

CRITICAL INFRASTRUCTURE TECHNOLOGIES PTY LTD

ACN 55 636 999

FINANCIAL REPORT

FOR THE 6 MONTHS ENDED 31 DECEMBER 2022

Critical Infrastructure Technologies Pty Ltd
Directors' Report
31 December 2022

The directors present their report for Critical Infrastructure Technologies Pty Ltd ("company"), together with the financial statements for the six months ended 31 December 2022.

Directors

The following persons were directors of Critical Infrastructure Technologies Pty Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Andrew Hill
Brenton Scott

Principal activities

During the financial year the principal continuing activities consisted of:

- ✓ Self-Deploying Skid (SDS) research and development
- ✓ Prototype building
- ✓ Production facility expansion

Dividends

No dividends were paid during the financial year.

Review of operations

The loss amounted to \$404,785 (31 December 2021: Loss \$224,651).

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Critical Infrastructure Technologies Pty Ltd
Directors' Report
31 December 2022

Matters subsequent to the end of the year

The Share Purchase Agreement executed 14th December 2021, for the sale of all shares issued in 1319275 BC Ltd in exchange for shares in 1319275 BC Ltd, settled on 13th February, 2023 resulting in the Company becoming a wholly owned subsidiary of 1319275 BC Ltd. On that same date, 1319275 BC Ltd changed its name to Critical Infrastructure Technologies Ltd.

On 14th February 2023, Critical Infrastructure Technologies Ltd (CTTT) filed its final prospectus with BCSC following approval to final being received from the British Columbian Securities Commission.

CTTT listed on the Canadian Stock Exchange (CSE) on 28th February 2023

Likely developments and expected results of operations

The production of 2 full scale SDP's has commenced with the first one expected to complete late June for deployment into the field for trial and testing. The second SDP is expected to complete late August.

Environmental regulation

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

Interests in the Shares and Options of the Company

The following relevant interests in shares / options of the Company or a related body corporate were held by the directors at 31 December.

Directors	Number of Fully Paid Ordinary Shares	Number of Options
Andrew Hill (held indirectly)	21,295	Nil
Brenton Scott (held indirectly)	60,811	Nil

Legal Litigation

The Company is not subject to any significant legal litigation.

Directors Remuneration

The remuneration of the Directors is detailed in Table 1.

Table 1: Key Management Personnel Remuneration For the six months ended 31 December 2022.

	Primary Benefits	Post-Employment	Total
	Salary & Fees	Superannuation	
Directors	\$	\$	\$
Andrew Hill	90,000	9,450	99,450
Brenton Scott	90,000	9,450	99,450
Total	90,000	18,900	198,900

Shares under option

There were no unissued ordinary shares in the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares in the company issued on the exercise of options during the three months ended 31 December 2022 and up to the date of this report.

Indemnity and insurance of officers

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Critical Infrastructure Technologies Pty Ltd
Directors' Report
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Rounding of amounts

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

Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Brenton Scott	1	1
Andrew Hill	1	1

Auditor's independence declaration

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

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

In the directors' opinion:

- ✓ the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- ✓ the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- ✓ the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial year ended on that date;
- ✓ there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

"Brenton Scott"

Brenton Scott

Director

28, February 2023
Perth, Western Australia

Critical Infrastructure Technologies Pty Limited
Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 31 December 2022

	Note	(un-audited)		Six months ended 31	
		Three months ended 31		December,	
		2022	2021	2022	2021
		\$	\$	\$	\$
Other Operating expenses	4	(22,957)	(15,618)	(44,621)	(21,590)
Amortization - R&D		(202,899)	(64,908)	(326,510)	(159,458)
Operating Income/ (loss)		(225,856)	(80,526)	(371,131)	(181,048)
Finance cost		(8,843)	(43,602)	(33,654)	(43,603)
Profit before taxation		(234,699)	(124,128)	(404,785)	(224,651)
Taxation		-	-	-	-
Profit/ (loss) for the period		(234,699)	(124,128)	(404,785)	(224,651)
Other Comprehensive Income		-	-	-	-
Total comprehensive loss attributable to members of Critical Infrastructure Technologies Pty Limited		(234,699)	(124,128)	(404,785)	(224,651)

The accompanying notes form part of these financial statements.

