

## 1. Company details

Name of entity:	ASF Group Limited
ABN:	50 008 924 570
Reporting period:	For the year ended 30 June 2023
Previous period:	For the year ended 30 June 2022

## 2. Results for announcement to the market

			<b>\$'000</b>
Revenues from ordinary activities	down	56% to	976
Loss from ordinary activities after tax attributable to the owners of ASF Group Limited	up	184% to	11,545
Loss for the year attributable to the owners of ASF Group Limited	up	192% to	11,905

### *Dividends*

There were no dividends paid, recommended or declared during the current financial period.

### *Comments*

The loss for the ASF Group after providing for income tax and non-controlling interest amounted to \$11,545,000 (30 June 2022: \$4,062,000).

Refer to the attached Operating and Financial Review for detailed commentary.

## 3. Net tangible assets

	<b>Reporting period</b>	<b>Previous period</b>
	<b>Cents</b>	<b>Cents</b>
Net tangible assets per ordinary security	(2.63)	(1.06)

## 4. Control gained over entities

There was no gain of control over entities during the current financial period.

## 5. Loss of control over entities

There was no loss of control over entities during the current financial period.

6. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Rey Resources Limited	16.37%	16.36%	(365)	(294)
ActivEX Limited	16.74%	16.08%	(159)	(346)
Key Petroleum Limited	11.45%	11.45%	(50)	(140)
3D Bio-Tissues Ltd *	-	-	-	(232)
BSF Enterprise PLC	8.07%	9.68%	(432)	(46)
UK International Innovation Centre Ltd	20%	20%	-	-
Dawson West Joint Venture	60.35%	60.35%	(3,344)	-
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Loss from ordinary activities before income tax			(4,350)	(1,058)

\* Reverse takeover by BSF Enterprise PLC (LSE:BSFA), a public company listed on the London Stock Exchange.

7. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements are currently being audited. An unqualified opinion is expected to be issued and an emphasis of matter for material uncertainty relating to going concern will be included in the audit report.

8. Attachments

*Details of attachments (if any):*

The Preliminary Financial Report of ASF Group Limited for the year ended 30 June 2023 is attached.

9. Signed



Signed \_\_\_\_\_

Min Yang  
Chairman

Date: 30 August 2023

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The operating and financial review covers the operations of the consolidated entity (referred to hereafter as the 'Group') consisting of ASF Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

### **Financial results and commentary**

For the financial year ended 30 June 2023, revenue from continuing operations of ASF Group Limited (the "Company") and its controlled entities (referred to hereafter as the "Group") amounted to \$976,000, a decrease of approximately 55.6% compared to the last year of \$2,200,000.

Pre-sale of Stage 3, being the final stage of The Peninsula Hope Island project completed and as a result commission revenue arising from the sale of the project for the year decreased by 86.8% to \$217,000 (2022: \$1,641,000). Settlement of the project is expected to commence in the second half of 2023 during which the Group will receive the remaining commissions from developer. Another project "The AU" which is located at Surfers Paradise, Gold Coast has also made good sales progress and started generating sales commission. It is expected that these two projects will provide notable revenue to the Group in the year ahead.

Consolidated loss after tax and non-controlling interest for the year was \$11,545,000, an increase of approximately 184% compared with last year of \$4,062,000. Majority of the loss for the year was mainly attributed to the following:

- Share of losses of the associates of \$1,006,000;
- Impairment loss of financial assets at fair value through profit or loss of \$2,551,000;
- Impairment of loan due from associate of \$804,000;
- Interest expenses and other finance costs \$2,462,000; and
- Expenses incurred for the bulk sample pit operations of the Dawson West Project \$3,344,000.

Subsequent to the financial year end on 17 July 2023, the Company announced the extension of its on-market share buyback program for a further 12 months from 31 July 2023 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program. During the year, the Company bought back 176,240 shares at an average price of \$0.0409 per share.

### **Financial position**

As of 30 June 2023, the Company together with its subsidiaries (the "Group") maintained a cash balance of approximately \$2.1 million and has an available loan facility of \$3.05 million granted by Star Diamond Developments Limited ("Star Diamond") which agreed to extend the maturity date of the loan facility to 31 October 2024.

