



MURUJUGA
Commercial Ltd

Murujuga Commercial Limited
Annual Report
Financial Year 2022-2023



1. The MCL Mission Statement

To enable economic self-determination for the Murujuga Community through innovative and competitive commercial activities.

2. The MCL Values

- Culture
- Unity
- Respect
- Initiative
- Accountability and Transparency

3. The MCL Vision

We are a commercial business founded on enduring Aboriginal culture and heritage, maximizing value to Murujuga Aboriginal Corporation by transforming the lives of our stakeholders for today and the future.

4. The MCL Principles

Our strategic advantage lies in our foundation on Aboriginal country, culture and heritage, the unique country entrusted to Murujuga Aboriginal Corporation, and the ability to build strategic partnerships in support of business objectives.

Our decision-making is guided by the following business principles;

- Respect for Aboriginal heritage, tradition and culture.
- Sustainability to ensure maximum economic, social and environmental returns.
- Partnerships for mutual benefit is at the heart of our business growth strategy.

Priority is given to partnering with Murujuga member businesses where they are aligned with our strategic focus.



5. Chairperson's Report

Murujuga Commercial Limited (MCL) is a wholly owned subsidiary of Murujuga Aboriginal Corporation (MAC) whose aim is to establish a diversified Aboriginal business with a portfolio of investments to ensure resilience in the face of economic and resource sector fluctuations. We aim to maximise economic, social and environmental returns which will ensure social and economic independence for current and future generations of the Murujuga community.

During its second full financial year as an operational entity, MCL achieved a number of milestones essential to setting up the long-term sustainability of the commercial unit.

The initial Business Plan of MCL was reviewed by the Board of MCL early in 2023. Based on an assessment of the business environment, MCL's competitive advantages and the resources available, the business plan was revised to focus on the following areas as priorities:-

- Wangarri Crane and Equipment Hire – Joint Venture
- Murujuga Commercial Transport – Joint Venture
- Ganaji Contracting - Electrical Services Joint Venture
- Buriya Services – placement, skills sourcing and related services Joint Venture
- PPE clothing – Commercial Agreement

Medium term business development opportunities aimed at maintaining a solid pipeline of future opportunities will focus on: -

- Resources and energy sector support services such as maintenance and transport.
- Land and property development – residential and industrial.
- Carbon farming and trading.
- Tourism.
- Aquaculture.

A key element of the Business Plan was the need to ensure the financial sustainability of the business. Delays both to Woodside's Pluto 2 and Perdaman's Ceres project presented real revenue and cash flow risks to the business. A request to Woodside for further seed funding was submitted and approved. This generous extension of funding has increased the potential of MCL's businesses securing sustainable revenue streams within 24 months.

The revised business plan was approved by MCL's member, the Murujuga Aboriginal Corporation's Board in May 2023.

This financial year saw MCL make significant advances toward their business objectives, with the formation of two additional joint ventures, Murujuga Commercial Transport and Ganaji Contracting. Over the next year the businesses will be established, anchor contracts secured, and assets and capacity built up internally. MCL, Wangarri Crane and Equipment hire, Murujuga Commercial Transport and Ganaji Contracting are listed on the business register of MAC's business and employment development unit.

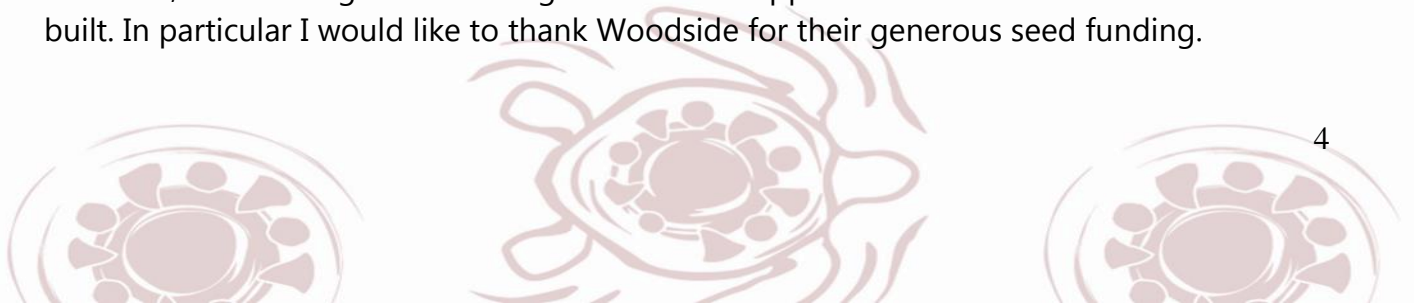
In addition, we established a Commercial Agreement with Jatu clothing, which is in the advanced stages of contracting for the provision of Personal Protective Clothing to major clients. The proceeds of this agreement will be dedicated directly to programmes of benefit to the Murujuga community.

In looking forward, I anticipate considerable progress in building on our portfolio of joint ventures and the population of an opportunity pipeline which will enable revenue streams in the coming years. As early as quarter one of the 2024 calendar year, we should see positive cash flows in at least one of our joint venture entities. This positions us well to be able to meet our target of disbursing funds to our Member, Murujuga Aboriginal Corporation, from the 2026 financial year onwards.

None of this would have been possible without the incredible dedication and commitment of the MCL Board. I would like to thank my fellow Directors for their contribution which has set up MCL for success into the future. The monthly Board meetings have been invaluable in providing the direction the business needs as well as the specialist advice so critical in setting a foundation for future success. The board will continue to meet approximately every month into the future, as it balances operational requirements.

Dr Stephen Lennon was appointed as the Managing Director in November 2021, with the aim of leading the implementation of the business plan. The Board of MCL has extended this appointment until the business has secured adequate resources to justify full-time management. I'd like to acknowledge the work done by Steve. In his capacity as Managing Director, he has led the team to their successes and also through some challenging times. I am also proud of the efforts delivered by all MCL Directors in the past year. Special mention to Derek Albert who has been commendable in establishing Joint Ventures and driving business development opportunities, and Jahna Cedar in her role as Company secretary.

In addition, I would like to thank the Board of MAC for their enduring and patient support and guidance. Thanks also to the CEO and staff of MAC for their excellent operational and strategic assistance and our business partners, which include Woodside, Perdaman, Yara and Rio Tinto, for assisting us in creating the business opportunities on which our future will be built. In particular I would like to thank Woodside for their generous seed funding.

