# White Energy Company Limited

**ABN 62 071 527 083**

# Interim Financial Report - 31 December 2024

**White Energy Company Limited**
**Contents**
**31 December 2024**



**General information**

These financial statements are for the group consisting of White Energy Company Limited and its subsidiaries. These financial statements are presented in Australian dollars, which is White Energy Company Limited's functional and presentation currency.

White Energy Company Limited is a company limited by shares, incorporated and domiciled in Australia. Its shares are listed on the Australian Securities Exchange (WEC) and also traded on the US based OTC exchange (WECFF). Its registered office and principal place of business are:

| **Registered office** | **Principal place of business** |
|---|---|
| Level 5, 126 Phillip Street | Lobby 1, Level 2, 76 Skyring Terrace |
| Sydney | Newstead |
| NSW 2000 | QLD 4006 |

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by White Energy Company Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

**White Energy Company Limited**
**Directors' report**
**31 December 2024**

Your Directors present their report on the consolidated entity (the Group) consisting of White Energy Company Limited (the Company or White Energy) and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

**Directors**

The following persons were Directors of White Energy Company Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Brian Flannery
Vincent O'Rourke
Keith Whitehouse
Michael Chapman

**Operating and financial review**

**Coal technology**

White Energy is the exclusive worldwide licensee of a technology for a Binderless Coal Briquetting (BCB) process which is capable of upgrading low cost, low rank coals and coal fines into more valuable, higher energy yielding briquettes. The BCB process also provides an attractive solution for coal producers seeking to maximise mine yield and solve the environmental issues posed by discarded coal fines.

White Energy has demonstration and pilot plants at Cessnock (NSW, Australia) that serve as testing and training facilities. In previous years, coal samples from mines in Australia, South Africa, North America, India and China have been processed at the Cessnock facility to test for their responsiveness to the BCB process.

White Energy through its 49% joint venture partner in the River Energy JV (River Energy), Proterra Investment Partners (Proterra), is in discussion with a number of South African coal miners interested in the Group’s BCB technology, and are pursuing opportunities on mine sites in South Africa to secure access to fine coal to support BCB projects.

Extensive testing by River Energy, including successful briquetting and combustion trials, has previously demonstrated that a saleable export grade coal product can be produced from South African reject tailings. This not only allows for reduction or rehabilitation of the reject tailings, but the briquettes can also be used to provide economical fuel with lower emissions for local or export industries whilst other renewable energy sources are phased in.

White Energy is assisting Proterra with a small BCB pilot plant in Johannesburg to facilitate coal briquetting trials in South Africa by providing a briquetting machine and engineering supervision. A South African coal producer has provided coal fines from one of their mines for briquetting trials at the plant following its commissioning during April 2024. The briquetting trials continued during the half-year which have successfully produced coal briquettes.

White Energy is also assisting Proterra in the design of a small commercial scale demonstration plant and the provision of briquetting machines and other plant items with a view to expanding the development of BCB technology at a number of sites in South Africa.

**Mining exploration**

White Energy creates further growth opportunities through a portfolio of minerals exploration projects in Australia with Tier 1 potential across copper, zinc, gold, other base metals and battery minerals such as cobalt. Deposit styles are believed to include iron oxide-copper-gold (IOCG), copper porphyry, intrusive carbonatites and sediment hosted exhalative mineralisation along with intrusive sills and breccia zones. As the World transitions towards sustainable energy sources, more copper and other minerals vital for a decarbonised future are required to buttress critical supply and demand imbalances.
The Company employs an innovative “bottom up” approach to exploration. Deep crustal-scale structural geophysics coupled with deep-sensing surface ionic geochemistry are integrated with machine learning/artificial intelligence processing, together with other geological and geophysical data obtained by traditional methods, to identify drilling targets.

The Company has two Research Agreements with INRS (the National Institute for Scientific Research), an applied research university in Quebec, Canada in relation to separate projects that the Company provides funding for: Project 1 is focused on analysing the lithospheric-scale architecture of the Company's projects and other areas using seismic tomographic and other geophysical data; while Project 2, building on previous work relating geophysical signatures to mineral deposit locations, is applying machine learning/artificial intelligence protocols to ionic geochemical data and potential mineral system types the data represent. As models develop, other data types will be incorporated into the system to produce prospectivity models.

*(i) Tindal Project, Northern Territory (100% White Energy)*
The Tindal Project comprises 22 contiguous tenements totalling 11,629 km$^2$ approximately 80 km south of Katherine in the Northern Territory. The Tindal project lies along the regionally significant Mallapunyah and Daly Waters Fault Zones within the under explored central area of the McArthur Basin. Located within and adjacent to the Beetaloo Sub-basin, a major petroleum province, are historic drillholes that have intersected base metal sulphides, copper and zinc in Tindal's project area.

Work continued during the half-year, with the INRS to analyse the lithospheric-scale architecture of Tindal tenements using seismic tomographic and other geophysical data. This has enabled improved mapping of Precambrian lithospheric boundaries and the identification of additional geophysical targets which have also been the subject of ionic sampling programs.

An initial ionic survey of the Project was conducted during the 2023 field season over a number of areas which correlated with geophysical features identified by INRS. Extensive follow up ionic soil surveys were conducted during the half-year's 2024 field season numbering in excess of 2,000 samples. These samples are currently being analysed along with the earlier sample results. Future exploration activities are planned to include follow up ionic sampling surveys and the collection of further geophysical data.

Subsequent analysis will use advanced interpretation of the ionic geochemistry samples integrated with geophysical data to define compelling drill targets for each area of interest.

The Tindal licences are granted for a term of six years, with the end of term dates ranging from 29 August 2027 to 30 May 2030.

*(ii) Maranoa Project, Queensland (100% White Energy)*
The Maranoa Project's three tenements are located approximately 50 km south of Texas in South East Queensland, an area with a number of historical mines and many commodity metal occurrences that has had very limited modern exploration. Stream sediment sampling in June 2023 indicated potential for copper, gold, silver, base metal, cobalt and arsenic mineralisation.

No exploration activities were undertaken during the half-year. During 2023, work was undertaken to better understand the significance of the stream sediment sample results. In particular, the data was integrated with an analysis of the lithospheric-scale architecture of South East Queensland, conducted by our research partners INRS, using seismic tomographic and other geophysical data. This work highlighted regional lithospheric features which elsewhere are associated with major mineralisation. A number of these features cross the Maranoa tenements and appear to correlate with observed areas of elemental anomalism observed in the stream sediment sampling program.

The initial results from the stream sediment program have confirmed multi-element and multi sample anomalism indicating potential for larger mineral systems within the catchments sampled. Follow-up work is planned to define anomalous catchments in detail, with catchment mapping and further sampling planned. The stream sediment sampling results do not allow the identification of a specific mineralisation type or exact location. Follow-up work is required to define the nature and the source of the anomalous mineral associations.

The permits EPM27546, EPM27547 are in place until 14 February 2026, and EPM28794 is in place until 16 July 2027. The application for EPM28794 (War Effort) was granted during the half-year on 17 July 2024. It is a requirement that prior to renewal of a granted permit the area must be reduced by 50%.

Initial sampling on the War Effort tenement will be conducted which will be integrated with further sampling work to follow up anomalous stream sediment samples from the existing Maranoa tenements.