Finance costs amounted to \$2,462,000 (2022: \$2,046,000) which represented principally interests on the loan due to Star Diamond.

### **Principal Investments**

#### **ActivEX Limited ("AIV")**

AIV is an ASX listed mineral exploration company holding a number of prospective tenements, principally targeting copper, gold and critical metals such as rare earth element (REE) mineralisation in Queensland.

In January 2023, AIV completed the sale of its Cloncurry Copper Project and received the balance of the full \$3.0M consideration of \$1.5 million from Fetch Metals Limited ("Fetch") by selling back all the shares in Fetch held by AIV.

During the year, AIV announced encouraging results on its exploration projects, in particular the Georgetown Project where a 2km mineralised trend returned high grades of gold and base metals such as manganese, lead and iron.

On 14 July 2022 AIV announced that it had completed the Reverse Circulation (RC) drilling program at its Mt Hogan project with 38 holes completed for an advance of 4,275m. The result was encouraging with high grade gold intersections obtained. AIV further announced on 13 September 2022 that diamond core drilling on Mt Hogan project was completed with visible gold observed in one of the core drill holes. The Mt Hogan historic gold mine is part of AIV's 100% owned Gilberton gold project which is situated in the Georgetown Province in northeast Queensland, approximately 300km west-northwest of Townsville.

AIV also announced in March 2023 that it has commenced advanced exploration targeting at its Esk Copper-Gold project. The project is 100% owned by AIV and located in the New England Orogen in southeast Queensland between the towns of Gayndah and Goomeri, 215 km due northwest of Brisbane.

In June 2023, AIV were granted two additional tenements as part of the Georgetown Gold Project – Nelson EPM 28120 and Stockman EPM 28277 which comprise a total area of 29.31 km<sup>2</sup>. The Nelson tenement is adjacent to the north of Forsayth (EPM 27812) where AIV has defined a 2km gold and critical metal trend from surficial geochemical sampling and geological mapping and is mentioned previously.

During the year, the Company purchased 1.3 million AIV shares on the market and the Company's interest in AIV increased to 16.74% (2022: 16.08%) with a market value of \$0.61 million (2022: \$0.62 million) as at 30 June 2023.

#### **Rey Resources Limited ("REY")**

REY is an ASX listed oil & gas exploration and development company with a large tenement holding in the Canning Basin, Western Australia. The principal activity of REY is exploring for and developing energy resources in Western Australia's Canning Basin.

On 13 February 2023, REY announced the execution of a letter agreement with Buru Fitzroy Pty Ltd ("Buru") and Origin Energy West Pty Ltd ("Origin"), pursuant to which Origin's 40% interest in EP457 and EP458 ("Permits") would be assigned back to Buru and REY. Accordingly, Buru is now holding 60% participating interest and remains as Operator of the Permits, with REY holding the remaining 40%.

During the year, there were changes in the REY board of which Mr Dachun Zhang resigned as non-executive director on 29 November 2022 and Mr Yan Zhao and Mr Stanley Fu were appointed directors with effect from 29 November 2022 and 15 May 2023 respectively.

On 30 May 2023, the Company announced that it agreed to extend the maturity date of the \$2 million loan facility granted to REY for 1 year to 31 October 2024.

Subsequent to the financial year end on 17 August 2023, REY announced the extension of its on-market share buyback program for a further 12 months from 1 September 2023. Up to 21.2 million shares can be bought back by REY over the next 12 months.

The Group holds 16.37% of the issued capital of REY at a book value of \$4.67 million, compared with its market value of \$6.07 million as at 30 June 2023.

#### **Key Petroleum Limited ("KEY")**

KEY is an ASX listed Australian oil and gas exploration company with asset holdings (ATP 920 & 924) in the Cooper Eromanga Basin in Queensland located between the Inland and Cook/Cuisinier Oil Fields, with the eastern assets located just north of the Eromanga Oil Refinery.

