

APPENDIX 4D

Consolidated Interim Financial Report for the half-year ended 31 December 2018

1. Name of Entity

Clearvue Technologies Limited (ABN 45 071 397 487)

| | |
|---|----------------------------------|
| Reporting Period | Half-year ended 31 December 2018 |
| Previous Corresponding Reporting Period | Half-year ended 31 December 2017 |

2. Results for Announcement to Market

| Financial results | Up / Down | % Change | 2018 | 2017 |
|---|--|-----------------|-------------|-------------|
| Revenue from ordinary activities | Up | 257% | 727,997 | 463,064 |
| Loss after tax from ordinary activities attributable to members | Up | 495% | (2,667,754) | (448,560) |
| Loss attributable to members | Up | 495% | (2,667,754) | (448,560) |
| Final and interim dividends | It is not proposed that either a final or interim dividend be paid. | | | |
| Record date for determining entitlements to the dividend | N/A | | | |
| Brief explanation of any of the figures reported above | During the period, the Company entered into a few different Memorandums to further the development and distribution the Clearvue products in Australia and Europe. | | | |

3. Net Tangible Asset Backing per Ordinary Share

| | Cents |
|---|--------------|
| Net tangible asset backing per ordinary share – current reporting period | 2.99 |
| Net tangible asset backing per ordinary share – previous reporting period | 0.26 |

4. Control Gained Over Entities

Details of entities over which control has been gained or lost N/A

5. Dividends Paid and Payable

Details of dividends or distribution payments No dividends or distributions are payable.

6. Dividend Reinvestment Plans

Details of dividend or distribution reinvestment plans There is no dividend reinvestment program in operation for Clearvue Technologies Limited.

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7. Details of Associates


Details of associates and joint venture entities N/A

8. Foreign Entities

Foreign entities to disclose which accounting standards are used in compiling the report N/A.

9. Review Opinion

Details of any audit dispute or qualification There are no audit disputes or qualifications to the review opinion.


Victor Rosenberg
Chairman

Perth WA,

Date: 28 February 2019

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CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES

ABN 45 071 397 487

Consolidated Interim Financial Report

For the half-year ended 31 December 2018

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CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES
ABN 45 071 397 487

COMPANY INFORMATION

DIRECTORS

Victor Rosenberg, Executive Chairman
Jamie Lyford, Executive Director
Sean Rosenberg, Non-executive Director
Ivan Wu, Non-executive Director
Stuart Carmichael, Non-executive Director

COMPANY SECRETARY

Brett Tucker
Deborah Ho (appointed 31 January 2019)

REGISTERED OFFICE

Ground Floor
16 Ord Street
West Perth WA 6005

PRINCIPAL BANKERS

National Australia Bank Limited

AUDITORS

Grant Thornton Audit Pty Ltd
Level 43, Central Park
152-158 St Georges Terrace
Perth WA 6000

SOLICITORS

Steinepreis Paganin
16 Milligan Street
Perth WA 6000

SHARE REGISTRY

Registry Direct
PO Box 18366
Collins Street East
Melbourne VIC 8003

STOCK EXCHANGE LISTING

Shares are listed on the Australian Securities
Exchange (ASX code: CPV)

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DIRECTORS' REPORT

| Index | <u>PAGE</u> |
|--|--------------------|
| Directors' Report | 1 – 2 |
| Auditor's Independence Declaration | 3 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Consolidated Statement of Financial Position | 5 |
| Consolidated Statement of Changes in Equity | 6 |
| Consolidated Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8 – 15 |
| Directors' Declaration | 16 |
| Independent Auditor's Report | 17 – 18 |

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DIRECTORS' REPORT

The Directors are pleased to present their report together with the consolidated financial statements of Clearvue Technologies Limited ("the Company") and its controlled entities ("the Group") at the end of, or during, the half-year ended 31 December 2018.

