Appendix 4E and Annual Report

1. Details of reporting period

Reporting period:	12 months ended 31 December 2023
Previous corresponding period:	12 months ended 31 December 2022

2. Results for announcement to the market

	12 months ended 31 December 2023 $	12 months ended 31 December 2022 $	**%** Change
Revenues from ordinary activities	**5,032,762**	**3,258,065**	54%
Profit / (loss) from ordinary activities after tax attributable to members	**607,685**	**(345,259)**	276%
Profit / (loss) for the period attributable to members	**607,685**	**(345,259)**	276%
Net tangible asset per share	**0.0004**	**0.0003**	33%

3. Dividends/distributions

No dividends were paid during the period, or in the prior period, and no dividends are proposed to be paid.

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

Not applicable.

5. Commentary on results for the year

Refer to the attached Annual Report.

6. Status of the audit

The attached Annual Report has been audited.

For and on behalf of the Board of Volt Power Group Limited.

Adam Boyd
Chairman
Perth
Dated: 28 February 2024

VOLT POWER GROUP LIMITED

ABN 62 009 423 189

ANNUAL REPORT

For the year ended 31 December 2023

Contents

Corporate Directory

ABN: 62 009 423 189

Directors
Adam Boyd
Executive Chairman

Simon Higgins
Non-Executive Director

Peter Torre
Non-Executive Director

Paul Everingham
Non-Executive Director

Company Secretary
Peter Torre

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Kewdale WA 6105
Ph: (08) 9437 4966

Website
www.voltpower.com.au

Stock Exchange Listings
Australian Securities Exchange (ASX)
ASX Code: VPR

Auditor
BDO Audit (WA) Pty Ltd
Level 9 Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Solicitors
Thomson Greer
Level 27, Exchange Tower
2 The Esplanade
Perth WA 6000

Bankers
Commonwealth Bank of Australia
Corporate Financial Services
Level 14C, 300 Murray Street
Perth WA 6000

Share register
Link Market Services Pty Ltd
Level 12
250 St George's Terrace
Perth WA 6000

Corporate Governance Statement
Volt Power Group Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance reasonably expected for a Group of the size and nature of Volt Power Group Limited. Volt Power Group Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated as at 28 February 2024 and reflects the corporate governance practices in place throughout the financial year. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at www.voltpower.com.au/investors.

Corporate and Operational Review
The directors provide you with the following corporate and operational review of the consolidated entity (referred to hereafter as the Group) consisting of Volt Power Group Limited ("Volt") and the entities it controlled at the end of, or during, the year ended 31 December 2023.

1. Summary

(a) Operations

Corporate & Administration

The salient corporate activities during the period included:

- In July 2023, the Group completed the sale of Volt shares under an Unmarketable Parcel Share Sale Facility 2023 (Facility) announced on 8 May 2023. On the Unmarketable Parcel Closing Date of 21 June 2023, an Unmarketable Parcel of Volt shares for each individual shareholding was 333,333 or less.

- As at the Closing Date, there were 1,403 individual shareholdings of Volt shares of less than a Marketable Parcel which were sold under the Facility from a total of 2,304 individual shareholdings. The total number of Volt shares sold was 68,438,279 Volt shares comprising approximately 0.639% of the 10,716,208,211 total Volt shares on issue.

- The reduction of 1,403 individual shareholdings will reduce the Group’s administrative costs associated with maintaining a large number of relatively small holdings on Volt’s share register.

Wescone (100% owned) – proprietary, global benchmark sample crusher supply and service

Wescone salient activities and outcomes during the period comprised:

- Wescone is the Original Equipment Manufacturer (OEM) of the proprietary W300 sample crusher extensively deployed in the global iron ore and assay laboratory industries. The Wescone OEM offering comprises three sample crushing equipment solutions with alternative dimensional feed acceptance capabilities – the W300 Series 3, W300 Series 4 and W300 Lab crushers.

- The business continues to service its Tier 1 client base and distribution partners across Australia, North America and Africa and respond to new tender and enquiry opportunities for mineral resource & laboratory sample system projects in these markets. Wescone maintains a growth strategy comprising the appointment of Distribution Agents with a sales and service capability expanding the application of its crusher solution into sample and production flowsheet designs in other bulk, battery, and rare earth commodities.

- The Wescone African distribution partner, SPA, deployed multiple Wescone W300 crushers in 2023 and more recently in 2024. This success highlights the sale and service capabilities of SPA, robust, proprietary capabilities of Wescone OEM W300 crushers, and validates the Wescone global growth strategy potential.

- Wescone has secured Patent rights for the Wescone W300 Series 4 crusher on the Australian, African and Eurasian continents. Wescone also has patent pending rights for the Wescone W300 Series 4 crusher in North America.

- Wescone successfully completed a comprehensive R&D program to enhance the durability of specific components of the Wescone W300 crusher. Further, an initial scoping study commenced for the development of a new larger crusher design compatible for both production sampling and production applications.

- In FY23, Wescone achieved record annual revenues exceeding $3.5 million.

EcoQuip Australia Pty Ltd (EcoQuip) (100% owned) – Mobile Solar Light & Communications Towers

EcoQuip salient achievements and activities for the period include:

- EcoQuip is a developer and owner of a new Mobile Solar Light Tower solution incorporating a proprietary high efficiency Solar / Battery Energy Storage System (BESS) and illumination solution delivering up to a 40% power budget performance & efficiency increase compared to similar industry standard Solar / BESS illumination solutions.

- The EcoQuip MSLT is a zero emission, zero maintenance & zero OPEX mobile light tower solution with the illumination performance and BESS power budget reliability to disrupt the traditional diesel fueled light tower market. The MSLT is 30-50% cheaper to hire and operate than a diesel fueled equivalent. The zero lifecycle, maintenance and OPEX capability reduces the need for site based skilled labour. Each MSLT is telemetry enabled, remotely controlled/ monitored and can be integrated with centralized autonomous operating systems.

- EcoQuip's "beachhead" deployment of 25x MSLTs at the Chevron operated Gorgon natural gas project located on Barrow Island pursuant to a 5-year Master Hire Agreement ("MHA") in 2021 and subsequent deployments, continues to operate with outstanding reliability and illumination performance.

- In February 2023, EcoQuip secured a new repeat purchase order pursuant to the MHA for an additional 10x MSLTs for deployment at Barrow Island. This MSLT deployment is providing illumination support for the on-shore execution of the Jansz-Io compression project.

- In February 2024, EcoQuip received a third new repeat purchase order for an additional 20x MSLT units for deployment at Barrow Island bringing the total EcoQuip MSLT fleet deployed on Barrow Island to 55 units. These new 20x MSLT units will be deployed in late March 2024.

- The total 55-unit Barrow Island MSLT fleet deployed at the Chevron operated Gorgon natural gas project is another third-party product validation signal confirming that the EcoQuip MSLT has the power budget reliability and illumination performance capability to displace traditional diesel fueled and solar illumination equipment.

- In FY23, EcoQuip made significant investments in the EcoQuip Technology Platform (ETP) and MSLT fleet expansion totaling $1.18 and $1.48 million respectively. The ETP has now been completed subject to final customer trial activities. The ETP has proprietary autonomous operational monitoring capabilities, cohort situational awareness and pre-emptive notification capabilities. Initial customer ETP feedback has been extremely positive.

- 20x new MSLT units were advanced to near completion during Q4 FY23. These MSLTs units will be completed and deployed to Barrow Island pursuant to the aforementioned new purchase order secured under the existing MHA.

- EcoQuip advanced contract negotiations with a large national contract mining business for the hire procurement of the EcoQuip Mobile Solar Light & Communications Tower solutions. These negotiations have advanced to full form contract and EcoQuip anticipates conclusion of these negotiations during Q1 2024.

- In January 2024, EcoQuip signed its first USA domiciled MSLT demonstration trial agreement. This is an exciting development, and EcoQuip is looking forward to the opportunity to establish a significant presence in the southern states of the USA.

- EcoQuip and BHP Iron Ore Pty Ltd (BHP) have continued the now 18-month MSLT demonstration trial which remains ongoing. The MSLT trial fleet continues to operate at the BHP sites. During 2023, a BHP procurement restructuring resulted in the 'contract owner' for the EcoQuip MSLT trial being redeployed to another role. A new BHP 'contract owner' for the EcoQuip trial was recently confirmed. BHP personnel have confirmed the success of the MSLT trial and EcoQuip expects to engage further procurement discussions during Q1 2024.

- EcoQuip management advanced its critical inventory plan & supply chain strategy (Supply Chain Strategy) during the period. The Supply Chain Strategy was developed to ensure that potential geopolitical or coercive supplier behaviour risk can be mitigated and manufacturing delay exposure minimised. The formal strategy implementation is ongoing.

- The EcoQuip Mobile Solar Environmental Tower (MSET) trial success on Barrow Island completed in Q4 2022 expanded into a more permanent environmental monitoring deployment during 2023. The 4 x MSET units deployed incorporate high resolution low light camera surveillance and Wi-Fi, 4G and satellite streaming capability to monitor wildlife movement and protection.

- EcoQuip's national MSLT 'roll-out' strategy plan continued to progress during the period. However, negotiations with a potential MSLT distribution, sales and customer service partner across Australia's eastern states concluded unsuccessfully. These negotiations advanced to the completion of detailed contract documentation and included a successful MSLT demonstration trial at the Abermarle operated Kemerton lithium hydroxide facility in South-Western Australia. Negotiations ceased after the potential national hire company partner sought to change agreed terms and conditions which significantly changed the commercial potential of the arrangements for EcoQuip.

ATEN (100% owned) – Waste heat to zero emission power generation

The ATEN Technology and achievements during the period are as follows:

- Volt's ATEN Technology is a baseload, zero emission waste heat to electricity generation solution that utilizes recovered low grade industrial waste heat as its energy source. The ATEN Technology requires no water and operates autonomously without a requirement for operating personnel.

- The ATEN Technology enjoys Australian Innovation Patent certification (AIP# 2020202347).

- Importantly, the ATEN waste heat to electricity technology is compatible and complimentary to the installation of hybrid solar / wind intermittent power generation technologies. ATEN's zero emission, baseload power supply capability reduces the carbon intensity of OCGT & reciprocating engine powered thermal generation required to supply grid firming generation capacity to electricity grids and remote island power with solar / wind and battery hybrid installations. This increases the zero-emission penetration of electricity generation systems without the CAPEX increase associated with generation intermittency associated with the high penetration solar and wind hybrid systems.

- The Group continues to engage new project opportunities for the ATEN system and develop project concept presentations to waste heat to resource owners including state owned power generation utilities and onshore LNG production facility owners. These opportunities demonstrate significant carbon intensity reduction and new value opportunity for all stakeholders.

- The installation of incremental intermittent renewable capacity (solar/wind) to achieve medium to high penetration targets (b/n 30% - 60%) are characterised by accelerating capital costs associated with the higher proportion of battery storage required to follow Renewables generation intermittency, more complex control systems and forecast increases in the manufacture solar and wind capacity. The Group believes low carbon emission, high efficiency gas fuelled generation remains critical to the achievement of both affordable, high penetration renewable hybrid systems and the grid stability required to deliver mission critical industrial electricity supply and economic prosperity.

