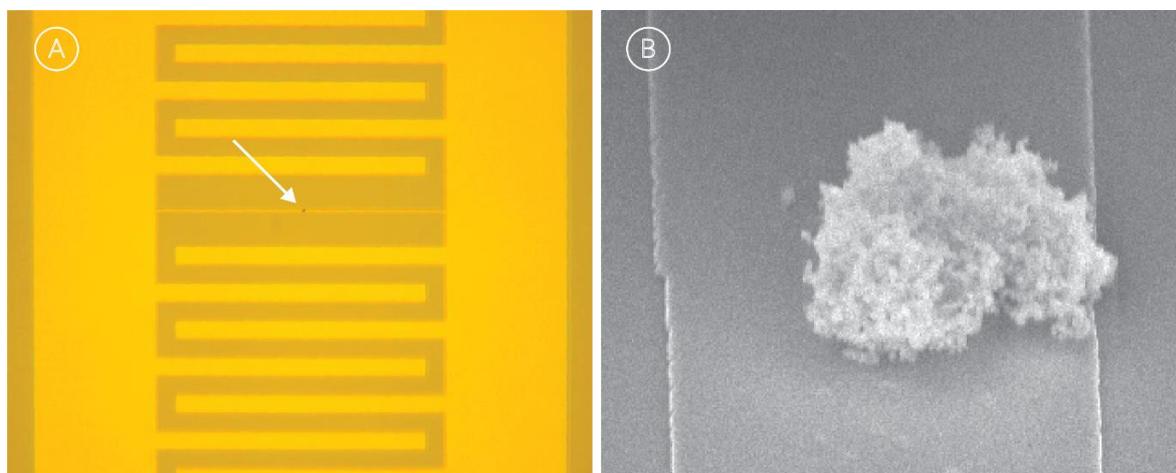


Image 1. Measuring quantum information residing on qubit materials using chip devices. A An example of a specially fabricated superconducting on-chip resonator semiconductor device. The arrow points to a dark spot indicative of a microscopic qubit cluster quantity (magnified in **B**) ten times smaller than the width of a human hair. The superconducting operating temperatures of the device are unrelated to Archer's qubits' potential to operate at room temperature. **B** The ultraprecise placement of a microscopic cluster of qubit material on a cw-ESR signal detection area. Individual qubits are not visible at the image magnification.

Archer recorded the Continuous Wave Electron Spin Resonance ("cw-ESR") signals arising from a specially fabricated superconducting on-chip resonator semiconductor device integrating *microscopic* quantities of qubits (Image 1). Initial results indicated the obtained on-chip cw-ESR signal signature was characteristic of the qubit material.

Importantly, the on-chip cw-ESR signal signature was found to be in excellent agreement with the well-studied, repeatable, and scientifically published signal obtained from room-temperature measurements performed on *macroscopic* ('bulk') quantity qubits using cw-ESR instruments¹.

With the early indication of on-chip qubit control the Company's ¹²CQ quantum computing chip technology development continues and is on track towards achieving '*qubit control*' under various qubit environments. Device fabrication and characterisation measurements are being performed by Archer staff at various lab facilities worldwide.

¹ <https://www.nature.com/articles/ncomms12232>

Quantum coherence is the fundamental requirement for quantum logic operations that are the basis of any qubit processor hardware. For potential integration and use of qubit materials in practical chip devices, it is significant to demonstrate and validate qubit robustness at room temperature and under atmospheric environments other than air or vacuum.



Image 2. Electron spin resonance setup to validate qubit robustness.

Archer found that the quantum properties of the bulk qubit material could be recovered even after the qubit material experienced shelf-lives exceeding years, and when placed under extreme exposure to high temperatures for at least several weeks (i.e. the qubit material withstood exceptional degradation conditions that are possible in chip-based environments).

During the half-year, Archer also continued developing quantum algorithms towards a use-case with verifiable quantum advantage with Artificial Intelligence and Machine Learning consulting firm, [Max Kelsen](#). Both Archer and Max Kelsen are members of the global IBM Quantum Network.

This first collaborative project between Archer and Max Kelsen is focused on advancements in the area of quantum neural networks. The project is on track and near completion, and during the half-year, jointly developed code was implemented using IBM's Qiskit quantum programming language and submitted to IBM for integration into the globally available Qiskit repository.

Advanced materials, AI, and quantum technologies are all listed and identified as critical technologies of national interest by the Australian Government². The Company signed a non-binding memorandum of understanding ("MOU") with The University of Adelaide. By signing the MOU the Company entered into a strategic relationship with the Australian Institute for Machine Learning ("[AIML](#)") that will focus on advanced materials development, device fabrication and characterisation, and the development of quantum semiconductors relevant to Archer's ¹²CQ chip technology. Cooperation between Archer and AIML is intended to last 5 years.

During the half-year, the Company continued to work through the ¹²CQ chip technology patent application procedures around the world. The Company reached significant early-stage commercial milestones with the granting of the US, Chinese and South Korean patents related to the ¹²CQ chip technology (Exhibit 1). The granting of the patents is a significant step in the Company's efforts to access global markets.

² <https://www.pmc.gov.au/resource-centre/domestic-policy/list-critical-technologies-national-interest>

In the future potential commercialisation of the ¹²CQ chip, the Company will look to use existing chip manufacturing facilities to build the ¹²CQ chip. Archer must have patent protection in the relevant countries if the Company wants to utilise these chip manufacturing plants in the future.

The US Patent (Patent No. 11126925) and Chinese Patent (Patent No. 4606612) protection provide Archer with access to the world's largest and second largest economies, respectively, to exploit IP rights related to the ¹²CQ chip and is a significant step in the Company's efforts to participate in the global technology economy.