1. DIRECTORS

The name of the Directors in office at any time during or since the end of the half-year are:

Victor Rosenberg
Sean Rosenberg
Jamie Lyford
Ivan Wu
Stuart Carmichael

2. PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the half-year were research and development activities applied to the Company's world leading solar glass technology.

3. REVIEW OF OPERATIONS AND FINANCIAL RESULTS

The operating result of the Group for the current half-year is a loss of \$2,667,754 (2017 restated: \$448,560).

The Company has entered into a few different Memorandums during the half-year to further the development and distribution the Clearvue products in Australia and Europe.

4. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial half-year.

5. EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

On 31 January 2019, Ms Deborah Ho was appointed as joint company secretary.

On 1 February 2019, 350,000 fully paid ordinary shares were issued at nil consideration to an employee pursuant to the Company's Employee Share Plan.

On 27 February 2019, the Company executed a Distribution Licence Agreement with Graftsol General Trading LLC.

No other matters or circumstances not otherwise dealt with in this report have arisen since the end of the financial year to the date of this report which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or state of affairs of the Group in subsequent financial years.

DIRECTORS' REPORT

6. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 has been included on page 3.

Signed in accordance with a resolution of the Board of Directors.


.....

Victor Rosenberg
Chairman

Perth WA,

Date: 28 February 2019

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Auditor's Independence Declaration

To the Directors of ClearVue Technologies Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of ClearVue Technologies Limited for the half-year ended 31 December 2018. 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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L. A. Stella
Partner – Audit & Assurance

Perth, 28 February 2019

Grant Thornton Audit Pty Ltd ACN 130 913 594
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CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES
ABN 45 071 397 487

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

| | <u>Note</u> | <u>Consolidated</u> <u>31 Dec 2018</u> \$ | <u>Consolidated</u> <u>31 Dec 2017</u> <u>Restated</u> \$ |
|---|-------------|---|--|
| Revenue | | 36,695 | 56,345 |
| Other income | 5 | 691,302 | 406,719 |
| | | <u>727,997</u> | <u>463,064</u> |
| Expenses | | | |
| Administrative expense | 6 | (3,083,492) | (500,590) |
| Depreciation and amortisation expense | | (44,413) | (28,355) |
| Finance costs | | (3,158) | (8,573) |
| Project costs | | (264,688) | (374,106) |
| | | <u>(3,395,751)</u> | <u>(911,624)</u> |
| Loss before income tax | | (2,667,754) | (448,560) |
| Income tax expense | | - | - |
| | | <u>(2,667,754)</u> | <u>(448,560)</u> |
| Loss for the year, representing total comprehensive loss for the half-year | | | |
| Loss per share for loss attributable to the owners of the Company (cents) | | | |
| Basic loss per share | | (2.77) | (1.59) |
| Diluted loss per share | | (2.77) | (1.59) |

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2018

| | <u>Note</u> | <u>Consolidated 31 Dec 2018</u> \$ | <u>Consolidated 30 Jun 2018</u> <u>Restated</u> \$ |
|--------------------------------|-------------|---|--|
| <u>ASSETS</u> | | | |
| Current Assets | | | |
| Cash and cash equivalents | 7 | 2,912,634 | 3,818,763 |
| Other receivables | 8 | 334,333 | 118,588 |
| | | 3,246,967 | 3,937,351 |
| Non-Current Assets | | | |
| Plant and equipment | 9 | 140,658 | 108,376 |
| Intangible assets | 10 | 1,617,823 | 1,493,159 |
| | | 1,758,481 | 1,601,535 |
| Total Assets | | 5,005,448 | 5,538,886 |
| <u>LIABILITIES</u> | | | |
| Current Liabilities | | | |
| Trade and other payables | 11 | 410,171 | 316,952 |
| Provisions | 12 | 65,600 | - |
| | | 475,771 | 316,952 |
| Non-Current Liabilities | | | |
| Provisions | 12 | 5,005 | - |
| | | 5,005 | - |
| Total Liabilities | | 480,776 | 316,952 |
| Net Assets | | 4,524,672 | 5,221,934 |
| <u>EQUITY</u> | | | |
| Share capital | 13 | 10,583,302 | 9,993,302 |
| Share-based payments reserve | 14 | 4,223,027 | 2,842,535 |
| Retained earnings | | (10,281,657) | (7,613,903) |
| Total Equity | | 4,524,672 | 5,221,934 |