- The ATEN benefits include:

▪ Enhanced energy efficiency:	~10 - 25%
▪ Lowest cost zero emission generation:	~20 – 50% cheaper than generation equivalent solar/BESS hybrid solution
▪ Scope 1 emission reduction:	Material carbon intensity reduction outcomes
▪ Grid stability:	Baseload supply delivering capacity and system stability enhancement at existing connection infrastructure
▪ No water consumption:	Reduced environmental approval requirements and OPEX
▪ Autonomous operation:	No operational personnel required and reduced OPEX
▪ Small Footprint:	Retro-fit to existing assets on a brownfields site footprint
▪ Hydrogen fuel compatible:	Compatible with & enhances hydrogen fuel viability
▪ ACCU eligibility:	Creates ACCUs where deployed at remote site locations (subject to accreditation)

- The ATEN Technology delivers zero emission generation capacity with a lower levelized long term cost of energy relative to:
  - New diesel fueled generation capacity;
  - New gas fueled generation capacity where site delivered gas prices exceed $3 – $4.50/GJ (subject to heat resource);
  - Solar/BESS hybrid generation; and
  - Wind turbine hybrid generation.

- Volt remains highly optimistic that compelling opportunities to deploy the Volt ATEN waste heat to power solution exist and will continue to prosecute a committed business development effort to resources project, LNG facility, power generation and industrial waste heat resource owners.

HYTEN (100% owned) – Waste heat to zero emission hydrogen production

- The HYTEN waste heat to hydrogen technology comprises the aforementioned ATEN system supply baseload, zero emission electricity and heat (where optimal) to either solid oxide, PEM and alkaline electrolyser systems.

- In 2022, Volt secured a positive assessment of its HYTEN 'Waste Heat to Hydrogen' technology Preliminary International Patent application with all claims confirmed as novel, inventive and compliant with the PCT. The preliminary assessment encompasses HYTEN systems that incorporate all of alkaline, proton exchange membrane and solid oxide electrolyser technologies. This positive milestone initiated the completion and submission of patent application documentation for North America and Australasia.

- As previously reported, preliminary HYTEN engineering activities have confirmed that HYTEN has numerous cost and technical competitive advantages relative to an equivalent annual hydrogen production Solar / Wind to Hydrogen system.

  These include:

  - A ~60% lower LCOE* for zero emission electricity supply to the electrolyser;
  - Up to ~300% greater electrolyser utilization performance (baseload Vs intermittent power supply);
  - At least 50%+ lower electrolyser (or electricity supply related BESS storage) CAPEX;
  - Higher system efficiency (particularly incorporating solid oxide electrolyser technology); and
  - A levelized, zero emission hydrogen production cost of ~US$2-$4/kg.

- In April 2023, Volt reached agreement with Primero Group Limited (Primero) to establish an exclusive EPC construction delivery alliance for projects incorporating Volt's Waste Heat to Energy technologies (Waste Heat to Energy Alliance). Primero is an innovative, multi-disciplinary engineering business and a wholly owned subsidiary of ASX-listed NRW Holdings Limited.

- For the 3-year Term of the Waste Heat to Energy Alliance, Primero and Volt have committed to exclusively pursue project opportunities that can exploit Volt's zero emission, waste heat to energy technologies. This includes jointly undertaking business development, feasibility study, tender and project delivery contract negotiation activities.

- The Board remains excited about the potential of the HYTEN technology to facilitate existing LNG facilities, natural gas pipeline compression stations and some power station assets to become significant low-cost hydrogen producers by exploiting the waste heat generated at existing energy infrastructure to create zero emission hydrogen. The potential for on-site use of zero emission hydrogen to displace fossil fuel combustion as a feedstock for a high value chain fertiliser or ammonia production is compelling at the stage of HYTEN's technology development.

(b) Financial performance and financial position

The financial results of the Group for the year ended 31 December 2023 are summarised as follows:

	2023 **$**	2022 $	Change %
Revenue from ordinary activities	**5,032,762**	3,258,065	54%
Other income	**333,489**	354,119	-6%
Total revenue and other income	**5,366,251**	3,612,184	49%
Adjusted EBITDA[1]	**2,090,929**	900,638	132%
EBITDA	**1,420,796**	280,464	407%
Profit/(loss) for the period attributable to members	**607,685**	(345,259)	276%
Profit/(loss) per share	**0.0057**	(0.0036)	258%
Cash and cash equivalents	**1,546,548**	2,274,608	-32%
Net tangible assets per share	**0.0004**	0.0003	33%

[1] excluding $0.67 million (2023) and $0.62 million (2022) non-cash executive option issue expense.

The Group made a profit for the year attributable to members of $607,685 (2022: loss of $345,259), experienced net cash inflows from operating activities of $1,485,065 (2022: $1,588,205) and has a net asset balance of $5,692,818 (2022: $4,415,000).

The Group continues to grow its Ordinary Revenues (+54%) reflecting the ongoing uptake of the Wescone W300 crusher solution and EcoQuip Mobile Solar Light / Comms Tower solution.

Directors' Report
For the year ended 31 December 2023

The directors present their report together with the financial report of the consolidated entity (referred to hereafter as the Group) consisting of Volt Power Group Limited ("Volt") and the entities it controlled at the end of, or during, the year ended 31 December 2023 and the auditor's report thereon.

1. Directors

The names of the company's directors in office during the year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

• Mr Adam Boyd	Executive Chairman
• Mr Simon Higgins	Non-Executive Director
• Mr Peter Torre	Non-Executive Director
• Mr Paul Everingham	Non-Executive Director

2. Directors and officers

Adam Boyd – Executive Chairman
Mr Boyd served as Chief Executive Officer and Managing Director of Pacific Energy Limited (ASX: PEA) from June 2006 to March 2015. During his tenure at Pacific Energy Limited, Mr Boyd led the company to becoming the pre-eminent remote mine site contract power business in Australia, with a 250 MW generation footprint across Australia. During this period Pacific Energy's enterprise value increased from $9 million to approximate $250 million.

Prior to joining Pacific Energy Limited, Mr Boyd was a senior executive with Global Renewables Group when it was jointly owned by GRD Limited and Hastings Fund Management Limited. During that tenure Mr Boyd was principally involved in the successful commercialisation of the Global Renewables alternative waste treatment and renewable energy process technology in Australia and the United Kingdom.

Mr Boyd is an infrastructure and energy specialist with considerable experience in areas of resource sector power generation, energy and waste infrastructure project development, business development and business acquisitions, technology commercialisation, public company management and equity and credit finance.

Other current and former directorships in last 3 years
None

Special responsibilities
Chairman of the Board

Interests in shares and options
1,847,000,000 ordinary shares in Volt Power Group Limited
200,000,000 options in Volt Power Group Limited

Simon Higgins – Non-Executive Director
With an electrical trade background, Simon has close to 30 years' experience in the delivery of large-scale complex projects in renewables, mining, oil & gas, and community infrastructure. Simon was formerly the Chief Executive Officer and Managing Director of the ECM group of companies, a leading construction and maintenance company based in Western Australia which is now part of ASX-listed GenusPlus Group Ltd.

Mr Higgins is a past chairman of the National Electrical and Communications Association (NECA) WA, Electrical Group Training and the College of Electrical Training.

Other current and former directorships in last 3 years
Non-Executive Chairman of Mayfield Group Holdings Limited (ASX: MYG)

Special responsibilities
None

Interests in shares and options
801,000,000 ordinary shares in Volt Power Group Limited
60,000,000 options in Volt Power Group Limited

Peter Torre - Non-Executive Director and Company Secretary
Mr Peter Torre is a Chartered Accountant, a Chartered Secretary and a member of the Australian Institute of Company Directors.

Mr Torre is the principal of Torre Corporate, an advisory firm which provides corporate secretarial services to a range of ASX listed companies. He was previously a partner of an internationally affiliated firm of chartered accountants working within its corporate services division.

Mr Torre is also the Company Secretary of the company.

Other current and former directorships in last 3 years
Director of VEEM Ltd (ASX: VEE). Previously a director of Mineral Commodities Ltd (ASX: MRC) (ceased on 15 October 2021) and Connexion Telematics Ltd (ASX: CXZ) (ceased on 17 November 2021).

Special responsibilities
None

Interests in shares and options
55,000,000 ordinary shares in Volt Power Group Limited
60,000,000 options in Volt Power Group Limited

Paul Everingham – Non-Executive Director

Mr Paul Everingham has held numerous senior executive roles in Australian business and government, including Chief Executive and Managing Director of the Chamber of Minerals & Energy; Founder and Managing Director of GRA Everingham Corporate Advisory; and senior advisory roles to the Federal Minister for Finance and within the Commonwealth Treasury.

Mr Everingham has a Bachelor of Commerce from the University of Queensland, a Post Graduate Diploma in Applied Finance & Investment (FINSIA) and a Graduate Certificate in Financial Derivates from the Queensland University of Technology.

Other current and former directorships in last 3 years
Previously Chair of Cirrus Networks Holdings Ltd (ASX: CNW) (ceased on 11 December 2023).

Special responsibilities
None

Interests in shares and options
197,942,344 ordinary shares in Volt Power Group Limited
180,000,000 options in Volt Power Group Limited

3. Directors' meetings
The number of meetings of directors held during the year (or during the time the director held office) and the number of meetings attended by each director were as follows:

Name	Meetings held	Meetings attended
Adam Boyd	4	4
Simon Higgins	4	4
Peter Torre	4	4
Paul Everingham	4	4

4. Principal activities
The principal activities of the Group during the financial year were:

ATEN (100% owned)

- Further development of the ATEN 'Waste Heat to Power' technology flowsheet design specifically for open cycle turbine generation asset retrofit to maximise baseload, zero emission electricity generation performance and reduce capital installation and operating costs.
- Extensive business development activities including site specific scoping studies aimed at securing commercial arrangements to install Volt's first ATEN 'Waste Heat to Power' facility in Australia.

- In April 2023, Volt and NRW Holdings Limited subsidiary, Primero Group Limited, signed an exclusive 3-year Waste Heat to Energy Alliance to deliver projects that incorporate Volt's zero emission waste heat to power and hydrogen technologies.

HYTEN (100% owned)

- Volt continued to advance the HYTEN flowsheet development comprising the integration of the ATEN Waste Heat to Power Technology with a proven, high efficiency alkaline electrolyser and expanding the HYTEN patent to include PEM and Solid oxide electrolyser solutions for the production of zero emission hydrogen fuel.

- In 2022, Volt secured a positive assessment of its HYTEN 'Waste Heat to Hydrogen' technology Preliminary International Patent application with all claims confirmed as novel, inventive and compliant with the PCT. The preliminary assessment encompasses HYTEN systems that incorporate all of alkaline, proton exchange membrane and solid oxide electrolyser technologies.

- In 2023/24, Volt lodged HYTEN Patent Applications in Australasia, Eurasia and North America.