The South Korean Patent (No. 10-2288974) protection is significant. South Korea is a major global manufacturer and exporter of semiconductor chip devices, with its conglomerates, Samsung Electronics and SK Hynix, among the top producers of semiconductors globally.

The granting of the European Patent (Patent No. 3383792) a significant early-stage milestone in Archer's development of the ¹²CQ chip. The countries in which the European Patent is to have effect are Belgium, Switzerland & Liechtenstein, Germany, Spain, France, the United Kingdom, Italy, Turkey, the Netherlands, Sweden, and Ireland

The patent application process and procedures for the additional patent applications in Australia and Hong Kong are ongoing.

Exhibit 1. Description of Archer's technology patents and patent applications

Filing Date	Technology Summary																				
3 Dec 2015	<p>■ A quantum electronic device. Quantum electronic devices for processing qubits represented by an electron spin on a new type of carbon nanomaterial and methods for using this material in quantum computing.</p> <table border="1"> <thead> <tr> <th>Stage & Coverage</th> <th>Patent/Application Number</th> </tr> </thead> <tbody> <tr> <td colspan="2">Granted</td> </tr> <tr> <td>Japan</td> <td>6809670</td> </tr> <tr> <td>South Korea</td> <td>10-2288974</td> </tr> <tr> <td>China</td> <td>4606612</td> </tr> <tr> <td>United States of America</td> <td>11126925</td> </tr> <tr> <td>Europe</td> <td>3383792</td> </tr> <tr> <td colspan="2">Pending</td> </tr> <tr> <td>Australia</td> <td>2016363118</td> </tr> <tr> <td>Hong Kong</td> <td>18115770.4</td> </tr> </tbody> </table>	Stage & Coverage	Patent/Application Number	Granted		Japan	6809670	South Korea	10-2288974	China	4606612	United States of America	11126925	Europe	3383792	Pending		Australia	2016363118	Hong Kong	18115770.4
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Hong Kong	18115770.4																				
15 Feb 2019	<p>■ Graphene complexes and compositions thereof. Complexes comprising graphene compositions, methods of synthesising these complexes and compositions, and the use of these complexes and compositions in biomolecular sensing.</p> <table border="1"> <thead> <tr> <th>Stage & Coverage</th> <th>Patent/Application Number</th> </tr> </thead> <tbody> <tr> <td colspan="2">Pending</td> </tr> <tr> <td>Australia</td> <td>2020220236</td> </tr> <tr> <td>United States of America</td> <td>17429442</td> </tr> </tbody> </table>	Stage & Coverage	Patent/Application Number	Pending		Australia	2020220236	United States of America	17429442												
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Australia	2020220236																				
United States of America	17429442																				
1 Dec 2021	<p>■ Detection and quantification of nucleic acids.</p> <table border="1"> <thead> <tr> <th>Stage & Coverage</th> <th>Patent/Application Number</th> </tr> </thead> <tbody> <tr> <td colspan="2">Provisional Patent</td> </tr> <tr> <td>Australia</td> <td>2021903898</td> </tr> </tbody> </table>	Stage & Coverage	Patent/Application Number	Provisional Patent		Australia	2021903898														
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Australia	2021903898																				

Patent Family

■ ¹²CQ chip ■ Biochip

Archer's Biochip

Archer's biochip is a unique graphene-based technology that the Company is building to enable the complex detection of some of the world's most deadly communicable diseases. Archer has continued to strategically secure access to local institutional deep-tech infrastructure. The Company is currently focused on micro- and nano-fabrication of the biochip device components and combining these components with biologically relevant chemical reactions to detect diseases.

The biochip requires the advanced fabrication of features like hair-thin microfluidic channels that allow sample processing such as mixing, chemical or physical reactions. These channels also allow the transportation of samples to smaller built-in sensors for analysing biochemical targets, for example, of viruses or bacteria.

During the half-year, the Company successfully fabricated microfluidic channels required for the biochip and integrated sensor components and other features within them on a silicon wafer, demonstrating for the first time the fabrication, miniaturisation, and integration of critical biochip components. This significant early-stage development at the micro- and nano-scale demonstrates the potential for increased compatibility with functions required for lab-on-a-chip biosensing, including for Archer's biochip.