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

| | Share Capital \$ | Share Application Monies \$ | Share- Based Payments Reserve \$ | Retained Earnings \$ | Total \$ |
|---|------------------------|--------------------------------------|--|----------------------------|------------------|
| Balance at 1 July 2017 | 4,880,646 | 98,000 | 536,900 | (3,928,073) | 1,587,473 |
| Issue of ordinary shares | 626,000 | (98,000) | - | - | 528,000 |
| Share issue costs | (99,659) | - | - | - | (99,659) |
| Loss after income tax expense for the year | - | - | - | (673,624) | (673,624) |
| Other comprehensive income for the year | - | - | - | - | - |
| Total comprehensive loss for the year | - | - | - | (673,624) | (673,624) |
| Balance at 31 December 2017 | 5,406,987 | - | 536,900 | (4,601,697) | 1,342,190 |
| Prior period adjustment (Note 4) | - | - | - | 225,064 | 225,064 |
| Balance at 31 December 2017 – Restated | 5,406,987 | - | 536,900 | (4,376,633) | 1,567,254 |
| Balance at 1 July 2018 | 9,993,302 | - | 2,842,535 | (7,369,663) | 5,466,174 |
| Prior period adjustment (Note 4) | - | - | - | (244,240) | (244,240) |
| Balance at 1 July 2018 – Restated | 9,993,302 | - | 2,842,535 | (7,613,903) | 5,221,934 |
| Options exercised | 590,000 | - | - | - | 590,000 |
| Share-based payments | - | - | 1,380,492 | - | 1,380,492 |
| Loss after income tax expense for the year | - | - | - | (2,667,754) | (2,667,754) |
| Other comprehensive income for the year | - | - | - | - | - |
| Total comprehensive loss for the year | - | - | - | (2,667,754) | (2,667,754) |
| Balance at 31 December 2018 | 10,583,302 | - | 4,223,027 | (10,281,657) | 4,524,672 |

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

| | Consolidated 31 Dec 2018 | Consolidated 31 Dec 2017 Restated |
|--|-------------------------------------|--|
| | \$ | \$ |
| Cash flows from operating activities | | |
| Loss before income tax | (2,667,754) | (448,560) |
| <i>Adjustment for:</i> | | |
| Depreciation of plant and equipment | 14,997 | 5,240 |
| Amortisation of intangible assets | 29,416 | 23,115 |
| Research and development net income | (455,201) | (225,064) |
| Share-based expense | 1,380,492 | - |
| Operating loss before working capital changes | <u>(1,698,050)</u> | <u>(645,269)</u> |
| Changes in working capital: | | |
| (Increase) / decrease in other receivables | (26,185) | 7,482 |
| Increase in trade and other payables | 26,711 | 101,437 |
| Increase in provisions | 70,605 | - |
| Net cash used in operating activities | <u>(1,626,919)</u> | <u>(536,350)</u> |
| Cash flows from investing activities | | |
| Patents and trademarks expenditure | (150,562) | (109,560) |
| Research and development expenditure | (201,698) | (237,521) |
| Research and development rebate | 493,195 | 225,064 |
| Research and development grant received | 37,134 | 237,671 |
| Purchase of plant & equipment | (47,279) | (110,844) |
| Net cash generated from investing activities | <u>130,790</u> | <u>4,810</u> |
| Cash flows from financing activities | | |
| Issuance of ordinary shares | 590,000 | 528,000 |
| Share issuance cost | - | (99,659) |
| Net cash generated from financing activities | <u>590,000</u> | <u>428,341</u> |
| Net decrease in bank balances | (906,129) | (103,199) |
| Bank balances at beginning of half-year | 3,818,763 | 509,789 |
| Bank balances at end of half-year | <u>2,912,634</u> | <u>406,590</u> |

See accompanying notes to the financial statements

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial report:

1. **GENERAL INFORMATION**

Nature of Operations

The principal activities of the Group during the course of the half-year were research and development activities applied to the Company's world leading solar glass technology.