EcoQuip (100% owned)

- The completed incremental design development on the EcoQuip Mobile Solar Light & Communications Tower solution expanding the competency of its power management system, data analytics platform, customer portal capabilities, remote control capability and satellite communications.
- Deployment of the existing and newly manufactured EcoQuip Mobile Solar Light Tower (MSLT) fleet to achieve maximum possible hire utilisation for the period.
- Completion of ~25 new MSLT units component manufactured in the USA and assembled in Australia.
- Deployment of a new Mobile Environmental Monitoring Tower with low-cost satellite live streaming and AI activation capabilities.
- Demonstration deployment of the EcoQuip MSLT & MSCT Gen4 to major potential users in the resources and construction sectors.
- Negotiation of commercial terms for the long-term deployment of EcoQuip MSLT & MSCT equipment in the Australian and USA markets.

Wescone (100% owned)

- The operation of the Wescone business – the owner of the Wescone W300 sample crusher predominantly deployed throughout the global iron ore and assay laboratory industry.
- Completion of manufacture of ~10 new Wescone W300 Series 4, Series 3 and Series 2 sample crushers.
- Business development activities to expand the distribution capabilities and product offering in Australia, Africa and North America.
- Secured Australian, Eurasian and South African Patents, for the Wescone W300 Series 4 crusher developed in 2019/20. This included trademark and design copyright registration in specific jurisdictions.

5. Dividends

There were no dividends paid or declared by the company to members since the end of the previous financial year.

6. Operational and financial review

Information on the operations and financial position of the group and its business strategies and prospects is set out in the corporate and operational review on pages 4 – 7 of this annual report.

7. Use of cash and assets readily convertible to cash

The Group has used its cash and assets readily convertible to cash during the period in a way that was consistent with its business objectives.

8. Significant changes in the state of affairs

There are no significant changes in the state of affairs of the Group during the financial year.

9. Events since the end of the financial year

There are no events that occurred subsequent to the reporting period ending, that would have a material impact on the financial statements as at 31 December 2023.

10. Likely developments and expected results of operations

The following events are likely to occur over the coming year:

- Further progress towards the installation of the first ATEN waste heat to power technology at a power station.
- Expansion of the EcoQuip MSLT Gen4 fleet in both light and communications tower variants and deployment of an expanded fleet in resource sector and construction markets in Australia and USA.
- Continued repair and sale deployment of the proprietary Wescone W300 crusher in Australia and internationally and development of an expanded Wescone offering and related partnerships.

11. Risk Factors

The business activities of the Group are subject to several risk factors that may impact on the future performance of the Group. The material risks identified are:

Changes in regulation and regulators	The Group supplies its products and services to customers across several domestic (Australian) states and territories as well as internationally. In addition, the Group is an importer of goods from international markets including the United States of America and China. Amendments to regulations, regulators or geopolitical instability can impact the operations of the Group by: - Disrupting its supply chain - Requiring it to maintain more liquidity - Investment in new technologies or equipment (including low or reduced emissions products) To manage its exposure to this material risk, the Group constantly monitors changes in the domestic and international regulatory environments in which it operates and adopts commercial strategic policy and actions to mitigate supply chain risks.
Safety and harm to employees	Employees of the Group operate in industries which can carry inherent risk of injury and harm to themselves and members of the community. Management of the exposure to injury and harm remains a key priority for the Board. The Group has sought to mitigate these risks by assessing and understanding the risk factors across the Group's operations, and implementing safety rules and safety commitments which provide direction and guidance on these critical risks.
Global and domestic financial market conditions	The Group's operations may be impacted by changes in global and domestic financial conditions in the following ways: - Changes in the market demand for the Group's products or services; - Industry segment volatility (specific to the Australian resources and mining industry); - Rising input costs such as raw materials and labour; - Fluctuations in foreign exchange rates (primarily US dollars); - Increased cost of capital for operations and availability of funding. Volt regularly monitors movements in inflation, interest rates, exchange rates and global and domestic financial conditions generally, and has processes in place to ensure movements are incorporated into pricing in order to protect its margins.

In addition, the Group monitors and manages its exposure by:

- Robust financial modelling including cash flow forecasting, budgeting and monthly reviews;
- Reviews of operational and key risks by executive management and further, at regular Board meetings;
- Management of foreign currency risks via fixing of rates, hedging and use of foreign denominations where practicable; and
- Reducing its exposure to single industries or segments to offset potential downturns where possible.

Weather, environment and climate change

Climate change may have the potential to impact the regions and sites in which the Group operates. Long-term potential physical climate risks include, but are not limited to, higher temperatures, higher intensity storm events, impacts to annual precipitation depending on the latitude and proximity of the site to oceans, and more extreme heat.

Physical risks related to extreme weather events such as extreme precipitation, flooding, longer wet or dry seasons, increased temperatures and drought, landslides, wildfires or brushfires, or more severe storms may have impacts on the performance of equipment hired to customers by the Group, such as delays and increased cost of delivery.

Assessment of the potential for climatic events that may impact the Group's operations is performed by management during the pre-contractual phase, to identify any influences that may impact the ability of the Group to deliver.

Disruption to information technology systems and cyber security events

The Group relies on information technology systems and networks in connection with business operations. Information technology security threats designed by governments and third parties to gain unauthorised access to our networks, systems and data are increasing in frequency and sophistication.

The Group invests in robust processes of detection, employee education and information technology security measures to secure business and customer information and undertakes regular assessments of its exposure to disruption events.

Loss of personnel

The responsibility of overseeing the day-to-day operations and the strategic management of Volt depends substantially on its senior management and key management personnel.

The loss of key management or other personnel may have a negative impact on Volt's businesses, including loss of knowledge and relationships. Volt faces the risk that it cannot promptly or adequately replace key directors, management or personnel that leave the Group.

The Group manages this risk through the careful management of staff numbers and remuneration levels, and consideration of resourcing requirements as the Group's operations grow. Where possible, relationships with clients and suppliers are managed through multiple contact points to remove a single point of failure.

Intellectual property

To market and protect its market position, the Group must protect its intellectual property in its brands and technologies.

Although some of the Group's technology is patented, there may be situations where it cannot be protected or is subject to unauthorised disclosure, infringement or challenge by a third party. This may require significant cost and effort to defend or to obtain the necessary protections to prevent such conduct.

The Group may also rely on a combination of confidentiality and licence agreements with its consultants and third parties with whom it has relationships, including domain names, trade secrets, copyright and patent laws, to protect its brand and other intellectual property rights. However, various events outside of the Group's control could pose a threat to its intellectual property rights, as well to its products and technologies.

Global pandemic	The Group's operations are exposed both directly and indirectly to the risks associated with pandemics such as the recent COVID-19 pandemic which impacted certain underlying markets, customers, supply chains and negatively impacted macroeconomic conditions. Key operational risks to the Group of a global pandemic include the potential temporary cessation of business activity, disruption to the supply chain, closure of customer locations and government mandated lockdowns and medical interventions. The ability of customers to pay for products and services within agreed terms may also be impacted. The Group maintains management vigilance and operational flexibility relating to its business activities, along with maintenance of a level of liquidity for events such as COVID-19. Supply chains have been impacted and the Group has managed these through a combination of increased inventory levels, increased orders of critical long lead time parts and maintaining multiple supply alternatives where possible.

12. Environmental regulation

The Group is subject to environmental regulation in respect of any continuing operations. There have been no significant known breaches of any environmental regulations to which the Group is subject.

13. Remuneration report (audited)

This Remuneration Report sets out information about the remuneration of the key management personnel (KMP) of the Group for the year ended 31 December 2023. This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the Corporations Act 2001.

The Report details the remuneration arrangements for the Group's key management personnel:

- Non-executive directors (NED's); and
- Executive directors and senior executives (collectively the Executives).

KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Group.

The report is structured as follows:

(a) Key Management Personnel (KMP) covered in this report
(b) Remuneration policy, link to performance and elements of remuneration
(c) Link between remuneration and performance
(d) Contractual arrangements for executive KMP
(e) Remuneration expenses for executive KMP
(f) Non-executive director arrangements
(g) Share-based compensation
(h) Other statutory information

(a) Key Management Personnel (KMP) covered in this report

The table below outlines the KMP of the Group covered in this report:

Name	Position	Term as KMP
Non-executive directors		
Mr Simon Higgins	Non-Executive Director	Appointed 28 April 2017
Mr Peter Torre	Non-Executive Director	Appointed 28 April 2017
Mr Paul Everingham	Non-Executive Director	Appointed 11 April 2022
Executives		
Mr Adam Boyd	Executive Chairman	Appointed 28 April 2017

Changes since the end of the reporting period

There have been no changes to the non-executive directors and other key management personnel covered in this report since the end of the reporting period.

(b) Remuneration policy, link to performance and elements of remuneration

The Group's remuneration committee is comprised of the Chairman and a non-executive director. The committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs and meets the remuneration principles. In particular, the Board aims to ensure that remuneration practices are:

(i) competitive and reasonable, enabling the Group to attract and retain key talent,
(ii) aligned to the Group's strategic and business objectives and the creation of shareholder value,
(iii) transparent and easily understood, and
(iv) acceptable to shareholders.

During the reporting period, no payments were made to a person before the person took office as part of the consideration for the person agreeing to hold office.

Non-executive directors

On appointment to the Board, all non-executive directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

Executive management

Executive management have authority and responsibility for planning, directing and controlling the activities of the company. Compensation levels for executive management of the Group are set competitively to attract and retain appropriately qualified and experienced senior executives.

The compensation structures for executives are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of the creation of value for shareholders. The compensation structure takes into account the executives' capability and experience, level of responsibility and ability to contribute to the Group's performance, including the establishment of revenue streams and growth in shareholder returns.

Fixed compensation consists of a base salary or fee (calculated on a total cost basis, including any fringe benefits tax related to employee benefits) as well as employer contributions to superannuation funds. The Board through a process that considers individual and company achievement reviews compensation levels annually.

(c) Link between remuneration and performance

The Group has in place an Incentive Option Scheme (long-term incentive (LTI) scheme), the purpose of which is to:

(i) encourage participation by Eligible Participants in the company through Share ownership; and
(ii) attract, motivate and retain Eligible Participants.

At present the Group does not have any short-term incentive (STI) scheme, but the remuneration committee will consider this in due course.

Options were issued to the Executive Chairman, Non-Executive Directors and a senior executive in prior years as part of their remuneration package, which represent performance linked remuneration.

Key performance indicators of the group over the last five years:

	Y/E 2023	Y/E 2022	Y/E 2021	Y/E 2020	Y/E 2019
NPAT $m	0.608	(0.345)	0.589	(0.588)	(1.889)
Share price $	0.001	0.002	0.003	0.003	0.001
Dividend paid	-	-	-	-	-
EPS $	0.006	(0.004)	0.007	(0.005)	(0.023)

(d) Contractual arrangements for executive KMP

Executive Chairman

In 2017, the Group appointed Mr Adam Boyd as Managing Director and Chief Executive Officer. He was subsequently appointed to the role of Executive Chairman on 11 April 2022. Mr Boyd is contracted to the Group through his private company, and the contract does not have a fixed timeframe.

The termination provisions in the contract are as follows:

	Resignation	Termination for cause	Termination by redundancy or notice without cause
Notice period (by company or executive)	1 month	None	3 months[1]

[1] The notice period is increased by one month for each completed year of service.

Mr Boyd's remuneration package consists of a fee of $360,000 per annum plus unlisted options as otherwise disclosed in this report which has remained unchanged since 2017.