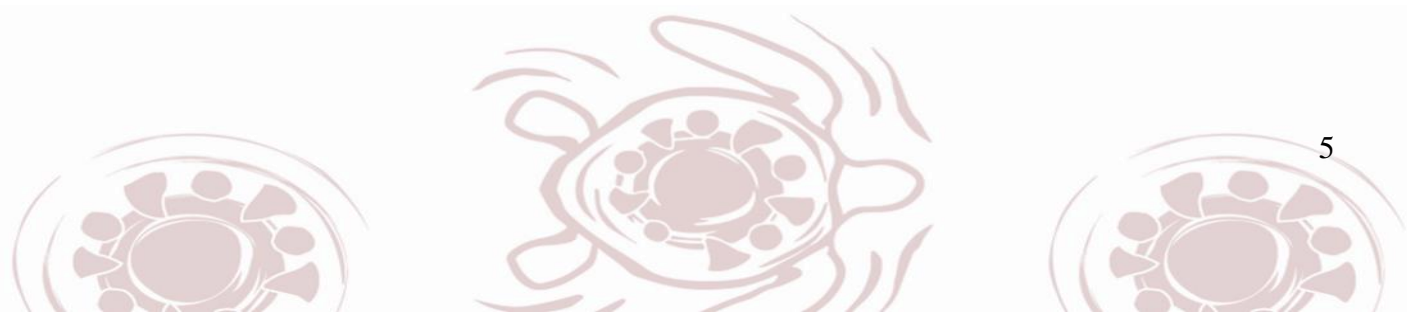


We look forward to building a business which will deliver economic, social and environmental returns to MAC members and the broader community for years to come.

It's been an honour to serve as Chairperson, and I look forward to the journey in the following years.



Trevena Hicks-Phillips
Murujuga Commercial Limited Chairperson



6. Managing Director's Operations Report

It is with pleasure that I present MCL's Operations report in my capacity as Managing Director of MCL. The last year has been one of considerable progress over a short period. This has been with a view to building the foundation on which MCL's ultimate portfolio of investments will rest.

This Operations report is based on the priority core business areas identified in the revised business plan for MCL.

Core Business areas

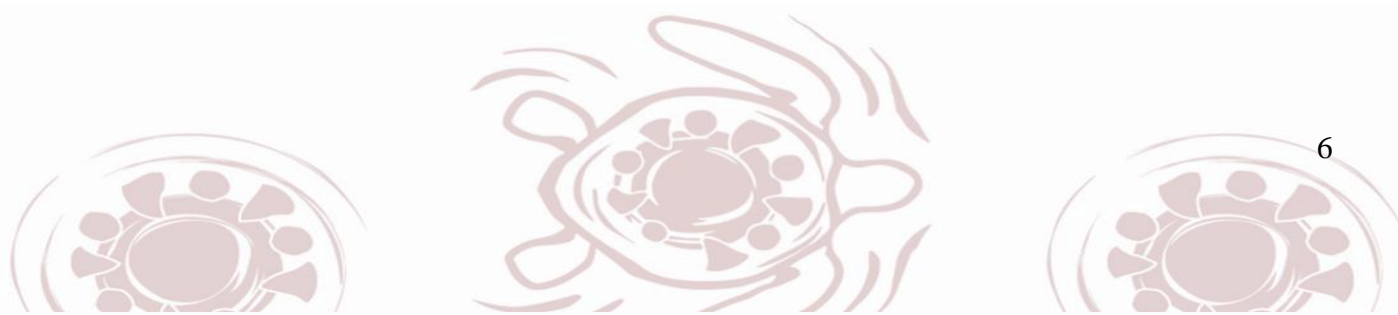
- **Wangarri Crane and Equipment Hire**



Wangarri Crane and Equipment Hire Pty Ltd has been established as a joint venture with Boddingtons Hire. This is with a view to provide Crane and Equipment hire services to the highest standards, founded on enduring Aboriginal culture and heritage, whilst maximising value to stakeholders for today and the future. Wangarri Crane and Equipment Hire provides lifting solutions to all sectors of Australian industry. Specialising in dry hire, Wangarri provides a quality service that meets clients' needs at a competitive price. Wangarri means "Coming to Life", which represents the commercial journey of the owners.

Wangarri Crane and Equipment Hire, is the first of MCL's ventures into providing services to the Pilbara economy.

This year, considerable progress was made in securing a contract pipeline for Wangarri Crane and Equipment Hire. The first small contracts became operational early in 2023, with major contracts on Woodside Pluto 2 sites scheduled to roll out late in 2023 and onwards. A crane sourcing strategy has been put in place with a view to developing the asset base of the company.



- **Murujuga Commercial Transport**



Murujuga Commercial Transport Pty Ltd has been established in partnership with Australian Transit Group (ATG) with a view to establishing an enduring and empowered Aboriginal Commercial transport business which will deliver bus transport services to key clients in the Pilbara. ATG group is a privately owned and operated company that consists of a range of smaller brands across Australia with approximately 600 buses.

During this year, considerable progress was made in contract negotiations with major clients and tenders for long term bussing services. It is envisaged that the first major contracts will be secured, and operations commenced, by the fourth quarter of 2023. Branded busses have been obtained and a rapid roll out of services will be assured.

- **Ganaji Contracting**



MCL has established an electrical services and equipment business with Matera Electrical (Matera) named Ganaji Contracting Pty Ltd. Matera Electrical is a recognised Aboriginal business and currently provides high voltage services to Woodside with over 8 years of oil and gas operational experience.

Initially the business will rely on a service agreement, entered into with Matera, but over time MCL will increase involvement and the asset and employee base within the business.

The immediate objective of Ganaji Contracting is to create a new electrical services business which will become a major contracting entity in the Burrup. Specific actions and targeted business development opportunities have been identified.

Branding has been finalised and a Ganaji Logo and related narrative have been completed.



- **Buriya Services**



Over the reporting period MCL and KBSS progressed negotiations with a view to establishing a skills sourcing and placement business servicing major clients. KBSS is a leading Mechanical service provider to the Oil & Gas, Construction and Mining industries, with an outstanding reputation for delivering safe, reliable and cost-effective project outcomes across the resource sector throughout Australia and abroad. The company will be named Buriya Services Pty Ltd, meaning tides, where the land and sea meet. This signifies the unity of resources across the land and seas.

Further discussions were held on the shareholders agreement and target anchor contracts and services. Finalisation of the business is anticipated in quarter 3 of 2023.

- **Jatu Safety Clothing Commercial Agreement**



MCL have established a Commercial Agreement with Jatu Clothing whereby Jatu would design and organise the manufacture and sale of workwear and corporate wear that incorporates Aboriginal artwork, with a percentage of the profits flowing towards a community benefit fund.

Jatu have explored this model in other parts of the State and are currently supplying a range of organisations with PPE that incorporate Aboriginal artwork. Jatu has existing designers, manufacturers, and a full understanding of the supply chain requirements.

Whilst initial analysis indicates that revenues and associated profits would be limited, MCL aims to use these funds to directly deliver outcomes to local communities. It is anticipated that major contracts will be finalised in quarter 4 of 2023.

Business Development Opportunities

In addition to the priority business areas detailed above, business development opportunities are constantly reviewed with a view to sustaining the pipeline of opportunities in the medium to long term. These are as follows:-

- **Resources and energy sector support services such as maintenance and transport.**

The potential to further develop opportunities in the resources and energy sectors is being explored. The development of a full suite of maintenance services is being evaluated, potentially via Buriya Services and Ganaji Contracting. The trucking of specialist products will potentially be developed in partnership with clients at some point in the future.