Basis of Preparation and Statement of Compliance

These general purpose consolidated interim financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

They do not include all of the information required in an annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the Annual Report of the Group for the year ended 30 June 2018 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and Corporations Act 2001.

The consolidated interim financial report has been approved and authorised for issue, in accordance with a resolution of Directors, on the 28 February 2019.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or Amended Accounting Standards and Interpretations Adopted

The Group 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.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139's 'Financial Instruments: Recognition and Measurement' requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

When adopting AASB 9, the Group elected not to restate prior periods. Rather, differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 July 2018.

Based on its assessment, the Group does not believe that the new classification requirements will have a material impact on its accounting for trade and other receivables that are managed on a fair value basis. As at 31 December 2018, the Group had no receivables that are managed on a fair value basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue-related Interpretations. The new Standard has been applied as at 1 July 2018 using the modified retrospective approach. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of retained earnings at 1 July 2018 and comparatives are not restated. In accordance with the transition guidance, AASB 15 has only been applied to contracts that are incomplete as at 1 July 2018. Based on its assessment, the Group does not believe that the new requirements will have a material impact on its accounting for revenue.

3. SEGMENT INFORMATION

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The current Board of Directors monitors the business based on operational and geographic factors and have determined that there is only one relevant business segment being Clearvue Technologies Limited. The Group is domiciled in Australia and all revenue and expenditure is generated from Australia, and all assets are located in Australia.

4. RESTATEMENT OF COMPARATIVES

During the half-year ended 31 December 2018 review, it was agreed to restate prior deferred development costs, project revenue and costs associated with the Greenhouse project year (as stated below). The restatement is to ensure that the relevant project revenue and costs are treated appropriately according to AASB 120 Government Grants and Disclosure of Government Assistance. Extracts (being only those line items affected) are disclosed below.

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extract)

| | Consolidated 31 Dec 2017 Reported | Adjustment | Consolidated 31 Dec 2017 Restated |
|---|--|-------------------|--|
| | \$ | \$ | \$ |
| Other income | 181,655 | 225,064 | 406,719 |
| Total revenue | <u>238,000</u> | <u>225,064</u> | <u>463,064</u> |
| Loss before income tax | (673,624) | 225,064 | (448,560) |
| Loss for the year, representing total comprehensive loss of the half-year | (673,624) | 225,064 | (448,560) |
| | Cents | Cents | Cents |
| Basic loss per share | (1.06) | (0.53) | (1.59) |
| Diluted loss per share | (1.06) | (0.53) | (1.59) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

4. RESTATEMENT OF COMPARATIVES (CONTINUED)

Consolidated Statement of Financial Position (Extract)

| | Consolidated 30 Jun 2018 Reported | Adjustment | Consolidated 30 Jun 2018 Restated |
|--------------------------|--|-------------------|--|
| | \$ | \$ | \$ |
| Other receivables | 99,791 | 18,797 | 118,588 |
| Total current assets | <u>3,918,554</u> | <u>18,787</u> | <u>3,937,351</u> |
| Intangible assets | 1,756,196 | (263,037) | 1,493,159 |
| Total non-current assets | <u>1,864,572</u> | <u>(263,037)</u> | <u>1,601,535</u> |
| Total assets | <u>5,783,126</u> | <u>(244,240)</u> | <u>5,538,886</u> |
| Net assets | <u>5,466,174</u> | <u>(244,240)</u> | <u>5,221,934</u> |
| Retained earnings | (7,369,663) | (244,240) | (7,613,903) |
| Total equity | <u>5,466,174</u> | <u>(244,240)</u> | <u>5,221,934</u> |