(e) Remuneration expenses for executive KMP

The following table shows the details of the remuneration expense recognised for the group's executive key management personnel for the current and previous financial year measured in accordance with the accounting standards.

Name	Year	Salary & fees	Post employ-ment benefits	Non-mone-tary benefits	Termin-ation benefits	Rights to deferred shares	Options	Total	Perform-ance related
Adam Boyd	**2023**	**360,000**	**-**	**-**	**-**	**-**	**228,641**	**588,641**	**39%**
	2022	360,000	-	-	-	-	228,641	588,641	39%
Total executive	**2023**	**360,000**	**-**	**-**	**-**	**-**	**228,641**	**588,641**	**39%**
KMP	2022	360,000	-	-	-	-	228,641	588,641	39%

The value of the options granted to key management personnel as part of their remuneration is calculated as at the grant date using a trinomial option pricing model. The amounts disclosed for the financial year have been determined by allocating the grant date value on a straight-line basis over the period from grant date to vesting date.

(f) Non-executive director arrangements

Non-executive directors are paid base fees only, which are fixed by the Board.

There is no additional fee for serving on Board committees. They do not receive performance-based pay or retirement allowances. Fees are reviewed annually by the Board with the level of directors' remuneration being set having regard to independent survey data and publicly available information about fees paid to non-executive directors in a range of comparable companies.

The directors are entitled to be reimbursed for all travel and related expenses properly incurred in connection with the business of the Group. The Group makes contributions at the statutory minimum rate to superannuation funds nominated by directors, included in the base fee.

The total amount of remuneration, including superannuation, for all non-executive directors must not exceed the limit approved by shareholders. The aggregate cash remuneration of all non-executive directors was set at $400,000 per annum at a general meeting held on 1 December 2009. During the period, Mr Simon Higgins, Mr Peter Torre and Mr Paul Everingham held the position of Non-Executive Directors. The terms of their appointment are as follows:

- Mr Higgins – for his services as a Non-Executive Director, the company will pay him an all-inclusive annual fee as is determined by the Board and approved by shareholders from time to time during his appointment. The monthly fee payable is payable in arrears and is currently set at $3,333 excluding GST and equates to an annual fee of $40,000 excluding GST.
- Mr Torre – for his services as a Non-Executive Director and Company Secretary, the company will pay him an all-inclusive annual fee as is determined by the Board and approved by shareholders from time to time during his appointment. The monthly fee payable is payable in arrears and is currently set at $3,333 excluding GST and equates to an annual fee of $40,000 excluding GST.
- Mr Everingham – for his services as a Non-Executive Director, the company will pay him an all-inclusive annual fee as is determined by the Board and approved by shareholders from time to time during his appointment. The monthly fee payable is payable in arrears and is currently set at $3,333 excluding GST and equates to an annual fee of $40,000 excluding GST.

Details of the nature and amount of each major element of remuneration are set out below:

	Year	Short-term benefits	Post employment	Options	Total	Performance related
Simon Higgins	**2023**	**40,000**		**68,592**	**108,592**	**63%**
	2022	42,500	-	68,592	111,092	62%
Peter Torre	**2023**	**39,960**		**68,592**	**108,552**	**63%**
	2022	39,960	-	68,592	108,552	63%
Paul Everingham	**2023**	**40,000**		**107,222**	**147,222**	**73%**
	2022	28,791	-	336,469	365,260	92%
Total non-executive directors	**2023**	**119,960**		**244,406**	**364,366**	**67%**
	2022	111,251	-	473,653	584,904	81%

(g) Share-based compensation

There were no options over ordinary shares in the company granted as compensation to key management personnel during the reporting period, and no options vested during the reporting period.

Details of options over ordinary shares in the company that were granted as compensation to key management personnel during prior periods and that are expected to vest in future reporting periods are as follows:

Options	Tranche	Number of options granted	Grant Date	Fair value per option at grant date $	Exercise price per option $	Expiry date	Number of options vested	Expected vesting date
Non-executive directors								
Simon Higgins	2	30,000,000	11 May 2021	$0.00391	$0.00429	11 May 2024	-	11 May 2024
	3	30,000,000	11 May 2021	$0.00398	$0.00450	11 May 2025	-	11 May 2025
Peter Torre	2	30,000,000	11 May 2021	$0.00391	$0.00429	11 May 2024	-	11 May 2024
	3	30,000,000	11 May 2021	$0.00398	$0.00450	11 May 2025	-	11 May 2025
Paul Everingham	1	60,000,000	11 April 2022	$0.00277	$0.00402	11 April 2024	60,000,000	-
	2	60,000,000	11 April 2022	$0.00291	$0.00429	11 April 2025	-	11 April 2025
	3	60,000,000	11 April 2022	$0.00296	$0.00450	11 April 2026	-	11 April 2023
Executive KMP								
Adam Boyd	2	100,000,000	11 May 2021	$0.00391	$0.00429	11 May 2024	-	11 May 2024
	3	100,000,000	11 May 2021	$0.00398	$0.00450	11 May 2025	-	11 May 2025

A summary of the vesting conditions for each Tranche of options is provided below:

Tranche	Vesting condition
Tranche 1	6 months employment
Tranche 2	12 months employment and First ATEN Construction Start
Tranche 3	12 months employment and there being a 180-day VWAP of Volt Power Group Ltd shares of at least 0.60 cents per share

All options expire on the earlier of their expiry date or 60 days following the termination of the individual's employment.

The Board does not have a policy that restricts the holders of securities issued as share based payments as part of their remuneration from entering into other arrangements that limit their exposure to losses that would result from share price decreases.

Other than noted above no terms of equity-settled share-based payment transactions (including options granted as compensation to a key management person or director) have been altered or modified by the company during the reporting period.

There are no amounts unpaid on the shares issued as a result of the exercise of the options in the 2023 financial year.

(h) Other statutory information

The following tables show the relative proportions of remuneration that are linked to performance and those that are fixed based on the amounts disclosed as statutory remuneration expense in (e) and (f) above.

(i) Proportions of remuneration linked to performance

		Fixed	At risk STI	At risk LTI
Non-executive directors				
Simon Higgins	**2023**	**37%**	**-**	**63%**
	2022	38%	-	62%
Peter Torre	**2023**	**37%**	**-**	**63%**
	2022	37%	-	63%
Paul Everingham	**2023**	**27%**	**-**	**73%**
	2022	8%	-	92%
Executive KMP				
Adam Boyd	**2023**	**61%**	**-**	**39%**
	2022	61%	-	39%

(ii) Reconciliation of ordinary shares and options held by KMP

Shareholdings

The number of shares in the company held during the financial year by each director and other key management personnel of the Group, including their personally related parties, are set out below.

Name	Balance at start of the year	Granted as compensation	Acquired for cash (on-market)	Options exercised	Other changes	Balance at the end of the year
Non-executive directors						
S Higgins	801,000,000	-	-	-	-	801,000,000
P Torre	55,000,000	-	-	-	-	55,000,000
P Everingham	136,942,344	-	61,000,000	-	-	197,942,344
Executive KMP						
A Boyd	1,797,000,000	-	50,000,000	-	-	1,847,000,000

Options

The number of options over ordinary shares in the company held during the financial year by each director of the company and other key management personnel of the Group, including their personally related parties, are set out below:

	Balance at start of year			Vested			Forfeited			Balance at end of year	
Name	Vested and exercisable	Unvested	Granted as compensation	Number	%	Exercised	Number	%	Other changes	Vested and exercisable	Unvested
S Higgins	30,000,000	60,000,000	-	-	-%	-	30,000,000	33%	-	-	60,000,000
P Torre	30,000,000	60,000,000	-	-	-%	-	30,000,000	33%	-	-	60,000,000
P Everingham	60,000,000	120,000,000	-	-	-%	-	-	-%	-	60,000,000	120,000,000
A Boyd	100,000,000	200,000,000	-	-	-%	-	100,000,000	33%	-	-	200,000,000

(iii) Loans to key management personnel

During the year, there were no loans made to directors of the company or any other key management personnel of the Group, including any related parties.

(iv) Other transactions with key management personnel

There were no other transactions with key management personnel during the year.

(v) Reliance on external remuneration consultants

The Board have not sought any recommendations from external remuneration consultants. Remuneration levels for directors and KMP are reviewed annually by the Board with the level of Non-Executive Directors' remuneration being set having regard to independent survey data and publicly available information about fees paid to non-executive directors in a range of comparable companies.

(vi) Voting of shareholders at last year's annual general meeting

Volt Power Group Limited received 94.10% of "yes" votes on its remuneration report for the 2022 financial year. The company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

The information in this section has been audited, together with the rest of the Remuneration Report.

This is the end of the Remuneration Report

14. Shares under option

(a) Unissued ordinary shares

Unissued ordinary shares of Volt Power Group Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Exercise price	Number under option
11 May 2021	11 May 2024	$0.00429	160,000,000
11 May 2021	11 May 2025	$0.00450	160,000,000
11 April 2022	11 April 2024	$0.00402	60,000,000
11 April 2022	11 April 2025	$0.00429	60,000,000
11 April 2022	11 April 2025	$0.00450	60,000,000
16 November 2022	16 November 2025	$0.00429	75,000,000
16 November 2022	16 November 2026	$0.00450	75,000,000

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

Included in these options were options granted as remuneration to the directors and the five most highly remunerated officers. Details of options granted to key management personnel are disclosed in the remuneration report above.

No options were granted to the directors or any of the five highest remunerated officers of the Group during or since the end of the financial year.

(b) Shares issued on the exercise of options

No shares were issued during the year ended 31 December 2023 on the exercise of options.

15. Insurance of officers

During the financial year, the company paid a premium to insure the directors and secretaries of the Group. The Group has not disclosed the premium paid for the insurance policy as there is a confidentiality condition contained in the contract.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

16. Proceedings on behalf of the company

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

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

17. Non-audit services

The Group may decide to employ the auditor (BDO) on assignments additional to their statutory audit duties where the auditor's experience and expertise with the company and/or the Group are important.

During the years ended 31 December 2023 and 2022, the Group engaged BDO for the following non-audit services:

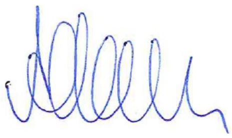
	2023	2022
	$	$
Financial and tax due diligence services	**-**	34,917
	-	34,917

The Board of Directors is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

18. Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 21.

This report is made in accordance with a resolution of directors.



