See what matters.

icetana Limited

APPENDIX 4E

FULL YEAR FINANCIAL REPORT

YEAR ENDED 30 JUNE 2023

icetana Limited
Level 32, 152 St Georges Terrace, Perth WA 6000
ABN 90 140 449 725
Lodged with the ASX under Listing Rule 4.3A

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icetana Limited
Appendix 4E

1. Company details

Name of entity:	icetana Limited
ABN:	90 140 449 725
Reporting period:	Year ended 30 June 2023
Previous corresponding period:	Year ended 30 June 2022
Release date:	30 August 2023

2. Results for announcement to the market

Revenues from ordinary activities	up	2%	to	1,744,714
Loss from ordinary activities after tax attributable to the owners of icetana Limited	down	32%	to	2,055,678
Loss for the year attributable to the owners of icetana Limited	down	35%	to	2,109,212

3. Statement of comprehensive income

Refer to the attached Financial Report for the year ended 30 June 2023.

4. Statement of financial position

Refer to the attached Financial Report for the year ended 30 June 2023.

5. Statement of cash flows

Refer to the attached Financial Report for the year ended 30 June 2023.

6. Statement of changes in equity

Refer to the attached Financial Report for the year ended 30 June 2023.

7. Dividend payments

Refer to the attached Financial Report for the year ended 30 June 2023. The Company does not propose to pay any dividends in the current period.

8. Dividend reinvestment plans

Not applicable.

9. Net tangible assets

	30 Jun 2023	30 Jun 2022
Net tangible assets per share (cents) *	0.21	0.83

** Net assets (excluding intangible assets and net deferred tax liabilities) divided by number of shares outstanding at the end of the period.*

10. Control gained over entities

Not applicable.

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11. Other significant information

Not applicable.

12. Foreign entities

Australian Accounting Standards are utilised when compiling the Financial Report.

13. Commentary on the results for the period

Refer to the Review of Operations section contained in the Directors Report.

14. Audit qualification or review

The above information is extracted or derived from the consolidated financial statements and notes attached below which have been audited by Dry Kirkness (Audit) Pty Ltd.

Signed

Date: 30 August 2023

Matthew Macfarlane
Non-Executive Chairman
Perth, Western Australia

Approved for release by the Board of icetana Limited

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icetana Limited
Corporate Directory
For the year ended 30 June 2023

Board of Directors
Geoff Pritchard
Non-Executive Chairman

Matthew Macfarlane
Managing Director and Chief Executive Officer

Colm O'Brien
Non-Executive Director

Clinton Snow
Non-Executive Director

Company Secretary
Rafael Kimberley-Bowen

Registered office and principal place of business
Level 32
152 St Georges Terrace
Perth
Western Australia 6000

Website
www.icetana.ai

Auditors
Dry Kirkness (Audit) Pty Ltd
Ground Floor
50 Colin Street
West Perth
Western Australia 6005
www.drykirkness.com.au

Share registry
Automic Registry Services
Level 5
191 St Georges Terrace
Perth
Western Australia 6000
www.automicgroup.com.au

Stock exchange
ASX Limited (ASX)
www.asx.com.au

ASX code
ASX:ICE

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icetana Limited
Contents
For the year ended 30 June 2023

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The directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of icetana Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled for the year ended 30 June 2023.

Directors

The following persons were directors of icetana Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Matthew Macfarlane
Geoff Pritchard (resigned 31 July 2023)
Deanna Carpenter (resigned 23 November 2022)
Colm O'Brien
Clinton Snow

Principal activities

During the financial year the principal continuing activity of the Consolidated Entity consisted of the development and sale of an AI assisted video surveillance software using technology based on machine learning to provide automatic real-time anomalous event detection.

Review of operations

Founded in 2009, icetana was formed to commercialise technology developed by researchers at Curtin University that allows for the efficient analysis of very large data sets to identify anomalous activity and events outside normal patterns.

icetana has commercialised the technology by developing Artificial Intelligence (AI) assisted video surveillance software using machine learning techniques to provide automated real-time anomalous event detection (icetana Solution) for use cases including security, loss prevention, theft and health and safety. The icetana Solution integrates with existing video surveillance systems or can be deployed to directly interface with surveillance camera feeds. The software 'learns' activity patterns (not object or facial recognition) for fixed-field-of-view cameras and creates a model of 'normal' movement patterns and activity. After the learning phase, the software then reports anomalous or unusual movement patterns and activity in real-time, through a user interface that highlights those anomalous events. Security operators, typically based in operations centres responsible for monitoring hundreds to thousands of cameras, can review the unusual events and determine appropriate response.

To date, significant traction has been made in securing enterprise grade customers and the Company currently has over 30 active customers across a number of core industry verticals with installed sites in over 70 locations supporting in excess of 15,000 video surveillance cameras globally. The product has application to multiple customer segments and use-cases and will be targeting additional industry verticals as part of the product development roadmap (e.g. prisons, healthcare and guarding services).

icetana's business is transitioning swiftly to a Software as a Service (SaaS) operation, allowing the Company to build recurring revenue streams. This is complemented by a non-SaaS direct-licensing model which includes recurring maintenance fees where customers or markets have a strong preference for such upfront arrangement.

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Review of operations (cont.)

The Company continues to carefully manage costs, and following a successful share placement in October 2022 the Company has invested into commercialisation and research & development whilst maintaining a strong cash position.

The loss for the Consolidated Entity after providing for income tax amounted to $2,124,965 (30 June 2022: $2,969,438), a 28% improvement on the prior year.

The reported losses of the Consolidated Entity for the year ended 30 June 2023 include substantial (non-cash) costs in relation to the Employee Share Investment Plan: a net expense of $452,080 over the year. It is worth noting that the majority of expenses relate specifically to historical ESIP options with exercise prices of 25 cents and 30 cents, which although have now become much less likely to be exercised (given the share price at balance date of 2 cents), nevertheless require on-going expensing under accounting standard AASB 2.

Removing the non-cash impact of the ESIP plan from the Consolidated Entity's results for the year ended 30 June 2023 would reduce the reported losses by 21%, to $1,672,885.

For the year ended 30 June 2023 the Consolidated Entity reported sales revenue of $1,744,714 were up 2% on the previous year ($1,713,244). However recurring revenues by way of SaaS and maintenance fees increased as a proportion of total revenue for the financial year to approximately 96% (83% in 2022). The Company also had $1,501,645 in unearned revenue as at 30 June 2023 (2022: $1,224,961), representing pre-payments received from customers who typically pay for annual subscriptions 12 months in advance.

The financial position of the Consolidated Entity remains strong with net current assets of $714,908 and nil debt.

Dividends
No dividends were paid or declared since the start of the financial period. No recommendation for payment of dividends has been made.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

Matters subsequent to the end of the financial year
On 31st July 2023, the following changes were made:

- Geoff Pritchard resigned from his position as Non-Executive Director and Chair but remains as a strategic advisor
- Matthew Macfarlane was appointed as Non-Executive Chair, moving from his current role as Chief Executive Officer
- Kevin Brown was appointed as the new Chief Executive Officer

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Likely developments and expected results of operations
icetana will continue to implement the business strategies put in place to drive the Company towards a growth trajectory in the foreseeable future, subject to a stable macro-economic environment. The Company will continue to seek new opportunities to build scale and to broaden its customer base, product offering and technological advantage.

In reliance on s299A(3) of the Corporations Act 2001, we have not disclosed further information on business strategies and prospects, because disclosure of that information is likely to result in unreasonable prejudice to the Group.

Environmental regulation
The current activities of the Company are not subject to any significant environmental regulation. However, the Board believes that the Company has adequate systems in place to manage its environmental obligations and is not aware of any breach of any environmental requirements during the period covered by this report as they apply to the Company.