In September 2022, KEY entered into a share sale agreement with Triangle Energy (Global) Limited for the sale of its two wholly owned subsidiaries (the "Sale") which hold the remaining interests in Production Licence L7 and Exploration Permit EP437 for a total consideration of \$1.1 million, of which \$600,000 has been received in cash and the balance \$500,000 to be received in Triangle Energy shares on or before 30 June 2023. On 30 March 2023, KEY announced the completion of the Sale and received 31,378,015 shares in Triangle Energy (Global) Limited (ASX: TEG), which had been sold immediately on the market and the net proceeds after costs of \$562,319.13 received on 29 March 2023.

Following completion of the Sale, KEY will remain an active Australian explorer, with a renewed strategic focus on maturing the east coast gas supply potential from its Cooper-Eromanga Basin assets in Queensland.

As at 30 June 2023, the Group holds 11.45% of the issued capital of KEY with a market value of \$0.23 million.

#### **Kaili Resources Limited ("KLR")**

KLR is a resources exploration company which holds tenements in Western Australia. The Group holds 2.2 million shares in KLR with a market value of \$28,600 as at 30 June 2023.

#### **Civil & Mining Resources Pty Ltd ("CMR")**

Trading as CMR Coal, CMR is a privately owned company with a substantial coal tenement portfolio in Queensland situated in close proximity to operating mines, infrastructure and proven economic coal resources.

CMR has successfully completed 48 boreholes on their key project Dawson West, with a total of 10,940m drilled, geophysical logged selectively cored, sampled and analysed, which has confirmed export quality thermal coal resources with seams of mineable thickness expected to extend further into unexplored areas. CMR has defined a JORC2012 code compliant resource, with a total of 876Mt (188Mt Indicated, 688Mt Inferred resource).

Following completion of the exploration program at Dawson West, which is a JV 87.5% owned by CMR, a bulk sample pit application for 250,000 tonnes has been approved by the Queensland government. This included the Environmental approvals and a signed Cultural Heritage Management Plan with the traditional owners. During the year, CMR together with its JV partner have started the development of the bulk sample pit with all infrastructure in place and progressing towards sample pit mining operations.

Together with its subsidiary ASF Resources Pty Ltd, the Company holds 68.97% of the issued capital of CMR.

#### **ASF Technologies (Australia) Pty Ltd (“ASFTA”)**

ASFTA is an Australian company that has developed a flat opposed cylinder boxer-type engine that uses patented Scotch Yoke mechanisms giving the engine advantages in weight, length, width, height, vibration and emissions over other conventional engines in its class.

ASFTA’s Scotch Yoke engine was originally developed over 20 years ago. The engine is newly patented (7 patents thus far) and has been tested by VW, Ford, Cosworth, FEV and others. The engine is the first successful 4 stroke Scotch Yoke engine to be specifically designed and developed for modern Hybrid and Range Extender vehicles and can achieve Euro 6d and China 6b emissions on China RON 92 fuel with minimum expensive add on technologies. The engine does not need Turbo charging, VVT, EGR or GDI to meet the European 6d or China 6b emission regulations.

In addition to new energy vehicles, the engine is easily adaptable for a range of power applications ranging from aviation use to home generator use. The engine is designed to be fuel agnostic and can run on Gasoline, LPG, CNG and HYDROGEN. During the year, ASFTA has been progressing engine testing to target completion by end of 2023.

The Company holds 62% of the issued capital of ASFTA.

#### **BSF Enterprise PLC (“BSFA”)**

BSFA is listed on the London Stock Exchange’s Main Market and has a 100% owned subsidiary 3D Bio-Tissues Ltd (“3DBT”).

3DBT was spun-out from Newcastle University, UK in 2019 and is a bio-technology company specialising in serum-free media, skin care and tissue engineering.

3DBT has developed a proprietary platform technology termed “tissue templating” (commonly referred to as “tissue engineering”) that facilitates the production of a variety of animal tissue types for multiple uses. This technology aims to offer structured, functional and scalable tissue replicates with potential applications in clinical settings for the replacement of human skin & corneas or broader uses in consumable protein including lab grown meat.