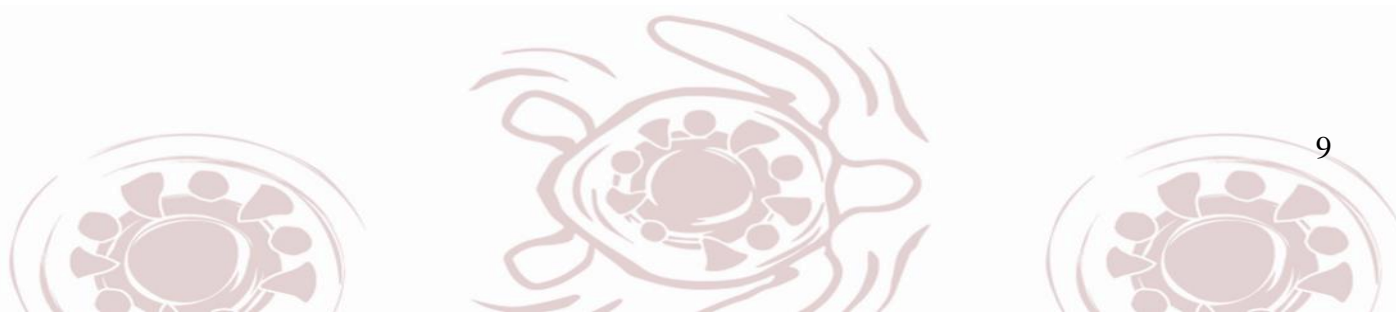
- **Land and property development – residential and industrial.**

The specific opportunity to provide domestic housing assets and support services is being developed in partnership with major clients. This includes sale and lease back opportunities and a potential role in the Burrup Material Facility (BMF)

- **Carbon farming and trading**

Carbon farming is the process of changing agricultural practices, land use or ocean-based vegetation to increase the amount of carbon stored in the soil and vegetation (sequestration) and to reduce greenhouse gas emissions from livestock, soil or vegetation (avoidance). Carbon farming projects use legislated Emissions Reduction Fund methods that generate Australian Carbon Credit Units, a tradeable commodity in both a regulated and voluntary market. These carbon credits offer an asset that can provide an additional income stream and environmental, social and economic co-benefits.

To date the focus of the Western Australian Carbon farming approach has been on land management, reforestation, revegetation, and soil sequestration. Whilst the land footprint of MAC is limited, there is an opportunity to develop carbon credits through the rehabilitation and preservation of mangroves. In addition, there are “blue carbon” opportunities which could be developed in tidal marshes, seaweed cultivation and seagrass. These opportunities may require considerable development to ensure the adoption of approved methodologies and a well-defined regulatory environment. A strategy has been developed with a view to positioning MAC and MCL to maximise the commercial opportunities inherent in the sequestration and avoidance of carbon dioxide equivalent emissions.



- **Aquaculture**

The foundation for a MCL Aquaculture and Fisheries business has been established through the trial oyster farm at Flying Foam Passage on the Burrup Peninsula. There is an opportunity to establish a comprehensive aquaculture business which maximises the use of Murujuga land and sea resources. In addition, fishery activities relating to sea cucumber and crustacean harvesting have been identified.

The market potential has been identified. It is recognised that there are considerable barriers to entry which require careful consideration in investment decisions.

- **Tourism**

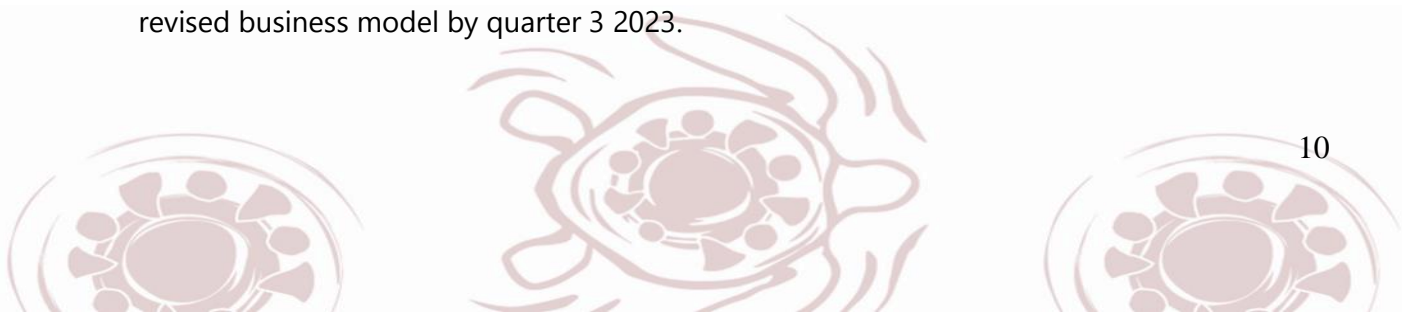
It is widely recognised that the Pilbara Region of WA has unrealised tourism potential. This raises the need for additional tourism offerings, in particular ones which present Aboriginal cultural tourism opportunities. Murujuga has a unique opportunity to further develop the tourism offerings anchored on the Petroglyphs on its country. At the same time this must be done in a manner which will nurture and protect this priceless heritage. The Murujuga Tourism function is currently located within MAC. A plan and prospectus for a Tourism Precinct has been developed and seed funding secured.

MAC is currently leading the Tourism development work. As such MCL's role is one of support in assisting the evaluation of the overall strategy and business case once developed.

Business enablers

In order to create a sustainable base for the business, key business enablers are required to ensure the success of the business.

- The revised 2023 Business Plan, Corporate structure and budget were finalised and approved by the MAC board.
- Ongoing implementation of the Communications and stakeholder management plan.
- The project/investment pipeline is regularly updated in line with the revised business model.
- Support for the establishment of JVs has been provided in the form of IT services, branding, deal making, governance and negotiations.
- The MCL and Joint Venture Capability Statements have been revised and the relevant procurement portals updated.
- The Website has been updated with news articles and will be restructured in line with the revised business model by quarter 3 2023.



Performance against Key Performance Indicators

In the financial year 2022 – 2023, MCL performed well against the targets set for the year. When measured against the Key Performance Indicators set for the year, 22 of 25 were met, and 3 are still in progress, as reflected in the table below and detailed in section 11 of this report.

| Key Performance area | 2022 Financial Year | | 2023 Financial Year | |
|-----------------------------|---------------------|---|---------------------|---------------------------------------|
| | Number of KPIs | Performance | Number of KPIs | Performance |
| Business Services | 4 | 4 met | 4 | 4 met |
| Tourism | 3 | 3 in progress | 3 | 3 in progress |
| Property Development | 1 | 1 met | 1 | 1 met |
| Aquaculture and Fisheries | 2 | 2 met | 2 | 2 met |
| New Business and Innovation | 5 | 5 met | 5 | 5 met |
| Business enablers | 11 | 9 met, 1 in progress, 1 not met | 10 | 10 Met |
| Total | 26 | 21 met 4 in progress 1 not met | 25 | 22 met 3 in progress |