*(iii) Robin Rise Project, South Australia (100% White Energy)*
The EL6566 exploration licence covers approximately 1,361 $km^2$ and the adjacent PELA674 covers approximately 2,508 $km^2$. These tenements are situated approximately 70 km southwest of Coober Pedy in South Australia, and lie entirely within the Olympic Dam G9 Structural Corridor. Age dating and basement geology has identified that the geology in the area is similar in age to the mineralisation in the Prominent Hill and Olympic Dam Mines, and gravity and magnetic surveys have identified promising structural features. Previous activity has focused on exploration for iron oxide-copper-gold–uranium styles of mineralisation (Robin Rise project), and coal (Lake Phillipson project), which a study by Lurgi GmbH confirmed is suitable for gasification. The tenement also has exploration potential for rare earth elements.

Biochemical and ionic soil sampling in the magnetic Hilga Mineral Field between 2021-2023 culminated in the collection of 917 samples and confirmed the presence of coincident biochemical and ionic anomalies and appears encouraging for an IOCG-style of mineralisation.

In June 2024, the Company undertook a cultural heritage survey over the area of a planned drilling program with members of the Antakirinja Matu-Yankunytjatjara People. In early July 2024, all proposed drill sites were cleared for drilling. On 7 August 2024, the Company received final regulatory approval to undertake the drilling program and this commenced mid-August 2024 in the most prospective areas of the Coronation prospect.

The six hole drilling program commenced in late August 2024 and was complete in early October 2024. The drilling tested a combination of structural, geochemical anomalies and geophysical targets in a six-hole program that totalled 1,706 metres drilled, to a maximum depth of 416 m.

The drillholes intersected a variety of lithologies dominated by massive gabbroic and megacrystic granitoid bodies including syenite, granitic gneiss, dolerite and magnetite gabbro. Early geological observations in drillhole C24C04 indicate rare blebby copper sulphides and thin monomictic haematite breccia zones hosted in gneiss with intermittent pervasive haematite alteration overprinting also evident in hole C24C02 being consistent with an IOCG-style of mineralisation. The program results were encouraging in defining the likely wider distribution of Mt Woods and Balta Granite aged equivalents in the area and shallow basement averaging approximately 40 m in depth. Geological understanding of the Coronation prospect is advancing with the true prospectivity yet to be determined. Core samples have been obtained and initial geochemical analyses have been undertaken. Further areas are expected to be defined for possible on-ground close-spaced gravity surveys in an attempt to define further drill targets now that the lithological framework is becoming better understood.

The Company's management believe the Coronation prospect remains under explored and it continues to be characterised by anomalous geochemical results in the presence of localised structural arrays that require further systematic evaluation once the recent drilling results have been finalised.

Work continued during the half-year on examining opportunities to commercialise the coal rights within EL6566 in combination with the adjacent PELA674.

The EL6566 licence is in place until August 2025 and the renewal process has commenced. The renewal application for retention lease RL104 was submitted to the South Australian Government in May 2020 for the same period as EL6566.

*(iv) Lora Creek Project, South Australia (100% White Energy)*
The Lora Creek project is tenement EL6987 that covers an area of 934 $km^2$ located about 100 km northeast of Coober Pedy in South Australia. The tenement is considered to be prospective on the basis of INRS provided interpretations of deep intrusive activity and its position in the Geoscience Australia Olympic Dam corridor. It is anticipated the tenement will initially be targeted for IOCGU and roll-front uranium mineral systems.

It is intended to undertake a comprehensive technical review of historical data and integrate these results with new satellite geophysical interpretations provided by INRS to further evaluate and determine the most prospective areas of the tenement before the implementation of an on-ground ionic geochemical sampling program. No exploration activities were undertaken during the half-year.

The EL6987 licence is in place until April 2029.

*(v) Specimen Hill Project, Queensland (0% White Energy. Farm-in)*
The Company's subsidiary Amerod Resources Pty Limited (Amerod) is undertaking exploration activities under the Farm In Agreement with Aquis listed Tectonic Gold Plc (Acquis: TTAU) and its local subsidiary Signature Gold Pty Ltd in respect of the Specimen Hill Project. The Project comprises four tenements in the Biloela area of Central Queensland: EPM18350; EPM28296; EPM28296 and MDL313 which are highly prospective for copper and gold. Application EPM29112 has been made by WEC subsidiary, Amerod Resources Pty Limited, for an area adjacent to the farm-in area.

The location of the project within a major structural corridor makes this a natural fit to further advance White Energy's use of deep crustal lithospheric analytics, developed through its exclusive research agreement with INRS, to identify mineralisation in areas where deep crustal scale structural corridors provide mineralised fluid migration pathways to surface and subsurface zones.

An initial Ionic sampling survey was undertaken over the tenement areas in September 2023. Follow up work in December 2023 included additional ionic sampling and rock chip sampling. Field observations confirmed a large and complex mineral system with a number of outcropping zones of what appear to be strong copper mineralisation with, in different areas, characteristics consistent with porphyry, IOCG and skarn styles of mineralisation.

A helicopter magnetic survey was undertaken in April 2024, covering the most highly prospective areas of the Project following which additional ionic sampling, rock chip sampling and geological mapping program was carried out over a number of priority areas. Analysis of this work continued on during the half-year. This work will be followed with further rock chip and ionic sampling and possible targeted geophysical surveys prior to the digging of costeans and trenches to confirm the extent of near surface and outcropping mineralisation. All of this work is to focus drill target selection for a drilling campaign to commence early in the 2026 financial year.

Amerod is expected to achieve the First Earn In milestone of the Farm In Agreement in the second half of the financial year. This will give Amerod a 51% interest in the tenements, mineral rights and mining information of the Project, and an option to form a joint venture. There is then a Second Earn In right to acquire a further 25% interest for further exploration expenditure of $1 million up to 5 February 2028; and an option to acquire the remaining 24% interest for $2 million plus a 3% Net Smelter Royalty based on commercial production from the tenements within one year of notice to exercise the option after the Second Earn In.

The Specimen Hill Project permits EPM18350, EPM28296 and MDL313 are in place until 25 March 2025, 21 February 2026 and 30 September 2028 respectively. The permit EPM19506 expired in July 2024 and the application to renew has been applied for with effect from 1 July 2024 until July 2027. The application to renew EPM18350 has also been applied for. Applications to renew other permits will be made as they fall due.

**Legal dispute**
White Energy’s wholly owned subsidiaries, Binderless Coal Briquetting Company Pty Limited (BCBC) and BCBC Singapore Pte Ltd (BCBCS), were engaged in legal proceedings against PT Bayan Resources Tbk (BR) and Bayan International Pte Ltd (BI) (collectively, Bayan) in the Singapore International Commercial Court (SICC). The proceedings related to various disputed matters arising in connection with the company PT Kaltim Supacoal (KSC), which was jointly owned by BCBCS and Bayan, which owned and operated the Tabang coal upgrade plant located at Bayan’s Tabang mine in East Kalimantan, Indonesia.