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Information on directors

Name:	**Geoffrey Pritchard**
Title:	**Non-Executive Chairman**
Qualifications:	B.Com, CA (Australia), MBA, GAICD
Experience and expertise:	Geoff is an experienced chairman, executive director and chief executive actively engaged across governance, strategy consulting, corporate advisory, venture capital and private equity to the superannuation, family office, financial services and technology sectors. He co-founded and until 30 June 2023 was Chairman of Go Capital Pty Ltd, a private equity and venture capital business with a focus on the technology sector and a significant investor in icetana Ltd. Mr Pritchard was previously CEO of the Western Pacific Financial Group and led the business into its ASX exit in 2007.
Other current ASX directorships:	None
Former ASX directorships (last three years):	None
Special responsibilities:	None
Interests in shares:	1,361,427
Interests in options:	1,141,164
Interests in performance rights:	Nil
Contractual right to shares:	None

Name:	**Matthew Macfarlane**
Title:	**Managing Director and Chief Executive Officer**
Qualifications:	B.Com, CA (Australia), GAICD
Experience and expertise:	Matthew was the founding CEO of the Company and returned to the role in September 2018. He is a successful entrepreneur, angel and venture capital investor and worked for over 10 years doing international cross-border mergers and acquisitions. He co-founded software start-up Vibe Capital (Minti) which raised over $2.6m from early stage investors; and also co-founded the $40m venture capital firm Yuuwa Capital in 2009. He has taken on acting-CEO roles at icetana and Australian Export Grains Innovation Centre (AEGIC) in the past 5 years during CEO absences. In 2018 he was recognised by the West Australian IT and Telecoms Association (WAITTA) as the Pearcey Entrepreneur of the Year. He is an independent director of PetRescue Ltd and a director of the Australian Export Grains Innovation Centre (AEGIC), and until February 2022 he was chair of Spacecubed Ventures Pty Ltd.
Other current ASX directorships:	None
Former ASX directorships (last three years):	None
Special responsibilities:	None
Interests in shares:	2,259,975
Interests in options:	9,784,823
Interests in performance rights:	None

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Contractual right to shares: Nil

Name: **Deanna Carpenter**
Title: **Non-Executive Director, resigned 23 November 2022**
Qualifications: LLB, BEc
Experience and expertise: Deanna has over 10 years' experience as a lawyer with a focus on equity capital markets and mergers & acquisitions, and extensive experience in governance, risk management and corporate compliance. Deanna is a partner in the corporate and commercial practice of national firm HWL Ebsworth and has been involved with icetana since advising on its IPO in 2019. Deanna has previously worked with ASX in its compliance division.
Other current ASX directorships: None
Former ASX directorships (last three years): None
Special responsibilities: None
Interests in shares: Nil
Interests in options: 234,435
Interests in performance rights: Nil
Contractual right to shares: None

Name: **Colm O'Brien**
Title: **Non-Executive Director**
Qualifications: BCL
Experience and expertise:

Colm has over 20 years' experience at executive and director level, including ten years as CEO with ASX-listed media company Aspermont Limited, where he developed a digitally led global resources media business. Mr O'Brien is also a founder of Carrington Partners a boutique management consulting group. In addition to his media industry experience, Mr O'Brien has worked in international financial services, tier one management consultancy at Andersen Consulting (Accenture) and Barclays Bank Plc. Colm is a founding director of Carrington Partners, a specialised management consultancy focused.

Other current ASX directorships: Non-executive director of Sports Entertainment Group (ASX: SEG), appointed 1 September 2015; Non-executive director of Schrole Group (ASX:SCL), appointed October 2022.
Former ASX directorships (last three years): None
Special responsibilities: None
Interests in shares: 200,000
Interests in options: 900,000
Interests in performance rights: Nil
Contractual right to shares: None

Name: **Clinton Snow**
Title: **Non-Executive Director**
Qualifications: B.Eng/B.Com
Experience and expertise: Clinton has nearly 20 years of experience as a technology leader with a focus on engineering management and leading the development and implementation of engineering solutions in the oil and gas industry. He has previously served as a non-executive director and chairman and currently provides advisory services to a family office and related investments.

Other current ASX directorships: Non-executive director of Dimerix (ASX: DXB), appointed 1 May 2023.
Former ASX directorships (last three years): None

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Special responsibilities:	None
Interests in shares:	30,942,306
Interests in options:	7,625,048
Interests in performance rights:	Nil
Contractual right to shares:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last three years)' quoted above are directorships held in the last three years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Rafael Kimberley-Bowen (GAICD, MBA, FCMA, BSc) was appointed to the role of Company Secretary on 22 February 2022. He has also served as the Company's Chief Financial Officer since 1 February 2021. He is an advisor and finance professional with expertise in fast-growing technology companies. He is a director and founder of advisory firm scale.partners, and director of StartupWA and Perth Angels.

Meeting of directors
The number of meetings of the Consolidated Entity's Board of Directors ('the Board') during the year ended 30 June 2023, and the number of meetings attended by each director were:

Director	Attended	Held
Matthew Macfarlane	9	9
Geoff Pritchard	9	9
Deanna Carpenter	4	4
Colm O'Brien	9	9
Clinton Snow	8	9

Held: represents the number of meetings held during the time that the director held office.

Remuneration report (Audited)

The remuneration report details the key management personnel remuneration arrangements for the Consolidated Entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Consolidated Entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the

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delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Consolidated Entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Consolidated Entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The existing approved maximum annual aggregate remuneration is $300,000.

Executive remuneration
The Consolidated Entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the Consolidated Entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any

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additional costs to the Consolidated Entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPIs') being achieved. KPIs include profit contribution, customer satisfaction, leadership contribution and product management. No STIs were paid to executives during the year ended 30 June 2023.

The long-term incentives ('LTI') include long service leave and share-based payments. Options awarded to executives vest over a period of three years. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2023. In addition during the course of the year the Board engaged an independent remuneration advisor, Loftswood, to conduct a review of a proposed ESIP compensation package and provide an independent opinion. The advisor confirmed that the proposed compensation was reasonable for the Company.

Consolidated entity performance and link to remuneration
From 1 July 2020, remuneration for certain individuals has been directly linked to the performance of the Consolidated Entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants
Other than the external review of a proposed ESIP compensation package, the Consolidated Entity did not engage external consultants to review existing remuneration policies during the year ended 30 June 2023.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the Consolidated Entity are set out in the following tables.

The key management personnel of the Consolidated Entity consisted of the following directors of icetana Limited:
- Geoff Pritchard - Non-Executive Director and Chairman
- Deanna Carpenter - Non-Executive Director (resigned 23 November 2022)
- Matthew Macfarlane - Managing Director and Chief Executive Officer
- Colm O'Brien - Non-Executive Director
- Clinton Snow - Non-Executive Director

And the following persons:
- Kevin Brown – Chief Operating Officer
- Rafael Kimberley-Bowen - Company Secretary and Chief Financial Officer

Changes since the end of the reporting period:
- On 31 July 2023:
  - Matthew Macfarlane resigned as Chief Executive Officer, and was appointed as Non-Executive Chairman;
  - Geoff Pritchard resigned as Non-Executive Director and Chairman;
  - Kevin Brown was appointed as Chief Executive Officer.

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	Short term benefits			**Post employment benefits**	**Long term benefits**	**Share based payments**		
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity - settled shares	Equity - settled options	Total
2023	$	$	$	$	$	$	$	$
Non-Executive Directors:								
Geoff Pritchard (Chair)	65,000	-	-	6,825	-	-	12,613	84,438
D. Carpenter [1]	14,455	-	-	1,518	-	-	2,276	18,249
C. O'Brien	39,780	-	-	-	-	-	2,927	42,707
C. Snow	36,000	-	-	3,780	-	-	2,927	42,707
Executive Directors:								
Matthew Macfarlane	192,000	-	-	20,160	8,082	-	180,307	400,549
Other Key Management Personnel:								
Kevin Brown	190,800	-	-	20,034	2,490	-	148,444	361,768
R. Kimberley-Bowen	172,800	-	-	18,144	-	-	29,211	220,155
	710,835	-	-	70,461	10,572	-	378,705	**1,170,573**

[1] Represents remuneration from 1 July 2022 to 23 November 2022

	Short term benefits			**Post employment benefits**	**Long term benefits**	**Share based payments**		
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity - settled shares	Equity - settled options	**Total**
2022	$	$	$	$	$	$	$	**$**
Non-Executive Directors:								
Mark Potts [1]	29,861	-	-	2,986	-	-	4,823	37,670
Geoff Pritchard (Chair)	54,417	-	-	3,792	-	-	8,871	67,079
D. Carpenter	36,000	-	-	3,600	-	-	685	40,285
C. O'Brien [2]	15,510	-	-	-	-	-	-	15,510
C. Snow [3]	14,250	-	-	1,425	-	-	-	15,675