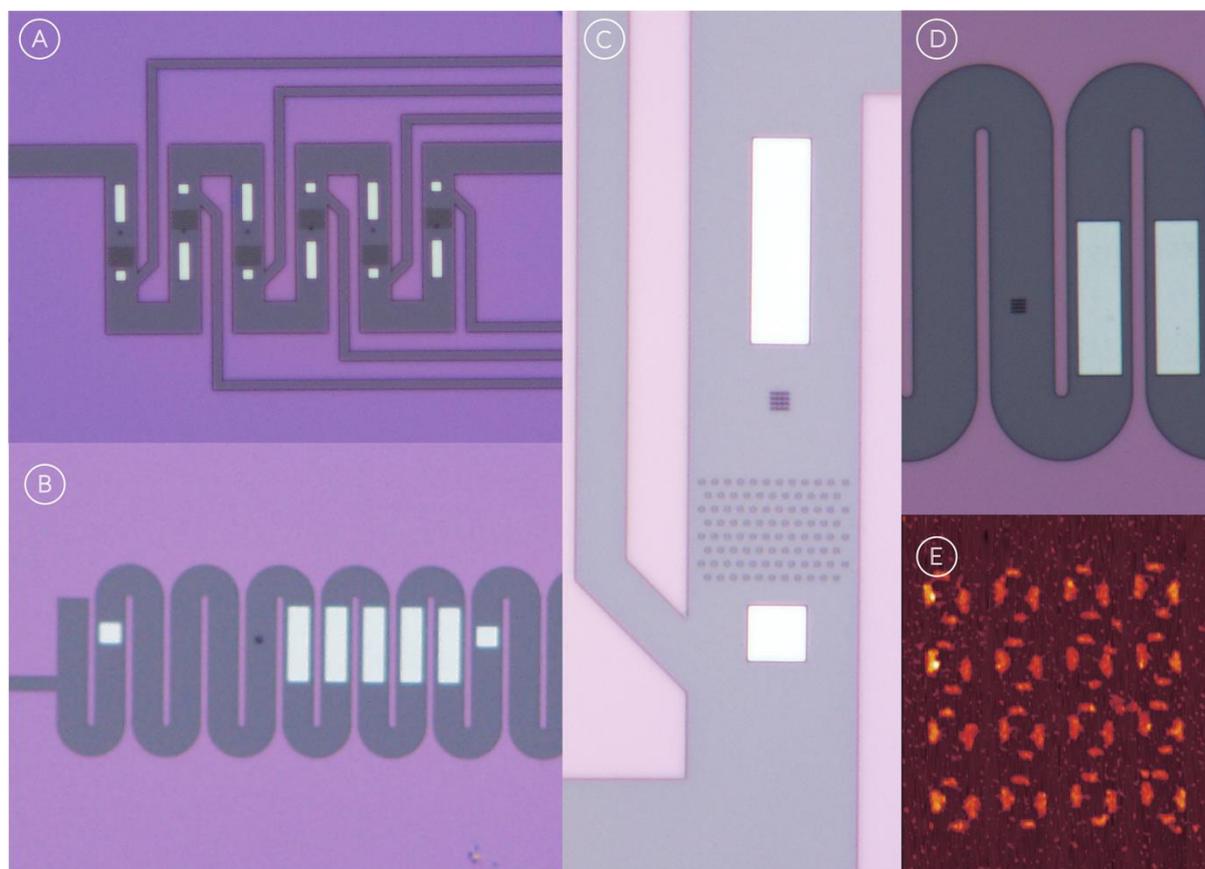


Image 3. Early-stage biochip assembly. A and B are images of two different fabricated patterns of on-chip microfluidic channels shown in the darker shaded regions on the purple background. The microfluidic channels are approx. 3 times thinner than a human hair. Additionally, features of B which are magnified and shown as the tight continuous curves in D and the magnified region of A showing small nanometre square arrays of pillars (approx. 500 nanometres in height) present above the white square region magnified in C, would allow for mixing of sample. The white squares and rectangle areas in A and B are pre- and post-sensing mixing stations and storage wells for chemical reactions. The pattern assemblies shown in A and B integrate electrode routing for 96 biosensing areas and are an unoptimised proof of concept. The image in E shows a highly magnified area of the nanosized biosensing electrodes (approx. 100 nanometres in size) that can be seen in C and D as a 4 x 4 electrode array, which would allow for biosensing and are nanofabricated using various metals. Archer's biochip development involves designing the sensing components in E to incorporate graphene materials.

The Company, in parallel to its nanofabrication progress, also successfully developed its first biochemical reactions for the detection and quantification of nucleic acid sequences (both DNA and RNA), for potential use and application at room temperature in its biochip technology. The nucleic acid sequences of interest could potentially be of viral, bacterial, or other microbial origin, which may allow for the development of Archer's biochip towards tailored on-chip pathogen detection.

Nucleic acid markers are useful for monitoring various states of health and disease; for the identification of pathogens and their strains; and the diagnosis of many diseases. Commonly known techniques to analyse biological samples for known nucleic acids include polymerase chain reaction (PCR). The techniques developed by Archer could potentially apply in conjunction with, or without, the use of PCR.

Archer owns 100% of the biochip technology intellectual property (Exhibit 1), and during the half-year the Company filed an Australian provisional patent application (No. 2021903898) related to its biochip technology. The Company's biochip technology related patent applications also progressed to the National Phase of patent granting in the US and Australia.

Divestment of the Group's mineral tenements

During the half-year the Company completed the sale of its mineral exploration business to iTech Minerals Ltd ("iTech"). Under the sale agreement with iTech (the "Transaction"), Archer agreed to sell its mineral exploration business to iTech, in return for 50 million iTech shares ("iTech Shares"). Archer distributed the iTech Shares in-specie to Archer shareholders (the "In-Specie Distribution").

The Transaction and In-Specie Distribution were both approved by Archer shareholders at a general meeting held on 30 August 2021. On 16 December 2021 the Australian Taxation Office published a Class Ruling ([CR 2021/98](#)) relating to the In-Specie Distribution.

The Company no longer owns any mineral exploration tenements and at the date of this report Archer is not involved in any mineral exploration activities.

Changes in equity

The following changes in equity took place during the half-year period:

- 10,344,828 fully paid ordinary shares ("Shares") at an issue price of \$1.45 per Share were issued on 8 October 2021, under a share placement to professional and sophisticated investors, raising \$15,000,000 (before costs).
- 6,897,556 Shares at an issue price of \$1.45 per Share were issued on 27 October 2021, under a share purchase plan dated 7 October 2021, raising \$10,000,000 (before costs).
- The Company's capital was reduced by \$10,000,000 following an equal capital reduction effected by way of in-specie distribution of 50,000,000 shares in iTech Minerals Ltd ("iTech") to Archer shareholders on 15 October 2021. The 50,000,000 shares in iTech were issued as consideration for the sale of the Company's remaining mineral exploration business to iTech. Refer to Note 10.
- 1,400,000 share options (exercise price of \$0.1929 and expiry date of 31 March 2023) were exercised into Shares.
- 1,418,277 share options (exercise price of \$0.1511 and expiry date of 31 March 2023) were exercised into Shares.
- 24,050,000 unlisted share options were issued to directors and employees following shareholder approval at the Company's Annual General Meeting held on 24 November 2021. The share options are exercisable at \$1.79 each and expire on 31 May 2025.