Critical Infrastructure Technologies Pty Limited
Statement of Financial Position
as at 31 December 2022

	Note	6 months ended 31 December 2022 \$	12 Months Ended 30 June 2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	136,887	169,186
Trade and other receivables	6	272,957	1,011,212
Total Current Assets		<u>409,844</u>	<u>1,180,398</u>
Non-Current Assets			
Property plant and equipment	7	-	-
Lease Guarantee Deposit		87,559	87,559
Intangible assets	8	1,796,572	1,016,937
Total Non-Current Assets		<u>1,884,131</u>	<u>1,104,496</u>
TOTAL ASSETS		<u><u>2,293,975</u></u>	<u><u>2,284,294</u></u>
LIABILITIES			
Current Liabilities			
Trade and other payables	9	450,754	499,353
Loan and borrowings	10	652,807	1,218,050
Convertibles Loan Notes	11	-	139,003
Total Current Liabilities		<u>1,103,561</u>	<u>1,856,406</u>
TOTAL LIABILITIES		<u>1,103,561</u>	<u>1,856,406</u>
NET ASSETS/ (LIABILITES)		<u><u>1,190,414</u></u>	<u><u>428,488</u></u>
EQUITY			
Issued Capital	12	2,781,505	1,396,299
Accumulated losses		<u>(1,591,091)</u>	<u>(967,811)</u>
TOTAL EQUITY		<u><u>1,190,414</u></u>	<u><u>428,488</u></u>

The accompanying notes form part of these financial statements.

Critical Infrastructure Technologies Pty Limited
Statement of Changes in Equity
For the six months ended 31 December 2022

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance as at 1 July 2021	1,099	(360,318)	(359,219)
Loss for the year	-	(607,493)	(607,493)
Issued shares during the year	1,395,200	-	1,395,200
Balance as at 30 June 2022	1,396,299	(967,811)	428,488
Balance as at 1 July 2022	1,396,299	(967,811)	428,488
Loss for six months	-	(404,785)	(404,725)
Share issue cost	218,495	(218,495)	-
Issued shares during the year (against expenses)	1,166,711	-	1,166,711
Balance as at 31 December 2022	2,781,505	(1,591,091)	1,190,414

The accompanying notes form part of these financial statements.

Critical Infrastructure Technologies Pty Limited
Statement of Cash Flows
For the six months ended 31 December 2022

	6 months ended 31 December 2022 \$	6 months ended 31 December 2021 \$
Cash generated from operating activities		
Profit before taxation	(404,785)	(890,787)
Adjustment for:		
Depreciation and amortization	326,510	-
Interest expense	33,654	43,603
Share issue costs	(218,495)	
	<u>(263,116)</u>	<u>(847,184)</u>
Working capital changes (Increase)/ decrease in current assets		
Decrease in trade receivable	738,255	417,129
Decrease in trade and other payables	(48,599)	(110,652)
Net cash generated from operating activities	<u>426,540</u>	<u>300,505</u>
Cash flows used in investing activities		
Development expenditure	(1,106,145)	(237,143)
Net Cash used in investing activities	<u>(1,106,145)</u>	<u>(237,143)</u>
Cash flows provided by financing activities		
Advance against issue of shares	1,385,206	-
Interest paid	(33,654)	
Net Proceeds/(payment) from loans and borrowings	(565,243)	(77,746)
Proceeds/(payment) from issue convertible loan notes	(139,003)	20,000
Net cash provided by financing activities	<u>647,306</u>	<u>(57,746)</u>
Net increase / (decrease) in cash held		
Net decrease in cash and cash equivalents	(32,299)	5,616
Cash and cash equivalents at beginning of the financial period	<u>169,186</u>	<u>22,046</u>
Cash at end of the financial period	<u><u>136,887</u></u>	<u><u>27,662</u></u>

The accompanying notes form part of these financial statements.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

1. LEGAL STATUS AND OPERATIONS

Critical Infrastructure Technologies Pty Limited (Formerly named as Bluewater Marine Australia Pty Limited) (the Company) was incorporated as a Private limited company on October 08, 2019 under the Corporations Act, 2001 and it is the proprietary company, limited by shares having ACN 636 677 999. The registered office is located at 176 Marine Terrace Fremantle, Western Australia. The Company is principally engaged in developing communications products for critical applications in Mining, Emergency Services, Defense and Government.