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Executive Directors:								
Matthew Macfarlane	192,000	-	-	19,200	5,906	-	113,493	330,599
Other Key Management Personnel:								
Kevin Brown	158,400	-	-	15,840	5,735	-	85,506	265,481
R. Kimberley-Bowen	182,000	-	-	7,200	-	-	9,891	199,091
	682,438	-	-	54,043	11,641	-	223,269	**971,391**

[1] Represents remuneration from 1 July 2021 to 8 February 2022
[2] Represents remuneration from 8 February 2022 to 30 June 2022
[3] Represents remuneration from 8 February 2022 to 30 June 2022

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The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2023	2022	2023	2022	2023	2022
Non-Executive Directors:						
M. Potts	N/a	87%	-	-	N/a	13%
G. Pritchard	85%	87%	-	-	15%	13%
D. Carpenter	88%	98%	-	-	12%	2%
C. O'Brien	93%	100%	-	-	7%	-
C. Snow	93%	100%	-	-	7%	-
Executive Directors:						
M. Macfarlane	55%	66%	-	-	45%	34%
Other Key Management Personnel:						
K. Brown	59%	68%	-	-	41%	32%
R. Kimberley-Bowen	87%	95%	-	-	13%	5%

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Consolidated entity performance and link to remuneration'. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Board.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
Name	2023	2022	2023	2022
Executive Directors:				
M. Macfarlane	0%	0%	100%	100%
Other Key Management Personnel:				
K. Brown	0%	0%	100%	100%
R. Kimberley-Bowen	0%	0%	100%	100%

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Fully paid ordinary shares

2023	Balance at 1 Jul 2022 Number	Received on exercise of options Number	Balance held on resignation Number	Acquired/ disposed of Number	**Balance at 30 Jun 2023** **Number**
Non-Executive Directors:					
Geoff Pritchard (Chair)	1,361,427	-	n/a	-	**1,361,427**
D. Carpenter [1]	-	-	-	-	**n/a**
C. O'Brien	200,000	-	n/a	-	**200,000**
C. Snow	14,455,042	-	n/a	16,487,264	**30,942,306**
Executive Directors:					
Matthew Macfarlane	2,259,975	-	n/a	-	**2,259,975**
Other Key Management Personnel:					
Kevin Brown	2,825,098	-	n/a	100,000	**2,925,098**
R. Kimberley-Bowen	913,600	-	n/a	-	**913,600**
	22,015,142	-	-	16,587,264	**38,602,406**

[1] Represents fully paid ordinary shares from 1 July 2022 to 23 November 2022

2022	Balance at 1 Jul 2021 Number	Received on exercise of options Number	Balance held on resignation Number	Acquired/ disposed of Number	**Balance at 30 Jun 2022** **Number**
Non-Executive Directors:					
Mark Potts [1]	441,511	-	441,511	-	**n/a**
Geoff Pritchard (Chair)	39,550,195	-	n/a	(38,188,768)	**1,361,427**
D. Carpenter	-	-	n/a	-	**-**
C. O'Brien [2]	-	-	n/a	200,000	**200,000**
C. Snow [3]	14,455,042	-	n/a	-	**14,455,042**
Executive Directors:					
Matthew Macfarlane	1,444,649	-	n/a	815,326	**2,259,975**
Other Key Management Personnel:					
Kevin Brown	1,700,098	-	n/a	1,125,000	**2,825,098**
R. Kimberley-Bowen	177,950	-	n/a	735,650	**913,600**
	57,769,445	-	441,511	(35,312,792)	**22,015,142**

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[1] Represents fully paid ordinary shares from 1 July 2021 to 8 February 2022
[2] Represents fully paid ordinary shares from 8 February 2022 to 30 June 2022
[3] Represents fully paid ordinary shares from 8 February 2022 to 30 June 2022

Share options

2023	Balance at 1 Jul 2022 Number	Granted as compensation Number	Cancelled/ Expired Number	Net other change Number	Balance held at resignation Number	**Balance at 30 Jun 2023 Number**	Vested and exercisable ESIP options Number	ESIP options vested during year Number
Non-Executive Directors:								
Geoff Pritchard (Chair)	813,458	1,500,000	(172,294)	-	n/a	**2,141,164**	718,870	328,145
D. Carpenter [1]	468,870	-	(234,435)	-	234,435	**n/a**	234,435	78,145
C. O'Brien	-	900,000	-	-	n/a	**900,000**	150,000	150,000
C. Snow	4,099,166	900,000	(2,049,583)	21,162,729	n/a	**24,112,312**	150,000	150,000
Executive Directors:								
Matthew Macfarlane	18,249,262	-	(131,106)	-	n/a	**18,118,156**	9,320,383	3,604,958
Other Key Management Personnel:								
Kevin Brown	16,302,787	-	-	-	n/a	**16,302,787**	7,323,620	3,037,052
R. Kimberley-Bowen	5,362,500	-	-	-	n/a	**5,362,500**	1,506,667	1,006,667
	45,296,043	3,300,000	(2,587,418)	21,162,729	234,435	**66,936,919**	19,403,975	8,354,967

[1] Represents share options from 1 July 2022 to 23 November 2022

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2022	Balance at 1 Jul 2021	Granted as compensation	Cancelled/ Expired	Net other change	Balance held at resignation	**Balance at 30 Jun 2022**	Vested and exercisable ESIP options	ESIP options vested during year
	Number	Number	Number	Number	Number	**Number**	Number	Number
Non-Executive Directors:								
Mark Potts [1]	1,000,341	-	-	-	1,000,341	**n/a**	625,159	156,289
Geoff Pritchard (Chair)	10,479,314	-	-	(9,665,856)	n/a	**813,458**	390,725	156,290
D. Carpenter	468,870	-	-	-	n/a	**468,870**	156,290	156,290
C. O'Brien [2]	-	-	-	-	n/a	**-**	-	-
C. Snow [3]	4,099,166	-	-	-	n/a	**4,099,166**	-	-
Executive Directors:								
Matthew Macfarlane	8,249,262	10,000,000	-	-	n/a	**18,249,262**	5,715,425	4,543,251
Other Key Management Personnel:								
Kevin Brown	5,990,287	10,000,000	-	312,500	n/a	**16,302,787**	4,286,568	1,996,762
R. Kimberley-Bowen	1,500,000	3,800,000	-	62,500	n/a	**5,362,500**	500,000	500,000
	31,787,240	23,800,000	-	(9,290,856)	1,000,341	**45,296,043**	11,674,167	7,508,882

[1] Represents share options from 1 July 2021 to 8 February 2022
[2] Represents share options from 8 February 2022 to 30 June 2022
[3] Represents share options from 8 February 2022 to 30 June 2022

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Matthew Macfarlane
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	1 May 2019
Term of agreement:	Current agreement ended on 31 July 2023. Appointed as Non-Executive Chair on 1 August 2023.
Details:	Base salary for the year ending 30 June 2023 of $192,000 plus superannuation, to be reviewed annually by the Board. Two month termination notice by either party, revenue bonus of up to 40% of salary subject to achievement of revenue targets to be agreed with the Board annually, eligible to participate in Employee Stock Investment Plan (ESIP) subject to a Performance Review and Board approval, non-solicitation and non-compete clauses.

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Name:	Kevin Brown
Title:	Chief Operating Officer
Agreement commenced:	7 October 2019
Term of agreement:	Current agreement ended on 31 July 2023. Appointed as Chief Executive Officer on 1 August 2023.
Details:	Full time equivalent salary for the year ending 30 June 2023 of $216,000 plus superannuation, to be reviewed annually by the Board. Three month termination notice by either party, eligible to participate in Employee Stock Investment Plan (ESIP) subject to a Performance Review and Board approval, non-solicitation and non-compete clauses.

Name:	Rafael Kimberley-Bowen
Title:	Chief Financial Officer and Company Secretary
Agreement commenced:	4 February 2021
Term of agreement:	Ongoing
Details:	From 1 February 2022, full time equivalent salary of $216,000 plus superannuation. Two month termination notice by either party, eligible to participate in Employee Stock Investment Plan (ESIP) subject to a Performance Review and Board approval, non-solicitation and non-compete clauses. Prior to 1 February 2022, Rafael was contracted through Scale Partners Pty Ltd to provide CFO services for $15,000 per month plus GST.