Significant changes to the state of affairs

During the period the Company completed the sale of its remaining mineral exploration business to iTech (refer Note 10). Following completion of the sale to iTech, the Company no longer owns any mineral exploration tenements and has changed its GICS code from 'Materials - Diversified Metals & Mining' to 'Information Technology - Semiconductors'. The Company was added to the S&P/ASX All Technology Index effective before the opening of trading on December 20, 2021.

The Directors are not aware of any further significant changes in the state of affairs of the Group occurring during the half-year ended 31 December 2021, other than as disclosed in this half year report.

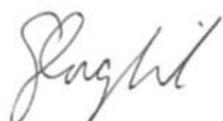
Events subsequent to the end of reporting date

- On 23 February 2022, the Company announced the granting of the European Patent associated with Archer's ¹²CQ quantum computing chip technology. The granting of the European Patent (Patent No. 3383792) represents a significant early-stage commercialisation milestone in Archer's development of the ¹²CQ chip. The countries in which the European Patent is to have effect are Belgium, Switzerland & Liechtenstein, Germany, Spain, France, the United Kingdom, Italy, Turkey, the Netherlands, Sweden, and Ireland.
- On 18 January 2022, ChemX Materials Limited commenced ASX quotation. As at 31 December 2021 Archer holds 11,571,119 fully paid ordinary shares in ChemX. Archer's shareholding in ChemX was classed by ASX as restricted securities and are being held in escrow until 18 January 2024, being 24 months from the date of commencement of Official Quotation of ChemX shares on ASX.

Auditor's Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11 and forms part of the director's report for the financial half-year ended 31 December 2021.

This report is signed in accordance with a resolution of the Board of Directors.



Greg English
Executive Chairman

Adelaide

Dated this 28th day of February 2022

Auditor's Independence Declaration



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Auditor's Independence Declaration

To the Directors of Archer Materials Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Archer Materials Limited for the half-year ended 31 December 2021, I declare that, 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; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

A large, stylized handwritten signature in blue ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in blue ink that reads "J L Humphrey".

J L Humphrey
Partner - Audit & Assurance

Adelaide, 28 February 2022

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Statement of Profit or Loss and Other Comprehensive Income

(For the half-year ended 31 December 2021)

	NOTES	CONSOLIDATED GROUP	
		31 December 2021 \$	31 December 2020 \$
INCOME			
Income	3	915,345	1,250,282
EXPENSES			
Depreciation expense		(25,740)	(10,897)
Amortisation of intangibles		(5,367)	(2,085)
Fair value loss on financial assets	6	(384,657)	(1,108,846)
Employee benefits expense		(491,488)	(473,698)
Share based payments expense	9	(1,853,017)	(404,250)
Advanced Materials research expenditure		(758,361)	(381,495)
ASX listing and share registry expense		(301,684)	(107,707)
Consulting/Public Relations/Legal expense		(64,152)	(57,312)
Exploration expenditure expensed		-	(3,064)
Other expenses		(200,537)	(123,863)
LOSS BEFORE INCOME TAX EXPENSE		(3,169,658)	(1,422,935)
Income tax benefit		-	-
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		(3,169,658)	(1,422,935)
DISCONTINUED OPERATIONS			
Loss after income tax for the period from discontinued operations.		(67,223)	(4,989,286)
LOSS ATTRIBUTED TO MEMBERS OF THE PARENT ENTITY		(3,236,881)	(6,412,221)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		(3,236,881)	(6,412,221)
EARNINGS PER SHARE		Cents	Cents
Basic and diluted loss per share		(1.42)	(2.85)
EARNINGS PER SHARE FOR CONTINUING OPERATIONS			
Basic and diluted loss per share		(1.39)	(0.63)

The accompanying notes should be read in conjunction with the financial statements.

Statement of Financial Position

(As at 31 December 2021)

	NOTES	CONSOLIDATED GROUP	
		31 December 2021 \$	30 June 2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	29,080,098	6,239,099
Prepayments		45,673	18,986
Trade and other receivables	5	419,103	497,738
Financial assets	6	2,772,211	2,692,644
		<u>32,317,085</u>	<u>9,448,467</u>
Assets of disposal groups classified as held for sale	10	-	10,018,006
Total current assets		<u>32,317,085</u>	<u>19,466,473</u>
NON-CURRENT ASSETS			
Property, plant and equipment		36,879	55,589
Intangible assets		186,280	140,208
Right-to-use asset – Office lease		24,945	30,090
Total non-current assets		<u>248,104</u>	<u>225,887</u>
TOTAL ASSETS		<u>32,565,189</u>	<u>19,692,360</u>
CURRENT LIABILITIES			
Trade and other payables		275,735	249,471
Lease Liability		10,341	10,341
Employee entitlements		103,538	296,024
		<u>389,614</u>	<u>555,836</u>
Liabilities of disposal groups classified as held for sale	10	-	85,894
Total current liabilities		<u>389,614</u>	<u>641,730</u>
NON-CURRENT LIABILITIES			
Lease Liability		14,604	19,749
Employee entitlements		90,820	71,228
Total non-current liabilities		<u>105,424</u>	<u>90,977</u>
TOTAL LIABILITIES		<u>495,038</u>	<u>732,707</u>
NET ASSETS		<u>32,070,151</u>	<u>18,959,653</u>
EQUITY			
Issued capital	7	47,587,579	33,093,217
Reserves	8	2,850,707	1,388,813
Retained losses		(18,368,135)	(15,522,377)
TOTAL EQUITY		<u>32,070,151</u>	<u>18,959,653</u>

The accompanying notes should be read in conjunction with the financial statements.