Consolidated Statement of Cash Flows (Extract)

| | Consolidated 31 Dec 2017 Reported | Adjustment | Consolidated 31 Dec 2017 Restated |
|---|--|-------------------|--|
| | \$ | \$ | \$ |
| Loss before income tax | <u>(673,624)</u> | <u>225,064</u> | <u>(448,560)</u> |
| <i>Adjustment for:</i> | | | |
| Research and development net income | - | (225,064) | (225,064) |
| Research and development expenditure | - | (237,521) | (237,521) |
| Research and development rebate | 225,214 | (150) | 225,064 |
| Research and development grant received | - | 237,671 | 237,671 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

4. RESTATEMENT OF COMPARATIVES (CONTINUED)

Notes to the Consolidated Financial Statements (Extract)

| | Consolidated 30 Jun 2018 Reported \$ | Adjustment \$ | Consolidated 30 Jun 2018 Restated \$ |
|------------------------------------|---|--------------------------|---|
| <i>Trade and other receivables</i> | | | |
| Grants receivable | - | 18,797 | 18,797 |
| Total | <u>99,791</u> | <u>18,797</u> | <u>118,588</u> |
| <i>Intangible assets</i> | | | |
| Research and development | 844,057 | (263,037) | 581,020 |
| Total | <u>1,756,196</u> | <u>(263,037)</u> | <u>1,493,159</u> |

5. OTHER INCOME

| | Consolidated 31 Dec 2018 \$ | Consolidated 31 Dec 2017 Restated \$ |
|---------------------|--|---|
| Rebates and refunds | 683,195 | 225,064 |
| Government grant | - | 181,326 |
| Interest received | 6,107 | 329 |
| Other | 2,000 | - |
| | <u>691,302</u> | <u>406,719</u> |

6. ADMINISTRATIVE EXPENSES

| | Consolidated 31 Dec 2018 \$ | Consolidated 31 Dec 2017 \$ |
|--------------------------------------|--|--|
| Consulting fees | 250,251 | 134,727 |
| General expense | 276,086 | 77,609 |
| Legal fees | 7,145 | 14,372 |
| Listing fees | 59,553 | 99,428 |
| Materials and supplies | 345,507 | 3,339 |
| Salary and wages | 407,716 | 93,300 |
| Share-based payments expense | 1,380,492 | - |
| Superannuation | 31,076 | 8,436 |
| Travel, accommodation and conference | 325,666 | 69,379 |
| | <u>3,083,492</u> | <u>500,590</u> |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

7. CASH AND CASH EQUIVALENTS

| | <u>Consolidated 31 Dec 2018</u> \$ | <u>Consolidated 30 Jun 2018</u> \$ |
|---------------------------|---|---|
| Cash and cash equivalents | <u>2,912,634</u> | <u>3,818,763</u> |

Bank balances are denominated in Australian dollars.

8. TRADE AND OTHER RECEIVABLES

| | <u>Consolidated 31 Dec 2018</u> \$ | <u>Consolidated 30 Jun 2018</u> <u>Restated</u> \$ |
|-----------------------------|---|--|
| Trade receivables | 2,200 | - |
| R&D rebate receivable | 190,000 | - |
| Grants receivable | 18,347 | 18,797 |
| Goods and service tax (GST) | 56,042 | 95,738 |
| Term deposits | 55,354 | - |
| Prepayments | 12,390 | 4,053 |
| | <u>334,333</u> | <u>118,588</u> |