The legal proceedings and all issues in dispute were concluded upon the signing of a settlement deed with the Bayan companies in May 2024. Under the deed, Bayan was paid $900,000 in July 2024 from the security deposit held by the Supreme Court in Western Australia. On 9 October 2024, BCBC received a dividend of $942,601.41 from KPMG Singapore, the liquidators of BCBCS, from the remaining security deposit funds after disbursements were made to the creditors of BCBCS.

The final meeting of creditors of BCBCS was convened by the liquidators in Singapore on 13 December 2024 which brought the liquidation of BCBCS to an end.

**General corporate**
The funds from the June 2024 capital raise of $3.3 million (net) were progressively used during the half-year by the Company for mineral exploration activities such as ionic and rock chip sampling programs and mapping to identify drill targets, a drilling campaign and general corporate purposes. The security bond of $2 million was released by the Supreme Court in WA during the half-year and $900,000 of these funds was used to settle the other payable balance owing to Bayan (refer legal dispute section above).

The Group continues to pursue recovery of the $2.8 million owed from the sale of former subsidiary Mountainside Coal Company Inc. (MCC) in 2021. The Group, together with its joint venture partner, Proterra Investment Partners (Proterra), hold security over the assets of MCC. MCC filed for Chapter 11 Bankruptcy in March 2024 and due to its inability to come up with a viable plan to trade out of its bankruptcy, the Chapter 11 bankruptcy was converted by the US Federal Court into a Chapter 7 Trustee liquidation. The Trustee convened an auction for the sale of MCC's assets that was held on 20 December 2024 at which Proterra, through an associated company, used its indebtedness to credit bid for the wash plant and lease of land for USD5 million. Separately, the Group signed an agreement with Proterra for the assignment of the wash plant assets to subsidiary BCBC, once the sale is confirmed by the Court and closing occurs. At least a partial recovery of the debt due to the Group is expected once the Chapter 7 process concludes and the sale of MCC assets to a third party can be achieved.

The Chairman and all Non-executive Directors maintained the significant reductions in the cash component of their remuneration from 2016/2017 as part of the Company's ongoing commitment to cost reduction.

The Group has no significant secured corporate debt. Limited-recourse shareholder loans provided to the Group's 51% owned operations in the UK and Mauritius by both White Energy and the minority shareholders in proportion to their ownership interests are repayable in January 2027. Recourse to the shareholders is limited to the assets of subsidiaries that are subject to joint venture agreements, with joint shareholder consent customarily given to extend the loans' due dates as required.

**Financial position and results for the half-year**
The Group had cash reserves as at 31 December 2024 of $1.2 million (30 June 2024: $3.6 million) excluding restricted cash of $Nil (30 June 2024: $2.0 million).

The total assets balance decreased to $10.5 million as at 31 December 2024 from $13.3 million as at 30 June 2024, largely as a result of the losses derived by the Group and substantial paydown of current other payables, partly offset by the capitalisation of exploration expenditure.

The increase in liabilities to $57.1 million as at 31 December 2024 from $54.3 million as at 30 June 2024 predominantly reflects an increase in the value of shareholder loans due to the weakening of the Australian dollar against the USD and additional accrued interest, partly offset by the paydown of current other payables.

The Consolidated Entity's loss before tax for the half-year ended 31 December 2024 was $23.9 million (2023: $5.8 million). The loss before tax includes the loss on derecognition of liquidated subsidiary BCBC Singapore Pte Ltd of $21.1 million which relates to the reclassification of foreign currency translation reserve balance to profit or loss. The Company's adjusted normalised EBITDA loss for the half-year ended 31 December 2024 was $1.5 million (2023: $1.5 million). The normalised EBITDA loss is in line with the comparative period.

The normalised EBITDA loss has been determined as follows:

| | 31 December 2024 $'000 | 31 December 2023 $'000 |
|---|---|---|
| **Consolidated entity net loss for the year before income tax** | **(23,888)** | (5,776) |
| *Non-cash expenses / (income):* | | |
| Depreciation / amortisation | 35 | 1,036 |
| Impairment reversal | - | (229) |
| Share-based payments | 3 | - |
| Loss on derecognition of subsidiary | 21,064 | - |
| Other | (297) | 82 |
| **Sub-total – non-cash expenses** | **20,805** | 889 |
| *Other significant items:* | | |
| Finance costs | 1,535 | 1,009 |
| Legal costs – litigation | - | 2,437 |
| **Sub-total – other significant items** | **1,535** | 3,356 |
| **Consolidated entity adjusted normalised EBITDA** | **(1,548)** | (1,531) |
| Non-controlling interests share of normalised EBITDA | 44 | 38 |
| **White Energy adjusted normalised EBITDA** | **(1,504)** | (1,493) |

Normalised EBITDA is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the loss under AIFRS adjusted for specific significant items. The table above summarises key items between statutory loss before income tax and normalised EBITDA. The Directors use normalised EBITDA to assess the performance of the Company. The Consolidated Entity's adjusted normalised EBITDA of $1.5 million reconciles to the segment information EBITDA result for the year of $1.5 million disclosed on page 17.

Normalised EBITDA has not been subject to any specific review procedures by our auditor but has been extracted from the accompanying interim financial report.

**Going concern**

The Group recorded a total comprehensive loss for the half-year ended 31 December 2024 of $27,460,000 (2023: $4,029,000), had net cash outflows from operations of $961,000 (2023: $2,152,000) and a cash balance excluding restricted cash of $1,214,000 (30 June 2024: $3,645,000). The Group has net liabilities of $47,414,000 (30 June 2024: $41,021,000). In this regard, it should be noted that the Group's external debt comprised limited-recourse shareholder loans (recourse is limited to the assets of subsidiaries that are subject to joint venture agreements, with joint shareholder consent customarily given to extend the loans' due dates as required), trade and other payables and provisions incurred in the ordinary course of business. The Group has prepared a cash flow forecast to 31 March 2026, which demonstrates the need to raise additional funding to meet the Group's forecast expenditure for the period.

The Directors are considering a number of actions for raising additional funds, including from one or more of the following sources:

1. Asset realisation: (a) The Group continues to pursue recovery of the $2.8 million owed from the sale of former subsidiary Mountainside Coal Company Inc. (MCC) in 2021. The Group, together with its joint venture partner, Proterra Investment Partners (Proterra), hold security over the assets of MCC. MCC filed for Chapter 11 Bankruptcy in March 2024 and due to its inability to come up with a viable plan to trade out of its bankruptcy, the Chapter 11 bankruptcy was converted by the US Federal Court into a Chapter 7 Trustee liquidation. The Trustee convened an auction for the sale of MCC's assets that was held on 20 December 2024 at which Proterra, through an associated company, used its indebtedness to credit bid for the wash plant and lease of land for USD5 million. Separately, the Group signed an agreement with Proterra for the assignment of the wash plant assets to subsidiary BCBC, once the sale is confirmed by the Court and closing occurs. At least a partial recovery of the debt due to the Group is expected once the Chapter 7 process concludes and the sale of MCC assets to a third party can be achieved;

2. Additional equity funds: As previously foreshadowed, the Company plans to raise additional equity funds for the ongoing activities of the Group, as required. The Company has been successful in raising equity funds through the issue of new shares recently and in the past;

3. Debt funding for capital projects: The Directors believe, based on past experience, that they can raise third party debt financing to part fund any future project capital expenditure requirements; and

4. Loans from minority shareholders: The Group's 51% owned subsidiaries, River Energy JV Limited and River Energy JV UK Limited continue to have access to funds from their 49% minority shareholder under existing shareholder loan agreements (in conjunction with WEC's 51% contributions) to enable them to meet their debts as and when they fall due.