Adam Boyd
Executive Chairman
Perth
Dated: 28 February 2024

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DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF VOLT POWER GROUP LIMITED

As lead auditor of Volt Power Group Limited for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

This declaration is in respect of Volt Power Group Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth

28 February 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2023

	Note	2023 $	2022 $
Revenue from trading activities	7	**5,032,762**	3,258,065
Cost of sales		**(474,182)**	(403,819)
Gross profit		**4,558,580**	2,854,246
Other income	8	**333,489**	354,119
Consultants and advisors	9	**(411,838)**	(407,356)
Employment benefits expense	10	**(1,554,908)**	(1,253,518)
Share based payments expense	32(c)	**(670,133)**	(620,174)
General and administration expenses	11	**(1,606,853)**	(1,211,997)
Operating profit / (loss)		**648,337**	(284,680)
Finance income	12	**23,767**	7,192
Finance expenses	12	**(64,419)**	(67,771)
Finance costs – net		**(40,652)**	(60,579)
Profit / (loss) before income tax expense		**607,685**	(345,259)
Income tax expense	13	**-**	-
Profit / (loss) from continuing operations		**607,685**	(345,259)
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive profit / (loss) for the year		**607,685**	(345,259)
Profit / (loss) for the year is attributable to:			
Owners of Volt Power Group Limited		**607,685**	(345,259)
		607,685	(345,259)
Total comprehensive profit / (loss) for the year is attributable to:			
Owners of Volt Power Group Limited		**607,685**	(345,259)
		607,685	(345,259)
		cents	cents
Profit per share:			
Basic profit / (loss) for the period attributable to ordinary equity holders of the parent	25(a)	**0.0057**	(0.0036)
Diluted profit / (loss) for the period attributable to ordinary equity holders of the parent	25(b)	**0.0057**	(0.0036)
Profit per share from continuing operations:			
Basic profit / (loss) from continuing operations attributable to ordinary equity holders of the parent	25(a)	**0.0057**	(0.0036)
Diluted profit / (loss) from continuing operations attributable to ordinary equity holders of the parent	25(b)	**0.0057**	(0.0036)

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

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	**2023** $	2022 $
Assets			
Current assets			
Cash and cash equivalents	14	**1,546,548**	2,274,608
Trade and other receivables	15	**782,990**	291,430
Inventory	16	**255,104**	305,642
Other current assets	17	**103,288**	108,017
Total current assets		**2,687,930**	2,979,697
Non-current assets			
Property, plant and equipment	18	**3,797,091**	2,950,210
Intangible assets	19	**857,562**	531,633
Right of use asset	26	**497,144**	190,283
Other non-current assets	17	**115,715**	115,715
Total non-current assets		**5,267,512**	3,787,841
Total assets		**7,955,442**	6,767,538
Liabilities			
Current liabilities			
Trade and other payables	20	**849,287**	722,441
Employee benefits liability	21	**68,916**	53,982
Lease liabilities and borrowings	22	**279,606**	315,267
Provisions	27	**414,255**	770,000
Total current liabilities		**1,612,064**	1,861,690
Non-current liabilities			
Employee benefits liability	21	**7,821**	-
Lease liabilities and borrowings	23	**642,739**	490,848
Total non-current liabilities		**650,560**	490,848
Total liabilities		**2,262,624**	2,352,538
Net assets		**5,692,818**	4,415,000
Shareholders' Equity			
Share capital	24(a)	**76,861,879**	76,861,879
Reserves	24(c)	**8,571,391**	7,901,258
Retained losses		**(79,740,452)**	(80,348,137)
Total Shareholders' Equity		**5,692,818**	4,415,000

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

Consolidated Statement of Changes in Equity

As at 31 December 2023

	Note	Share capital $	Reserves $	Retained losses $	Total attributable to owners $	Non-controlling interest $	Total equity $
		Attributable to owners of Volt Power Group Limited					
At 1 January 2022		74,132,092	7,004,480	(77,437,094)	3,699,478	646,137	4,345,615
Total comprehensive profit / (loss) for the year							
Profit / (loss) for the year		-	-	(345,259)	(345,259)	-	(345,259)
		-	-	(345,259)	(345,259)	-	(345,259)
Transactions with owners in their capacity as owners							
Acquisition of non-controlling interests		2,740,351	276,604	(2,565,784)	451,171	(646,137)	(194,966)
Share issue costs	24(a)	(10,564)	-	-	(10,564)	-	(10,564)
Share-based payments		-	620,174	-	620,174	-	620,174
		2,729,787	896,778	(2,565,784)	1,060,781	(646,137)	414,644
At 31 December 2022		76,861,879	7,901,258	(80,348,137)	4,415,000	-	4,415,000
At 1 January 2023		**76,861,879**	**7,901,258**	**(80,348,137)**	**4,415,000**	**-**	**4,415,000**
Total comprehensive profit for the year							
Profit / (loss) for the year		**-**	**-**	**607,685**	**607,685**	**-**	**607,685**
		-	**-**	**607,685**	**607,685**	**-**	**607,685**
Transactions with owners in their capacity as owners							
Share-based payments		**-**	**670,133**	**-**	**670,133**	**-**	**670,133**
		-	**670,133**	**-**	**670,133**	**-**	**670,133**
At 31 December 2023		**76,861,879**	**8,571,391**	**(79,740,452)**	**5,692,818**	**-**	**5,692,818**

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

Consolidated Statement of Cash Flows
For the year ended 31 December 2023

	Note	**2023** **$**	2022 $
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**4,376,438**	4,226,388
Payments to suppliers and employees (inclusive of goods and services tax)		**(3,130,901)**	(3,009,808)
Interest received		**22,561**	7,192
Interest paid		**(48,234)**	(40,807)
R&D tax refund		**265,201**	405,240
Net cash inflows from operating activities	14(a)	**1,485,065**	1,588,205
Cash flows from investing activities			
Payments for non-controlling interests		**-**	(194,964)
Payments for property, plant and equipment		**(1,491,053)**	(1,272,252)
Payments for intellectual property		**(560,238)**	(237,663)
Payments for loans to other entities		**(15,958)**	-
Proceeds from the sale of property, plant and equipment		**-**	12,727
Net cash outflows from investing activities		**(2,067,249)**	(1,692,152)
Cash flows from financing activities			
Share issue costs		**-**	(10,564)
Proceeds from borrowings		**-**	620,779
Repayment of borrowings		**(145,876)**	(114,654)
Net cash inflows/(outflows) from financing activities		**(145,876)**	495,561
Net increase/(decrease) in cash and cash equivalents		**(728,060)**	391,614
Cash and cash equivalents at the beginning of the year		**2,274,608**	1,882,994
Cash and cash equivalents at end of the year	14	**1,546,548**	2,274,608

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

Notes to the Consolidated Financial Statements
For the year ended 31 December 2023

1. Reporting entity

The consolidated financial report of Volt Power Group Limited (the Group) and its subsidiaries for the year ended 31 December 2023 was authorised for issue in accordance with a resolution of directors on 28 February 2024.

Volt Power Group Limited is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The Group's registered office is 6 Bradford Street, Kewdale WA 6105.

The nature of the operations and principal activities of the Group are power generation technology solutions, mobile solar powerbox towers compatible with LED lighting, LTE/WiFi repeater communication solutions and CCTV retro-fit and sample crushing equipment, all of which service the resources and construction sectors.

2. Basis of preparation

(a) General information

The financial report is a general-purpose financial report, which:

- has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board as applicable to a for-profit entity;
- has been prepared on a historical cost basis;
- is presented in Australian dollars, which is the functional currency of the company and each of its subsidiaries;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or before 1 January 2023; and
- does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

(b) Going concern

The directors are satisfied that the going concern assumption has been appropriately applied in preparing the financial statements and the historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

3. Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control.

Consolidation of the subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a debit balance.

(b) Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer. Acquisition-related costs are expensed as incurred.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentational currency.

(ii) *Transactions and balances*

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cashflow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(d) Financial instruments

(i) Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value (see "Financial liabilities" section for out-of-money derivatives classified as liabilities). They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and, for the purpose of the statement of cash flows, bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

(ii) Financial liabilities
The Group classifies its financial liabilities depending on the purpose for which the liability was acquired.

Bank borrowings, where applicable, are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(e) Revenue recognition
Performance obligations and timing of revenue recognition
The majority of the Group's revenue is derived from leasing equipment (revenue recognised over time) and selling goods (revenue recognised at a point in time when control of the goods has transferred to the customer).

Revenue recognised at a point in time is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Determining the transaction price
Most of the Group's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations
For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered).

Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately). Therefore, there is no judgement involved in determining the contract price.

Some products sold by the Group are sold with a right of return. The Group estimates and provides for such returns at the time of sale.

(f) R&D Rebate and Government Grants
Government Grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. The Group received the following government grants:

(a) Research and development tax incentives received or receivable are recognised at fair value where there is a reasonable assurance that the amount will be received and the Group will comply with all attached conditions. The value of the research and development tax incentive received or receivable is either recorded as other income as part of profit or loss or deducted from the carrying value of the associated capitalised intangible asset.

The Group did not benefit directly from any other forms of government assistance.

(g) Income tax
Volt Power Group Limited and its 100% owned Australian resident subsidiaries formed a tax consolidated group with effect from 19 January 2010.

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised. The Group does not distribute non-cash assets as dividends to its shareholders.

(h) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(i) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation the amount of which at can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(j) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate.

In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

(k) Inventory

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs are assigned to individual items of inventory based on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale inventories are valued at the lower of cost and net realisable value.

(l) Intangible assets

Intangible assets acquired are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (including those arising from the development phase of an internal project) is capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group can use or sell the asset; the Group has sufficient resources, the asset will generate future economic benefits, the company intends to complete the internal development and their costs can be measured reliably.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. After initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Capitalised development costs are amortised on a straight-line or diminishing value method over the period of their expected benefit, being their finite useful lives of three to five years.

(m) Impairment

(i) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Share based payments

The fair value of options issued as share-based payments are measured using an appropriate pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds).

The fair value of shares issued as share-based payments is measured based on the share price on the date of issue.

4. Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

5. Key judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Management have identified the following critical accounting policies for which significant judgements, estimates and assumptions are made:

(i) Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the consolidated statement of financial position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the statement of financial position and the amount of other tax losses and temporary differences not yet recognised.

In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustments, resulting in a corresponding credit or charge to the income statement.

(ii) Internally generated intangible assets (Development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- It is technically feasible to develop the product for it to be rented;
- Adequate resources are available to complete the development;
- There is an intention to complete the product and to obtain future economic benefits through the Rental Revenue generated from Rental of the Gen4 Light Towers; and
- Expenditure on the product can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed only once the asset is ready for use. The amortisation expense is included within the cost of sales line in the consolidated statement of comprehensive income. Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated statement of comprehensive income as incurred.

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units) The recoverable amounts of cash-generating units have been determined based on fair value less costs to sell calculations. These calculations require the use of assumptions including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer note 19 in this report for a list of the significant estimates used by management for the recoverability of the cash generating units and the sensitivities thereof.

(iii) Revenue

The sale of some goods by the Group are sold with a right of return. At balance date, the Group has estimated the number of returns it expects to receive in relation to sales made during the year through the recognition of a refund liability within the statement of financial position with a corresponding decrease in revenue earned within the statement of profit or loss. The actual returns received as a result of sales may be higher or lower than estimated, and this will impact revenue in future periods.

(iv) Share-based payment transactions

The Group measures the cost of equity-settled transactions with directors, Key Management Personnel, and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value at grant date for options are valued using trinomial models.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The share-based payment expense recognised in each reporting period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

6. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the company.

The Group aggregates two or more business activities into an operating segment when they have similar practical and technical skill characteristics, and the business activities are similar in each of the following respects:

- nature of product and service provision;
- nature of the production processes;
- type or class of customer for the products and services;
- methods used to distribute the products or provide the services;
- methods and skills used to manufacture products; and if applicable
- nature of the regulatory environment.

The Group has determined that it has one operating segment, the provision of services to the mining and construction industries.

