

CLEARVUE TECHNOLOGIES LIMITED AND ITS CONTROLLED ENTITIES
ABN 45 071 397 487
Appendix 4E

1. Company details

Name of entity: Clearvue Technologies Limited
ABN: 45 071 397 487
Reporting period: For the year ended 30 June 2020
Previous period: For the year ended 30 June 2019

2. Results for announcement to the market

				\$
Revenues from ordinary activities	down	100%	to	-
Loss from ordinary activities after tax attributable to the owners of Clearvue Technologies Limited	down	47%	to	2,049,191
Loss for the year attributable to the owners of Clearvue Technologies Limited	down	47%	to	2,049,191

Dividends

No dividend has been declared or paid for the year ended 30 June 2020 (30 June 2019: \$nil).

Brief Explanation of Results

During the year ended 30 June 2020, Clearvue Technologies had been focussed on the commercialisation of the Company's technology. The Company entered into a several different Memorandums to further the development and distribution of the Clearvue products in Australia, Europe, Middle East and South Africa.

There were no other significant changes in the nature of the activities of the Company during the financial year.

The loss for the consolidated entity after providing for income tax amounted to \$2,049,191 (30 June 2019 \$3,852,963).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.69</u>	<u>1.60</u>

4. Details of associates and joint venture entities

There are no associates or joint venture entities.

5. Details of entities over which control has been gained or lost during the period

The Company created a Singapore-based entity, ClearVue Asia Pte Ltd as a 100% owned private subsidiary of ClearVue, to support its expansion and market entry into the South East Asian region.

6. Audit qualification or review

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

The financial statements are in the process of being audited.

7. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Clearvue Technologies Limited for the year ended 30 June 2020 is attached.

8. Signed



Victor Rosenberg
Chairman
Perth

Date: 31 August 2020



**CLEARVUE TECHNOLOGIES LIMITED
AND ITS CONTROLLED ENTITIES**

ABN 45 071 397 487

Appendix 4E
Preliminary Financial Report

For the year ended 30 June 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2020

	<u>Note</u>	<u>Consolidated</u> <u>30 Jun 2020</u> \$	<u>Consolidated</u> <u>30 Jun 2019</u> \$
Revenue from contracts with customers		-	23,029
Other income	7	1,131,809	1,584,087
		<u>1,131,809</u>	<u>1,607,116</u>
Expenses			
Consulting expense		(623,508)	(607,631)
Depreciation and amortisation expense		(166,761)	(95,986)
Employee benefits expense		(846,581)	(835,127)
Finance costs		(28,000)	(10,271)
Legal fees		(76,124)	(38,030)
Material costs		(101,506)	(596,226)
Project costs		(634,169)	(650,614)
Share-based payments expense		-	(1,478,492)
Travel expenses		(159,529)	(600,907)
Other expenses		(544,822)	(546,795)
		<u>(3,181,000)</u>	<u>(5,460,079)</u>
Loss before income tax		<u>(2,049,191)</u>	<u>(3,852,963)</u>
Income tax expense		-	-
Loss for the year		<u>(2,049,191)</u>	<u>(3,852,963)</u>
Other comprehensive income / (loss)		-	-
Total comprehensive loss for the year		<u>(2,049,191)</u>	<u>(3,852,963)</u>
Loss per share attributable to the owners of the Company (cents)			
Basic loss per share	9	(1.84)	(3.97)
Diluted loss per share	9	(1.84)	(3.97)