As the funding actions are yet to be completed, these conditions give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Directors believe that the Group will be successful in raising funds through one or more of the above actions and that the Group will be able to realise its assets and settle its debts as and when they fall due and payable in the normal course of business, and accordingly have prepared the financial statements on a going concern basis. Refer below to pro rata renounceable rights offer announced after the reporting period.

The Group's independent auditor's review report for the half-year ended 31 December 2024 contains a material uncertainty regarding going concern paragraph drawing members' attention to the contents of Note 1 of the accompanying financial statements which deals with the Group's going concern assumptions and the basis upon which those financial statements have been prepared. A copy of the independent auditor's review report is included with the accompanying financial statements for the half-year ended 31 December 2024.

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

**Events occurring after the reporting period**
**(a) Pro rata entitlement offer to subscribe for Ordinary Shares**
On 26 February 2025, a renounceable pro rata issue Entitlement Offer was made to subscribe for 2 new offer shares for every 3 existing shares at $0.034 per share, to raise up to $4,510,310 (before costs). The proceeds are intended to be used to fund further mineral exploration, for general corporate purposes, for additional working capital, to repay any unsecured loans from an associated entity of Brian Flannery, Chairman, and to pay the costs of the Entitlement Offer.

No other significant matters or circumstance have arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**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.

**Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

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Brian Flannery
Director

12 March 2025
Brisbane

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## Auditors' Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of White Energy Company Limited

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2024, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

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SCOTT TOBUTT
PARTNER

12 MARCH 2025
SYDNEY, NSW

**White Energy Company Limited**
**Consolidated statement of comprehensive income**
**For the half-year ended 31 December 2024**

| | Note | Consolidated 2024 $'000 | Consolidated 2023 $'000 |
|---|---|---|---|
| **Continuing operations** | | | |
| Other income | 3 | 99 | 70 |
| Total revenue | | 99 | 70 |
| | | | |
| Other net gains / (losses) | 4 | 297 | (82) |
| Employee benefits expense | | (891) | (896) |
| Depreciation and amortisation expense | 4 | (35) | (1,036) |
| Impairment of financial assets reversal | | - | 229 |
| External advisory fees | 4 | (339) | (2,679) |
| Occupancy expenses | | (25) | (22) |
| Travel expenses | | (4) | (1) |
| Plant operating costs | | (33) | (34) |
| Accounting, tax and audit fees | | (144) | (40) |
| Loss on derecognition of subsidiary | 4 | (21,064) | - |
| Other expenses | | (214) | (276) |
| Finance costs | | (1,535) | (1,009) |
| | | | |
| **Loss before income tax** | | (23,888) | (5,776) |
| | | | |
| Income tax | | - | - |
| | | | |
| **Loss for the half-year** | | (23,888) | (5,776) |
| | | | |
| **Other comprehensive (loss) / income** | | | |
| | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| Exchange differences on translation of foreign operations | | (3,572) | 1,747 |
| | | | |
| Other comprehensive (loss) / income for the half-year | | (3,572) | 1,747 |
| | | | |
| **Total comprehensive loss for the half-year** | | (27,460) | (4,029) |
| | | | |
| **Loss for the half-year is attributable to:** | | | |
| Non-controlling interests | | (1,477) | (981) |
| Owners of White Energy Company Limited | | (22,411) | (4,795) |
| | | | |
| **Total loss for the half-year** | | (23,888) | (5,776) |
| | | | |
| **Total comprehensive loss for the half-year is attributable to:** | | | |
| Non-controlling interests | | (4,209) | 226 |
| Owners of White Energy Company Limited | | (23,251) | (4,255) |
| | | | |
| **Total comprehensive loss for the half-year** | | (27,460) | (4,029) |

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes*

**White Energy Company Limited**
**Consolidated statement of comprehensive income**
**For the half-year ended 31 December 2024**

| | 2024 Cents | 2023 Cents |
|---|---|---|
| **Earnings per share for loss attributable to the ordinary equity holders of White Energy Company Limited** | | |
| Basic earnings per share | (11.3) | (6.9) |
| Diluted earnings per share | (11.3) | (6.9) |

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes*

**White Energy Company Limited**
**Consolidated balance sheet**
**As at 31 December 2024**

| | | Consolidated | |
|---|---|---|---|
| | **Note** | **31 December 2024** **$'000** | **30 June 2024** **$'000** |
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | | 1,214 | 3,645 |
| Trade and other receivables | 5 | 819 | 648 |
| Restricted cash | 7 | - | 2,000 |
| Other assets | 6 | 305 | 383 |
| Total current assets | | 2,338 | 6,676 |
| **Non-current assets** | | | |
| Property, plant and equipment | 8 | 245 | 270 |
| Exploration assets | 10 | 7,956 | 6,321 |
| Total non-current assets | | 8,201 | 6,591 |
| **Total assets** | | 10,539 | 13,267 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 11 | 355 | 1,771 |
| Provisions | 12 | 462 | 463 |
| Total current liabilities | | 817 | 2,234 |
| **Non-current liabilities** | | | |
| Other payables | 13 | 56,875 | 51,826 |
| Provisions | 14 | 261 | 228 |
| Total non-current liabilities | | 57,136 | 52,054 |
| **Total liabilities** | | 57,953 | 54,288 |
| **Net liabilities** | | (47,414) | (41,021) |
| **Equity** | | | |
| Contributed equity | 15 | 534,733 | 534,733 |
| Reserves | 16 | 10,483 | (9,744) |
| Accumulated losses | | (549,912) | (527,501) |
| Equity attributable to the ordinary equity holders of White Energy Company Limited | | (4,696) | (2,512) |
| Non-controlling interests | | (42,718) | (38,509) |
| **Total equity** | | (47,414) | (41,021) |

*The above consolidated balance sheet should be read in conjunction with the accompanying notes*

**White Energy Company Limited**
**Consolidated statement of changes in equity**
**For the half-year ended 31 December 2024**

| Consolidated | Contributed equity $'000 | Reserves $'000 | Accumulated losses $'000 | Non-controlling interests $'000 | Total equity $'000 |
|---|---|---|---|---|---|
| Balance at 1 July 2023 | 526,197 | (9,888) | (521,275) | (38,908) | (43,874) |
| Loss for the half-year | - | - | (4,795) | (981) | (5,776) |
| Other comprehensive income for the half-year | - | 540 | - | 1,207 | 1,747 |
| Total comprehensive income / (loss) for the half-year | - | 540 | (4,795) | 226 | (4,029) |
| *Transactions with owners in their capacity as owners and other movements:* | | | | | |
| Contributions of equity, net of transaction costs | 5,206 | - | - | - | 5,206 |
| Balance at 31 December 2023 | 531,403 | (9,348) | (526,070) | (38,682) | (42,697) |

| Consolidated | Contributed equity $'000 | Reserves $'000 | Accumulated losses $'000 | Non-controlling interests $'000 | Total equity $'000 |
|---|---|---|---|---|---|
| Balance at 1 July 2024 | 534,733 | (9,744) | (527,501) | (38,509) | (41,021) |
| Loss for the half-year | - | - | (22,411) | (1,477) | (23,888) |
| Other comprehensive loss for the half-year | - | (840) | - | (2,732) | (3,572) |
| Total comprehensive loss for the half-year | - | (840) | (22,411) | (4,209) | (27,460) |
| Derecognition of subsidiary (Note 16) | - | 21,064 | - | - | 21,064 |
| *Transactions with owners in their capacity as owners and other movements:* | | | | | |
| Share-based payments | - | 3 | - | - | 3 |
| Balance at 31 December 2024 | 534,733 | 10,483 | (549,912) | (42,718) | (47,414) |