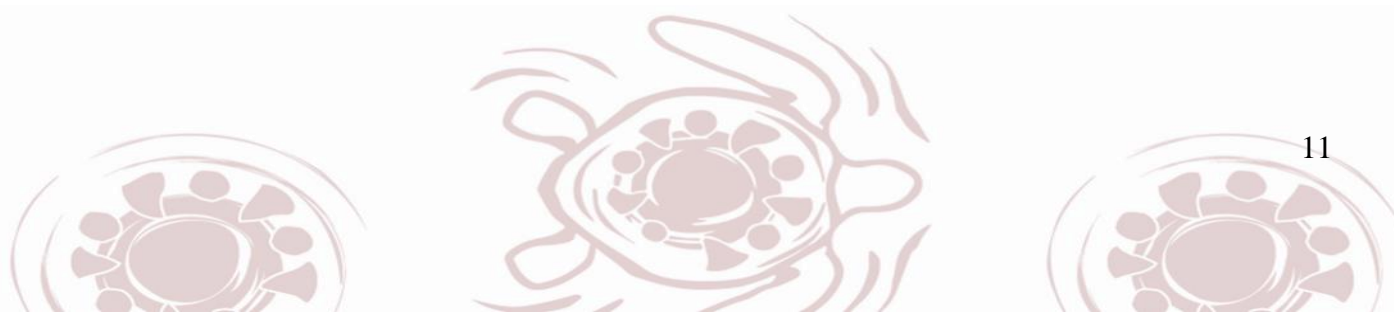
Risk Management

A formal Risk management process is integral to the governance and management of MCL. Risks are captured on an ongoing basis and assessed for impact and likelihood. Once ranked, risk mitigation measures are established and implemented to align with the risk appetite of MCL.

The following risk categories are considered: -

- Financial Risks
- Governance Risks
- Social Risks
- Operational Risks
- Environmental Risks
- Political risks
- Reputational risks

In addition, specific risk/return assessments are developed per project/investment.



Business Outlook

The focus of the operations in the coming year will be on building institutional processes and procedures, whilst building our Joint Venture operations which will underpin future revenue generating activities. Ongoing stakeholder engagements will be sustained with a view to building a loyal client base as well as strong community support. We will continue to rely on Circle of Elders guidance for our activities.

The progress would not have been possible without the support of the key stakeholders mentioned in the Chairperson's report and I add my thanks to hers. In addition, the support of the MCL Board of Directors, in particular through the provision of specialist advice and deal making capability, has been critical in our successes to date. I thank them for their support. In particular the support of Director Albert in deal making, Director Cedar in governance and the Chairperson of the Board in branding and stakeholder engagements is sincerely appreciated.

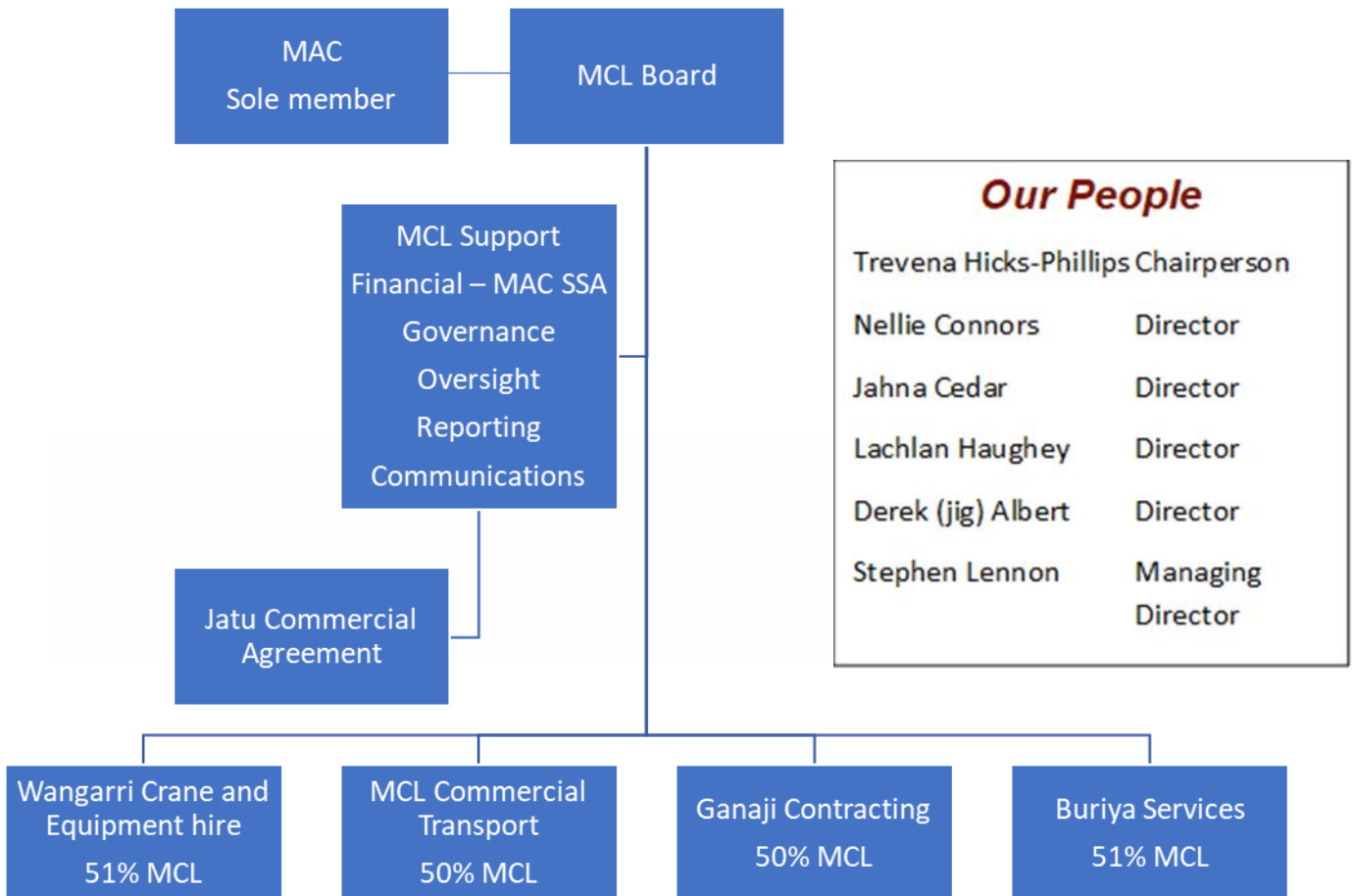
The leadership of the Chairperson of the Board, both in directing the MCL Board as well as managing the critical relationships with key stakeholders, including our member MAC, has been critical to the success of MCL to date. I thank her most sincerely for her amazing contribution.



Dr Stephen Lennon
Managing Director



7. The Murujuga Commercial Corporate Structure



MCL remains in start-up mode and as such a very lean structure has been applied for the majority of this reporting period, as is reflected in the organogram. In order to progress the business, the Board appointed a Managing Director in November 2021 to oversee the implementation of the Business plan. In addition, necessary Director’s skills are deployed to the benefit of the Corporation, through the provision of specialist advice as enabled in the Constitution of the Corporation and under the Direction of the Managing Director. This ensures an effective and efficient use of financial resources, to the business, during the start up phase.



8. The Murujuga Commercial Board of Directors



Trevena Hicks-Phillips

Chairperson of MCL Board and MAC Director

Trevena Hicks-Phillips is a Ngarluma Yindjibarni Aboriginal woman born and raised in the Pilbara with family connections on her father's side to Badimia Yamatji and Ballardong Noongar peoples. She has 19 years' experience in the oil and gas sector with several years' experience in maintenance support in the construction and mining industries.