9. PLANT AND EQUIPMENT

| | <u>Consolidated 31 Dec 2018</u> \$ | <u>Consolidated 30 Jun 2018</u> \$ |
|------------------------------------|---|---|
| Plant and equipment | <u>140,658</u> | <u>108,376</u> |
| <i>Movements for the half-year</i> | | \$ |
| Cost: | | |
| Balance at 1 July 2018 | | 127,967 |
| Additions | | <u>47,279</u> |
| Balance at 31 December 2018 | | 175,246 |
| Accumulated depreciation: | | |
| Balance at 1 July 2018 | | 19,591 |
| Depreciation for the period | | <u>14,997</u> |
| Balance at 31 December 2018 | | 34,588 |
| Carrying amount: | | |
| Balance at 31 December 2018 | | <u>140,658</u> |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

10. INTANGIBLE ASSETS

| | Consolidated 31 Dec 2018 | Consolidated 30 Jun 2018 Restated |
|--|-------------------------------------|--|
| | \$ | \$ |
| Patents and trademarks | 1,036,803 | 912,139 |
| Research and development | 581,020 | 581,020 |
| | <u>1,617,823</u> | <u>1,493,159</u> |
| <i>Movements in patents and trademarks for the half-year</i> | | \$ |
| Cost: | | |
| Balance at 1 July 2018 | | 1,101,955 |
| Additions | | 154,080 |
| Balance at 31 December 2018 | | <u>1,256,035</u> |
| Accumulated amortisation: | | |
| Balance at 1 July 2018 | | 189,816 |
| Amortisation for the period | | 29,416 |
| Balance at 31 December 2018 | | <u>219,232</u> |
| Carrying amount: | | |
| Balance at 31 December 2018 | | <u>1,036,803</u> |
| <i>Movements in research and development for the half-year</i> | | |
| Cost: | | |
| Balance at 1 July 2018 - Restated | | 581,020 |
| Balance at 31 December 2018 | | <u>581,020</u> |

11. TRADE AND OTHER PAYABLES

| | Consolidated 31 Dec 2018 | Consolidated 30 Jun 2018 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| | \$ | \$ |
| Trade payables | 368,776 | 287,203 |
| Other payables | 25,445 | 16,064 |
| Amount withheld from salary and wages | 15,884 | 11,315 |
| Accruals | 66 | 2,370 |
| | <u>410,171</u> | <u>316,952</u> |

12. PROVISIONS

| | Consolidated 31 Dec 2018 | Consolidated 30 Jun 2018 |
|--------------------|-------------------------------------|-------------------------------------|
| | \$ | \$ |
| <u>Current</u> | | |
| Leave provisions | <u>65,600</u> | - |
| <u>Non-Current</u> | | |
| Leave provisions | <u>5,005</u> | - |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

13. SHARE CAPITAL

| | <u>31 Dec 2018</u> NO. OF SHARES | <u>30 Jun 2018</u> NO. OF SHARES | <u>31 Dec 2018</u> \$ | <u>30 Jun 2018</u> \$ |
|------------------------------|--|--|--------------------------|--------------------------|
| Ordinary shares – fully paid | 97,380,300 | 95,020,300 | 10,583,302 | 9,993,302 |

| | NO. OF SHARES | \$ |
|---|-------------------|-------------------|
| <i>Movements in share capital for the half-year</i> | | |
| Balance at 1 July 2018 | 95,020,300 | 9,993,302 |
| Options exercised during period ¹ | 2,360,000 | 590,000 |
| Balance at 31 December 2018 | <u>97,380,300</u> | <u>10,583,302</u> |

¹ On the 21 September 2018, 1,860,000 unlisted options were exercised at an exercise price of \$0.25 per option. Subsequently, on the 5 October 2018, 500,000 unlisted options were exercised at an exercise price of \$0.25 per option.

The share capital of the Company consists only of fully paid ordinary shares, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Company. The balance includes 39,026,956 fully paid ordinary shares that are held in escrow for 24 months from the date of official quotation.