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

**White Energy Company Limited**
**Consolidated statement of cash flows**
**For the half-year ended 31 December 2024**

| | Consolidated | |
|---|---|---|
| | **2024** | **2023** |
| | **$'000** | **$'000** |
| **Cash flows from operating activities** | | |
| Receipts from customers (inclusive of goods and services tax) | 264 | 173 |
| Payments to suppliers and employees (inclusive of goods and services tax) | (3,282) | (2,344) |
| | (3,018) | (2,171) |
| Interest received | 57 | 19 |
| Receipts from certificates of deposit restricted for bonds | 2,000 | - |
| **Net cash outflow from operating activities** | (961) | (2,152) |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (10) | (4) |
| Payments for exploration assets | (1,563) | (777) |
| **Net cash outflow from investing activities** | (1,573) | (781) |
| **Cash flows from financing activities** | | |
| Proceeds from issue of shares | - | 5,298 |
| Proceeds from shareholder loans | 78 | 24 |
| Proceeds from related party loans | - | 500 |
| Cost of equity issue | - | (146) |
| Repayment of loans | - | (1,000) |
| Repayment of lease liabilities | (16) | (33) |
| Finance charges paid | (24) | (17) |
| **Net cash inflow from financing activities** | 38 | 4,626 |
| Net (decrease) / increase in cash and cash equivalents | (2,496) | 1,693 |
| Cash and cash equivalents at the beginning of the financial half-year | 3,645 | 772 |
| Effects of exchange rate changes on cash and cash equivalents | 65 | 96 |
| **Cash and cash equivalents at the end of the financial half-year** | 1,214 | 2,561 |

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

**Note 1. Going concern**

The Group recorded a total comprehensive loss for the half-year ended 31 December 2024 of $27,460,000 (2023: $4,029,000), had net cash outflows from operations of $961,000 (2023: $2,152,000) and a cash balance excluding restricted cash of $1,214,000 (30 June 2024: $3,645,000). The Group has net liabilities of $47,414,000 (30 June 2024: $41,021,000). In this regard, it should be noted that the Group's external debt comprised limited-recourse shareholder loans (recourse is limited to the assets of subsidiaries that are subject to joint venture agreements, with joint shareholder consent customarily given to extend the loans' due dates as required), trade and other payables and provisions incurred in the ordinary course of business. The Group has prepared a cash flow forecast to 31 March 2026, which demonstrates the need to raise additional funding to meet the Group's forecast expenditure for the period.

The Directors are considering a number of actions for raising additional funds, including from one or more of the following sources:

1. Asset realisation: (a) The Group continues to pursue recovery of the $2.8 million owed from the sale of former subsidiary Mountainside Coal Company Inc. (MCC) in 2021. The Group, together with its joint venture partner, Proterra Investment Partners (Proterra), hold security over the assets of MCC. MCC filed for Chapter 11 Bankruptcy in March 2024 and due to its inability to come up with a viable plan to trade out of its bankruptcy, the Chapter 11 bankruptcy was converted by the US Federal Court into a Chapter 7 Trustee liquidation. The Trustee convened an auction for the sale of MCC's assets that was held on 20 December 2024 at which Proterra, through an associated company, used its indebtedness to credit bid for the wash plant and lease of land for USD5 million. Separately, the Group signed an agreement with Proterra for the assignment of the wash plant assets to subsidiary BCBC, once the sale is confirmed by the Court and closing occurs. At least a partial recovery of the debt due to the Group is expected once the Chapter 7 process concludes and the sale of MCC assets to a third party can be achieved;

2. Additional equity funds: As previously foreshadowed, the Company plans to raise additional equity funds for the ongoing activities of the Group, as required. The Company has been successful in raising equity funds through the issue of new shares recently and in the past;

3. Debt funding for capital projects: The Directors believe, based on past experience, that they can raise third party debt financing to part fund any future project capital expenditure requirements;

4. Loans from minority shareholders: The Group's 51% owned subsidiaries, River Energy JV Ltd and River Energy JV UK Limited continue to have access to funds from their 49% minority shareholder under existing shareholder loan agreements (in conjunction with WEC's 51% contributions) to enable them to meet their debts as and when they fall due.

As the funding actions are yet to be completed, these conditions give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Directors believe that the Group will be successful in raising funds through one or more of the above actions and that the Group will be able to realise its assets and settle its debts as and when they fall due and payable in the normal course of business, and accordingly have prepared the financial statements on a going concern basis.

## Note 2. Segment information

### (a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business from both a business line and a geographic perspective and has identified two reportable business line segments: coal technology and mining exploration.

The coal technology segment has a licence to BCB technology developed by the consortia led by CSIRO which processes relatively poor quality coal into a higher quality product.

The mining exploration segment holds tenements near Coober Pedy, South Australia, Texas Queensland; and Daly Waters, Northern Territory. The segment also has tenements near Biloela, Queensland, that are explored under a farm-in arrangement with the tenement holder and one owned tenement in this area.

The Group’s business sectors operate in four main geographical areas:

(i) Australia: The home country of the main operating entity. The areas of operation are the coal technology and mining exploration business lines.

(ii) Asia: Comprises operations carried on in Indonesia, China and Singapore. The area of operation is the coal technology business line. The Group derecognised subsidiary BCBC Singapore Pte Ltd when its liquidation process was concluded on 13 December 2024.

(iii) South Africa and Mauritius (South Africa): The area of operation is the coal technology business line in the South African market. The Group's partner in River Energy JV Limited, Proterra Investment Partners, is currently undertaking marketing activities, pilot plant testing and feasibility studies.

(iv) United Kingdom (UK): An investment holding company that operates in the area of the coal technology business line.

The Board of Directors regularly reviews the financial performance of the Group for the reportable segments below. The Board does not review assets and liabilities of each segment.