Statement of Changes in Equity

(For the half-year ended 31 December 2021)

	Issued Capital \$	Retained Earnings \$	Share Based Payments Reserve \$	Acquisition Reserve \$	Total \$
BALANCE AT 1 JULY 2020	32,485,250	(9,181,552)	997,000	240,000	24,540,698
Shares issued during the period (net of costs)	150,794	-	-	-	150,794
Fair value of unlisted options issued during the period (refer Note 8)	-	-	404,250	-	404,250
Transactions with owners	32,636,044	(9,181,552)	1,401,250	240,000	25,095,742
Total comprehensive loss for the period	-	(6,412,221)	-	-	(6,412,221)
BALANCE AT 31 DECEMBER 2020	32,636,044	(15,593,773)	1,401,250	240,000	18,683,521
	Issued Capital \$	Retained Earnings \$	Share Based Payments Reserve \$	Acquisition Reserve \$	Total \$
BALANCE AT 1 JULY 2021	33,093,217	(15,522,377)	1,148,813	240,000	18,959,653
Shares issued during the period (net of costs)	24,494,362	-	-	-	24,494,362
Fair value of unlisted options issued during the period (refer Note 8)	-	-	1,853,017	-	1,853,017
Return of capital - by way of a pro-rata in-specie distribution of iTech shares to Archer shareholders (refer Note 10)	(10,000,000)	-	-	-	(10,000,000)
Transactions with owners	47,587,579	(15,522,377)	3,001,830	240,000	35,307,032
Transfer of share based payments reserve to retained earnings	-	151,123	(151,123)	-	-
Transfer of acquisition reserve to retained earnings	-	240,000	-	(240,000)	-
Total comprehensive loss for the period	-	(3,236,881)	-	-	(3,236,881)
BALANCE AT 31 DECEMBER 2021	47,587,579	(18,368,135)	2,850,707	-	32,070,151

The accompanying notes should be read in conjunction with the financial statements.

Statement of Cash Flows

(For the half-year ended 31 December 2021)

		CONSOLIDATED GROUP	
		31 December	31 December
		2021	2020
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
	Payments to suppliers and employees	(1,202,206)	(1,014,913)
	Payments for Advanced Materials research related expenditure	(758,361)	(381,495)
	Research & development tax concession	459,338	238,859
	Interest received	8,696	9,628
	Services income	30,000	-
	Commonwealth Government COVID Stimulus	-	50,000
	NET CASH USED IN OPERATING ACTIVITIES	(1,462,533)	(1,097,921)
	11 (a)		
CASH FLOWS FROM INVESTING ACTIVITIES			
	Payments for intellectual property	(51,438)	(21,268)
	Payment for plant and equipment	(44,136)	(23,146)
	Proceeds from sale of plant and equipment	45,000	-
	Payments for exploration expenditure	-	(41,517)
	Deposit received for the sale of non-current assets	-	50,000
	NET CASH USED IN INVESTING ACTIVITIES	(50,574)	(35,931)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from issue of shares	25,485,818	150,794
	Payments for costs of capital raised	(991,457)	-
	Payment of lease liability	(5,145)	-
	NET CASH PROVIDED BY FINANCING ACTIVITIES	24,489,217	150,794
	CASH FLOWS USED BY DISCONTINUED OPERATIONS	(135,110)	(200,110)
	10		
	Net increase / (decrease) in cash held	22,840,999	(1,183,168)
	Cash at beginning of period	6,239,099	8,114,682
	CASH AT THE END OF THE PERIOD	29,080,098	6,931,514

The accompanying notes should be read in conjunction with the financial statements.

Notes to the Financial Statements

(For the half-year ended 31 December 2021)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2021 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report covers Archer Materials Limited and its controlled entities (the Group). The financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2021, together with any public announcements made during the half-year.

Significant Accounting Policies

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2021 unless otherwise stated.

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.

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for the 31 December 2021 interim reporting period and have not been applied in these financial statements. The Group is currently assessing the impact of these new standards and amendments on future financial statements.

NOTE 2 – SEGMENT REPORTING

The Directors have considered the requirements of AASB 8 - Operating segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded at this time there are no separately identifiable segments. The Group operates in one segment being materials technology research and development. As detailed elsewhere in this report, during the half year ended 31 December 2021, the Company completed the sale of its mineral exploration business to iTech Minerals Ltd and undertook a pro-rata in-specie distribution of 50,000,000 iTech shares to Archer shareholders (being distribution of the consideration shares received by Archer for the sale to iTech) (refer Note 10).

NOTE 3 – INCOME	CONSOLIDATED GROUP	
	6 months to 31 December 2021 \$	6 months to 31 December 2020 \$
Interest income	21,121	5,983
Gain on sale of plant and equipment	45,000	-
Services income	30,000	-
Research and development tax incentive	355,000	
Gain on the sale of non-current assets - sale to ChemX Materials Ltd (refer Note 6)	464,224	-
Gain on the sale of the Leigh Creek Magnesite Project	-	1,244,299
TOTAL INCOME	915,345	1,250,282

NOTE 4 – CASH AND CASH EQUIVALENTS

	CONSOLIDATED GROUP	
	31 December 2021	30 June 2021
	\$	\$
Cash at bank and cash on hand	1,034,953	5,157,481
Short term bank deposits	28,045,145	1,081,618
TOTAL CASH AT BANK AND ON HAND	29,080,098	6,239,099

Short term bank deposits are at call with 30 days' notice

NOTE 5 – TRADE AND OTHER RECEIVABLES

	CONSOLIDATED GROUP	
	31 December 2021	30 June 2021
	\$	\$
Research and development tax receivable	355,000	467,662
Accrued interest	19,998	7,573
GST and other receivables	44,105	22,503
	419,103	497,738