Amongst other intellectual property, 3DBT has also:

- successfully produced in January 2023, the UK’s first steak fillet of structured cultivated meat in its Newcastle-based laboratory. The fillet of pork was subsequently cooked and eaten by 3DBT management team. The fillet was produced using 3DBT’s patented, serum-free and animal-free cell booster, City-mix™ which eliminated the requirement of conventional plant-based scaffolds, blends or fillers; On Friday 25 May 2023, 3DBT successfully produced a further two full-scale fillets of cultivated pork, as well as a cultivated pork strip, which were presented at a technical event. The cultivated pork fillets each measured 5 cm in diameter, 3 cm in height, and circa 60 g in weight, making them similar in size to traditional 2-ounce tenderloin steaks;
- distributes and sells Serum-free media: 3DBT’s City-mix™ supplements which are a serum-free media for culturing muscle and fat cells (by way of an animal-free process) that can be used for lab-grown meat and leather production; and
- distributed Skin Care Products: Lipopeptide Etsyl™ being a product that actively increases collagen production in human skin cells. It can be used as an active ingredient in cosmetic skin cream and other topical dermatological products;
- being voted ‘University Spinout of the Year’ at the North East UK Innovation Awards ceremony, a competition organised by the Innovation SuperNetwork on 10 May 2023;
- has entered a contract with a leather fashion company to test and develop lab-grown animal skin for leather production.

On 29 March 2023, BSFA announced that it had raised £2.9 million by way of an oversubscribed placing of 17,200,000 new ordinary shares in the capital of BSFA at a price of 17p per share. Use of proceeds will go towards:

- continued development of the company's cultivated meat fillets
- ongoing expansion of 3DBT's City-Mix™ production capacity
- further development of 3DBT's lab-grown leather products
- advancement of 3DBT's cornea proposition

BSFA's shares were admitted to trading on the OTCQB Venture Market in the United States on 24 May 2023. The shares trade under the symbol BSFAF.

On 4 July 2023, BSFA (LSE: BSFA), (OTCQB: BSFAF) announced that it has formed a new subsidiary called BSF Enterprise (Hong Kong) Ltd and opened a new office in Hong Kong.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares of BSFA with a market value of GBP1.89 million (equivalent to approximately A\$3.6 million) as at 30 June 2023.

### **Property Marketing and Services**

ASF Properties Pty Ltd ('ASFP'), a wholly-owned subsidiary of the Company, continues to provide property services to onshore and offshore investors and home buyers. It represents an important strategic platform for offshore investors to access the Australian real estate market. The service scope includes development management, property management, property advisory, and development syndication. The projects which ASFP provides services for are located in New South Wales and Queensland.

ASFP has achieved excellent sales results for Stage 3 of the Peninsula Hope Island project which is the final stage of a master-planned gated community development located in Gold Coast, Queensland. The company has also made good sales progress for the other project named "the AU" located at Surfers Paradise, Gold Coast. It is expected these two projects will continue to increase the revenue for ASFP in the year ahead.

### **Fund Management and Advisory Services**

ASF Capital Pty Ltd ('ASF Capital') holds an Australian Financial Services Licence and is the fund management and advisory arm of the Group's core strategy to facilitate two-way capital flows between Australia and Asia.

ASF Capital assists select businesses both on shore and off on matters such as public listing, financial advisory, entry and/or expansion in Australia, and visa migration related areas. Also, ASF Capital is working to form tailor-made wholesale funds to capture a diverse array of investment opportunities.

### **UKIIC, UK**

The Company, through its wholly owned UK subsidiary BSF International Ltd, holds 20% interest in the issued capital of UK International Innovation Centre (UKIIC) which aims to develop an incubation Centre for development of early stage technology and life science businesses in the City of London.