**Note 2. Segment information (continued)**

**(b) Segment information provided to the Board of Directors**

Segment information by business line

| **Consolidated - 2024** | **Coal technology $'000** | **Mining exploration $'000** | **Inter-segment $'000** | **Total $'000** |
|---|---|---|---|---|
| **Revenue** | | | | |
| Sales to external customers | - | - | - | - |
| Inter-segment revenue | 182,352 | - | (182,352) | - |
| | 182,352 | - | (182,352) | - |
| Other income | 42 | - | - | 42 |
| Interest income | 57 | - | - | 57 |
| **Total revenue** | 182,451 | - | (182,352) | 99 |
| | | | | |
| **EBITDA (*)** | 1,094 | (9) | (2,633) | (1,548) |
| Depreciation | (6) | - | - | (6) |
| Amortisation | (235) | - | 206 | (29) |
| Interest expense | (2,940) | - | 1,405 | (1,535) |
| Other non-cash expenses | (2,454) | - | (18,613) | (21,067) |
| Foreign exchange gains | 297 | - | - | 297 |
| **Loss before income tax** | (4,244) | (9) | (19,635) | (23,888) |
| Income tax | - | - | - | - |
| **Loss for the half-year** | (4,244) | (9) | (19,635) | (23,888) |

* EBITDA and loss for the half-year includes White Energy's share of the income and expenses from minority owned subsidiaries.

**Note 2. Segment information (continued)**

The segment information above can be further disaggregated by geographical area as outlined below:

| Consolidated - 2024 | Australia | Asia | South Africa | UK | Inter-segment | Total |
|---|---|---|---|---|---|---|
| **Revenue** | **$'000** | **$'000** | **$000** | **$'000** | **$'000** | **$'000** |
| Sales to external customers | - | - | - | - | - | - |
| Inter-segment revenue | 2,643 | 179,709 | - | - | (182,352) | - |
| | 2,643 | 179,709 | - | - | (182,352) | - |
| Other income | 42 | - | - | - | - | 42 |
| Interest income | 57 | - | - | - | - | 57 |
| **Total revenue** | 2,742 | 179,709 | - | - | (182,352) | 99 |
| **EBITDA (*)** | (178,571) | 179,746 | (44) | (46) | (2,633) | (1,548) |
| Depreciation | (6) | - | - | - | - | (6) |
| Amortisation | (29) | - | (206) | - | 206 | (29) |
| Interest expense | (18) | - | (1,051) | (1,871) | 1,405 | (1,535) |
| Other non-cash expenses | (3) | (2,451) | - | - | (18,613) | (21,067) |
| Foreign exchange gains / (losses) | 169 | 129 | - | (1) | - | 297 |
| **Total loss before income tax** | (178,458) | 177,424 | (1,301) | (1,918) | (19,635) | (23,888) |
| Income tax | - | - | - | - | - | - |
| **Loss for the half-year** | (178,458) | 177,424 | (1,301) | (1,918) | (19,635) | (23,888) |

* EBITDA and loss for the half-year includes White Energy's share of the income and expenses from minority owned subsidiaries.

**Note 2. Segment information (continued)**

Segment information by business line

| **Consolidated - 2023** | **Coal technology $'000** | **Mining exploration $'000** | **Inter-segment $'000** | **Total $'000** |
|---|---|---|---|---|
| **Revenue** | | | | |
| Sales to external customers | - | - | - | - |
| Intersegment -revenue | 1,713 | - | (1,713) | - |
| | 1,713 | - | (1,713) | - |
| Other income | 51 | - | - | 51 |
| Interest income | 19 | - | - | 19 |
| **Total revenue** | 1,783 | - | (1,713) | 70 |
| | | | | |
| **EBITDA (*)** | (2,170) | (9) | (1,699) | (3,878) |
| Depreciation | (6) | - | - | (6) |
| Amortisation | (1,030) | - | - | (1,030) |
| Interest expense | (1,935) | - | 926 | (1,009) |
| Other non-cash losses | (1) | - | - | (1) |
| Foreign exchange losses | (81) | - | - | (81) |
| Impairment of financial assets reversal | 229 | - | - | 229 |
| **Loss before income tax** | (4,994) | (9) | (773) | (5,776) |
| Income tax | - | - | - | - |
| **Loss for the half-year** | (4,994) | (9) | (773) | (5,776) |

* EBITDA and loss for the half-year includes White Energy's share of the income and expenses from minority owned subsidiaries.

**Note 2. Segment information (continued)**

The segment information above can be further disaggregated by geographical area as outlined below:

| Consolidated - 2023 | Australia | Asia | South Africa | UK | Inter-segment | Total |
|---|---|---|---|---|---|---|
| **Revenue** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| Sales to external customers | - | - | - | - | - | - |
| Inter-segment revenue | 1,713 | - | - | - | (1,713) | - |
| | 1,713 | - | - | - | (1,713) | - |
| Other income | 51 | - | - | - | - | 51 |
| Interest income | 19 | - | - | - | - | 19 |
| **Total revenue** | 1,783 | - | - | - | (1,713) | 70 |
| | | | | | | |
| **EBITDA (*)** | (4) | (2,098) | (41) | (36) | (1,699) | (3,878) |
| Depreciation | (6) | - | - | - | - | (6) |
| Amortisation | (1,030) | - | (209) | - | 209 | (1,030) |
| Interest expense | (12) | - | (691) | (1,232) | 926 | (1,009) |
| Other non-cash expenses | (1) | - | - | - | - | (1) |
| Foreign exchange loss | (80) | - | - | (1) | - | (81) |
| Impairment of financial assets reversal | 229 | - | - | - | - | 229 |
| **Loss before income tax** | (904) | (2,098) | (941) | (1,269) | (564) | (5,776) |
| **Income tax** | - | - | - | - | - | - |
| **Loss for the half-year** | (904) | (2,098) | (941) | (1,269) | (564) | (5,776) |

* EBITDA and loss for the half-year includes White Energy's share of the income and expenses from minority owned subsidiaries.

## Note 3. Other income

| | Consolidated | |
|---|---|---|
| | **2024** | **2023** |
| | **$'000** | **$'000** |
| Interest income calculated using the effective interest rate method | 57 | 19 |
| Other items | 42 | 51 |
| Other income | 99 | 70 |

## Note 4. Material profit or loss items

| | Consolidated | |
|---|---|---|
| | **2024** | **2023** |
| | **$'000** | **$'000** |
| **(a) Loss before income tax includes the following specific expenses:** | | |
| *Depreciation and amortisation expense* | | |
| Depreciation expense- Property, plant and equipment | 6 | 6 |
| Amortisation expense - Right-of-use assets - Buildings | 29 | 32 |
| Amortisation expense - Intangible assets | - | 998 |
| Total depreciation and amortisation expense | 35 | 1,036 |
| *External advisory fees* | | |
| Consulting, external management and professional fees | 339 | 333 |
| Litigation costs | - | 2,347 |
| Total external advisory fees | 339 | 2,680 |
| *Loss on derecognition* | | |
| Loss on derecognition of subsidiary (i) | 21,064 | - |
| **(b) Other net gains / (losses)** | | |
| Foreign exchange gains / (losses) | 297 | (81) |
| Net loss on disposal of property, plant and equipment | - | (1) |
| Total net gains / (losses) | 297 | (82) |

(i) On the 13th of December 2024, the Group derecognised its interest in subsidiary BCBC Singapore Pte Ltd. The loss of $21,064,000 is the reclassification of foreign currency translation reserve derecognised with subsidiary undertakings (refer to Note 16).