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Share-based compensation

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
M Macfarlane	2,344,348	18-Dec-19	Note 1	30-Nov-23	$0.30	$0.13
G Pritchard	468,870	18-Dec-19	Note 1	30-Nov-23	$0.30	$0.13
K Brown	1,758,261	18-Dec-19	Note 1	30-Nov-23	$0.30	$0.13
M Macfarlane	5,642,702	1-May-20	Note 2	31-Mar-24	$0.25	$0.09
K Brown	4,232,026	1-May-20	Note 2	31-Mar-24	$0.25	$0.09
D. Carpenter	468,870	2-Jun-21	Note 3	2-Jun-25	$0.25	$0.05
R. Kimberley-Bowen	1,500,000	2-Jun-21	Note 3	2-Jun-25	$0.25	$0.05
M Macfarlane	10,000,000	27-Apr-22	Note 4	26-Apr-26	$0.15	$0.02
K Brown	10,000,000	27-Apr-22	Note 4	26-Apr-26	$0.15	$0.02
R. Kimberley-Bowen	3,800,000	27-Apr-22	Note 4	26-Apr-26	$0.15	$0.02
G Pritchard	1,500,000	30-Nov-22	Note 5	29-Nov-26	$0.15	$0.02
C Snow	900,000	30-Nov-22	Note 5	29-Nov-26	$0.15	$0.02
C O'Brien	900,000	30-Nov-22	Note 5	29-Nov-26	$0.15	$0.02

<u>Notes.</u>
[1] Options vest on a quarterly basis over the three year period after the issue date with a further vesting condition of a 12 month “cliff” from the commencement of employment, engagement or office with the Company. There is no entitlement to retain any options (partially vested or otherwise) until 12 months of employment, engagement or office is completed. If employment is ceased during the vesting period, any unvested options held are forfeited by the Director / KMP.
[2] Options vest ⅓ in 12 months and quarterly thereafter over a total three year period commencing 1 May 2020. If employment is ceased during the vesting period, any unvested options held are forfeited by the Director / KMP.
[3] Options vest ⅓ in 12 months and quarterly thereafter over a total three year period commencing 2 June 2021. If employment is ceased during the vesting period, any unvested options held are forfeited by the Director / KMP.
[4] 40% of options vest quarterly over a total three year period commencing 27 April 2022. 30% of options vest when revenue over a six month period prior to 31 December 2024 exceeds $1.5m. 30% of options vest when revenue over a six month period prior to 31 December 2025 exceeds $2.25m. If employment is ceased during the vesting period, any unvested options held are forfeited by the Director / KMP.
[5] Options vest quarterly over a total three year period commencing 30 November 2022. If employment is ceased during the vesting period, any unvested options held are forfeited by the Director / KMP.

Options granted carry no dividend nor voting rights.

All options were granted over unissued fully paid ordinary shares in the company. The number of options granted was determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Consolidated entity performance and link to remuneration'. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid nor payable by the recipient in relation to the granting of such options other than on their potential exercise.

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Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2023 are set out below (note – value of options provided below is value of options vested as at 30 June 2023):

Name	Vested and exercisable as at 30 June 2023 **number**	Value of options vested during the year **$**	Value of options exercised during the year **$**	Value of options lapsed during the year **$**	Remuneration consisting of options for the year **%**
M Macfarlane	9,653,717	180,307	-	-	45%
G Pritchard	718,870	12,613	-	-	15%
K Brown	7,656,954	148,444	-	-	41%
R Kimberley-Bowen	1,633,333	29,211	-	-	13%
D. Carpenter	234,435	2,276	-	-	12%
C Snow	150,000	2,927	-	-	7%
C O'Brien	150,000	2,927	-	-	7%

This concludes the remuneration report, which has been audited.

Shares under option
All unissued ordinary shares of icetana Ltd under option (relating to key management personnel and other personnel, including departed personnel) at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
18 Dec 2019	30 Nov 2023	$0.30	6,298,334
1 May 2020	31 Mar 2024	$0.25	6,706,904
7 May 2020	31 Mar 2024	$0.25	5,642,702
16 Oct 2020	31 Mar 2024	$0.25	225,000
18 Mar 2021	31 Mar 2024	$0.25	133,333
2 Jun 2021	2 Jun 2025	$0.25	2,601,102
27 Apr 2022	26 Apr 2026	$0.15	28,608,333
16 Nov 2022	15 Nov 2026	$0.15	200,000
30 Nov 2022	29 Nov 2026	$0.15	3,300,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options
No options were exercised during the year ended 30 June 2023 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 26 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 26 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners or directors of Dry Kirkness (Audit) Pty Ltd
There are no officers of the company who are former partners or directors of Dry Kirkness (Audit) Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
Dry Kirkness (Audit) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Matthew Macfarlane
Non-Executive Chairman

30 August 2023
Perth, Western Australia

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DRY KIRKNESS

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of icetana Ltd and its controlled entities for the year ended 30 June 2023, 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 audit; and

b) No contraventions of any applicable code of professional conduct in relation to the audit.

DRY KIRKNESS (AUDIT) PTY LTD

Robert Hall CA
Director

Perth
Date: 30 August 2023

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icetana Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	30 Jun 2023 $	30 Jun 2022 $
Revenue from continuing operations	4	1,744,714	1,713,244
Cost of sales		(221,609)	(340,661)
Gross profit		**1,523,105**	**1,372,583**
Foreign exchange gains		69,057	198,229
Other income	5	71,238	74,526
Interest revenue		20,369	3,804
Expenses			
Accountancy and audit fees		(53,480)	(71,545)
Advertising and marketing		(303,865)	(229,906)
Consultancy fees		(115,421)	(569,777)
Depreciation and amortisation expense		(161,382)	(136,450)
Employee benefits expense		(2,822,615)	(2,949,243)
Other expenses	6	(617,401)	(613,077)
Share based payments expense		(452,080)	(752,426)
Loss before income tax expense from continuing operations		(2,842,475)	(3,673,282)
Income tax benefit	7	717,510	703,844
Loss after income tax expense from continuing operations		(2,124,965)	(2,969,438)
Loss after income tax expense for the year		**(2,124,965)**	**(2,969,438)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(94,316)	(231,303)
Other comprehensive income for the year, net of tax		(94,316)	(231,303)
Total comprehensive loss for the year		**(2,219,281)**	**(3,200,741)**
Net loss after income tax expense attributable to:			
Non-controlling interest		(69,287)	70,161
Owners of icetana Limited		(2,055,678)	(3,039,599)
		(2,124,965)	**(2,969,438)**
Total comprehensive loss attributable to:			
Non-controlling interest		(110,069)	38,732
Owners of icetana Limited		(2,109,212)	(3,239,473)
		(2,219,281)	**(3,200,741)**
Loss per share for profit attributable to the owners of icetana Limited		Cents	Cents
Basic loss per share	19	(1.10)	(2.09)
Diluted loss per share	19	(1.10)	(2.09)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

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icetana Limited
Consolidated statement of financial position
As at 30 June 2023

	Note	30 Jun 2023 $	30 Jun 2022 $
Assets			
Current assets			
Cash and cash equivalents	8	994,150	2,015,163
Trade and other receivables	9	324,592	207,407
Prepayments	10	94,545	107,905
Inventory		3,884	3,738
Income tax refundable		717,510	669,632
Right-of-use asset	15	83,073	76,336
Total current assets		**2,217,754**	**3,080,181**
Non-current assets			
Property, plant and equipment	11	175,869	53,009
Total non-current assets		**175,869**	**53,009**
Total assets		**2,393,623**	**3,133,190**
Liabilities			
Current liabilities			
Trade and other payables	12	140,711	150,975
Unearned revenue	13	1,079,501	938,948
Employee benefits	14	199,561	209,152
Lease liabilities	16	83,073	76,336
Total current liabilities		**1,502,846**	**1,375,411**
Non-current liabilities			
Unearned revenue	13	422,144	286,013
Employee benefits	14	51,181	40,633
Total non-current liabilities		**473,325**	**326,646**
Total liabilities		**1,976,171**	**1,702,057**
Net assets		**417,452**	**1,431,133**
Equity			
Issued capital	17	21,836,502	21,082,982
Reserves	18	1,656,109	1,865,563
Non-controlling interest	20	(311,993)	(201,924)
Retained losses	21	(22,763,166)	(21,315,488)
Total equity		**417,452**	**1,431,133**