Trevena is an experienced Company Director and has been a director at Murujuga Aboriginal Corporation (MAC) since 2014. A member of the Australian Institute of Company Directors (AICD) and the Institute of Community Directors Australia (ICDA), she is currently furthering her studies in leadership, management, and business.

Trevena is a powerful advocate for the furtherance of good governance practices and the empowerment of Aboriginal businesses.



Nellie Connors

MAC Director

Nellie Connors is a member of the Ngarluma Community with more than 10 years' experience in working within the community of Roebourne. Over these 10 years, she has worn many hats working in Community Services.

After gaining her Certificate 3 in Youth Work, she worked at the local Youth Centre in Roebourne. From there Nellie has worked in both disability and community services.

In recent years she has worked as a mentor to others through the WY Program with NYFL, and since 2021 as the Aboriginal Engagement Manager with NBAC and an Executive Trainee with KBSSBRIDA.

She has also been a Director on the MAC Board since 2020.





Jahna Cedar

MAC Relevant Director and Company Secretary

Jahna Cedar is a Niyiyaparli woman from the Pilbara (with family connections to Ngarluma and Yindjibarndi) and currently an Executive Director at IPS Management consultants. A strong Indigenous community leader, she has worked for over 20 years advocating for equal rights and reconciliation of Indigenous people and has represented Indigenous Australia at the United Nations in New York, on three occasions.

A motivational leader, Jahna’s corporate experience includes 20 years in business/human resources management and consultancy, including the implementation of organisational and change management strategies, projects and policy development, in both the Not for Profit and Private sector, whilst sitting on numerous boards Jahna holds a MBA and qualifications in business, Indigenous leadership and governance including being a graduate of AICD.



Stephen (Steve) Lennon

Managing Director

Steve is an experienced, value driven, company and not for profit independent director with specific Board experience in leadership, oversight, risk management, strategy formulation, audit, investment, finance, performance monitoring, communications, business development, technological innovation, and sustainability.

Steve is currently Managing Director of Murujuga Commercial Limited. In addition, his consulting assignments encompass Board, CEO, Executive and managerial level strategic and technical advice, project development in the water, power and technological innovation sectors and energy sector policy and strategy formulation.

Steve is a fellow of the Royal Society (RSA) and the Academy of Engineering (RSA) and has received several lifetime Achievement Awards for his work in the energy and development fields. His advisory role has extended to government, organised business, international agencies and non-government entities.





Derek (Jig) Albert
Independent Director

Derek is an innovative and motivated management professional with more than 30 years of extensive experience across the Australian oil and gas, construction, and property industries. He has a passion for delivering long term, sustainable outcomes within regional communities. His hands-on experience with company directorship, supply chain sustainability, local content, contract management, and regulatory compliance has seen him develop an outstanding reputation in this arena.

His expertise in global reporting, financial management, sales and marketing, cultural awareness, and strategic stakeholder relationships has supported the delivery of projects and programs to support business growth. An exceptional communicator with a high level of integrity, Derek possesses the ability to build lasting business relationships to work efficiently with clients, traditional owner groups, and key stakeholders to meet and exceed business goals and objectives.



Lachlan Haughey
Independent Director

Lachlan has been working in the financial services industry for more than twenty years and has developed extensive experience consulting with corporations and trusts across Australia. He feels privileged that through his work, he has been able to engage with Communities to be able to improve the outcomes of the communities that he works with.

Lachlan has been involved extensively with the Indigenous sector in throughout Australia, having established trusts and held relationships with significant mandates.

Lachlan has tertiary qualifications with a Bachelor of Commerce majoring in Finance and Commercial Law. He has also completed a graduate diploma in Financial Services that included study in Investment Management, Superannuation and Insurance.



9. Governance Report

Over the reporting period the MCL Board met formally on 13 occasions. Attendance was as follows: -

| Director | Date Appointed¹ | Current term | Number of Board Meetings attended (total of 13²) |
|------------------------|-----------------------------------|---|--|
| Trevena Hicks-Phillips | February 2021 | As per MAC Director term until 2023 AGM | 13 |
| Nellie Connors | February 2021 | As per MAC Director term until 2024 AGM | 8 |
| Jahna Cedar | February 2021 | Until 2023 AGM | 12 |
| Derek Albert | February 2021 | Until 2024 AGM | 13 |
| Lachlan Haughey | February 2021 | Until 2023 AGM | 13 |
| Stephen Lennon | February 2021 | Until 2023 AGM | 13 |

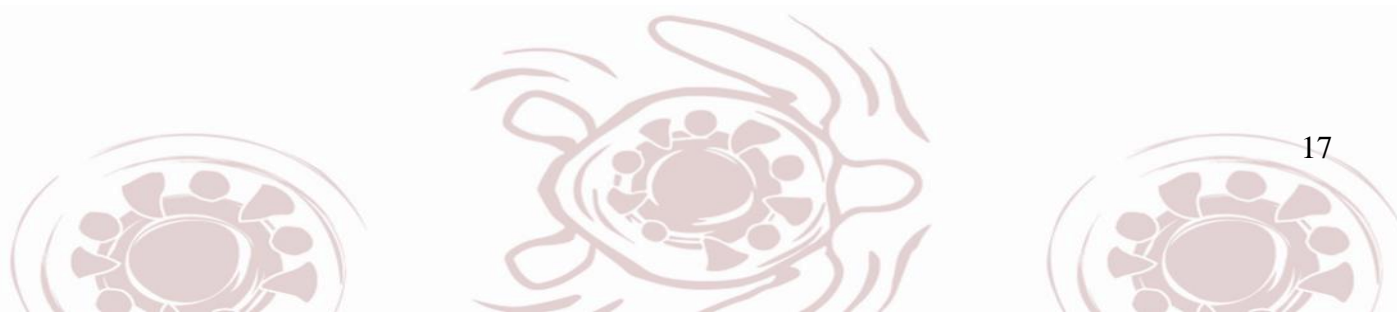
¹ Date of original appointment

² Regular Board meetings, plus the AGM and strategic planning session.

Director Lennon was appointed as Managing Director in November 2021. This was for an initial 6-month period which was extended until the Company's revenues can sustainably support full time internal management.

In addition, Directors Albert, Cedar and Hicks-Phillips provided specialist advisory support which included deal making and structuring, governance, human resource management, branding, identity and commercial negotiations.

All Director remuneration was as per the MCL Directors remuneration Policy as approved by the MAC Board of Directors.



10. Audited Financial Report

Murujuga Commercial Limited

ABN 36 646 014 191

Financial Report

For the financial year ended 30 June 2023

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Murujuga Commercial Limited

ABN 36 646 014 191

DIRECTORS' REPORT

For the year ended 30 June 2023

The Directors present their report together with the financial report of Murujuga Commercial Limited (the "Company" for the financial year ended 30 June 2023 and the auditor's report thereon.