7. Revenue from trading activities

	2023	2022
	$	$
Revenue from sales of inventory	**3,731,865**	2,369,848
Revenue from equipment leases	**1,300,897**	877,808
Revenue from other sales	**-**	10,409
	5,032,762	3,258,065
Timing of revenue recognition		
At a point in time	**3,731,865**	2,369,848
Over time	**1,300,897**	888,217
	5,032,762	3,258,065

8. Other income

	2023 $	2022 $
Research and development tax incentive rebate[1]	**331,389**	342,881
Other income	**2,100**	11,238
	333,489	354,119

[1] A total R&D tax incentive amount of $432,964 was receivable by the Group in the year, however $101,575 of this balance related to Capitalised R&D expenditure. Accordingly, this portion has been offset against the corresponding Intangible Asset in the Statement of Financial Position, as disclosed in note 19.

9. Consultants and advisors

	2023 $	2022 $
Audit, tax, accounting and finance	**138,309**	213,952
Legal expenses	**273,529**	193,404
	411,838	407,356

10. Employee benefit expense

	2023 $	2022 $
Salary and wages	**1,436,855**	1,141,647
Superannuation	**77,784**	61,965
Other	**40,269**	49,906
	1,554,908	1,253,518

11. General and administration expenses

	2023 $	2022 $
Occupancy costs	**88,025**	115,362
Insurance	**107,201**	88,565
IT expenses	**49,728**	14,835
Travel & accommodation	**53,935**	29,630
Depreciation & amortisation	**772,459**	565,144
Foreign currency (gains)/losses	**2,085**	26,379
Other expense	**533,420**	372,082
	1,606,853	1,211,997

12. Finance costs - net

	2023 $	2022 $
Interest income	**23,767**	7,192
	23,767	7,192
Bank fees	**9,505**	11,022
Interest expense	**54,914**	56,749
	64,419	67,771
Finance expense	**(40,652)**	(60,579)

Recognition and measurement

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and convertible notes, unwinding of the discount on provisions, and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.
Foreign currency gains and losses are reported on a net basis.

13. Income tax

(a) Income tax (expense)/benefit

	2023 $	2022 $
Current tax benefit / (expense)	**-**	-
Adjustment for over provision in prior periods	**-**	-
Deferred tax credit / (expense) arising from temporary differences	**-**	-
Total income tax benefit / (expense)	**-**	-
Attributable to:		
Continuing operations	**-**	-
	-	-

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2023 $	2022 $
Profit / (loss) from continuing operations before income tax expense	**607,685**	(345,259)
Tax at the Australian tax rate of 25% (prior year 25%)	**(151,921)**	86,315
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	**(86,163)**	(70,831)
R&D related expenditure	**(116,426)**	(55,908)
Deferred tax assets /(liabilities) not brought to account	**354,510**	40,424
Income tax benefit /(expense)	**-**	-

The franking account balance at year-end was $nil (2022: nil).

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

(c) Unrecognised deferred tax assets and liabilities

	2023 $	2022 $
Deferred tax assets		
Tax losses	**4,576,336**	4,094,488
Other timing differences	**186,615**	301,900
Right of use liability	**131,338**	57,718
	4,894,289	4,454,106
Deferred tax liabilities		
Intangible assets	**(214,390)**	(140,408)
Other timing differences	**(634,295)**	(381,240)
Right of use asset	**(124,286)**	(47,570)
	(972,971)	(569,218)
Net deferred taxes not brought to account	**3,921,318**	3,884,888

(d) Tax losses

	2023 $	2022 $
Unused tax losses for which no deferred tax asset has been recognised for the tax consolidated group:	**18,305,342**	15,892,954
Potential tax benefit @ 25% (prior year 25%)	**4,576,336**	3,973,238

All unused tax losses were incurred by Australian entities. Unrecognised deferred tax balances will only be available subject to continuing to meet the relevant statutory tests.

14. Cash and cash equivalents

	2023 $	2022 $
Cash at bank	**1,546,548**	2,274,608

(a) Reconciliation of cash flows from operating activities

	2023 $	2022 $
Profit for the year	**607,685**	(345,259)
Adjustments for:		
Depreciation and amortisation	**772,459**	565,145
Net loss/ (profit) on disposal of PPE	**13,381**	(7,914)
Foreign exchange movements	**525**	3,997
R&D rebate	**101,575**	62,359
Share-based payment transactions	**670,133**	620,174
Changes in:		
Trade and other receivables	**(475,603)**	203,763
Inventory	**50,538**	(12,873)
Other current assets	**4,729**	(10,016)
Right of use assets	**(306,861)**	116,574
Trade and other payables	**214,083**	(10,638)
Lease liabilities	**165,411**	(208,310)
Employee benefit liability	**22,755**	6,203
Provisions	**(355,745)**	605,000
Net cash inflow from operating activities	**1,485,065**	1,588,205

Recognition and measurement
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(b) Reconciliation of cash and non-cash movements in financial liabilities

	Note	2023 $	2022 $
Cash and cash equivalents		**1,546,548**	2,274,608
Borrowings repayable within one year	22	**(279,606)**	(315,267)
Borrowings repayable after one year	23	**(642,739)**	(490,848)
		624,203	1,468,493
Cash and liquid assets		**1,546,548**	2,274,608
Gross Debt - Fixed interest rate		**(922,345)**	(806,115)
		624,203	1,468,493

15. Trade and other receivables

	2023 $	2022 $
Accounts receivable	**599,209**	284,929
Other debtors	**183,781**	6,501
	782,990	291,430

Impaired receivables and receivables past due
Refer to financial instruments note for credit risk assessment of trade and other receivables.

16. Inventory

	2023 $	2022 $
Completed goods and parts on hand	**255,104**	305,642

17. Other assets

	2023 $	2022 $
Current		
Prepayments	**103,288**	108,017
	103,288	108,017
Non-Current		
Lease deposits	**115,715**	115,715
	115,715	115,715

18. Property, plant and equipment

	Plant and equipment $	**Work in progress** $	**Office furniture, fittings and equipment** $	**Total** $
31 December 2022				
Opening net book amount	1,600,552	577,109	22,319	2,199,980
Additions	112,731	981,030	13,936	1,107,697
Transfers from work in progress	286,486	(286,486)	-	-
Disposals	(4,813)	-	-	(4,813)
Depreciation charge	(347,396)	-	(5,258)	(352,654)
31 December 2022	1,647,560	1,271,653	30,997	2,950,210
31 December 2022				
Cost or fair value	3,103,755	1,271,653	36,551	4,411,959
Accumulated depreciation	(1,456,195)	-	(5,554)	(1,461,749)
Net book amount	1,647,560	1,271,653	30,997	2,950,210
31 December 2023				
Opening net book amount	**1,647,560**	**1,271,653**	**30,997**	**2,950,210**
Additions	**23,525**	**1,340,349**	**-**	**1,363,874**
Transfers from work in progress	**1,386,845**	**(1,386,845)**	**-**	**-**
Disposals	**(13,381)**	**-**	**-**	**(13,381)**
Depreciation charge	**(497,902)**	**-**	**(5,710)**	**(503,612)**
31 December 2023	**2,546,647**	**1,225,157**	**25,287**	**3,797,091**
31 December 2023				
Cost or fair value	**4,400,060**	**1,225,157**	**36,551**	**5,661,768**
Accumulated depreciation	**(1,853,413)**	**-**	**(11,264)**	**(1,864,677)**
Net book amount	**2,546,647**	**1,225,157**	**25,287**	**3,797,091**

Recognition and measurement

Property, plant and equipment

All classes of property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line or diminishing value basis for all classes of property, plant and equipment. The estimated useful life of plant and equipment is between 3 and 20 years.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end. An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

19. Intangible assets

Capitalised Development Costs	2023 $	2022 $
The movements in the net carrying amount of Capitalised Development costs are as follows:		
Balance at the start of the year	**531,633**	395,694
Capitalised expenditure	**567,278**	285,989
R&D tax incentive received	**(101,575)**	(62,359)
Amortisation charge	**(139,774)**	(87,691)
Balance at the end of the year	**857,562**	531,633

Intangible assets comprise capitalised intellectual property development costs associated with the design and development of the EcoQuip Technology Platform incorporated into all EcoQuip OEM equipment solutions. The EcoQuip Technology Platform incorporates a unique power management system, remote operational control capabilities, pre-emptive reliability notifications and a web-enabled customer portal. The EcoQuip Technology Platform is designed, manufactured and owned by EcoQuip Australia Pty Ltd and is amortised over a five-year period from the date it is deemed ready for use.

The Group performed an impairment assessment as at 31 December 2023. The capitalised development costs of $857,562, along with property, plant and equipment of $3,676,738 and right-of-use assets of $248,572 have been allocated to the EcoQuip Cash Generating Unit ("CGU") for impairment testing using the fair value less costs to sell method. Fair value less costs to sell is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the Group. In determining this fair value, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model, such as discounted cash flow, is applied on a post-tax basis using an appropriate discount rate and estimates are made about the assumptions market participants would use when pricing the asset or CGU.

Fair value less costs to sell has been derived by calculating the discounted value of net cash flows expected to be derived from the CGU, based on financial budget forecasts prepared by management covering a two-year period, with the following key assumptions:

Key assumption	Input
CGU budgeted revenue and expenditure	Year 1 (2024) and Year 2 (2025)
Annual growth rate (years 3-5)	0%
Long-term growth rate	0%
Inflation rate (years 3-5)	4.1% (affecting both revenue and expenses)
Average EBITDA margin	58%
Post-tax discount rate	11.37%

Key assumption	Approach used to determine values
Number of units on hire	Management's expectations of fleet growth and utilisation rates for years 1 and 2, with no further fleet growth for years 3-5
Average EBITDA margin	Average annual EBITDA margin over the five-year forecasts period based on management's expectations
Post-tax discount rate	Reflects specific risks relating to industry peers and forecast uncertainty

Based off the fair value less costs to sell model, no impairment was recognised during the year.

Sensitivity analysis
Management have considered and assessed the sensitivities associated with the key assumptions noted above in accordance with accounting standard requirements. This sensitivity analysis highlighted that if revenue across the 5-year forecast period was 4% lower than forecast, if average monthly MSLTs on hire over the 5-year forecast period reduced by 15% or if the forecast EBITDA margin is reduced to 54% then an impairment would be required.

20. Trade and other payables

	2023 $	2022 $
Trade creditors	**351,586**	458,644
Accrued expenses	**487,323**	283,798
GST	**(20,155)**	(47,593)
PAYG	**30,533**	27,144
Sundry creditors	**-**	448
	849,287	722,441

21. Employee benefit liabilities

	2023 $	2022 $
Current		
Employee entitlements	**47,606**	35,020
Superannuation	**21,310**	18,962
	68,916	53,982
Non-Current		
Employee entitlements	**7,821**	-
	7,821	-

Recognition and measurement

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Statement of Financial Position.

(ii) Other long-term employee benefit obligations

The liabilities for long term benefits is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

(iv) Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity.