### **Matters subsequent to the end of the financial year**

On 17 July 2023, the Company announced the extension of its on-market share buyback program for a further 12 months from 31 July 2023 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

No other matters or circumstances that have arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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**ASF Group Limited**

**ABN 50 008 924 570**

**Preliminary Financial Report – 30 June 2023**

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ASF Group Limited  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2023



	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Revenue</b>	1	976	2,200
Finance income	1	134	85
Share of losses of associates accounted for using the equity method	3	(1,006)	(1,058)
Other income	2	192	401
<b>Expenses</b>			
Exploration Expenditure		(1,421)	-
Commission and fee expenses		(171)	(938)
Consultancy expenses		(1,466)	(802)
Marketing expenses		(131)	5
Employee benefits expense		(1,645)	(1,454)
Depreciation and amortisation expenses	3	(278)	(284)
Impairment of financial assets at fair value through profit or loss	3	(2,551)	(110)
Loss on disposal of plant and equipment	3	(8)	-
Impairment of other receivables	3	(804)	-
Legal and professional fees		(383)	(187)
Corporate and administration expenses		(862)	(277)
Occupancy expenses	3	(246)	(59)
Finance costs	3	(2,462)	(2,046)
<b>Loss before income tax expense</b>		(12,132)	(4,524)
Income tax expense		-	-
<b>Loss after income tax expense for the year</b>		(12,132)	(4,524)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(360)	(10)
<b>Total comprehensive income for the year</b>		(12,492)	(4,534)
Loss for the year is attributable to:			
Non-controlling interest		(587)	(462)
Owners of ASF Group Limited		(11,545)	(4,062)
		(12,132)	(4,524)
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(587)	(462)
Owners of ASF Group Limited		(11,905)	(4,072)
		(12,492)	(4,534)
		<b>Cents</b>	<b>Cents</b>
Basic loss per share	16	(1.46)	(0.51)
Diluted loss per share	16	(1.46)	(0.51)

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

	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	2,097	4,412
Trade and other receivables	5	151	263
Other assets		40	3
Total current assets		<u>2,288</u>	<u>4,678</u>
<b>Non-current assets</b>			
Other receivables	6	119	935
Investments accounted for using the equity method	7	6,805	10,313
Financial assets at fair value through profit or loss		29	31
Property, plant and equipment	8	53	60
Intangibles	9	3,529	3,585
Right of use assets	12	206	452
Total non-current assets		<u>10,741</u>	<u>15,376</u>
<b>Total assets</b>		<u>13,029</u>	<u>20,054</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,139	280
Employee benefits		240	200
Borrowings	11	2,602	-
Lease liabilities	12	203	254
Total current liabilities		<u>4,184</u>	<u>734</u>
<b>Non-current liabilities</b>			
Borrowings	11	26,170	23,955
Lease liabilities	12	10	201
Total non-current liabilities		<u>26,180</u>	<u>24,156</u>
<b>Total Liabilities</b>		<u>30,364</u>	<u>24,890</u>
<b>Net assets</b>		<u>(17,335)</u>	<u>(4,836)</u>
<b>Equity</b>			
Issued capital	13	122,662	122,669
Reserves	14	(2,734)	(2,374)
Accumulated losses		(134,865)	(123,320)
Equity attributable to the owners of ASF Group Limited		<u>(14,937)</u>	<u>(3,025)</u>
Non-controlling interest		<u>(2,398)</u>	<u>(1,811)</u>
<b>Total equity</b>		<u>(17,335)</u>	<u>(4,836)</u>

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

	Issued capital \$'000	Reserves \$'000 (note 14)	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
<b>Consolidated</b>					
Balance at 1 July 2021	122,676	(2,364)	(119,258)	(1,349)	(295)
Loss after income tax expense for the year	-	-	(4,062)	(462)	(4,524)
Other comprehensive income for the year, net of tax	-	(10)	-	-	(10)
Total comprehensive income for the year	-	(10)	(4,062)	(462)	(4,534)
<i>Transactions with owners in their capacity as owners:</i>					
Share buy-back (note 13)	(7)	-	-	-	(7)
Balance at 30 June 2022	122,669	(2,374)	(123,320)	(1,811)	(4,836)
<b>Consolidated</b>					
Balance at 1 July 2022	122,669	(2,374)	(123,320)	(1,811)	(4,836)
Loss after income tax expense for the year	-	-	(11,545)	(587)	(12,132)
Other comprehensive income for the year, net of tax	-	(360)	-	-	(360)
Total comprehensive income for the year	-	(360)	(11,545)	(587)	(12,492)
<i>Transactions with owners in their capacity as owners:</i>					
Share buy-back (note 13)	(7)	-	-	-	(7)
Balance at 30 June 2023	122,662	(2,734)	(134,865)	(2,398)	(17,335)