Directors

The names of the Directors in office at any time during or since the financial year ended 30 June 2023 are as follows:

Ms Trevena Hicks-Phillips
Ms Nellie Connors
Mr Derek Albert
Ms Jahna Cedar
Mr Lachlan Haughey
Mr Stephen Lennon

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

During the year Tui Magnar was the Company Secretary up till 7 November 2022 and Jahna Cedar was appointed in the position on the same day.

Principal activities

The Company was incorporated on 19 November 2020 with a purpose to contribute to the social, economic and environmental wellbeing of the Murujuga people by establishing economic self-determination for the Murujuga Community through innovative and competitive commercial activities.

Dividends

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

Review of Operations

The financial report for the year ended 30 June 2023 and the results herein, is prepared in accordance with Australian Accounting Standards.

The surplus for the Company for the period was \$77,846 (2022: \$219,696).

Events Subsequent to the End of the Reporting Period

There has not been any other matters or circumstances since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental Regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Company Limited by Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. The Company is registered with the Australian Charities and Not-for-Profits Commission and regulated by the Australian Charities and Not-for-Profits Commission Act 2012. If the Company is wound up, the constitution states that each member is required to

Murujuga Commercial Limited

ABN 36 646 014 191

contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 30 June 2023, the Company has 1 member.

Directors' Meetings

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

| | Entitled to Attend | Attended |
|---------------------------|--------------------|----------|
| Ms Trevena Hicks-Phillips | 13 | 13 |
| Ms Nellie Connors | 13 | 8 |
| Mr Derek Albert | 13 | 13 |
| Ms Jahna Cedar | 13 | 12 |
| Mr Lachlan Haughey | 13 | 13 |
| Mr Stephen Lennon | 13 | 13 |

Proceedings on Behalf of Company

No person has applied to the Court for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditors Independence Declaration

The lead auditor's independence declaration is set out on page 18.

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



Trevena Hicks-Phillips

Dated at Perth this 2nd day of October 2023

Murujuga Commercial Limited

ABN 36 646 014 191

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

| | Note | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|---|------|--|--|
| Revenue | 2 | 600,000 | 671,696 |
| Other Income | 2 | 863 | 676 |
| Share of net profit of joint ventures accounted for using the equity method | 12 | 13,626 | - |
| Total Revenue | | 614,489 | 672,372 |
| Accounting and Bookkeeping Fees | | 7,370 | 9,395 |
| Advertising and Marketing | | 4,045 | 1,669 |
| Audit Fees | | 3,000 | - |
| Board Expenses | | 235,704 | 172,263 |
| Committee and Meeting Expenses | | 2,885 | 1,537 |
| Consulting Fees | | 6,778 | 14,482 |
| Depreciation and Amortisation Fees | | 1,753 | 746 |
| Employee Expenses | | 180,742 | 108,365 |
| Insurance Expenses | | 5,468 | 3,077 |
| Legal Fees | | 5,265 | 9,322 |
| Motor Vehicle Expenses | | - | - |
| Office Expenses | | 10,035 | 7,614 |
| Other Expenses | | 10,082 | 6,893 |
| Overhead Expense to MAC | | 20,934 | 44,400 |
| Subsidiary Establishment Expense | | 14,280 | 16,967 |
| Training and Conference | | 2,949 | 10,959 |
| Travel and Accommodation | | 25,353 | 44,987 |
| Total Expenses | | 536,643 | 452,676 |
| Net Surplus for the Year | | 77,846 | 219,696 |
| Other comprehensive income for the year, net of income tax | | - | - |
| Total Comprehensive Income for the Year | | 77,846 | 219,696 |

The accompanying notes form an integral part of the financial statements.

Murujuga Commercial Limited
 ABN 36 646 014 191

STATEMENT OF FINANCIAL POSITION
For the year ended 30 June 2023

| | Note | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|---|------|--|--|
| Current Assets | | | |
| Cash & Cash Equivalents | | 231,029 | 167,007 |
| Trade and Other Receivables | 3 | 1,546 | 4,714 |
| Prepayments | | 3,950 | 4,031 |
| | | <u>236,525</u> | <u>175,752</u> |
| Non-Current Assets | | | |
| Property, plant and equipment | 4 | 4,081 | 1,492 |
| Investments accounted for using the equity method | 12 | 13,626 | - |
| | | <u>17,707</u> | <u>1,492</u> |
| Total Assets | | <u>254,232</u> | <u>177,244</u> |
| Current Liabilities | | | |
| Trade and Other Payables | 5 | 33,670 | 30,149 |
| Inter Company Payable | 6 | - | 4,379 |
| | | <u>33,670</u> | <u>34,528</u> |
| Total Liabilities | | <u>33,670</u> | <u>34,528</u> |
| Net Assets | | <u>220,562</u> | <u>142,716</u> |
| Equity | | | |
| Retained Earnings | | <u>220,562</u> | <u>142,716</u> |
| Total Equity | | <u>220,562</u> | <u>142,716</u> |

The accompanying notes form an integral part of the financial statements.

Murujuga Commercial Limited
ABN 36 646 014 191

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2023

| | Retained Earnings \$ |
|------------------------|----------------------------|
| Balance at 01 Jul 2021 | (76,980) |
| Deficit for the period | 219,696 |
| Balance at 30 Jun 2022 | <u>142,716</u> |
| Balance at 01 Jul 2022 | 142,716 |
| Surplus for the year | 77,846 |
| Balance at 30 Jun 2023 | <u>220,562</u> |

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CASH FLOWS
 For the year ended 30 June 2023

| | Note | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|---|------|--|--|
| Cash Flows from Operating Activities | | | |
| Receipts from Customers | | 604,031 | 669,470 |
| Payments to Suppliers & Employees | | <u>(531,288)</u> | <u>(435,146)</u> |
| Net Cash (used in) / generated from Operating Activities | 8 | 72,743 | 234,324 |
| Cash Flows from Investing Activities | | | |
| Net Payments for Property, Plant & Equipment | | <u>(4,342)</u> | - |
| Net Cash used in Investing Activities | | (4,342) | - |
| Cash Flows from Financing Activities | | | |
| Proceeds from loan from related parties | | - | - |
| Payments for Loan to related parties | | <u>(4,379)</u> | <u>(67,317)</u> |
| Net Cash used in Financing Activities | | (4,379) | (67,317) |
| Net (decrease) / increase in cash and cash equivalents | | 64,022 | 167,007 |
| Cash and cash equivalents at the beginning of the year | | <u>167,007</u> | - |
| Cash and Cash Equivalents at the End of the Year | | <u>231,029</u> | <u>167,007</u> |

The accompanying notes form an integral part of the financial statements.

Murujuga Commercial Limited
ABN 36 646 014 191
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

Reporting Entity

This financial report covers Murujuga Commercial Limited (the "Company").

Murujuga Commercial Limited is a company limited by guarantee, incorporated, and domiciled in Australia. The address of the Company's registered office is 313 King Bay Road, Dampier WA 6713.

The financial report covers the financial year ended 30 June 2023.

Basis of Preparation

In the opinion of the Directors the Company is not a reporting entity. The financial report has been prepared as a general purpose (simplified disclosure standard) financial report for distribution to the members of the Company and for the purposes of satisfying the requirements Australian Charities and Not-for-Profit Commission Act 2012. The Company is a not-for-profit entity.