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

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icetana Limited
Consolidated statement of changes in equity
For the year ended 30 June 2023

	Issued capital $	Foreign currency translation reserve $	Share based payments reserve $	Accumulated losses $	Non-controlling interest $	Total equity $
Balance at 1 July 2021	18,573,586	33,883	1,279,128	(18,275,889)	(240,656)	1,370,052
Profit after income tax expense for the year	-	-	-	(3,039,599)	70,161	(2,969,438)
Other comprehensive income for the year, net of tax	-	(199,874)	-	-	(31,429)	(231,303)
Total comprehensive income for the year	**-**	**(199,874)**	**-**	**(3,039,599)**	**38,732**	**(3,200,741)**
Transactions with owners in their capacity as owners:						
Shares issued	2,700,000	-	-	-	-	2,700,000
Share issue costs	(190,604)	-	-	-	-	(190,604)
Share-based payments	-	-	752,426	-	-	752,426
Balance at 30 June 2022	**21,082,982**	**(165,991)**	**2,031,554**	**(21,315,488)**	**(201,924)**	**1,431,133**

	Issued capital $	Foreign currency translation reserve $	Share based payments reserve $	Accumulated losses $	Non-controlling interest $	Total equity $
Balance at 1 July 2022	**21,082,982**	**(165,991)**	**2,031,554**	**(21,315,488)**	**(201,924)**	**1,431,133**
Profit after income tax expense for the year	-	-	-	(2,055,678)	(69,287)	(2,124,965)
Other comprehensive income for the year, net of tax	-	(53,534)	-	-	(40,782)	(94,316)
Total comprehensive income for the year	**-**	**(53,534)**	**-**	**(2,055,678)**	**(110,069)**	**(2,219,281)**
Transactions with owners in their capacity as owners:						
Shares issued	770,535	-	-	-	-	770,535
Share issue costs	(17,015)	-	-	-	-	(17,015)
Share-based adjustment	-	-	(607,655)	607,655	-	-
Share-based payments	-	-	451,735	345	-	452,080
Balance at 30 June 2023	**21,836,502**	**(219,525)**	**1,875,634**	**(22,763,166)**	**(311,993)**	**417,452**

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

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icetana Limited
Consolidated statement of cash flows
For the year ended 30 June 2023

	Note	30 Jun 2023 $	30 Jun 2022 $
Cash flows from operating activities			
Receipts from customers		1,975,451	2,172,721
Payments to suppliers and employees		(4,057,777)	(4,619,208)
		(2,082,326)	**(2,446,487)**
Interest received		20,369	3,804
R&D tax rebate		669,632	534,212
Net cash used in operating activities	30	**(1,392,325)**	**(1,908,471)**
Cash flows from investing activities			
Payments for property, plant and equipment		(164,134)	(20,058)
Proceeds on disposal of property, plant and equipment		-	-
Net cash used in investing activities		**(164,134)**	**(20,058)**
Cash flows from financing activities			
Proceeds from share issue		770,535	2,700,000
Share issue costs		(17,015)	(190,604)
Reduction in finance lease principal		(123,758)	(73,248)
Net cash generated from financing activities		**629,762**	**2,436,148**
Net (decrease)/increase in cash and cash equivalents		(926,697)	507,619
Cash and cash equivalents at the beginning of the year		2,015,163	1,738,847
Effects of exchange rate changes on cash and cash equivalents		(94,316)	(231,303)
Cash and cash equivalents at the end of the year	8	**994,150**	**2,015,163**

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

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Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, 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.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Going Concern

During the year the Consolidated Entity continued to incur losses, though a decrease from the previous year, following investment in our next generation product. For the year ended 30 June 2023, the Consolidated Entity incurred a loss from continuing operations after tax of $2,124,965 (30 June 2022: $2,969,438). In the same period the consolidated entity had operating cash outflows of $1,392,325 (year ended 30 June 2022: $1,908,471).

Notwithstanding these matters, the consolidated financial statements have been prepared on a going concern basis. The Directors consider this to be appropriate for the following reasons:

- the projected cash flow through the renewal of existing customers and the addition of new customer orders;
- the ability to reduce operating cash outflows dependent on the addition of new customer orders;
- access to capital markets, should funding be required, for the Consolidated Entity to continue to execute against its business plan in the medium term.

The Directors have a reasonable expectation that existing cash, additional inflows from sales to existing customers and the R&D rebate recognised at year end will be sufficient to sustain operations for a period of not less than 12 months from the date of signing the financial report. Furthermore, the Consolidated Entity has the ability to adjust its cash flows to ensure that it can pay its debts as and when they fall due.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in note 27.

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Note 1. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of icetana Limited ('company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. icetana Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports to the Board. The Board is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is icetana Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

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Note 1. Significant accounting policies (continued)

Revenue recognition

The Consolidated Entity recognises revenue as follows:

Revenue from contracts with customers

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

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

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of implementation.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

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Note 1. Significant accounting policies (continued)

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

icetana Limited does not have any wholly-owned Australian subsidiaries and has not formed an income tax consolidated group under the tax consolidation regime.

Research and development tax rebates are treated as an income tax benefit.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

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Note 1. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Receivables are generally due for settlement within 30 days.

The Consolidated Entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories
Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

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Note 1. Significant accounting policies (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Consolidated Entity is able to use or sell the asset; the Consolidated Entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of ten years.

Customer contracts
Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of five years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of five years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying

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Note 1. Significant accounting policies (continued)

amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the Consolidated Entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Consolidated Entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated Entity has transferred the goods or services to the customer.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.
Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the Consolidated Entity has a present (legal or constructive) obligation as a result of a past event, it is probable the Consolidated Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

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Note 1. Significant accounting policies (continued)

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share
Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Icetana Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

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Note 1. Significant accounting policies (continued)

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2023. The Consolidated Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Consolidated Entity.

New and Amended Accounting Policies Not Yet Adopted by the Consolidated Entity:

– *AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*

  The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

  The Group plans on adopting the amendment for the reporting period ending 30 June 2024 along with the adoption of AASB 2022-6. The amendment is not expected to have a material impact on the financial statements once adopted.

– *AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*

  AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

  The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

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Note 1. Significant accounting policies (continued)

- *AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

  The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

  The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

- *AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendment amends the initial recognition exemption in AASB 112: *Income Taxes* such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

  The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

- AASB 2021-7b & c: *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

  AASB 2021-7b makes various editorial corrections to AASB 17 *Insurance Contracts* which applies to annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

  AASB 2021-7c defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10: *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018.

  The Group plans on adopting the amendments for the reporting periods ending 30 June 2024 and 30 June 2026. The impact of initial application is not yet known.

- AASB 2022-7: *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*

  AASB 2022-7 makes editorial corrections to the following standards: AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB as well as to AASB Practice Statement 2. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard.

  The Group plans on adopting the amendments for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

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Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Consolidated Entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Consolidated Entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Consolidated Entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions
The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 18 for further information.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Consolidated Entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Consolidated Entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Taxation
Balances disclosed in the financial statements and the notes hereto, related to taxation are based on the best estimates of Directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income tax legislation and the Directors understanding thereof. No adjustment has been made for pending or future tax legislation. The current income tax position represents that Directors' best estimate, pending an assessment by the Australian Taxation Office.

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Note 3. Operating Segments

Identification of reportable operating segments

The Board assess the Consolidated Entity's performance based on geographical areas of operation. Accordingly, the Consolidated Entity has identified 3 reportable segments, which are presented below:

Segment	Information
Asia Pacific (APAC)	Responsible for all sales, marketing and product development efforts in Australia and the broader Asia Pacific region
North America (NA)	Responsible for all sales and marketing efforts in the United States and Canada
Europe, Middle East & Africa (EMEA)	Responsible for all sales and marketing efforts in Europe, the Middle East and Africa

Cost of revenue (included in EBITDA) are all the costs directly attributable to the ongoing delivery of the product. Sales and marketing costs include direct in-country costs. A portion of general and administration costs, representing general operating and product development expenses, remain unallocated in determining the segment contribution presented by the Board.

The assets and liabilities of the Consolidated Entity are reported and reviewed by the Board in total and are not allocated by operating segment. Operating segment assets and liabilities are therefore not disclosed.