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

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Trade receivables | 19 | 67 |
| Less: Allowance for expected credit losses | - | (47) |
| | 19 | 20 |
| Consideration receivables [a] | 2,800 | 2,628 |
| Less: Allowance for expected credit losses [b] | (2,000) | (2,000) |
| | 800 | 628 |
| | 819 | 648 |

**(a) Consideration receivables**
The Group continues to pursue recovery of the $2.8 million owed from the sale of former subsidiary Mountainside Coal Company Inc. (MCC) in 2021. The Group, together with its joint venture partner, Proterra Investment Partners (Proterra), hold security over the assets of MCC. MCC filed for Chapter 11 Bankruptcy in March 2024 and due to its inability to come up with a viable plan to trade out of its bankruptcy, the Chapter 11 bankruptcy was converted by the US Federal Court into a Chapter 7 Trustee liquidation. The Trustee convened an auction for the sale of MCC's assets that was held on 20 December 2024 at which Proterra, through its subsidiary, used its indebtedness to credit bid for the wash plant and lease of land for USD5 million. Separately, the Group signed an agreement with Proterra for the assignment of the wash plant assets to subsidiary BCBC, once the sale is confirmed by the Court and closing occurs. At least a partial recovery of the debt due to the Group is expected once the Chapter 7 process concludes and the sale of MCC assets to a third party can be achieved.

**(b) Allowance for expected credit losses - Consideration receivables**
Consideration receivables at amortised cost are due and payable. The Group considers there to have been a significant increase in credit risk since initial recognition in 2021. An allowance for expected losses of $2,000,000 has been recognised (30 June 2024: $2,000,000), and this reduces the carrying value of consideration receivables. The loss allowance is based on the expected loss rate of 100% (30 June 2024: 100%), and the difference between the instalments due in accordance with the contract to sell subsidiary Mountainside Coal Company Inc. and all the cash flows that the Group expects to receive, and this includes cash flows from the sale of collateral through the Chapter 7 Trustee liquidation proceedings and the sale of MCC assets to a third party. The expected loss rate of 100% is because the consideration receivables are credit impaired. The expected loss rate established in 2023 was based on the continuing default on payment arrangements entered into.

**Note 6. Current assets - Other assets**

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Prepayments | 284 | 362 |
| Deposits | 21 | 21 |
| | 305 | 383 |

## Note 7. Current assets - Restricted cash

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Security bond [(a)] | - | 2,000 |

**(a) Security bond**
The Supreme Court of Western Australia held a $2,000,000 security bond from the Company, on behalf of its subsidiary BCBC Singapore Pte Ltd, in support of freezing orders made against Bayan Resources Tbk's shareholding in Kangaroo Resources Limited. The security bond was classified as current as at 30 June 2024 due to its release by the Court in July 2024.

## Note 8. Non-current assets - Property, plant and equipment

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Plant and equipment - at cost or fair value | 15,638 | 15,616 |
| Less: Accumulated depreciation and impairment | (15,623) | (15,604) |
| | 15 | 12 |
| Right-of-use assets - buildings - at cost [(a)] | 287 | 287 |
| Less: Accumulated depreciation | (57) | (29) |
| | 230 | 258 |
| | 245 | 270 |

*Reconciliations*
Reconciliations of the net book values at the beginning and end of the half-year ended 31 December 2024 are set out below:

| Consolidated | Plant and equipment $'000 | Leasehold improvements $'000 | Right-of-use assets - buildings [(a)] $'000 | Total $'000 |
|---|---|---|---|---|
| Balance at 1 July 2024 | 12 | - | 258 | 270 |
| Additions | 10 | - | - | 10 |
| Amortisation expense | - | - | (29) | (29) |
| Depreciation expense | (6) | - | - | (6) |
| Balance at 31 December 2024 | 16 | - | 229 | 245 |

**Note 8. Non-current assets - Property, plant and equipment (continued)**

**(a) Leases**

This note provides information for leases where the Group is a lessee. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

*(i) Right-of-use assets*
On the 1 January 2024, the Group moved office premises to 76 Skyring Terrace, Newstead and signed a building sub-lease with KTQ Developments Pty Ltd, a related company of Chairman and former Chief Executive Officer, Brian Flannery. This arrangement is based on normal commercial terms and conditions and at the prevailing market rate. The agreement is for a period of 60 months and expires on 31 December 2028. Prior to this the Group subleased office space at 167 Eagle Street, Brisbane from KTQ Developments Pty Ltd. This sublease ended on 31 November 2023. Leased assets may not be used as a security for borrowing purposes.

The right-of-use assets are included in the same line item as where the corresponding underlying assets would be presented if they were owned.

*(ii) Lease liabilities*

Lease liabilities are presented in the balance sheet as follows:

| | 31 December 2024 $'000 | 30 June 2024 $'000 |
|---|---|---|
| Current (refer to Note 11) | 49 | 41 |
| Non-current (refer to Note 13) | 201 | 228 |
| | 250 | 269 |

The sub-lease agreement does not contain any covenants or security. The undiscounted maturity analysis of lease liabilities relating to Buildings at 31 December 2024 is as follows:

| | 31 December 2024 $'000 | 30 June 2024 $'000 |
|---|---|---|
| Less than one year | 76 | 68 |
| One to five years | 241 | 276 |
| Total undiscounted lease liabilities | 317 | 344 |

*(iii) Lease payments not recognised as a liability*
The Group does not recognise a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

## Note 8. Non-current assets - Property, plant and equipment (continued)

The expenses relating to payments not included in the lease liabilities are as follows:

| | 6 months to 31 December 2024 $'000 | 6 months to 31 December 2023 $'000 |
|---|---|---|
| Short-term leases (included in plant operating costs) | 26 | 36 |
| Leases of low-value assets (included in other expenses) | - | 2 |
| | 26 | 38 |

*(iv) Profit or loss and cash flow information*
The interest expense in relation to leasing liabilities included in finance costs for the half-year was $14,000 (2023: $1,000).

The total cash outflow for leases in the half-year was $56,000 (2023: $72,000).

There have been no sale and leaseback transactions in the half-year.

## Note 9. Non-current assets - Intangibles

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Coal technology licence - at cost | 55,983 | 55,983 |
| Less: Accumulated amortisation and impairment | (55,983) | (55,983) |
| | - | - |

**(a) Amortisation expense**
The coal technology licence for BCB technology has a finite life and was amortised until the year ending 30 June 2024 over its useful life of 17.6 years.

## Note 10. Non-current assets - Exploration assets

*Reconciliations*
Reconciliations of exploration assets carrying amounts at the beginning and end of the half-year ended 31 December 2024 are set out below:

| Consolidated | Coober Pedy, SA, EL6566 Exploration tenement and rights $'000 | Coober Pedy, SA, PELA674 Exploration tenement $'000 | Coober Pedy, SA, EL6987 Exploration tenement $'000 | Daly Waters, NT Exploration tenements and rights $'000 | Texas, QLD Exploration tenements and rights $'000 | Biloela, QLD Exploration farm-in rights $'000 | Biloela, QLD Exploration tenement $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|---|
| Balance at 1 July 2024 | 3,704 | 4 | 6 | 1,787 | 173 | 647 | - | 6,321 |
| Additional expenditure | 716 | - | 9 | 460 | 3 | 444 | 3 | 1,635 |
| Balance at 31 December 2024 | 4,420 | 4 | 15 | 2,247 | 176 | 1,091 | 3 | 7,956 |

## Note 11. Current liabilities - Trade and other payables

| | Consolidated 31 December 2024 $'000 | 30 June 2024 $'000 |
|---|---|---|
| Trade payables | 246 | 373 |
| Lease liabilities [(a)] | 49 | 41 |
| Other payables [(b)] | 60 | 1,357 |
| | 355 | 1,771 |

**(a) Lease Liabilities**
For information on the Group's leasing activities refer to Note 8(a).

**(b) Other payables**
Other payables includes liabilities for litigation costs of $Nil (30 June 2024: $900,000). Refer to Note 18 for further details.