The financial statements have been prepared on an accruals basis and are based on historical costs except where otherwise stated in this report. The financial report is presented in Australian dollars.

a. Equity Accounting

i) Joint Arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure or the joint arrangement.

Joint Operations

The Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues, and expenses.

Joint Venture

Interests in joint ventures are accounted for using the equity method after initially being recognised at cost in the consolidated balance sheet.

ii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrecognised gains on transactions between the Company and its joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies or equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

b. Going Concern

The financial statements have been prepared on the basis that the Company will continue as a going concern. The Board is of the opinion that the Company has sufficient incoming revenue streams and sufficient financial support from the Company's parent entity (Murujuga Aboriginal Corporation) to continue as a going concern, therefore the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

1. Summary of Significant Accounting Policies (continued)

c. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and Subsequent Measurement

i) Financial liabilities

Financial liabilities are subsequently measured at either fair value through profit and loss, or amortised cost using the effective interest rate method.

A financial liability is measured at either: fair value through profit and loss if the financial liability is held for trading or is initially designated as at fair value through profit or loss. A financial liability is held for trading if it is incurred for the purpose of repurchasing or repaying in the near term, is part of a portfolio where there is an actual pattern of short-term profit taking or is a derivative financial instrument.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

ii) Financial assets

Financial assets are subsequently measured at either fair value through profit and loss or other comprehensive income, or amortised cost using the effective interest rate method.

A financial asset is subsequently measured at amortised cost if the financial asset is managed solely to collect contractual cash flows, and the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates, and the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

All other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Trade and other receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies (continued)

b. Financial Instruments (Continued)

Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period, which remain unpaid.

Trade and other payables are recognised initially at fair value plus transaction cost. Subsequent to initial recognition trade and other payables are measured at amortised cost, using the effective interest method. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

i) Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e when the obligation in the contract is discharged, cancelled, or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

ii) Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred, and the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Impairment

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for: financial assets measured at fair value through profit or loss, and equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies (Continued)

b. Financial Instruments (Continued)

Impairment (Continued)

For financial assets that are unrecognised (e.g., loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

d. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

e. Revenue

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the cost of services performed to date as a percentage of total anticipated cost of services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

The following specific criteria must also be met before revenue is recognised:

Grant Income

The Company receives grants to fund its operations and for capital expenditure and will often also include an administrative fee. At period end the aggregate amount of the grant income determined to be unexpended is recorded as a liability in accordance with convention.

Government grants related to long term assets, including non-monetary grants at fair value are presented in the Consolidated Statement of Financial Position as deferred income. The grant is recognized as income on a systematic and rational basis over the useful life of the asset.

Government grants related to short-term assets, including non-monetary grants at fair value are presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Grants received and/or receivable as compensation for expenses/losses already incurred or for the purpose of giving immediate financial support to the organisation with no future related costs are recognized as income for the period in which it becomes receivable.

All revenue is stated net of the amount of goods and services tax (GST).

f. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

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

Cash flows are presented on a gross basis. GST component of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

g. Income Tax

No provision for income tax has been raised as the entity has self-assessed as being exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies (Continued)

h. Current and Non-current Classification

Assets and liabilities are presented in the Statement of Financial Position based on current and non-current classification.

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

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

i. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost as indicated, less where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Period |
|----------------------|---------------------|
| Plant and equipment | 3-5 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

j. Impairment of Non-financial Assets

At the end of each reporting period, the Company that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

The value in use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

k. Critical Accounting Estimates and Judgements

Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

2. Revenue and Other Income

| | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|---------------------------------------|--|--|
| <i>Revenue</i> | | |
| Grant from MAC | - | 71,696 |
| Forward Plan Funding - Woodside | * 600,000 | 600,000 |
| | <u>600,000</u> | <u>671,696</u> |
| Other Income | 863 | 676 |
| | <u>863</u> | <u>676</u> |
| Total Revenue and Other Income | <u>600,863</u> | <u>672,372</u> |

* - Brief description of Major Income Stream

Forward Plan Funding – Funding from Woodside to fund the operations of the company

3. Trade and Other Receivables

| | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|--|--|--|
| <i>Current</i> | | |
| GST Receivables | 1,546 | 4,714 |
| Total Trade and Other Receivables | <u>1,546</u> | <u>4,714</u> |

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

4. Property, Plant and Equipment

| | 01 Jul 2022 to 30 Jun 2023 \$ | 01 Jul 2021 to 30 Jun 2022 \$ |
|--------------------------------------|--|--|
| <i>Furniture and Equipment</i> | | |
| At cost | 5,541 | 2,303 |
| Less: Accumulated depreciation | (1,460) | (811) |
| Total Furniture and Equipment | 4,081 | 1,492 |

Movements in Carrying Amounts

The movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period are as follows:

| | Furniture and Equipment |
|--------------------------------|----------------------------|
| Carrying amount at 01 Jul 2021 | 2,238 |
| Additions | - |
| Disposals | - |
| Depreciation | (746) |
| Carrying amount at 30 Jun 2022 | <u>1,492</u> |
| Carrying amount at 01 Jul 2022 | 1,492 |
| Additions | 5,541 |
| Disposals | (1,199) |
| Depreciation | (1,753) |
| Carrying amount at 30 Jun 2023 | <u>4,081</u> |

5. Trade and Other Payables

| | 30 Jun 2023 \$ | 30 Jun 2022 \$ |
|--------------------------------------|-------------------|-------------------|
| <i>Current</i> | | |
| Trade Payables | 6,161 | 4,783 |
| Sundry payables and accrued expenses | 12,539 | 5,886 |
| Payroll liabilities | 14,970 | 19,480 |
| | <u>33,670</u> | <u>30,149</u> |

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

6. Loan from Parent Entity

| | 30 Jun 2023 | 30 Jun 2022 |
|--|-------------|--------------|
| | \$ | \$ |
| Current | | |
| Inter Company payable to Murujuga Aboriginal Corporation | - | 4,379 |
| | <u>-</u> | <u>4,379</u> |

Does not carry interest and no repayment terms

7. Key Management Personnel

| | 30 Jun 2023 | 30 Jun 2022 |
|--|----------------|----------------|
| | \$ | \$ |
| The totals of remuneration paid to key management personnel ("KMP") of the Corporation during the period are as follows: | | |
| Short-term employee benefits | 307,682 | 156,603 |
| Post-employment benefits | 31,804 | 15,660 |
| | <u>339,486</u> | <u>172,263</u> |

The key management personnel of the Company during the period were determined to be the Directors of the Company.