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

Note	Consolidated	
	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>		
	1,265	2,199
	192	401
	(5,490)	(3,813)
	48	10
	-	-
17	<u>(3,985)</u>	<u>(1,203)</u>
<b>Cash flows from investing activities</b>		
8	(19)	(6)
9	(7)	(238)
	-	-
	-	-
	(150)	(200)
	250	300
	<u>74</u>	<u>(144)</u>
<b>Cash flows from financing activities</b>		
	3,689	2,000
	(1,400)	-
13	(7)	(7)
	(276)	(284)
	<u>2,006</u>	<u>1,709</u>
	(1,905)	362
	4,412	4,041
	(410)	9
	<u>2,097</u>	<u>4,412</u>

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

**Note 1. Revenue and finance income**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Sales revenue</b>		
Commission revenue	217	1,641
Corporate services	759	559
	<u>976</u>	<u>2,200</u>
<b>Finance income</b>	<u>134</u>	<u>85</u>

**Note 2. Other income**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Sundry income	-	103
R&D Rebate	147	203
Government grants	45	95
	<u>192</u>	<u>401</u>

**Note 3. Expenses**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	1	1
Plant and equipment	17	22
Total depreciation	<u>18</u>	<u>23</u>
Amortisation - right of use assets	260	261
Total depreciation and amortisation	<u>278</u>	<u>284</u>

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**Note 3. Expenses (continued)**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Impairment of non-financial assets</i>		
Impairment of financial assets at fair value through profit or loss	2,551	110
Loss on disposal of plant and equipment	8	-
Total Impairment of non-financial assets	2,559	110
<i>Impairment of financial assets</i>		
Impairment of loan to Rey Resources Limited	804	-
Total impairment (gain)/loss of financial assets	3,363	-
<i>Share of losses of associates</i>		
Rey Resources Limited	365	294
ActivEX Limited	159	346
Key Petroleum Limited	50	140
3D Bio-Tissues Ltd	-	232
BSF Enterprise PLC	432	46
UK International Innovation Centre Ltd	-	-
Total share of losses of associates	1,006	1,058
<i>Finance costs</i>		
Interest and finance charges paid/payable	2,462	2,046
<i>Occupancy expenses</i>		
Minimum lease payments	246	59
<i>Superannuation expense</i>		
Defined contribution superannuation expense	115	94

**Note 4. Current assets – cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash on hand and at bank	2,097	4,412

**Note 5. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade receivables	72	263
Other receivables	11	-
Loan receivable from associate - Dawson West JV	68	-
	151	263

**Note 6. Non-current assets - other receivables**

	Consolidated	
	2023 \$'000	2022 \$'000
Deposits	119	117
Loan receivable from associate – Rey Resources Limited <sup>1</sup>	804	718
Less: Provision for impairment of receivables (REY)	(804)	-
Loan receivable from associate – Key Petroleum Limited <sup>2</sup>	-	100
	119	935

- On 12 October 2017, the Group entered into a loan facility agreement with its associate, Rey Resources Limited (ASX: REY). Pursuant to the agreement the Group will provide up to \$1 million in standby funding for REY's exploration activities and general working capital for a term of one year. Interest will accrue at 12% per annum. The loan facility was subsequently increased to \$3.8 million and the maturity date extended to 31 December 2019. In April 2019, REY repaid \$2.5 million which remains available for re-draw before maturity. On 31 December 2019, the parties agreed to reduce the loan facility amount from \$3.8 million to \$2 million and to extend the maturity date to 31 March 2020 which has subsequently been further extended to 31 October 2024. As of 30 June 2023, the outstanding loan due from REY was fully impaired.
- On 28 April 2022, the Company entered into a loan facility agreement with KEY pursuant to which the Company would grant an unsecured loan facility of up to \$250,000 to KEY, which bears an interest rate of 10% per annum maturing 31 December 2023. The loan together with accrued interest were fully repaid by KEY in October 2023.