## Note 12. Current liabilities - Provisions

| | Consolidated 31 December 2024 $'000 | 30 June 2024 $'000 |
|---|---|---|
| Employee provisions | 462 | 463 |

**Note 12. Current liabilities - Provisions (continued)**

**Movements in provisions during the half-year ended 31 December 2024 are set out below:**

| **Consolidated - 2024** | **Employee $'000** |
|---|---|
| Carrying amount at the start of the half-year | 463 |
| Additional provisions recognised | 85 |
| Amounts transferred to non-current (refer to Note 14) | (33) |
| Amounts used | (53) |
| Carrying amount at the end of the half-year | 462 |

**Note 13. Non-current liabilities - Other payables**

| | **Consolidated** | |
|---|---|---|
| | **31 December 2024 $'000** | **30 June 2024 $'000** |
| Loans from shareholders - Black River [(a)] | 33,935 | 31,243 |
| Accrued interest on shareholder loans - Black River [(a)] | 22,739 | 20,355 |
| Lease liabilities [(b)] | 201 | 228 |
| | 56,875 | 51,826 |

**(a) Loans from shareholders**
White Energy and the 49% minority shareholder in its River Energy operations have jointly funded these two businesses through shareholder loans. The amounts disclosed in the Group’s financial statements as loans from shareholders are the amounts contributed by the 49% minority shareholder which attract interest and are due for repayment by the relevant Group subsidiary at future dates in accordance with the terms of the relevant shareholder loan agreements. The loans are not secured, with recourse to the minority shareholder limited to 49% of the assets of the relevant Group subsidiary, and with joint shareholder consent customarily given to extend the loans' due dates as required.

**(b) Lease liabilities**
For information on the Group's leasing activities refer to Note 8(a).

**Note 14. Non-current liabilities - Provisions**

| | **Consolidated** | |
|---|---|---|
| | **31 December 2024 $'000** | **30 June 2024 $'000** |
| Employee provisions | 261 | 228 |

**Note 14. Non-current liabilities - Provisions (continued)**

**Movements in provisions during the half-year ended 31 December 2024 are set out below:**

| Consolidated - 2024 | Employee $'000 |
|---|---|
| Carrying amount at the start of the half-year | 228 |
| Amounts transferred from current (refer to Note 12) | 33 |
| Carrying amount at the end of the half-year | 261 |

## Note 15. Equity - Contributed equity

| | Consolidated | | | |
|---|---|---|---|---|
| | 31 December 2024 Shares | 30 June 2024 Shares | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Ordinary shares - fully paid | 198,984,276 | 198,984,276 | 534,733 | 534,733 |

## Note 16. Equity - Reserves

| | Consolidated | |
|---|---|---|
| | 31 December 2024 $'000 | 30 June 2024 $'000 |
| Foreign currency translation reserve | 3,313 | (16,911) |
| Share based payment reserve | 7,170 | 7,167 |
| | 10,483 | (9,744) |

*Foreign currency reserve*
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations. During the half-year ended 31 December 2024, $21.1 million was reclassified to the profit or loss portion of the statement of comprehensive income when subsidiary BCBC Singapore Pte Ltd was derecognised.

## Note 17. Equity - Dividends

No amounts have been paid or declared by way of dividend during the half-year ended 31 December 2024 (2023: $Nil).

## Note 18. Contingencies

**KSC legal dispute**
White Energy's wholly owned subsidiaries, Binderless Coal Briquetting Company Pty Limited (BCBC) and BCBC Singapore Pte Ltd (BCBCS), were engaged in legal proceedings against PT Bayan Resources Tbk (BR) and Bayan International Pte Ltd (BI) (collectively, Bayan) in the Singapore International Commercial Court (SICC). The proceedings related to various disputed matters arising in connection with the company PT Kaltim Supacoal (KSC), which was jointly owned by BCBCS and Bayan, which owned and operated the Tabang coal upgrade plant located at Bayan's Tabang mine in East Kalimantan, Indonesia.

**Note 18. Contingencies (continued)**

The legal proceedings and all issues in dispute were concluded upon the signing of a settlement deed with the Bayan companies in May 2025. Under the deed, Bayan was paid $900,000 in July 2024 from the security deposit held by the Supreme Court in Western Australia. On 9 October 2024, BCBC received a dividend of $942,601.41 from KPMG Singapore, the liquidators of BCBCS, from the remaining security deposit funds after disbursements were made to the creditors of BCBCS.

The final meeting of creditors of BCBCS was convened by the liquidators in Singapore on 13 December 2024 which brought the liquidation of BCBCS to an end.

## Note 19. Events occurring after the reporting period

**(a) Pro rata entitlement offer to subscribe for Ordinary Shares**
On 26 February 2025, a renounceable pro rata issue Entitlement Offer was made to subscribe for 2 new offer shares for every 3 existing shares at $0.034 per share, to raise up to $4,510,310 (before costs). The proceeds are intended to be used to fund further mineral exploration, for general corporate purposes, for additional working capital, to repay any unsecured loans from an associated entity of Brian Flannery, Chairman, and to pay the costs of the Entitlement Offer.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## Note 20. Basis of preparation of half-year report

This consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by White Energy during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

**(a) New and amended standards and interpretations adopted by the Group**
Certain new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) are mandatory for reporting periods commencing 1 July 2024. These standards and interpretations did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**(b) Impact of standards issued but not yet applied by the Group**
Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Group's preliminary assessment is that the new standards and interpretation will not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

*Historical cost convention*
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and certain classes of property, plant and equipment.

**White Energy Company Limited**
**Directors' declaration**
**31 December 2024**

In the Directors' opinion:

(a) the financial statements and notes set out on pages 11 to 30 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.

Brian Flannery
Director

12 March 2025
Brisbane

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# INDEPENDENT AUDITOR'S REVIEW REPORT

# TO THE MEMBERS OF WHITE ENERGY COMPANY LIMITED

## Report on the Half-Year Financial Report

## Conclusion

We have reviewed the accompanying half-year financial report of White Energy Company Limited (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of White Energy Company Limited is not in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024, and of its financial performance for the half-year ended on that date; and

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

## Material Uncertainty Regarding Going Concern

We draw attention to Note 1 in the half-year financial report, which describes management's assessment of the consolidated entity's ability to continue as a going concern. The consolidated entity incurred a net loss after tax of $23,888,000 and had net operating cash outflows of $961,000 for the half year ended 31 December 2024 and had net liabilities of $47,414,000 at that date. These conditions, along with the matters described in Note 1 indicate a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

## Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors of the consolidated entity a written Auditor's Independence Declaration.

## Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of White Energy Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

PKF

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SCOTT TOBUTT
PARTNER

12 MARCH 2025
SYDNEY, NSW