The geographical location and addresses of the Company's business units including plants are as follows:

Business unit	Geographical location and address
Registered office	176 Marine Terrace Fremantle, Western Australia

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared on the basis of the policies set out in the 30 June 2022 annual financial statements and in accordance with IAS 34 'Interim Financial Reporting', IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'). Therefore, they include an explanation of events and transactions that are significant to an understanding of the changes in Company's financial position and performance since the end of 30 June 2022. These financial statements should be read in conjunction with the Annual Report and Accounts of 30 June 2022, which were prepared in accordance with international accounting standards and International Financial Reporting Standards ('IFRSs') as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

2.1 Basis of Preparation (Continued)

Critical accounting estimates (continued)

The estimates and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances and are continually evaluated. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgements made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy note.

Management believes that our critical accounting estimates and judgements are those that relate to impact of Coronavirus (COVID-19) pandemic, Allowance for expected credit losses, Fair value measurement hierarchy, Estimation of useful lives of assets, Impairment of Goodwill and other indefinite life intangible assets, Impairment of non-financial assets other than goodwill, provision for Income tax, provisions for liabilities, provision for defined benefit obligations and post-employment benefits. There were no changes in the current period to the critical accounting estimates and judgements applied in the financial statement as at 31 December 2022.

Going Concern

During the six month period ended 31 December 2022, The Company incurred net loss after tax of A\$ 404,785 and has a net current Liabilities of A\$ 693,716. As at 31 December 2022, the company had cash and cash equivalents of A\$ 136,887.

The Financial statement has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realization of assets and settlement of liabilities in the normal course of business.

In arriving at this position, the directors have had regard to the fact that the Company has, or in the directors' opinion will have access to, sufficient cash to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

In forming this view the directors have taken into consideration the following:

- The ability of the Company to obtain funding through various sources, including debt and equity issues which are currently being investigated by management;
- Receipt of R&D received amounting to \$ 812,924 during the reporting period
- Conversion of all convertible notes to **ordinary** shares as described in Note 11.
- The Company has the capacity, if necessary, to reduce its operating cost structure in order to minimize its working capital requirements; and
- The ability to further vary cash flow depending upon the achievement of certain milestones within the business plan.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

2.1 Basis of Preparation (Continued)

Going Concern (Continued)

- The directors have reasonable expectations that they will be able to raise additional funding needed for the Company to continue to execute against its milestones in the medium term. However, cashflows will be adjusted to ensure that the Company can pay its debts as and when they fall due until medium term funding is secured. This may have an impact on the ability of the Company to grow as rapidly as it anticipated but should provide a more sustainable cost base until funding is obtained.

Should the Company not achieve the matters set out above there is significant uncertainty whether the Company will continue as going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial statement. The financial report does not include any adjustment relating to the recoverability or classification of the recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments to approved accounting standards effective in current year

New and amended standards and interpretations mandatory for the first time for the financial year beginning July 1, 2022:

IAS 20 Governments Grants and Disclosure of Government Disclosure

Disclosures by Business Entities about Government Assistance

Effective date

The amendments in this Update are effective for all entities within their scope for financial statements issued for annual periods beginning after December 15, 2021.

3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company.

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2022 and have not been early adopted by the Company:

IFRS 5 Fair Value Measurement

Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions

Effective date

The amendments are effective for fiscal years beginning after December 15, 2024.

IFRS 9 Financial Instruments

Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures.

Derivatives and Hedging (Topic 815): Fair Value Hedging—Portfolio Layer Method

This Update are effective for fiscal years beginning after December 15, 2022.

The amendments are effective for fiscal years beginning after December 15, 2023.

There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

	3 months ended	3 months ended	6 months ended	6 months ended
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$	\$	\$	\$
	(un-audited)			
4 OTHER OPERATING EXPENSES				
Accounting	11,785	7,472	16,010	10,202
Meeting Expenses	1,408	2,831	-	4,881
Other expenses	12,654	5,315	28,611	6,507
	22,957	15,618	44,621	21,590
			6 months ended	12 Months Ended
			31 December 2022	30 June 2022
			\$	\$
5 CASH AND CASH EQUIVALENT				
Cash in hand			1,099	1,099
Cash at bank			135,788	168,087
			136,887	169,186
6 TRADE AND OTHER RECEIVABLE				
R&D rebate receivable			-	812,923
Goods and service tax			272,957	198,289
			272,957	1,011,212
7 PROPERTY PLANT AND EQUIPMENT				
Office Equipment			12,649	12,649
Accumulated Depreciation			(12,649)	(12,649)
			-	-
8 INTANGIBLE ASSETS				
Research and development expenditure			2,612,084	1,505,940
Less: accumulated amortization and impairment			(815,512)	(489,003)
			1,796,572	1,016,937