See accompanying notes to the consolidated financial statements

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	<u>Note</u>	<u>Consolidated</u> <u>30 Jun 2020</u> \$	<u>Consolidated</u> <u>30 Jun 2019</u> \$
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents		864,208	1,376,936
Trade and other receivables		571,242	623,426
Other assets		118,686	90,208
		<u>1,554,136</u>	<u>2,090,570</u>
Non-Current Assets			
Plant and equipment	3	111,030	128,022
Right of use asset	3	169,800	-
Intangible assets	2	2,456,581	1,877,072
Other assets		56,682	55,354
		<u>2,794,093</u>	<u>2,060,448</u>
Total Assets		<u><u>4,348,229</u></u>	<u><u>4,151,018</u></u>
<u>LIABILITIES</u>			
Current Liabilities			
Trade and other payables	4	831,473	625,855
Lease liabilities		173,385	-
Provisions		99,680	81,148
		<u>1,104,538</u>	<u>707,003</u>
Non-Current Liabilities			
Provisions		15,540	6,552
		<u>15,540</u>	<u>6,552</u>
Total Liabilities		<u><u>1,120,078</u></u>	<u><u>713,555</u></u>
Net Assets		<u><u>3,228,151</u></u>	<u><u>3,437,463</u></u>
<u>EQUITY</u>			
Share capital	5	12,521,181	10,681,302
Share-based payments reserve	6	4,223,027	4,223,027
Accumulated losses		(13,516,057)	(11,466,866)
Total Equity		<u><u>3,228,151</u></u>	<u><u>3,437,463</u></u>

See accompanying notes to the consolidated financial statements

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Share Capital \$	Share-Based Payments Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2018	9,993,302	2,842,535	(7,613,903)	5,221,934
Loss for the year	-	-	(3,852,963)	(3,852,963)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(3,852,963)	(3,852,963)
Options exercised	590,000	-	-	590,000
Shares issued	98,000	-	-	98,000
Share-based payments	-	1,380,492	-	1,380,492
Balance at 1 July 2019	10,681,302	4,223,027	(11,466,866)	3,437,463
Loss for the year	-	-	(2,049,191)	(2,049,191)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(2,049,191)	(2,049,191)
Shares issued	2,000,000	-	-	2,000,000
Share issue costs	(160,121)	-	-	(160,121)
Balance at 30 June 2020	12,521,181	4,223,027	(13,516,057)	3,228,151

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	<u>Note</u>	<u>Consolidated</u> <u>30 Jun 2020</u> \$	<u>Consolidated</u> <u>30 Jun 2019</u> \$
Cash flows from operating activities			
Loss before income tax		(2,049,191)	(3,852,963)
Adjustment for:			
Depreciation of plant and equipment		89,253	34,592
Amortisation of intangible assets		77,508	61,394
Research and development net rebate		(661,288)	(453,923)
Interest received		(2,421)	-
Share-based payments		-	1,478,492
Operating loss before working capital		<u>(2,546,139)</u>	<u>(2,732,408)</u>
Changes in working capital:			
Decrease/(Increase) in trade and other receivables		513,187	(2,276)
Decrease in other assets		1,329	9,583
(Decrease)/Increase in trade and other payables		(365,628)	108,994
Increase in provisions		27,520	87,700
Net cash (used in) operating activities		<u>(2,369,731)</u>	<u>(2,528,407)</u>
Cash flows from investing activities			
Patents and trademarks expenditure		(174,539)	(280,207)
Development expenditure		(29,334)	(113,621)
Purchase of plant and equipment		(25,903)	(54,238)
Payments for deposits		(1,329)	(55,354)
Net cash (used in) investing activities		<u>(231,105)</u>	<u>(503,420)</u>
Cash flows from financing activities			
Options exercised		-	590,000
Proceeds from borrowings		291,001	-
Lease payments		(42,772)	-
Proceeds from issuance of ordinary shares		2,000,000	-
Share issuance cost		(160,121)	-
Net cash from financing activities		<u>2,088,108</u>	<u>590,000</u>
Net (decrease) in cash and cash equivalents		(512,728)	(2,441,827)
Cash and cash equivalents at beginning of year		1,376,936	3,818,763
Cash and cash equivalents at end of year		<u>864,208</u>	<u>1,376,936</u>

See accompanying notes to the consolidated financial statements

NOTES TO PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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

1. BASIS OF PREPARATION

This preliminary financial report has been prepared in accordance with Australian Securities Exchange Listing Rules as they relate to the Appendix 4E and in accordance with the recognition and measurement requirements of the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 30 June 2019 and with any public announcement made by Clearvue Technologies Limited during the period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial year.