**Note 7. Non-current assets - investments accounted for using the equity method**

	Consolidated	
	2023 \$'000	2022 \$'000
Rey Resources Limited (ASX: REY)	6,067	8,804
ActivEX Limited (ASX: AIV)	500	621
Key Petroleum Limited (ASX: KEY)	225	451
BSF Enterprise PLC (LSE: BSFA) <sup>1</sup>	13	437
	6,805	10,313

- Upon successful completion of the reverse takeover of 3D Bio-Tissues Ltd ("3DBT") by BSF Enterprise PLC (LSE: BSFA), a publicly listed independent company incorporated in the UK, which had been re-admitted to the Official List on the London Stock Exchange's Main Market on 17 May 2022, 3DBT is now a 100% owned subsidiary of BSFA.

In consideration for the sale of the Company's interest in 3DBT to BSFA, BSF Angel Funding Limited, a subsidiary of the Company, received 16,610,944 fully paid ordinary shares of BSFA. The transaction has been accounted for as a contribution of a non-monetary asset to an associate in exchange of an equity interest in the associate. The Group has determined that any gain or loss on the transaction is regarded as unrealised and is not recognised.

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**Note 8. Non-current assets - property, plant and equipment**

	Consolidated	
	2023 \$'000	2022 \$'000
Leasehold improvements - at cost	154	154
Less: Accumulated depreciation	(154)	(153)
	-	1
Plant and equipment - at cost	427	427
Addition	19	-
Disposal	(53)	-
Less: Accumulated depreciation	(340)	(368)
	53	59
	53	60

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements \$'000	Plant and equipment \$'000	Motor Vehicles \$'000	Total \$'000
Balance at 1 July 2021	2	75	-	77
Additions	-	6	-	6
Disposal	-	-	-	-
Exchange differences	-	-	-	-
Depreciation expense	(1)	(22)	-	(23)
	1	59	-	60
Balance at 1 July 2022	1	59	-	60
Additions	-	19	-	19
Disposal	-	(8)	-	(8)
Exchange differences	-	-	-	-
Depreciation expense	(1)	(17)	-	(18)
	-	53	-	53
Balance at 30 June 2023	-	53	-	53

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**Note 9. Non-current assets – intangibles**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Mining exploration and evaluation expenditures – at cost	3,529	3,585

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	Total \$'000
Balance at 1 July 2021	3,347
Additions	238
Write-off	-
	<hr/>
Balance at 30 June 2022	3,585
Additions	7
Write-off	(63)
	<hr/>
Balance at 30 June 2023	<u>3,529</u>

**Note 10. Current liabilities – trade and other payables**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade payables	95	77
Other payables	1,044	204
	<hr/>	<hr/>
	1,139	280
	<hr/>	<hr/>

**Note 11. Borrowings**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Dawson West JV – Star Diamond	2,289	-
Dawson West JV – LDO loan	313	-
	<hr/>	<hr/>
	2,602	-
	<hr/>	<hr/>
<b>Non-current</b>		
Convertible notes payable <sup>1</sup>	26,170	23,955
	<hr/>	<hr/>
	26,170	23,955
	<hr/>	<hr/>

*Convertible notes payable*

1. With the continuing support from Star Diamond Developments Limited (“Star Diamond”), on 18 June 2021 Star Diamond agreed to increase the loan facility by \$2 million to a total of \$25 million (“SD Facilities”). The maturity date was further extended to 31 October 2024. As of 30 June 2023, a total of \$21.95 million SD Facilities has been drawn down with remaining \$3.05 million available for further draw down by the Company.

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**Note 12. Leases**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Right of use assets		
Opening balance	452	712
Addition	14	-
Amortisation	(260)	(260)
Closing balance	<u>(206)</u>	<u>452</u>
Lease liabilities		
Current	203	254
Non-current	10	201
Total lease liabilities	<u>213</u>	<u>455</u>

**Note 13. Equity - issued capital**

<b>Consolidated</b>	<b>Consolidated</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$'000</b>	<b>\$'000</b>
Ordinary shares – fully paid	792,397,534	792,573,774	122,662	122,669

*Movement in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$'000</b>
Balance	30 June 2021	792,726,289		122,676
Share buy-back	1 July 2021 – 30 June 2022	<u>(152,515)</u>	\$0.044	<u>(7)</u>
Balance	30 June 2022	792,573,774		122,669
Share buy-back	1 July 2022 – 30 June 2023	<u>(176,240)</u>	\$0.041	<u>(7)</u>
Balance	30 June 2023	<u>792,397,534</u>		<u>122,662</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Share buy-back*

During the year, the Company bought back 176,240 shares at a cost of \$7,000.