NOTE 6 – FINANCIAL ASSETS

	31 December 2021	30 June 2021
	\$	\$
Financial assets designated at fair value through profit or loss		
- Listed Investment in Volatus Capital Corp (“Volatus”)	457,987	842,644
- Unlisted Investment in ChemX Materials Ltd (“ChemX”)	2,314,224	1,850,000
	2,772,211	2,692,644

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	2,692,644	-
Additions – consideration received Volatus	-	2,639,132
Additions – consideration received ChemX ^{1,2}	464,224	1,850,000
Revaluation decrements ³	(384,657)	(1,796,488)
Closing fair value	2,772,211	2,692,644

¹ Archer was issued 2,321,119 shares in ChemX on 31 December 2021 as additional consideration equal to 5% of the enterprise value of ChemX at the time of ASX listing, pursuant to the sale agreement between the Company and ChemX for the sale of the mineral exploration licences EL 5815 (Waddikee) and EL 5920 (Carapee Hill). As at 31 December 2021, Archer holds 11,571,119 shares in ChemX, which are being held in escrow until 18 January 2024, being 24 months from the date of commencement of Official Quotation of ChemX shares on ASX.

² ChemX Materials Limited commenced ASX quotation on 18 January 2022. The issue price of ChemX shares under the replacement prospectus dated 26 November 2021 was \$0.20 per share.

³ The revaluation decrement recorded on the Statement of Profit or Loss and Other Comprehensive Income for the prior six-month period ended 31 December 2020 was \$1,108,846, and related to the revaluation of the 6,535,775 shares held in Volatus Capital Corp.

NOTE 6 – FINANCIAL ASSETS....continued

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

The fair value of listed investments (publicly traded equity securities) are based on quoted market prices at the end of the reporting period (Level 1).

The fair value of unlisted investments has been valued with reference to unobservable market data (Level 3).

NOTE 7 – ISSUED CAPITAL

	31 December 2021 \$	30 June 2021 \$
247,567,207 (30 June 2021: 227,506,546) fully paid ordinary shares	47,587,579	33,093,217
Six months to 31 December 2021	Number of shares	31 December 2021 \$
Movements in fully paid shares		
Balance as at 1 July 2021	227,506,546	33,093,217
Shares issued - exercise of options (16 July 2021)	200,000	38,580
Shares issued – placement (net of costs) (8 October 2021)	10,344,828	14,010,000
Shares issued - exercise of options (8 October 2021)	1,200,000	231,480
Return of Capital - in-specie distribution ¹	N/A	(10,000,000)
Shares issued – share purchase plan (27 October 2021)	6,897,556	10,000,000
Shares issued - exercise of options (2 November 2021) ²	1,318,277	199,192
Shares issued - exercise of options (29 November 2021) ²	100,000	15,110
Balance as at 31 December 2021	247,567,207	47,587,579

¹ This is the value of the capital reduction effected by way of in-specie distribution of 50,000,000 shares in iTech Minerals Ltd ('iTech') to Archer shareholders on 15 October 2021. The 50,000,000 shares in iTech were issued at \$0.20 per share as consideration for the sale of the Company's remaining mineral exploration business to iTech. Refer to Note 10 for further details regarding the sale to iTech and pro-rata in-specie distribution of iTech shares to Archer shareholders.

² Following the return of capital by way of pro-rata in-specie distribution of 50,000,000 iTech shares (refer note 10), on 15 October 2021 the exercise price of outstanding Options were adjusted in accordance with the ASX Listing rules. Options previously exercisable at \$0.1929 were adjusted to be exercisable at \$0.1511 each, and Options previously exercisable at \$0.7695 were adjusted to be exercisable at \$0.7277 each.

NOTE 8 – RESERVES

a) Share-based payments reserve

	31 December 2021	30 June 2021
	\$	\$
Share based payment reserve	2,850,707	1,148,813

Movement associated with Options during the period:

Opening Balance (1 July 2021)	1,148,813	997,000
Options issued	1,853,017	404,250
Options exercised	(151,123)	(252,437)
Forfeited/lapsed	-	-
Closing Balance (31 December 2021)	2,850,707	1,148,813

The share-based payments reserve records items recognised as an expense on the valuation of options or performance rights.

An amount of \$1,984,891 was expensed to the Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2021 in respect of unlisted options that were issued to directors and employees following shareholder approval at the Company's Annual General Meeting held on 24 November 2021 (year ended 30 June 2021: \$404,250).

An amount of \$151,123 was written-back to retained losses for the period ended 31 December 2021, relating to prior period share-based payments associated with the options that were exercised into shares during the current reporting period (year ended 30 June 2021: \$252,437).

Refer Note 9 for further details regarding the movement in options issued during the half-year ended 31 December 2021.

The Company did not issue any performance rights during the half year ended 31 December 2021 (year ended 30 June 2021: None).

b) Acquisition reserve

	31 December 2021	30 June 2021
	\$	\$
Acquisition reserve	-	240,000

The acquisition reserve represents the fair value of consideration paid (in performance rights) for the Company's previous acquisition of Carbon Allotropes Pty Limited. An amount of \$240,000 was written-back to retained losses for the period ended 31 December 2021, given the performance rights had been exercised into shares in a prior period.

NOTE 9 – SHARE BASED PAYMENTS

UNLISTED OPTIONS

Six months ended 31 December 2021

The number of Options and weighted average exercise prices are as follows for the reporting period:

	Number of Options	31 December 2021 \$	Weighted average exercise price per Option
Opening Balance (1 July 2021)	14,518,277	1,148,813	\$0.2514
Granted	24,050,000	1,853,017	\$1.7900
Exercised	(2,818,277)	(151,123)	\$0.1718
Forfeited	-	-	-
Closing Balance (31 December 2021)	35,750,000	2,850,707	\$1.2796

Weighted average remaining contractual life of Options at 31 December 2021 is 2.75 years.