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

22. Lease liabilities and borrowings – current liabilities

	Note	**2023** $	2022 $
Non-bank loans		**-**	32,376
Lease liabilities	26	**124,193**	137,015
Hire purchase liabilities	26	**155,413**	145,876
		279,606	315,267

23. Lease liabilities and borrowings – non-current liabilities

	Note	**2023** $	2022 $
Lease liabilities	26	**401,160**	93,856
Hire purchase liabilities	26	**241,579**	396,992
		642,739	490,848

24. Equity

(a) Contributed equity

	2023 No. of shares	2022 No. of shares	**2023 $**	2022 $
Fully paid ordinary shares	**10,716,208,211**	10,716,208,211	**76,861,879**	76,861,879

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

Capital Management

The company's capital management policy provides a framework to maintain a capital structure to support the development of the business into one that is income producing. The company seeks to utilise available borrowing facilities when and to the extent prudent to do so, in order to maximise returns for equity shareholders and limit the need to raise additional equity capital.

Dividends

There were no dividends declared or paid during the reporting period.

Movements in ordinary shares

Details	**No. of shares**	**$**
1 January 2022	9,344,533,558	74,132,092
Issue of shares to non-controlling interests of EcoQuip Australia Pty Ltd	1,371,674,653	2,740,351
Share issue costs	-	(10,564)
31 December 2022	10,716,208,211	76,861,879
31 December 2023	**10,716,208,211**	**76,861,879**

Recognition and measurement

Contributed equity

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

(b) Other equity

	2023 No. of options	2022 No. of options	2023 $	2022 $
$0.00402 expiry 11 May 2023	-	160,000,000	-	-
$0.00402 expiry 16 November 2023	-	75,000,000	-	-
$0.00402 expiry 11 April 2024	60,000,000	60,000,000	-	-
$0.00429 expiry 11 May 2024	160,000,000	160,000,000	-	-
$0.00429 expiry 11 April 2025	60,000,000	60,000,000	-	-
$0.00450 expiry 11 May 2025	160,000,000	160,000,000	-	-
$0.00429 expiry 16 November 2025	75,000,000	75,000,000	-	-
$0.00450 expiry 11 April 2026	60,000,000	60,000,000	-	-
$0.00450 expiry 16 November 2026	75,000,000	75,000,000	-	-
Total	650,000,000	885,000,000	-	-

Movements in other equity
There were no movements in other equity during the financial year ending 31 December 2023.

(c) Reserves

	2023 $	2022 $
Share based reserves - reserve holding shares subject to the achievement of performance-based measures	3,470,000	3,470,000
Options based reserves	5,101,391	4,431,258
	8,571,391	7,901,258

25. Earnings/(loss) per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(a) Basic earnings/(loss) per share

	2023 cents	2022 cents
From continuing operations attributable to the ordinary equity holders of the company	0.0057	(0.0036)
Total basic earnings per share attributable to the ordinary equity holders of the company	0.0057	(0.0036)

	2023 $	2022 $
Profit / (loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	607,685	(345,259)
Weighted average number of ordinary shares		
Issued ordinary shares at the beginning of the period	10,716,208,211	9,344,553,558
Effect of shares issued for acquisition of non-controlling interests	-	169,110,574
Weighted average number of ordinary shares at the end of the period	10,716,208,211	9,513,664,132

(b) Diluted earnings/(loss) per share

	2023 $	2022 $
Profit / (loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	**607,685**	(345,259)

Weighted average number of ordinary shares		
Issued ordinary shares at the beginning of the period	**10,716,208,211**	9,344,553,558
Effect of shares issued for acquisition of non-controlling interests	**-**	169,110,574
Weighted average number of ordinary shares at the end of the period	**10,716,208,211**	9,513,664,132

26. Leases

In April 2021, Volt entered into a new operating lease for an office and workshop located at 6 Bradford Street, Kewdale WA 6105. These premises currently provide office and workshop accommodation for all the Volt Group business activities. The lease has an initial term to 30 June 2024, with the provision for a further 3-year extension beyond that date. In November 2023, Volt provided notice of extension to the lessor, and in February 2024, signed an Extension of Lease Agreement to extend the term of the lease through to 30 June 2027 as provided for in the original lease agreement. The lease contract provides for a minimum percentage rent increase per year, or CPI, whichever is the greatest.

Right-of-Use Assets		**Land and buildings**
	2023 $	2022 $
Opening balance	**190,283**	306,857
Additions	**435,935**	8,225
Amortisation	**(129,074)**	(124,799)
Balance at the end of the year	**497,144**	190,283

The Group also has various items of plant and equipment that are held under finance lease arrangements. The Group's finance lease liabilities, which are secured by the related assets held under finance leases, are classified as follows:

Lease Liabilities	**2023 $**	2022 $
Finance lease liabilities		
Current	**279,606**	282,891
Finance lease liabilities		
Non-current	**642,739**	490,848

Future minimum finance lease payments at the end of each reporting period under review were as follows:

	Within 1 Year $	**1-5 years $**	**After 5 years $**	**Total $**
2022				
Lease payments	313,160	523,439	-	836,599
Finance charges	(30,269)	(32,591)	-	(62,860)
Net present values	282,891	490,848	-	773,739
2023				
Lease payments	**300,337**	**654,599**	**-**	**954,936**
Finance charges	**(20,731)**	**(11,860)**	**-**	**(32,591)**
Net present values	**279,606**	**642,739**	**-**	**922,345**

Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

27. Provisions

	2023 $	2022 $
Service Exchange Provision		
Current		
At the beginning of the year	**770,000**	165,000
Provisions made during the year	**587,338**	605,000
Provision used	**(943,083)**	-
Balance at the end of the year	**414,255**	770,000

Service Exchange Provision

In August 2020, Wescone secured a 5-year purchase service exchange & repair contract with a customer which provides for the replacement of existing installed crushers with the new Wescone W300 Series 4 crusher and the exclusive provision of ongoing repair / service exchange related service for 5 years. Revenue for the sale of each W300 Series 4 crusher is recognized upon delivery, and a provision for the total credit that could potentially be supplied for the corresponding exchange crushers if they are returned, has been recognized at 31 December and offset against revenue recognised during the year.

28. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2023 $	2022 $
BDO		
Audit and review of financial statements	**37,688**	60,189
Total remuneration for audit and other assurance services	**37,688**	60,189
Financial and tax due diligence services	**-**	34,917
Total remuneration of BDO	**37,688**	95,106

29. Related party transactions

(a) Key management personnel compensation

	2023 $	2022 $
Short-term employee benefits	**479,960**	471,251
Share based payments	**473,047**	702,294
	953,007	1,173,545

Detailed remuneration disclosures are provided in the remuneration report.

(b) Transactions with other related parties

There were no transactions with any related parties during the years ended 31 December 2022 and 31 December 2023.

30. Subsidiaries and transactions with non-controlling interests

Significant investments in subsidiaries during the year ended 31 December 2023 are set out below:

Name of entity	Country of incorporation	Class of shares	Equity holding 2023 %	Equity holding 2022 %
ATEN Operations Pty Ltd	Australia	Ordinary	100	100
Enerji Holdings Pty Ltd	Australia	Ordinary	100	100
Enerji Research Pty Ltd	Australia	Ordinary	100	100
Enerji PE Management Pty Ltd	Australia	Ordinary	100	100
Enerji GMRL SPV Pty Ltd	Australia	Ordinary	100	100
Wescone Distribution Pty Ltd	Australia	Ordinary	100	100
EcoQuip Australia Pty Ltd	Australia	Ordinary	100	100
EcoQuip (EC Fleet) Pty Ltd	Australia	Ordinary	100	100
EcoQuip Fleet Pty Ltd	Australia	Ordinary	100	100

31. Events occurring after the reporting period

There are no events that occurred subsequent to the reporting period ending, that would have a material impact on the financial statements as at 31 December 2023.

32. Share based payments

(a) Employee share scheme

A scheme under which shares may be issued by the company to employees with an interest free loan for the purchase price of the shares was approved by shareholders at a general meeting on 1 December 2009.

(b) Other share-based payments

Incentive Option Scheme

The establishment of an Incentive Option Scheme ('Scheme') was approved by shareholders at the 2021 Annual General Meeting. The objective of the Scheme is to appropriately motivate, retain and reward directors, management and employees for driving long term growth and performance of the company by allowing them to participate in equity in the company and ultimately aligning their interest with that of shareholders. Under the Scheme, participants are granted options, which will only vest if certain performance standards are met. Participation in the Scheme is at the Board's discretion and no individual has a contractual right to participate in the Scheme or to receive guaranteed benefits.

Options granted under the Scheme carry no dividend of voting rights. When exercisable, each option is convertible into one ordinary shares in the company.

Set out below are summaries of options granted under the Scheme:

Grant Date	Number of options	Vesting conditions
11 May 2021	160,000,000	12 months employment and First ATEN Construction Start
11 May 2021	160,000,000	12 months and there being a 180-day VWAP of at least 0.60 cents per share
11 April 2022	60,000,000	6 months employment
11 April 2022	60,000,000	12 months employment and First ATEN Construction Start
11 April 2022	60,000,000	12 months and there being a 180-day VWAP of at least 0.60 cents per share
16 November 2022	75,000,000	18 months employment and deployment of 150 MSLT units
16 November 2022	75,000,000	24 months employment and deployment of 270 MSLT units
Total	650,000,000	

The number and weighted average exercise prices of share options are as follows:

	2023		2022	
	Weighted average exercise price	**Number of options**	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	**$0.004270**	**885,000,000**	$0.004295	660,000,000
Granted during the period	**-**	**-**	$0.004270	405,000,000
Exercised during the period	**-**	**-**	-	-
Cancelled during the period	**-**	**-**	-	-
Expired during the period	**$0.004020**	**235,000,000**	$0.004360	180,000,000
Outstanding at the end of the year	**$0.004360**	**650,000,000**	$0.004270	885,000,000
Exercisable at the end of the year	**$0.004020**	**60,000,000**	$0.004020	220,000,000

The exercise price of options outstanding at 31 December 2023 ranged between $0.00402 and $0.0045 (2022: $0.00402 and $0.0045) and their weighted average contractual life was 2.33 years (2022: 1.85 years).

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties is as set out below:

Name	Balance at the start of the year	Granted as compen-sation	Exercised	Forfeited	Other changes	Balance at the end of the year	Vested and exercisable	Unvested
Directors								
Adam Boyd	300,000,000	-	-	100,000,000	-	200,000,000	-	200,000,000
Simon Higgins	90,000,000	-	-	30,000,000	-	60,000,000	-	60,000,000
Peter Torre	90,000,000	-	-	30,000,000	-	60,000,000	-	60,000,000
Paul Everingham	180,000,000	-	-	-	-	180,000,000	60,000,000	120,000,000
	660,000,000	-	-	160,000,000	-	500,000,000	60,000,000	440,000,000

There were no options granted under the Scheme during the year ended 31 December 2023. There has been no alteration of the terms and conditions of the above share-based payment arrangements since grant date.

The fair value of the equity-settled share options granted under the Scheme is estimated as at the date of grant using the Trinomial option pricing model taking into account the terms and conditions upon which the options were granted.