On 17 July 2023, the Company announced the extension of its on-market share buyback program for a further 12 months from 31 July 2023 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

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**Note 14. Equity – reserves**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Foreign currency reserve	(246)	114
Non-controlling interests reserve	(2,802)	(2,802)
Capital reserve	314	314
	<u>(2,734)</u>	<u>(2,374)</u>

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars.

*Non-controlling interest reserve*

The reserve is used to recognise non-controlling interest arising from the disposal of subsidiaries.

*Capital reserve*

The capital reserve is used to recognise the equity component within convertible notes payable and other borrowings. It also includes the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid.

<b>Consolidated</b>	<b>Foreign currency reserve \$'000</b>	<b>Non- controlling interest reserve \$'000</b>	<b>Capital reserve \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2021	124	(2,802)	314	(2,364)
Foreign currency translation	(10)	-	-	(10)
	<u>114</u>	<u>(2,802)</u>	<u>314</u>	<u>(2,374)</u>
Balance at 1 July 2022	(360)	-	-	(360)
Foreign currency translation	(246)	(2,802)	314	(2,734)
Balance at 30 June 2023	<u>(246)</u>	<u>(2,802)</u>	<u>314</u>	<u>(2,734)</u>

**Note 15. Equity – dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

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**Note 16. Earnings per share**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss after income tax	(12,132)	(4,524)
Non-controlling interest	587	462
	<hr/>	<hr/>
Loss after income tax attributable to the owners of ASF Group Limited	(11,545)	(4,062)
	<hr/>	<hr/>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	792,491,612	792,690,658
	<hr/>	<hr/>
Weighted average number of ordinary shares used in calculating diluted earnings per share	792,491,612	792,690,658
	<hr/>	<hr/>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.46)	(0.51)
Diluted earnings per share	(1.46)	(0.51)

**Note 17. Cash flow information**

*Reconciliation of loss after income tax to net cash used in operating activities*

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss after income tax expense for the year	(12,132)	(4,524)
Adjustments for:		
Depreciation and amortisation	278	284
Share of loss - associates	1,006	1,058
Impairment of loan to associates	804	-
Loss/(Gain) on disposal of property, plant and equipment	8	-
Net fair value loss on investments	2,551	110
Interest expense	2,235	2,046
Change in operating assets and liabilities:		
Decrease in trade and other receivables	(482)	(288)
Decrease in trade and other payables	1,747	111
	<hr/>	<hr/>
Net cash used in operating activities	(3,985)	(1,203)
	<hr/>	<hr/>

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**Note 17. Cash flow information (continued)**

*Changes in liabilities arising from financing activities*

<b>Consolidated</b>	<b>Convertible notes \$'000</b>	<b>Loan payable \$'000</b>	<b>Other loans \$'000</b>	<b>Total \$'000</b>
Balance at 30 June 2021	19,950	-	-	19,950
Net cash (used in)/from financing activities	-	-	-	-
Loan drawdown	2,000	-	-	2,000
Interest payable	2,005	-	-	2,005
<hr/>				
Balance at 30 June 2022	23,955	-	-	23,955
Net cash (used in)/from financing activities	-	-	-	-
Loan drawdown	1,400	-	2,602	4,002
Loan repayment	(1,400)	-	-	(1,400)
Interest payable	2,242	-	-	2,242
Repayment of interest	(27)	-	-	(27)
<hr/>				
Balance at 30 June 2023	26,170	-	-	28,772

**Note 18. Events after the reporting period**

On 17 July 2023, the Company announced the extension of its on-market share buyback program for a further 12 months from 31 July 2023 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

No other matters or circumstances that have arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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