Operating segment information:

	Note	APAC $	NA $	EMEA $	Total $
Consolidated - 30 June 2023					
Revenue					
Sales to external customers	3	860,319	307,430	576,965	1,744,714
Intersegment sales		538,886	-	-	538,886
Total sales revenue		1,399,205	307,430	576,965	2,283,600
Intersegmental eliminations		(538,886)	-	-	(538,886)
Interest revenue		20,369	-	-	20,369
Other income	4	71,238	-	-	71,238
Total segment revenue		951,926	307,430	576,965	1,836,321
EBITDA		(2,646,308)	67,393	(122,546)	(2,701,461)
Depreciation and amortisation		(144,648)	-	(16,735)	(161,383)
Interest revenue		20,369	-	-	20,369
Finance costs		-	-	-	-
Profit before income tax expense		(2,770,587)	67,393	(139,281)	(2,842,475)
Income tax expense		717,510	-	-	717,510
Profit after income tax expense		(2,053,077)	67,393	(139,281)	(2,124,965)

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	Note	APAC $	NA $	EMEA $	Total $
Consolidated - 30 June 2022					
Revenue					
Sales to external customers	3	750,459	220,355	742,430	1,713,244
Intersegment sales		508,668	-	-	508,668
Total sales revenue		1,259,127	220,355	742,430	2,221,912
Intersegmental eliminations		(508,668)	-	-	(508,668)
Interest revenue		3,804	-	-	3,804
Other income	4	73,176	-	1,350	74,526
Total segment revenue		827,439	220,355	743,780	1,791,574
EBITDA		(4,613,527)	34,839	1,038,053	(3,540,636)
Depreciation and amortisation		(117,146)	-	(19,305)	(136,450)
Interest revenue		3,804	-	-	3,804
Finance costs		-	-	-	-
Profit before income tax expense		(4,726,869)	34,839	1,018,748	(3,673,282)
Income tax expense		703,844	-	-	703,844
Profit after income tax expense		(4,023,025)	34,839	1,018,748	(2,969,438)

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Note 4. Revenue

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	30 Jun 2023 $	30 Jun 2022 $
Revenue		
Types of revenue and other income		
Recurring revenue	1,675,066	1,421,992
Enterprise revenue	69,648	291,252
Total sales revenue	**1,744,714**	**1,713,244**
Geographic regions		
APAC	860,319	750,459
AME	307,430	220,355
EMEA	576,965	742,430
Total sales revenue	**1,744,714**	**1,713,244**
Revenue by industry		
Education	189,081	194,951
Retail	989,763	1,151,163
Commercial and other	565,870	367,130
Total sales revenue	**1,744,714**	**1,713,244**

Note 5. Other income

Other income	34,638	-
Grant income	36,600	73,176
Insurance recoveries	-	1,350
	71,238	**74,526**

Note 6. Other expenses

Insurance	123,842	118,262
Legal fees	5,722	19,623
Travel	102,251	57,410
Other	385,586	417,782
	617,401	**613,077**

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Note 7. Income tax expense

	30 Jun 2023 $	30 Jun 2022 $
R&D tax incentive income	(717,510)	(703,844)
Current tax	-	-
Deferred tax	-	-
Aggregate income tax expense	**(717,510)**	**(703,844)**
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(2,842,475)	(3,673,282)
Tax at stat rate of 25% (2022: 25%)	(710,619)	(918,321)
Tax effect of R&D tax incentive income	(179,378)	(175,961)
Tax effect of permanent differences	527,806	773,245
Tax effect of temporary differences	(73,717)	(51,741)
Tax losses unrecognised / (recouped)	(281,604)	(331,067)
Aggregate income tax expense	**(717,510)**	**(703,844)**

(a) The Company has revenue losses of approximately $10,587,169 (2022: $9,595,087) for which no deferred tax asset has been recognised.

(b) The Company has no franking credits currently available for future offset.

Note 8. Current assets - cash and cash equivalents

Cash at bank	969,150	990,163
Cash on deposit	25,000	1,025,000
Total cash and cash equivalents	**994,150**	**2,015,163**

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Note 9. Current assets – trade and other receivables

	30 Jun 2023 $	30 Jun 2022 $
Trade debtors	292,899	170,322
Sundry debtors	31,693	37,085
Total trade and other receivables	**324,592**	**207,407**
Ageing of past due but not impaired trade receivables		
Not overdue	81,954	152,112
0 to 3 months overdue	203,705	10,771
3 to 6 months overdue	7,240	7,439
	292,899	**170,322**

The Consolidated Entity has continued to maintain rigorous monitoring of debt recovery in a post Coronavirus (COVID-19) pandemic environment.

There is no allowance for expected credit losses due to the nature of revenue transactions and current limited number of customers meaning that all customers can individually be reviewed for potential debt issues.

Since 30 June 2023, the ‘3 to 6 months overdue’ portion of $7,240 has all been received.

Note 10. Prepayments

Prepaid insurance	69,984	67,357
Other prepayments	24,561	40,548
Total prepayments	**94,545**	**107,905**

Note 11. Non-current assets - property, plant and equipment

Production assets - at cost	89,110	-
Less: Accumulated depreciation	(10,468)	-
	78,642	**-**
Computers & office equipment - at cost	320,031	244,750
Less: Accumulated depreciation	(222,804)	(191,741)
	97,227	**53,009**
Low value pool - at cost	417	401
Less: Accumulated depreciation	(417)	(401)
	-	**-**
Total property, plant & equipment	**175,869**	**53,009**

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

Consolidated	Production assets $	Computer & office equipment $	Low value pool $	Total $
Balance at 1 July 2022	-	53,009	-	53,009
Additions	89,110	75,024	-	164,134
Disposals	-	-	-	-
Depreciation expense	(10,468)	(30,806)	-	(41,274)
Balance at 30 June 2023	**78,642**	**97,227**	**-**	**175,869**

Consolidated	Production assets $	Computer & office equipment $	Low value pool $	Total $
Balance at 1 July 2021	-	63,809	54	63,863
Additions	-	20,058	-	20,058
Disposals	-	(951)	-	(951)
Depreciation expense	-	(29,907)	(54)	(29,961)
Balance at 30 June 2022	**-**	**53,009**	**-**	**53,009**

Note 12. Trade and other payables

	30 Jun 2023 $	30 Jun 2022 $
Trade payables	88,835	37,429
PAYG withholding payable	49,710	58,479
Accrued expenses	28,225	79,681
Net GST/VAT (refundable) / payable	(28,357)	(34,086)
Sundry creditors	2,298	9,472
	140,711	**150,975**

Note 13. Unearned revenue

Current - unearned revenue	1,079,501	938,948
Non-current unearned revenue	422,144	286,013
Total unearned revenue	**1,501,645**	**1,224,961**

Unearned revenue by segment:

	APAC	NA	EMEA	Total
Current - unearned revenue	399,088	203,017	477,396	1,079,501
Non-current unearned revenue	116,767	291,223	14,154	422,144
	515,855	**494,240**	**491,550**	**1,501,645**

Note 14. Employee provisions

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	30 Jun 2023 $	30 Jun 2022 $
Provision for annual leave	137,732	164,674
Provision for long service leave	-	-
Provision for employee entitlements	61,829	44,478
Current employee provisions	**199,561**	**209,152**
Provision for long service leave	51,181	40,633
Non-current employee provisions	**51,181**	**40,633**

Note 15. Right-of-use assets

Cost	134,540	127,732
Accumulated depreciation	(51,530)	(51,396)
Carrying value	**83,010**	**76,336**

Note 16. Lease liabilities

Current liabilities	83,010	76,336
Total lease liabilities	**83,010**	**76,336**

The Consolidated Entity leases its operating premises. The current lease for the Australian premises is a twelve month contract from 1 January 2023 to 31 December 2023. The current lease for the Dubai premises is a twelve month lease contract from 1 April 2023 to 31 March 2024. The group does not currently have operating premises in any other location.

Note 17. Equity - Issued capital

	30 Jun 2023 Shares	30 Jun 2022 Shares	30 Jun 2023 $	30 Jun 2022 $
Ordinary shares – fully paid	199,328,417	170,790,093	23,357,315	22,586,781
Share issue costs			(1,520,813)	(1,503,799)
Total			**21,836,502**	**21,082,982**

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$ Value**
Opening balance	30 June 2022	170,790,093		21,082,982
Capital placement	10 October 2022	28,538,324	$0.027	770,534
Share issue costs				(17,014)
Closing balance	**30 June 2023**	**199,328,417**		**21,836,502**

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Note 17. Equity - Issued capital (continued)

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
There is no current on-market share buy-back.