14. SHARE-BASED PAYMENTS RESERVE

| | <u>31 Dec 2018</u> \$ | <u>30 Jun 2018</u> \$ |
|--------------------------------------|--------------------------|--------------------------|
| Share plan for Directors * | 536,900 | 536,900 |
| Options issued to Lead Manager Offer | 225,635 | 225,635 |
| Options issued to Consultants | 1,380,492 | - |
| Performance shares to Directors | 2,080,000 | 2,080,000 |
| | <u>4,223,027</u> | <u>2,842,535</u> |

* The share plan arises on the grant of loan for a term of 10 years to Directors and related parties for the purchase of the Company's ordinary shares under the Clearvue Loan Funded Share Plan in 2017. Amounts are transferred out of the reserve and into share capital when the loans are settled.

| | NO. OF OPTIONS | \$ |
|---|-------------------|------------------|
| <i>Movement in Share-Based Payments Reserve</i> | | |
| Balance at 1 July 2018 | 56,958,024 | 2,842,535 |
| Options exercised during the half-year | (2,360,000) | - |
| Options issued to Consultants ¹ | 8,550,000 | 1,380,492 |
| Balance at 31 December 2018 | <u>63,148,024</u> | <u>4,223,027</u> |

¹ On the 21 December 2018, 8,550,000 unlisted options exercisable at \$0.25 per option were issued to consultants of the Company for services provided. The options are exercisable at \$0.25 each with an expiry date of 21 June 2021. All the options vested on grant date. The Black Scholes option pricing model was used to value these options and inputs used are as stated in the table below.

| Grant Date | Expiry Date | Exercise Price | Share Price | Volatility | Risk Free Rate |
|-------------|-------------|----------------|-------------|------------|----------------|
| 21 Dec 2018 | 21 Jun 2021 | \$0.25 | \$0.28 | 96.65% | 1.97% |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

15. EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

On 31 January 2019, Ms Deborah Ho was appointed as joint company secretary.

On 1 February 2019, 350,000 fully paid ordinary shares were issued at nil consideration to an employee pursuant to the Company's Employee Share Plan.

On 27 February 2019, the Company executed a Distribution Licence Agreement with Grafsol General Trading LLC.

No other matter or circumstances, not otherwise dealt with in this report have arisen since the end of the financial year to the date of this report which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or state of affairs of the Group in subsequent financial years.

16. CONTINGENT ASSETS & LIABILITIES

There were no contingent assets or liabilities as at 31 December 2018 (2017: nil).

17. COMMITMENTS

| | Consolidated 31 Dec 2018 | Consolidated 31 Dec 2017 |
|-----------------------------------|-------------------------------------|-------------------------------------|
| | \$ | \$ |
| <i>Capital commitment</i> | | |
| Within 1 year | 65,816 | 161,315 |
| Within 5 years | 71,609 | 254,835 |
| | <u>137,425</u> | <u>416,150</u> |
| | | |
| <i>Operating lease commitment</i> | | |
| Within 1 year | 45,694 | - |
| Within 5 years | 66,932 | - |
| | <u>112,626</u> | <u>-</u> |

Operating lease commitments includes amounts for offices, photocopier and internet services, expiring within 3 years.

18. DIVIDENDS


No dividend has been declared or paid out in the half-year ended 31 December 2018 (2017: nil). The directors do not recommend the declaration of a dividend.

DIRECTORS' DECLARATION

In the opinion of the directors of Clearvue Technologies Limited:

- (a) the consolidated financial statements and notes set out on pages 8 to 15 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
 - (ii) giving a true and fair view of its financial position as at 31 December 2018 and of their performance for the period 1 July 2018 to 31 December 2018; and
- (b) at the date of this declaration, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors required by section 303(5)(a) of the Corporations Act 2001.



Victor Rosenberg

Perth WA,

Date: 28 February 2019

Independent Auditor's Review Report

To the Members of ClearVue Technologies Limited

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of ClearVue Technologies Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, 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, nothing has come to our attention that causes us to believe that the half year financial report of ClearVue Technologies Limited does not give a true and fair view of the financial position of the Group as at 31 December 2018, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

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 31 December 2018 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*. As the auditor of ClearVue Technologies Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L A Stella
Partner – Audit & Assurance

Perth, 28 February 2019

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