	Simon Higgins, Adam Boyd and Peter Torre		**Paul Everingham**			**David Sharp**	
Grant date	11 May 2021		11 April 2022			16 November 2022	
Expiry date	11 May 2024	11 May 2025	11 April 2024	11 April 2025	11 April 2026	16 November 2025	16 November 2026
Expected volatility [1]	268.9%	281.0%	257.4%	255.5%	257.5%	247.3%	253%
Risk-free interest rate	0.13%	0.58%	2.110%	2.505%	2.675%	3.25%	3.37%
Expected life of option (days) [2]	1,096	1,461	731	1,096	1,461	1,096	1,461
Grant date share price (cents)	0.4	0.4	0.3	0.3	0.3	0.2	0.2
Fair value of each option (cents)	0.391	0.398	0.277	0.291	0.296	0.191	0.197

[1] The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

[2] The expected life of the options is not based on historical data and is not necessarily indicative of exercise patterns that may occur. The number of days is calculated by the number of days between the grant date and expiry date of the option.

No other features of options granted were incorporated into the measurement of fair value.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	2023 **$**	2022 $
Expense arising from equity-settled share-based payment transaction	**670,133**	620,174
Total expense arising from share-based payment transactions	**670,133**	620,174

33. Financial instruments

Financial risk management policies

The Group financial instruments consist mainly of deposits with banks, accounts receivables and payables and domestic loans.

The Board of Directors analyse financial risk exposure at Board Meetings to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimizing potential adverse effects on financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to currency risk on purchases of spare parts and plant and equipment that are denominated in US dollars (USD). The use of currency hedging in relation to these exposures is assessed on a case-by-case basis.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. Management has set up a policy that all transactions in foreign currencies be transacted at spot. Management will continually review this policy based on volumes of foreign currency required.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

		2023		2022
	USD	**AUD**	USD	AUD
	$	**$**	$	$
Trade and other receivables	**-**	**599,209**	-	284,929
Trade and other payables	**(54,222)**	**(769,689)**	(114,304)	(554,488)
Net exposure	**(54,222)**	**(170,481)**	(114,304)	(269,559)

The effect of a 3.5% strengthening of the USD against the AUD at the reporting date on USD denominated trade payables carried at that date would, all other variables held constant, have resulted in a decrease in net assets of AU $2,681 (2022: $4,914). A 3.5% weakening in the exchange rate would, on the same basis, have increased post-tax profit and increased net assets by AU $2,681 (2022: $4,914).

(ii) Cash flow and fair value interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer term borrowings are therefore usually at fixed rates. The Group's exposure to interest rate risk relates primarily to cash and cash equivalents. As at 31 December 2023, the Group has hire purchase financial liabilities that are at fixed rates and has no financial liabilities subject to interest rate movements. The Group's maximum exposure to interest rate risk at reporting date is shown below. As such, sensitivity to interest rate risk is considered immaterial.

	Note	**2023**	2022
		$	$
Cash and cash equivalents	14	**1,546,548**	2,274,608
Trade and other receivables - current	15	**782,990**	291,430
		2,329,538	2,566,038

(b) Credit risk

Credit risk arises from cash and cash equivalents, held-to-maturity investments, favourable derivative financial instruments and deposits with banks and financial institutions, as well as the credit exposures to wholesale and retail customers, including outstanding receivables.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	**2023**	2022
		$	$
Cash and cash equivalents	14	**1,546,548**	2,274,608
Trade and other receivables - current	15	**782,990**	291,430
		2,329,538	2,566,038

The Group manages credit risk through dealing with creditworthy counterparties and balances are monitored on an ongoing basis. For bank and financial institutions, only independently rated parties with a minimum Standard & Poor's credit rating of A (or equivalent) are accepted.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counter parties having similar characteristics. Trade receivables include blue chip companies in mining and mining services industries. Management considers the credit quality of trade receivables that are not past due or impaired to be in good standing.

(c) Liquidity risk

The Group has limited exposure to liquidity risk as the Group's main liabilities are trade and other payables and hire purchase liabilities. The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables (see Notes 14 and 15) exceed the current cash outflow requirements. Cash flows from trade and other receivables are all contractually due within six months.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual discounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	**Less than 6 months**	**6-12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount (assets) / liabilities**
At 31 December 2023	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Trade Payables	**849,287**	**-**	**-**	**-**	**-**	**849,287**	**849,287**
Lease liabilities	**173,410**	**175,972**	**354,585**	**354,338**	**-**	**1,058,305**	**922,345**
Total	**1,022,697**	**175,972**	**354,585**	**354,338**	**-**	**1,907,592**	**1,771,632**
At 31 December 2022							
Trade Payables	722,441	-	-	-	-	722,441	722,441
Borrowings	28,329	4,047	-	-	-	32,376	32,376
Lease liabilities	165,323	167,252	255,711	253,438	-	841,724	773,739
Total	916,093	171,299	255,711	253,438	-	1,596,541	1,528,556

(d) Recognised fair value measurements

The net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the Consolidated Statement of Financial Position and in the Notes to the Consolidated Statement of Financial Position. This note provides an update on the judgements and estimates made by the group in determining the fair values of the financial instruments.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the Statement of Financial Position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements.

Fair value hierarchy

The fair value hierarchy consists of the following levels:

- Quoted prices in active markets for identical assets and liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market date (unobservable inputs) (Level 3)

As at 31 December 2023 and 31 December 2022, the carrying amount of assets and liabilities approximate their fair values.

There were no transfers between levels for recurring fair value measurements during the year. The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting date.

Level 1: the fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument is observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Capital management

The Board's policy is to maintain a strong asset base so as to maintain investor, creditor and market confidence and to sustain future development of the business. There were no changes in the Group's approach to capital management during the year. Neither the Group nor any of its subsidiaries is subject to externally imposed capital requirements.

34. Parent entity financial information

Statement of financial position

	2023	2022
	$	$
Current assets	**802,787**	652,083
Non-current assets	**8,697,733**	5,210,474
Total assets	**9,500,520**	5,862,557
Current liabilities	**(648,994)**	(433,700)
Non-current liabilities	**(3,200,160)**	(1,013,857)
Total liabilities	**(3,849,154)**	(1,447,557)
Net assets	**5,651,366**	4,415,000
Shareholders' equity		
Issued capital	**76,861,879**	76,861,879
Reserves	**8,571,391**	7,901,258
Accumulated losses	**(79,781,905)**	(80,348,137)
Total shareholders' equity	**5,651,365**	4,415,000
Profit / (loss) for the year	**(556,566)**	(516,457)
Total comprehensive profit / (loss)	**(556,566)**	(516,457)

Directors' Declaration

In accordance with a resolution of the directors of Volt Power Group Limited, I state that:

1. In the opinion of the directors:

(a) the financial statements and notes of Volt Power Group Limited for the financial year ended 31 December 2023 are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the year ended on that date; and
  (ii) complying with Accounting Standards and the Corporations Regulations 2001;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(a); and

(c) 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. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and chief financial officer in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2023.

On behalf of the Board.

Adam Boyd
Chairman
Perth
28 February 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Volt Power Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Volt Power Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the 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.

Key audit matters

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

Recoverability of Intangible Assets

Key audit matter	*How the matter was addressed in our audit*
The Group's carrying value intangible assets as disclosed in Note 19 represents a significant asset to the Group. The Australian Accounting Standards require the Group to assess indicators of impairment on the Cash Generating Unit (CGU) to which the asset is allocated on an annual basis. During the year the Group performed an impairment assessment as disclosed within Note 19 of the financial report. The assessment of impairment is complex and highly judgemental and includes assessing a range of external and internal factors and modelling a range of assumptions that could impact the recoverable amount of a cash generating unit ("CGU"). Accordingly, this matter was considered a key audit matter.	Our work included but was not limited to the following procedures: • Assessing the appropriateness of the Group's identification of CGU's based on our understanding of the Group's business and internal reporting; • Considering the appropriateness of the valuation methodology applied; • Assessing the reasonableness of management's key estimates and judgements applied within the model; • Assessing the arithmetic accuracy of the model and underlying information; • In conjunction with our internal valuation specialist, reviewing and assessing the appropriateness of the discount rate applied; • Obtaining and reviewing reasonableness of the cash flow forecast prepared by management; • Reviewing the Director's minutes and ASX announcements for evidence of consistency of information with management's assessment of the carrying value; and • Assessing the adequacy of the related disclosures.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group 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 Group or to cease operations, or has 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 19 of the directors' report for the year ended 31 December 2023.

In our opinion, the Remuneration Report of Volt Power Group Limited, for the year ended 31 December 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 28 February 2024

Investor Information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 20 February 2024.

Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are detailed below:

Range	Securities	%	No. of holders	%
100,001 and Over	10,713,797,954	99.98	733	84.64
10,001 to 100,000	2,170,704	0.02	53	6.12
5,001 to 10,000	177,726	0.00	22	2.54
1,001 to 5,000	50,536	0.00	18	2.08
1 to 1,000	11,291	0.00	40	4.62
Total	**10,716,208,211**	**100.00**	**866**	**100.00**
Unmarketable Parcels	42,066,465	0.39	270	31.18

Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

Rank	Name	20 Feb 2024	%IC
1	DAVID JAMES SHARP & STEFANIE LOUISE KING	1,421,674,653	13.27
2	MR MICHAEL CAMPBELL HENDER & MR JOHN ERNEST HENDER	692,000,000	6.46
3	RENEWABLE INITIATIVE PTY LTD	579,500,000	5.41
4	GENUSPLUS GROUP PTY LTD	461,000,000	4.30
5	ADAM BOYD	443,000,000	4.13
6	S & N HIGGINS SUPER PTY LTD	428,000,000	3.99
7	MR CHRIS CARR & MRS BETSY CARR	400,000,000	3.73
8	AHB SUPER PTY LTD	370,000,000	3.45
9	SIMON HIGGINS	345,000,000	3.22
10	RENEWABLE INITIATIVE PTY LTD	300,500,000	2.80
11	MR GREGORY JOHN BITTAR	220,000,000	2.05
12	DAVID OGG & ASSOCIATES PTY LTD	204,236,707	1.91
13	BLAMNCO TRADING PTY LTD	200,000,000	1.87
14	GETTYSBURG INVESTMENT COMPANY PTY LTD	181,942,344	1.70
15	HOODWINKED PTY LTD	170,000,000	1.59
16	AHB SUPER PTY LTD	154,000,000	1.44
17	MR JUSTIN O'NEIL MALOUF	150,000,000	1.40
18	BOTSIS HOLDINGS PTY LTD	136,706,690	1.28
19	DARRYL PETER OLDFIELD	110,000,000	1.03
20	HIGGINS WESTERN PTY LTD	109,000,000	1.02
	Total	**7,076,560,394**	**66.04**
	Balance of register	**3,639,647,817**	**33.96**
	Grand total	**10,716,208,211**	**100.00**

Substantial shareholders

The following shareholders have declared a relevant interest in the number of voting shares at the date of giving notice under Part 6C.1 of the Corporations Act 2001.

Name	No. ordinary shares	% of issued capital
Adam Boyd (and related)	1,847,000,000	17.24%
David Sharp & Stefanie King ATF Sharp Family Trust	1,421,674,653	13.27%
Simon Higgins (and related)	801,000,000	7.47%

Voting rights

Each ordinary shareholder present at a general meeting in person, by proxy or by representative is entitled to one vote on a show of hands, or on a poll, one vote for each fully paid ordinary share subject to any voting restrictions that may apply.