Options granted during the period to 31 December 2021

On 2 December 2021, 24,050,000 unlisted options were issued to Archer's directors and employees following shareholder approval at the Company's Annual General Meeting held on 24 November 2021 ("2021 AGM"). The options were granted at no cost to the recipient and vest 1/3rd on 31 May 2022, 1/3rd on 31 May 2023, and 1/3rd on 31 May 2024 provided that the recipient is an employee of the Company at the date of vesting. The options have an exercise price of \$1.79 each and expiry date of 31 May 2025.

The total fair value at the grant date for the 24,050,000 options was \$18,287,706, and this amount is being expensed to the Statement of Profit or Loss and Other Comprehensive Income under 'share based payments expense' over the vesting periods applicable to the options. Accordingly, an amount of \$1,853,017 has been included in the Statement of Profit or Loss and Other Comprehensive Income under 'share based payments expense' for the six-month period ended 31 December 2021 (31 December 2020: \$404,250)

The options were granted pursuant to the Company's Performance Rights and Share Option Plan, which was approved by shareholders at the Annual General Meeting held on 30 October 2019.

Details of the options granted during the six-month period to 31 December 2021 are set out below:

ISSUED TO	GRANT DATE	ISSUE DATE	NUMBER OF OPTIONS GRANTED	OPTION EXERCISE PRICE	1 st VESTING DATE	2 nd VESTING DATE	3 rd VESTING DATE	EXPIRY DATE
Directors and Employees	24/11/2021	02/12/2021	24,050,000	\$1.79	31/05/2022	31/05/2023	31/05/2024	31/05/2025

All options are unlisted and are exercisable into fully paid ordinary shares in the Company on a one for one basis.

The fair value of the Options issued was calculated by using a Black-Scholes option pricing model and was estimated on the date of the grant using the following assumptions:

	Director and Employee Options
Share price at date of grant (\$)	1.39
Historic volatility (%)	88.5
Risk free interest rate (%)	0.99
Expected life of Options (days)	1284

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Options exercised during the period to 31 December 2021

During the half year period a total of 2,818,277 options with an expiry date of 31 March 2023, were exercised into shares, comprising 1,400,000 options (exercise price of \$0.1929) and 1,418,277 (exercise price of \$0.1511).

An amount of \$151,123 was written-back to retained losses for the period ended 31 December 2021, relating to prior period share-based payments expense associated with the options that were exercised into shares during the reporting period.

Options forfeited during the period to 31 December 2021

No options were forfeited during the period to 31 December 2021.

b) Performance rights

No Performance Rights (Rights) were granted during the six-month period to 31 December 2021 or during the prior year ended 30 June 2021. No expense has been included in the Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2021 (31 December 2020: Nil).

**NOTE 10 – DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS
SALE OF SUBSIDIARIES TO ITECH MINERALS LTD**

On 12 April 2021, the Company announced that it had signed a legally binding share sale agreement with iTech Minerals Pty Ltd (“iTech”) for the sale of all of the three subsidiary companies that held Archer's remaining mineral tenements (the “Transaction”).

At the Company’s General Meeting held on 30 August 2021, Archer shareholders approved the sale of the Company’s remaining mineral exploration projects to iTech in return for 50 million iTech shares (Resolution 1) and the reduction of capital by way of pro-rata in-specie distribution of the 50 million iTech shares to eligible Archer shareholders (Resolution 2).

The Transaction completed on 14 October 2021, with the Company receiving received 50 million iTech shares (with a value of \$0.20 per iTech share), which were disbursed to Archer shareholders by way of a pro-rata in-specie distribution on 15 October 2021. The Company did not hold any iTech shares following completion of the Transaction.

The following table represents the carrying amounts of net assets over which control was lost at the date of completion.

Carrying amounts of net assets over which control was lost	Total \$
Assets	
Non-current exploration assets held for sale	10,000,000
	<u>10,000,000</u>
Liabilities	-
	<u>10,000,000</u>
Net assets disposed	<u>10,000,000</u>
Consideration received:	
Fair value of equity received in iTech Minerals Ltd – 50,000,000 shares	10,000,000
Total consideration received	<u>10,000,000</u>
Gain /(loss) on disposal group classified as held for sale assets	-
Equity	
Return of capital by way of pro-rata in-specie distribution of iTech shares	(10,000,000)

NOTE 10 – DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS
...continued

The combined net operating loss of the three companies sold to iTech namely SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

	31 December 2021	31 December 2020
	\$	\$
Interest income	89	599
Impairment of exploration assets	-	(4,948,249)
Exploration expenditure expensed	(56,799)	(34,309)
Depreciation	(9,683)	(5,281)
Other expenses	(830)	(2,045)
Loss for year from discontinued operations before tax	(67,223)	(4,989,285)

The combined assets and liabilities of SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

	31 December 2021	30 June 2021
	\$	\$
Statement of financial position		
Other current assets	-	8,324
Non-current plant and equipment	-	9,682
Non-current exploration assets ¹	-	10,000,000
Assets of the disposal group held for sale	-	10,018,006
Current trade payables	-	85,894
Liabilities included in disposal group held for sale	-	85,894

Cash flows generated by SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

	31 December 2021	31 December 2020
	\$	\$
Operating activities	(135,110)	(28,566)
Investing activities	-	(171,544)
Net cash used in discontinued operations	(135,110)	(200,110)