2. INTANGIBLE ASSETS

	Consolidated <u>30 Jun 2020</u>	Consolidated <u>30 Jun 2019</u>
	\$	\$
Patents and trademarks	1,354,364	1,182,431
Development asset	1,102,217	694,641
	<u>2,456,581</u>	<u>1,877,072</u>
<u>Patents and trademarks</u>		
Cost	1,681,929	1,433,641
Less accumulated amortisation	(327,565)	(251,210)
Carrying amount	<u>1,354,364</u>	<u>1,182,431</u>
Cost		
Balance at 1 July	1,433,641	1,101,955
Additions	248,288	331,686
Balance at 30 June	<u>1,681,929</u>	<u>1,433,641</u>
Accumulated amortisation		
Balance at 1 July	251,210	189,816
Amortisation for the year	76,355	61,394
Balance at 30 June	<u>327,565</u>	<u>251,210</u>
Carrying amount at 30 June	<u><u>1,354,364</u></u>	<u><u>1,182,431</u></u>

NOTES TO PRELIMINARY FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2. INTANGIBLE ASSETS (CONTINUED)

	Consolidated 30 Jun 2020	Consolidated 30 Jun 2019
	\$	\$
<u>Development asset</u>		
Cost		
Balance at 1 July	694,641	581,020
Additions	407,576	113,621
Balance at 30 June	<u>1,102,217</u>	<u>694,641</u>
Accumulated amortisation		
Balance at 1 July	-	-
Amortisation for the year	-	-
Balance at 30 June	<u>-</u>	<u>-</u>
Carrying amount at 30 June	<u>1,102,217</u>	<u>694,641</u>
Net carrying amount	<u>2,456,581</u>	<u>1,877,072</u>

Intangible assets are stated at cost. The useful life of these patents and trademarks is estimated to be finite.

3. PLANT AND EQUIPMENT & RIGHT-OF-USE ASSET

	Consolidated 30 Jun 2020	Consolidated 30 Jun 2019
	\$	\$
PLANT AND EQUIPMENT		
<u>Office Equipment</u>		
Cost	208,109	182,205
Less accumulated depreciation	(97,079)	(54,183)
Carrying amount	<u>111,030</u>	<u>128,022</u>
Cost		
Balance at 1 July	182,205	127,967
Additions	25,904	54,238
Balance at 30 June	<u>208,109</u>	<u>182,205</u>
Accumulated depreciation		
Balance at 1 July	54,183	19,591
Depreciation for the year	42,896	34,592
Balance at 30 June	<u>97,079</u>	<u>54,183</u>
Carrying amount at 30 June	<u>111,030</u>	<u>128,022</u>

NOTES TO PRELIMINARY FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

3. PLANT AND EQUIPMENT & RIGHT-OF-USE ASSET (CONTINUED)

RIGHT-OF-USE ASSET	Consolidated 30 Jun 2020 \$	Consolidated 30 Jun 2019 \$
Leased assets	169,800	-
<i>Movements for the year</i>		
Cost:		
Balance at 1 July	-	-
Adjustment on transition to AASB 16	216,157	-
Additions	-	-
Balance at 30 June	216,157	-
Accumulated depreciation:		
Balance at 1 July	-	-
Depreciation for the period	46,357	-
Balance at 30 June	46,357	-
Carrying amount:		
Balance at 30 June	169,800	-

4. TRADE AND OTHER PAYABLES

	Consolidated 30 Jun 2020 \$	Consolidated 30 Jun 2019 \$
Trade payables	378,801	578,333
Other payables	429,466	47,522
Accruals	23,206	-
	831,473	625,855

5. SHARE CAPITAL

	30 Jun 2020 NO. OF SHARES	30 Jun 2019 NO. OF SHARES	30 Jun 2020 \$	30 Jun 2019 \$
<u>Share issued and fully paid</u>				
Balance at 1 July	97,730,300	95,020,300	10,681,302	9,993,302
Options exercised	-	2,360,000	-	590,000
Issue of shares to KMP	-	350,000	-	98,000
Issue of shares SPP ¹	13,422,744	-	2,000,000	-
Share issue costs	-	-	(160,121)	-
Balance at 30 June	111,153,044	97,730,300	12,521,181	10,681,302

¹ Shares issued under Share Purchase Plan – on 18 October 2019 at 14.9 cents.