Capital risk management
The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Consolidated Entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Consolidated Entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Consolidated Entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The Board manages the capital requirements of the Consolidated Entity on an ongoing basis.

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Note 18. Reserves

As at 30 June the Consolidated Entity had the following reserve accounts:

	30 Jun 2023 $	30 Jun 2022 $
(a) Foreign currency translation	(219,525)	(165,991)
(b) Performance rights	-	-
(c) Options	1,875,634	2,031,554
Total	1,656,109	1,865,563

(a) Foreign currency translation

	30 Jun 2023 $	30 Jun 2022 $
Opening balance	(165,991)	33,883
Movement	(53,534)	(199,874)
Closing balance	(219,525)	(165,991)

(b) Performance rights

Details	**30 Jun 2023 Number**	**30 Jun 2022 Number**	**30 Jun 2023 $**	**30 Jun 2022 $**
Opening Balance	900,000	1,350,000	-	-
Issued during the reporting period	-	-	-	-
Expired during the reporting period	(450,000)	(450,000)	-	-
Closing balance	**450,000**	**900,000**	**-**	**-**

(c) Options

Details	**Number**	**$**
Opening balance	98,617,405	2,031,554
Issue of new ESIP options during the period	14,000,000	-
Options expired, or forfeited pursuant to leaver provisions	(22,026,697)	(607,655)
Expense recognised as ESIP options vest	-	452,080
Transfer to retained earnings	-	(345)
Closing balance	**90,590,708**	**1,875,634**

The Company expenses any valuation of the share options as they accrue over time. As at 30 June 2023, the Company has recognised a cumulative employee (and lead manager) share-based payment expense of $1,875,634 in relation to these options.

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Note 18. Reserves (continued)

Over the period the Company granted a total of 14,000,000 ESIP options to employees, consultants and directors of the Consolidated Entity:

- following shareholder approval at the 2022 Annual General Meeting, 13,300,000 options (series 4 and series 4b) were granted to directors on 30 November 2022;
- on 16 November 2022, 700,000 options (series 4a) were granted to employees.

Generally these options vest evenly on a quarterly basis until three years after their respective issue date. Of the options issued on 30 November 2022, 10,000,000 options issued to Matthew Macfarlane are subject to a mix of time-based vesting conditions and performance hurdles as documented in the relevant ASX announcement dated 15 November 2022. In summary, 30% of the options will vest once revenue in any financial half year exceeds $1,500,000, another 30% will vest when it exceeds $2,250,000, and the final 40% will vest on a quarterly basis over the three years following their issue date.

During the period 20,626,436 options expired and 1,400,261 options were forfeited under the leaver provisions of the ESIP.

In addition to the options, the Company has in issue 450,000 performance rights, with vesting conditions as follows:

Number	Vesting Conditions	Expiry Date
450,000	$12m revenue in the 12-month audited period ending 31 December 2024	23 December 2024

The fair value of the equity settled options/performance rights as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted:

	Number	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date	Value Accrued $
ESIP series 4b	3,300,000	30 Nov 22	29 Nov 26	$0.15	$0.02	As above	10,734
ESIP series 4a	200,000	16 Nov 22	15 Nov 26	$0.15	$0.02	As above	693
ESIP series 4	28,608,333	27 Apr 22	26 Apr 26	$0.15	$0.02	As above	118,834
ESIP series 3	2,601,102	2 Jun 21	2 Jun 25	$0.25	$0.05	As above	66,769
ESIP series 2a	12,349,606	1 May 20	31 Mar 24	$0.25	$0.09	As above	879,805
ESIP series 2b	225,000	16 Oct 20	31 Mar 24	$0.25	$0.08	As above	12,952
ESIP series 2c	133,333	18 Mar 21	31 Mar 24	$0.25	$0.07	As above	6,627
ESIP series 1	6,298,334	20 Dec 19	30 Nov 23	$0.30	$0.13	As above	689,220
Performance rights	450,000	18 Dec 19	23 Dec 24	Nil	$0.20	As above	-
Lead manager options	5,000,000	1 Mar 22	1 Mar 24	$0.15	$0.02	1 Mar 22	90,000
							1,875,634

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Note 18. Reserves (continued)

	Lead manager options	ESIP options series 1	ESIP options series 2a	ESIP options series 2b	ESIP options series 2c	ESIP options series 3	ESIP options series 4	ESIP options series 4a	ESIP options series 4b	Performance rights
Dividend yields	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Expected volatility	100%	100%	100%	120%	120%	100%	95%	100%	100%	100%
Risk-free interest rate	0.25%	2.04%	0.41%	0.25%	0.25%	0.25%	1.81%	3.25%	3.25%	2.04%
Expected life	2 years	4 years	3.92 years	3.46 years	3.04 years	4 years	4 years	4 years	4 years	5 years
Exercise price	$0.15	$0.30	$0.25	$0.25	$0.25	$0.25	$0.15	$0.15	$0.15	Nil
Grant date share price	$0.058	$0.20	$0.155	$0.13	$0.12	$0.095	$0.043	$0.047	$0.035	$0.20

Note 19. Earnings per share

	30 Jun 2023 $	30 Jun 2022 $
Total comprehensive loss for the half year:		
Loss after income tax	(2,219,281)	(3,200,741)
Less: Non-controlling interest	110,069	(38,732)
Loss after income tax attributable to the owners of icetana Limited	**(2,109,212)**	**(3,239,473)**

	Cents	Cents
Basic earnings per share	(1.10)	(2.09)
Diluted earnings per share	(1.10)	(2.09)

	30 Jun 2023 Number	30 Jun 2022 Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic loss per share	191,431,510	155,348,312
Adjustments for calculation of diluted loss per share:		
Options over ordinary shares	Nil	Nil
Weighted average number of ordinary shares used in calculating diluted loss per share	**191,431,510**	**155,348,312**

Options are not considered to be dilutive.

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Note 20. Equity - non-controlling interest

	30 Jun 2023 $	30 June 2022 $
Accumulated losses at the start of the year	(201,924)	(240,656)
Net (loss) / profit attributable to non-controlling members	(110,069)	38,732
Accumulated losses at the end of the year	**(311,993)**	**(201,924)**

Note 21. Equity - retained earnings

Retained losses at the start of the year	(21,315,488)	(18,275,889)
Loss after income tax expense for the year	(2,055,678)	(3,039,599)
Share based adjustments	608,000	-
Retained losses at the end of the year	(22,763,166)	(21,315,488)

Note 22. Dividends

There were no dividends declared or paid during the year.

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Note 23. Financial instruments

Financial risk management objectives

The Consolidated Entity's objective is to manage working capital so as to safeguard the Consolidated Entity's ability to continue as a going concern so that the Consolidated Entity can provide returns for shareholders.

The Consolidated Entity's activities expose it to a variety of financial risks which may include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Consolidated Entity's risk management program seeks to minimise potential adverse effects on the financial performance of the Consolidated Entity.

Market risk

Foreign currency risk

The Consolidated Entity undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations.

The significant exposures are United States Dollar (USD), United Arab Emirates Dirham (AED) Singapore Dollar (SGD) and British Pound (GBP) currency fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is managed using sensitivity analysis and cash flow forecasting.

Interest rate risk

The Consolidated Entity's exposure to interest rate risk is limited to fluctuations in the rate of interest earned or payable in respect of cash balances as all other interest rates are fixed. Fluctuating interest rates are not expected to have a significant impact on earnings or equity.

Price risk
The Consolidated Entity is not exposed to any significant price risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Consolidated Entity does not hold any collateral.

As disclosed in note 9, due to the Coronavirus (COVID-19) pandemic, the Consolidated Entity has increased its monitoring of debt recovery as there is an increased probability of customers delaying payment or being unable to pay. The Consolidated Entity does not have an allowance for expected loss due to the nature and small size of its customer base. Customer renewals occurred when due during the year and material renewal receivables as at 30 June 2023 have been received post year end.

Generally, trade receivables are written off when there is no reasonable explanation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the Consolidated Entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. There are no arranged available borrowing facilities at reporting date due to the strong cash position.