NOTE 11 – CASH FLOW INFORMATION

A. CONTINUING OPERATIONS

a) Reconciliation of cash flows from continuing operations with loss after income tax	31 December 2021 \$	31 December 2020 \$
Loss after income tax	(3,169,658)	(1,422,936)
Depreciation (net of capitalised depreciation)	25,740	10,897
Amortisation of intangibles	5,367	2,085
Fair Value loss on investment in Volatus (Note 6)	384,657	1,108,846
Gain on sale of non-current assets – sale to ChemX (Note 3)	(464,224)	-
Gain on sale of Leigh Creek Magnesite Project	-	(1,244,299)
Share based payments - to employees	1,853,017	404,250
Exploration expenditure expensed	-	(3,064)
Changes in assets and liabilities:		
- Decrease in trade and other receivables	51,947	265,987
- Increase / (decrease) in trade and other payables	23,514	(116,038)
- Increase in employee entitlements	(172,894)	(103,649)
Net cash used in operating activities from continuing operations	(1,462,533)	(1,097,921)

b) Non-Cash Financing and Investing Activities

During the period Archer was issued 2,321,119 shares in ChemX Materials Limited ('ChemX') as additional consideration equal to 5% of the enterprise value of ChemX at the time of ASX listing, in accordance with the sale agreement between the Company and ChemX for the sale of the mineral exploration licences EL 5815 (Waddikee) and EL 5920 (Carappee Hill).

ChemX Materials Limited commenced ASX quotation on 18 January 2022. The issue price of ChemX shares under the replacement prospectus dated 26 November 2021 was \$0.20 per share. The fair value of the additional 2,321,119 shares held in ChemX was \$464,224. An amount of \$464,224 was recorded as income on the Statement of Profit or Loss and Other Comprehensive Income for the half year period ended 31 December 2021. Refer Note 6 for further details regarding shares held by the company as financial assets on the Statement of Financial Position as at 31 December 2021.

There were no further non-cash investing activities undertaken during reporting period.

There were no non-cash financing activities undertaken during reporting period.

NOTE 11 – CASH FLOW INFORMATION....continued

B. DISCONTINUED OPERATIONS

a) Reconciliation of cash flows from discontinued operations with loss after income tax	31 December 2021 \$	31 December 2020 \$
Loss after income tax	(67,223)	(4,989,285)
Depreciation	9,683	5,281
Impairment of exploration assets	-	4,948,249
Changes in liabilities:		
- Decrease in trade and other receivables	8,324	7,189
- (Decrease) / Increase in trade and other payables	(85,894)	-
Net cash used in discontinued operating activities (Note 10)	(135,110)	(28,566)
Net cash used in discontinued investing activities (Note 10)	-	(171,544)
Total cash used in discontinued operations	(135,110)	(200,110)

NOTE 12 – CONTINGENT ASSETS, LIABILITIES & COMMITMENTS

Sugarloaf Land Option

In November 2018 Archer announced the sale of its Sugarloaf farmland for \$1.35 million. The transaction settled on 1 July 2019 with Archer receiving the \$1.35 million sale proceeds in July 2019. The purchaser of the farm land has granted Archer an option to buy back approximately 30% of the Sugarloaf farm land, which may be required for the construction of the Sugarloaf Graphite Processing Facility ("Land Option"). The Land Option may be exercised by Archer any time before 31 December 2023. The Land Option was not assigned to iTech Minerals Ltd.

ChemX Materials Limited – bonus payment and royalty

In June 2021 Archer announced the completion of the sale of tenements to ChemX Materials Limited. In addition to the consideration already received, Archer is also entitled to a 2% Net Smelter Return royalty on the value of all minerals (excluding graphite) extracted from the tenements sold to ChemX.

The Group did not have any further contingent assets or liabilities as at 31 December 2021.

NOTE 13 – EVENTS SUBSEQUENT TO REPORTING DATE

The following events have occurred since reporting date

- On 23 February 2022, the Company announced the granting of the European Patent associated with Archer's ¹²CQ quantum computing chip technology. The granting of the European Patent (Patent No. 3383792) represents a significant early-stage commercialisation milestone in Archer's development of the ¹²CQ chip. The countries in which the European Patent is to have effect are Belgium, Switzerland & Liechtenstein, Germany, Spain, France, the United Kingdom, Italy, Turkey, the Netherlands, Sweden, and Ireland.
- On 18 January 2022, ChemX Materials Limited commenced ASX quotation. As at 31 December 2021 Archer holds 11,571,119 fully paid ordinary shares in ChemX. Archer's shareholding in ChemX was classed by ASX as restricted securities and are being held in escrow until 18 January 2024, being 24 months from the date of commencement of Official Quotation of ChemX shares on ASX.

Directors' Declaration

The Directors of the Company declare that:

1. The Financial Statements and Notes, as set out on pages 12 to 24 are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Accounting Standard AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date.
2. 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 made in accordance with a resolution of the Board of Directors.



Greg English
Executive Chairman

Adelaide

Dated this 28th day of February 2022

Independent Auditor's Review Report



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Independent Auditor's Review Report

To the Members of Archer Materials Limited

Report on the review of the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Archer Materials Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, and the 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, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

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

- a giving a true and fair view of the Archer Materials Limited financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Directors' responsibility 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.

Auditor's responsibility

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 Group's financial position as at 30 June 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.

A stylized blue ink signature of the auditor, appearing to read "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A blue ink signature of J.L. Humphrey, written in a cursive style.

J.L. Humphrey
Partner - Audit & Assurance

Adelaide, 28 February 2022

Corporate directory

DIRECTORS

Greg English – Executive Chairman
Kenneth Williams – Non-Executive Director
Bernadette Harkin – Non-Executive Director

CHIEF EXECUTIVE OFFICER

Dr. Mohammad Choucair

COMPANY SECRETARY

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AUSTRALIAN SECURITIES EXCHANGE

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