8. Cash Flow Information

| | 30 Jun 2023 | 30 Jun 2022 |
|--|---------------|----------------|
| | \$ | \$ |
| Reconciliation of Cash Flows from Operating Activities with (Deficit)/Surplus for the year | | |
| Total Comprehensive Income for the Period | 77,846 | 219,696 |
| Non-cash flows in (deficit)/surplus: | | |
| Depreciation and amortisation expense | 1,753 | 746 |
| Share of net profit of joint ventures accounted for using the equity method | (13,626) | - |
| Changes in assets and liabilities: | | |
| (Increase)/Decrease in Trade and Other Receivables | 3,168 | (2,902) |
| Increase/(Decrease) in Trade and Other Payables | 81 | (4,031) |
| (Decrease)/Increase in Employee Liabilities | 3,521 | 20,815 |
| Net cash (used in)/generated from Operating Activities | <u>72,743</u> | <u>234,324</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

9. Financial Risk Management

The Company's financial instruments consist of trade and loans receivable and payable. These instruments expose the Company to a variety of financial risks: credit risk and liquidity risk.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

| | Note | 30 Jun 2023 \$ | 30 Jun 2022 \$ |
|------------------------------|------|-------------------|-------------------|
| Financial Assets | | | |
| Trade and Other Receivables | 3 | 1,546 | 4,714 |
| | | <u>1,546</u> | <u>4,714</u> |
| Financial liabilities | | | |
| Trade and Other Payables | 5 | 33,670 | 30,149 |
| Inter Company Payable | 6 | - | 4,379 |
| | | <u>33,670</u> | <u>34,528</u> |

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Company. There are no significant concentrations of credit risk.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

b. Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Company manages this risk through the following mechanisms.

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile; and
- managing credit risk related to financial assets.

10. Contingent Liabilities

The Company had no contingent liabilities as at 30 June 2023.

11. Related Party Transactions**Parent entity**

Murujuga Aboriginal Corporation is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in Note 7.

Transactions with related parties

There were no transactions other than those outlined in Note 6 and 7 with related parties.

Murujuga Commercial Limited and Controlled Entities

ABN 36 646 014 191

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

12. Interests in Other Entities

a. *Interests in Joint Ventures*

Set out below are the joint ventures of the entity. The entities listed below have share capital consisting solely of ordinary shares, which are directly held by the entity. The proportion of ownership interest is the same as the proportion of voting rights held.

| Name of entity | % of ownership interest | | Measurement Method | Carrying amount | |
|-----------------------------------|-------------------------|--------|--------------------|-----------------|---------|
| | 2023 % | 2022 % | | 2023 \$ | 2022 \$ |
| Wangarri Crane & Equipment Hire * | 51% | 51% | Equity Method | 13,626 | - |
| Murujuga Commercial Transport | 50% | 0% | Equity Method | - | - |
| Ganaji Contracting | 50% | 0% | Equity Method | - | - |
| Buriya Services | 51% | 0% | Equity Method | - | - |

* Wangarri Crane & Equipment Hire is a joint venture because of its control structure; even though MCL owns 51% of the entity, each of the two shareholders has the right to appoint two nominee directors each, and thus MCL cannot exercise absolute control.

b. *Summarised Financial Information for joint ventures*

The tables below provide summarised financial information for those joint ventures that are material to the Company. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

| | Wangarri Crane & Equipment Hire | |
|-------------------------------------|---------------------------------|----------------|
| | 30 Jun 2023 \$ | 30 Jun 2022 \$ |
| Current Assets | 139,537 | - |
| Total Assets | 139,537 | - |
| Current Liabilities | 112,820 | - |
| Total Liabilities | 112,820 | - |
| Net Assets | 26,717 | - |
| Reconciliation to carrying amounts: | | |
| Profit for the period | 26,717 | - |
| Closing Net Assets | 26,717 | - |
| Group's Share in % | 51% | 51% |
| Group's share in \$ | 13,626 | - |
| Carrying amount | 13,626 | - |

13. Events After the Reporting Period

There has not been any matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

BOARD OF DIRECTORS' DECLARATION

In the opinion of the Directors of Murujuga Commercial Limited:

1. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable:

2. The figures presented in the financial statements and notes are in accordance with the Australian Charities and Not-for-Profit Commission Act 2012, including:
 - a. compliance with the Australian Accounting Standards; and
 - b. providing a true and fair view of the financial position as at 30 June 2023 and of the performance for the period ended on that date of the Company.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to Regulation 60.15 of the ACNC Regulation 2013.



Trevena Hicks-Phillips

Dated at Perth this 2nd day of October 2023

Auditor's Independence Declaration

To Those Charged with Governance of Murujuga Commercial Limited.

As auditor for the audit of Murujuga Commercial Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirement as set out in Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit: and
- any applicable code of professional conduct in relation to the audit.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd



Sajjad Cheema
Audit Director

2 October 2023
Perth

Independent Auditor's Report to the members of Murujuga Commercial Limited

Report on the Audit of the Financial Report

Opinion

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

In our opinion, the accompanying financial report of the Company has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and Div 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-Profits Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (but does not include the financial report and our auditor's report thereon).

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

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

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Limited Liability by a scheme approved under Professional Standards Legislation

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd



Sajjad Cheema
Audit Director

2 October 2023
Perth

11. Progress against KPIs

| Business Area | Description | Progress FY 2023 |
|---|--|---|
| Business Services | Develop strategy and business plan | Implementation as per approved business plan Four Joint ventures and one partnership established. Three Joint Ventures operational. Opportunities pipeline maintained and growing. |
| | Develop immediate Opportunities in Crane Hire and Bus Transport | Contracts Operational in Wangarri Crane and Equipment Hire |
| | Finalise Database of Member companies and their capabilities | Completed with BEDU |
| | Formal high level engagements on a regular basis | Ongoing engagements |
| Tourism | Develop strategy and business plan in response to MAC direction | Implementation as per approved business plan - MAC to lead |
| | Initiate official, high level engagements - with MAC | MAC to lead |
| | Review Conzinc Bay Tourism Precinct business case and set up joint MAC/MCL working group | MAC to lead |
| Property Development | Develop strategy and Investment Prospectus, Including: •Scope of work - building on current land assets and opportunities pipeline •Working capital and cash flow requirements •Financing Strategy •Project Pipeline | Implementation as per approved business plan. Progress with two major clients - longer term programme |
| Aquaculture and Fisheries | Develop strategy and business plan | Implemented as per approved business plan. Awaiting direction from MAC |
| | Initiate official, high level engagements - initially with MAC, with a view to develop business cases | Derisking project in partnership with DPIRD approved |
| New Business and Innovation | Develop capacity to identify and develop opportunities Establish opportunity pipeline and management system | Implementation as per approved business plan |
| | Develop hydrogen and energy opportunity for Burrup | Opportunities identified and consultations underway |
| | Develop Carbon farming Strategy | Strategy drafted and ongoing consultation |
| | Engage with Woodside on Hydrogen, storage and Carbon farming | Ongoing engagement |
| | Approach DPIRD for business development support | Ongoing engagement with State and other entities |
| Business enabling actions | Governance of MCL - Establish Board and revise Constitution | Compliant to governance requirements |
| | MCL Branding | Website finalised, Capability statement updated |
| | Seed funding proposal to Woodside | Finalised and funding approved |
| | MCL networking and advocacy - incl Communications plan | Ongoing management |
| | Formal hand over of business areas from MAC | Ongoing management |
| | Risk management system | Ongoing management |
| | Investment pipeline | Ongoing management |
| | Funding Strategy for MCL - linked to pipeline | Ongoing management. |
| | Recruitment of Operations manager for MCL | Recruit OM - released for operational reasons |
| Reporting - Annual report, Quarterly reports - MAC and Woodside | Ongoing | |