NOTES TO PRELIMINARY FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

5. SHARE CAPITAL (CONTINUED)

The share capital of the Company consists only of fully paid ordinary shares, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Company. The 39,026,956 fully paid ordinary shares that were held in escrow were released from escrow on 25 May 2020.

6. SHARE-BASED PAYMENTS RESERVE

	Consolidated 30 Jun 2020	Consolidated 30 Jun 2019
	\$	\$
Share plan for Directors *	536,900	536,900
Options issued to Lead Manager Offer	225,635	225,635
Options issued to Consultants	1,380,492	1,380,492
Performance shares to Directors	2,080,000	2,080,000
	<u>4,223,027</u>	<u>4,223,027</u>

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

<i>Movement in Options</i>	NO. OF OPTIONS	\$
Balance at 1 July 2018	56,958,024	762,535
Options exercised (Note 8)	(2,360,000)	-
Options issued to consultants (Note 8)	8,550,000	1,380,492
Balance at 1 July 2019	<u>63,148,024</u>	<u>2,143,027</u>
<i>No movement</i>	-	-
Balance at 1 July 2020	<u>63,148,024</u>	<u>2,143,027</u>

7. OTHER INCOME

	Consolidated 30 Jun 2020	Consolidated 30 Jun 2019
	\$	\$
Government grant	538,765	423,735
Other grants	18,347	55,042
Rebates and refunds	554,542	1,095,548
Insurance recovery	17,733	-
Interest received	2,422	9,761
	<u>1,131,809</u>	<u>1,584,087</u>

NOTES TO PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. SHARE-BASED PAYMENTS EXPENSE

Shares Issued

No share-based payments were made during the year ended 30 June 2020.

Performance Shares

On 16 January 2018, 13,000,000 performance shares were issued to two of the Directors on achievement of certain milestones. Mr V Rosenberg was issued 1,000,000 Class A Performance Shares, 3,000,000 Class B Performance Shares and 6,000,000 Class C Performance Shares. Mr Lyford was issued 1,000,000 Class D Performance Shares, 1,000,000 Class E Performance Shares and 1,000,000 Class F Performance Shares. Performance shares are subject to escrow for 24 months from the date of official quotation. No additional performance shares were issued during the year.

Each Class A Performance Share, Class B Performance Share, Class C Performance Share, Class D Performance Share, Class E Performance Share and Class F Performance Share (together and each being a Performance Share) is a share in the capital of the Company.

The conversion of shares are dependent on the following:

Class A Performance Shares

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$2,000,000 within a period of 24 months commencing on the date the Company is admitted to the Official List (Listing Date) (Class A Milestone 1), each Class A Performance Share will convert into one Share; or
- (B) In the event that Class A Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Listing Date (Class A Milestone 2), each Class A Performance Share will convert into one Share; or
- (C) In the event that neither Class A Milestone 1 or Class A Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Listing Date, each Class A Performance Share will convert into one Share.

Class B Performance Shares

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$5,000,000 within a period of 24-36 months from the Listing Date (Class B Milestone 1), each Class B Performance Share will convert into one Share; or
- (B) In the event that Class B Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$7,000,000 within a period of 36 months from the Listing Date (Class B Milestone 2), each Class B Performance Share will convert into one Share; or
- (C) In the event that neither Class B Milestone 1 or Class B Milestone 2 is satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Listing Date, each Class B Performance Share will convert into one Share.