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Note 23. Financial instruments (continued)

The Consolidated Entity manages liquidity risk by maintaining adequate cash reserves (and would obtain available borrowing facilities if deemed necessary) by continuously monitoring actual and forecast cash flows and matching maturity profiles of financial assets and liabilities.

Financing arrangements
There are no borrowing facilities as at the reporting date.

Remaining contractual maturities
The following tables detail the Consolidated Entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2023	Weighted average interest rate	1 year or less	1 to 2 years	Over 2 years	Remaining contractual maturities
	%	$	$	$	$
Trade payables		88,835	-	-	88,835
Accrued expenses		28,225	-	-	28,225
Sundry creditors		2,298	-	-	2,298
Unearned revenue		1,079,501	232,391	189,753	1,501,645
Lease liability		83,010	-	-	83,010
Total		**1,281,869**	**232,391**	**189,753**	**1,704,013**

Consolidated - 2022	Weighted average interest rate	1 year or less	1 to 2 years	Over 2 years	Remaining contractual maturities
	%	$	$	$	$
Trade payables		37,429	-	-	37,429
Accrued expenses		79,681	-	-	79,681
Sundry creditors		9,472	-	-	9,472
Unearned revenue		938,948	121,787	164,227	1,224,962
Lease liability		76,336	-	-	76,336
Total		**1,141,866**	**121,787**	**164,227**	**1,427,880**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 24. Contingent liabilities and contingent assets

There are no contingent assets or liabilities as at the reporting date. There were no expenditure commitments as at the reporting date.

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Note 25. Related party transactions

Parent entity
icetana Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Associates
There are no associates.

Key management personnel (KMP)
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any elected member, are considered KMP. KMP are employed by the Consolidated Entity under normal employment terms and conditions.

The aggregate compensation made to directors and other members of KMP of the Consolidated Entity is set out below:

	30 Jun 2023 $	30 Jun 2022 $
Short term employee benefits	710,835	682,438
Post employment benefits	70,461	54,043
Long term benefits	10,572	11,641
Share based payments	378,705	223,269
	1,170,573	**971,391**

Short term employee benefits include salary, fringe benefits and cash bonuses awarded to KMP.

Post employment benefits are the current year's estimated cost of providing for the Consolidated Entity's superannuation contributions made during the year.

Long term benefits represent annual leave and long service leave benefits accruing during the year.

Disclosures relating to key management personnel are also set out in remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

Payment for goods and services:	30 Jun 2023	30 Jun 2022
Payment for legal services from HWL Ebsworth Lawyers (director-related entity of Deanna Carpenter)	-	5,746
Payment for compliance advice from Scale Partners Pty Ltd (entity controlled by Rafael Kimberley-Bowen)	14,232	8,527
Payment for rental space from Spacecubed (director-related entity of Matthew Macfarlane)	-	44,536

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Note 25. Related party transactions (continued)

The Consolidated Entity's main related parties are as follows:

- KMP - as defined above.
- Other related parties – Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, are considered related parties in relation to the Consolidated Entity.
- Entities subject to significant influence by the Consolidated Entity – An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services rendered by Dry Kirkness (Audit) Pty Ltd, the auditor of the Consolidated Entity, its network firms and unrelated firms:

	30 Jun 2023 $	30 Jun 2022 $
Audit services – Dry Kirkness (Audit) Pty Ltd		
Audit of the financial statements	26,209	20,000

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

Loss after income tax	(2,053,076)	(4,023,024)
Total comprehensive income	**(2,053,076)**	**(4,023,024)**

Statement of financial position

Total current assets	**4,567,575**	**5,398,595**
Total assets	**4,741,859**	**5,449,504**
Total current liabilities	**805,011**	**675,728**
Total liabilities	**856,192**	**716,361**
Equity		
Issued capital	21,836,502	21,082,982
Reserves	1,875,634	2,031,554
Retained losses	(19,826,469)	(18,381,393)
Total equity	**3,885,667**	**4,733,143**

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Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership Interest 2023 %	Ownership Interest 2022 %
icetana Inc	United States of America	100%	100%
icetana Ltd	United Kingdom	100%	100%

The United Kingdom subsidiary (icetana Ltd) was dissolved on 24 January 2023.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership Interest 2023 %	Ownership Interest 2022 %
Icetana Systems Software Trading LLC	United Arab Emirates (UAE)	49%	49%

The corporate regulations in the UAE require a local company to be a minimum 51% owned by a local UAE individual or company. This is a common structure for foreign companies establishing UAE subsidiaries for trading purposes. Under the structure, the Company's local UAE representative, via a Management Agreement, provides control of corporate decisions to the Company. LLC has no rights or ownership of the Company's core intellectual property assets.

All subsidiaries have the same principal activities as the parent entity.

Note 29. Events after the reporting period

On 31st July 2023, the following changes were made:

- Geoff Pritchard resigned from his position as Non-Executive Director and Chair but remains as a strategic advisor
- Matthew Macfarlane was appointed as Non-Executive Chair, moving from his current role as Chief Executive Officer
- Kevin Brown was appointed as the new Chief Executive Officer

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

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Note 30. Reconciliation of profit after income tax to net cash from operating activities

	30 Jun 2023 $	30 Jun 2022 $
Loss after income tax expense for the year	(2,124,965)	(2,969,438)
Adjustments for:		
Depreciation and amortisation	161,382	136,450
Loss on disposal of assets	-	2,336
Share based payment expense	452,080	752,426
Income tax	(47,878)	(169,632)
Production asset COGS adjustment	10,387	-
Change in operating assets and liabilities:		
Increase / (decrease) in trade and other receivables	(117,185)	123,001
Decrease / (increase) in prepayments	13,360	(464)
(Increase) in inventory and other assets	(6,883)	(33,554)
(Decrease) in trade and other payables	(10,264)	(134,050)
Increase in provisions	957	122,504
Increase in unearned revenue	276,684	261,950
Net cash from operating activities	**(1,392,325)**	**(1,908,471)**

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icetana Limited
Directors' declaration
30 June 2023

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In the directors' opinion:

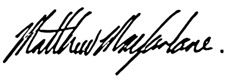
- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standards and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Matthew Macfarlane
Non-Executive Chairman

30 August 2023
Perth, Western Australia

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DRY KIRKNESS

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INDEPENDENT AUDITOR'S REPORT
To the Members of icetana Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of icetana Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the date of this auditor's report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a loss after tax of $2,124,965 (2022: $2,969,438) and had net cash outflows from operating activities of $1,392,325 (2022: $1,908,471) for the year ended 30 June 2023. As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

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Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How we addressed the Key Audit Matter**
Share Options *Refer note 18* During the year, the Group issued various options of which some have lapsed**.**	Our audit procedures included an examination of share options issued during the year as shown in note 18. We assessed whether or not share-based payments should have been recognised in relation to the Employee Share Incentive Plan and assessed the assumptions used in the calculation and disclosure of share-based payments.
Revenue *Refer note 4* The Group recognises revenue when the performance obligation under the sales contract is achieved. This performance obligation is achieved upon delivery of the services or implementations.	We have reviewed the Group's revenue recognition policy for compliance with the accounting standard AASB 15: Revenue from Contracts with Customers ("AASB 15"). We performed tests over management's internal control system as it relates to revenue. We performed detailed analytical and substantive procedures to obtain evidence as to the accuracy, completeness and occurrence and disclosure of revenue.
Research and Development Tax Incentive *Refer note 7* Management utilise key assumptions, judgements and estimates disclosed in note 1 and 2 in determining the R&D Tax	Our audit procedures included an evaluation of the assumptions, methodologies and conclusions used by the Group in preparing

Incentive disclosed in note 7 which is material to the financial statements.	the R&D Tax Incentive application. We also focused on the adequacy of financial report disclosures regarding these assumptions as disclosed at note 1 and 2.
Deferred Taxation *Refer note 7*	
Management utilise key assumptions, judgements and estimates disclosed in note 1 and 2 in calculating and assessing the appropriateness for recognition of deferred taxes which is material to the financial statements.	Our audit procedures included an evaluation of the assumptions, methodologies and conclusions used by the Group in preparing their estimate of deferred taxes. We also focused on the adequacy of financial report disclosures regarding these assumptions as disclosed at note 1 and 2.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significant in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 6 to 17 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of icetana Limited and its controlled entities, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DRY KIRKNESS (AUDIT) PTY LTD

Robert Hall CA
Director

Perth
Date: 30 August 2023