NOTES TO PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. SHARE-BASED PAYMENTS EXPENSE (CONTINUED)

Class C Performance Shares

- (A) In the event that the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$10,000,000 within a period of 36-48 months from the Listing Date (Class C Milestone 1), each Class C Performance Share will convert into one Share; or
- (B) In the event that Class C Milestone 1 is not satisfied but the aggregate of the value of the ClearVue Orders and the ClearVue Payments is equal to or greater than \$17,000,000 within a period of 48 months from the Listing Date, each Class C Performance Share will convert into one Share.

Class D Performance Shares

- (A) In the event the Company executes two Agreements within a period of 12 months from the Listing Date (Class D Milestone 1), each Class D Performance Share will convert into one Share; or
- (B) In the event that the Class D Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class D Performance Share will convert into one Share (Class D Milestone 2); or
- (C) In the event that neither Class D Milestone 1 or Class D Milestone 2 is satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class D Performance Share will convert into one Share.

Class E Performance Shares

- (A) In the event the Company executes two Agreements within a period of 12-24 months from the Listing Date (Class E Milestone 1), each Class E Performance Share will convert into one Share; or
- (B) In the event that Class E Milestone 1 is not satisfied but the Company executes four Agreements within a period of 24 months from the Listing Date, each Class E Performance Share will convert into one Share (Class E Milestone 2); or
- (C) In the event that neither Class E Milestone 1 or Class E Milestone 2 are satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class E Performance Share will convert into one Share.

Class F Performance Shares

- (A) In the event the Company executes two Agreements within a period of 24-36 months from the Listing Date (Class F Milestone 1), each Class F Performance Share will convert into one Share; or
- (B) In the event that Class F Milestone 1 is not satisfied but the Company executes six Agreements within a period of 36 months from the Listing Date, each Class F Performance Share will convert into one Share.

NOTES TO PRELIMINARY FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

8. SHARE-BASED PAYMENTS EXPENSE (CONTINUED)

At 30 June 2020, the conversion milestones for the Performance Shares have not been met and therefore no Performance Shares have been converted into fully paid ordinary shares.

Grant Date	Performance Shares	Issue Price	\$
16 January 2018	13,000,000	\$0.16	2,080,000

Options

On the 21 December 2018, 8,550,000 unlisted options exercisable at \$0.25 per option, with a total fair value of \$1,380,492, were issued to consultants of the Company for services provided. All the options vested on grant date.

The Company has measured the fair value of the options granted during the current financial year by adapting a Black-Scholes option pricing model using the following inputs:

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

2020

Grant Date	Expiry Date	Exercise Price	Balance at the start of the year	Granted	Exercised	Expired / Forfeited / Other	Balance at the end of the year
21/06/2017	21/06/2021	\$0.25	52,098,024	-	-	-	52,098,024
16/05/2018	21/06/2021	\$0.25	2,500,000	-	-	-	2,500,000
21/12/2018	21/06/2021	\$0.25	8,550,000	-	-	-	8,550,000
			63,148,024	-	-	-	63,148,024

2019

Grant Date	Expiry Date	Exercise Price	Balance at the start of the year	Granted	Exercised	Expired / Forfeited / Other	Balance at the end of the year
21/06/2017	21/06/2021	\$0.25	54,458,024	-	(2,360,000)	-	52,098,024
16/05/2018	21/06/2021	\$0.25	2,500,000	-	-	-	2,500,000
21/12/2018	21/06/2021	\$0.25	-	8,550,000	-	-	8,550,000
			56,958,024	8,550,000	(2,360,000)	-	63,148,024

NOTES TO PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. LOSS PER SHARE

	Consolidated 30 Jun 2020	Consolidated 30 Jun 2019
	\$	\$
Loss after income tax used in calculating basic and diluted earnings per share	(2,049,191)	(3,852,963)
	No.	No.
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	102,255,748	96,974,766
	Cents	Cents
Basic loss per share	(1.84)	(3.97)
Diluted loss per share	(1.84)	(3.97)