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

		6 months ended 31 December 2022 \$	12 Months Ended 30 June 2022 \$
9	TRADE AND OTHER PAYABLES		
	R & D equipment	-	162,508
	Consulting fees	55,590	77,486
	Superannuation payable	43,675	17,694
	Accrued wages	88,753	46,814
	Withholding tax payables	262,736	194,851
		450,754	499,353
10	LOAN AND BORROWINGS		
	Loan - 1319275 B.C. LTD	10.1 207,915	207,915
	Loan - Foresense Ltd	10.2 116,392	112,185
	Loan from Junior Jay Pty Ltd ATF The JJC Consulting Services Trust	10.3 -	281,615
	Loan from Radium Capital	10.4 328,500	516,335
	Other	10.5 -	100,000
		652,807	1,218,050
10.1	Loan taken amounting to C\$50,000 and C\$150,000 from 1319275 B.C. LTD on 17 Dec 2021 and March 2022 respectively having simple interest rate @ 10% per annum. These loans are payable on maturity dates 17 Dec 2022 and 31 July 2023 respectively. Interest will be paid on post maturity balance on the event of default.		
10.2	Loan obtained from Foresense Ltd amounting to \$ 100,000 having simple interest rate @ 15%.		
10.3	Loan obtained from Junior Jay Pty Ltd ATF The JJC Consulting Services Trust which is associated to the company. Loan is taken without any terms and condition and repayment reschedule. It was converted to equity on 31 December 2022		
10.4	Loan Obtained amounting to \$ 265,000 and \$235,000 dated 29 Jan 2022 and 29 Jun 2022 respectively and carry simple interest rate @ 15% and 14%. These loans are repayable on maturity dated 30 Nov 2022.		
10.5	Capital raised by subscribers for shares to be issued immediately prior to listing.		

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

		6 months ended 31 December 2022 \$	12 Months Ended 30 June 2022 \$
11	CONVERTIBLE LOAN NOTES		
	Convertible loan notes	11.1	-
			139,002
11.1	The Company proposed to issue unlisted debt notes to raise up an amount equal to the Aggregate Face Value (Notes). The Noteholder has agreed to subscribe for some of the Notes, in an amount equal to its Subscription Amount on the terms and conditions of the deed. The Notes are governed by the terms and conditions of the deed. These convertible notes have period of maturity of 18 months from the date of receipt and will start maturing on 3 September 2022. During the period, Convertible notes amounting to \$139,002 were converted to equity.		

		6 months ended 31 December 2022 \$	12 Months Ended 30 June 2022 \$
12	ISSUED CAPITAL		
	Fully paid ordinary shares	1,396,299	1,099
	Share issued	1,166,711	1,395,200
	Share issue cost	218,495	
		<u>2,781,505</u>	<u>1,396,299</u>

14 RELATED PARTY TRANSACTION

Related party	Relation	Transaction with related party
		Consulting fees charged by JJC Consulting Services Trust during the six months amounting to \$99,450.
Junior Jay Pty Ltd ATF The JJC Consulting Services Trust	Associated company	As at 31 December 2022, Nil was due to Junior Jay (being a combination of outstanding consulting fees and rent due, plus loans advanced to Citech
		Citech occupies the premises which is taken on lease by Junior Jay Pty Ltd. During the year rent charged to income statement is amounting \$161,237.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

15 **SUBSEQUENT EVENT**

On 26th October 2022, all convertible loan note holders and advance against issue of shares were converted to fully paid shares.

16 **FINANCIAL INSTRUMENTS**

(i) Capital Risk Management

The Company activities may expose it to a variety of risks: market risk (including, interest rate risk and price risk), credit risk and liquidity risk. The Company overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

(ii) Categories of Financial Instruments

	31 December 2022 \$	30 June 2022 \$
Financial assets		
Trade and other receivables	272,957	1,011,212
Cash and cash equivalents	<u>136,887</u>	<u>169,186</u>
Total financial assets	409,844	1,180,398
Financial liabilities		
Trade and other payables	450,754	499,353
Loan and borrowings	652,807	1,218,050
Convertible loan notes	<u>-</u>	<u>139,002</u>
Total financial liabilities	<u>1,103,561</u>	<u>1,856,405</u>
Net financial assets	<u>(693,717)</u>	<u>(676,008)</u>

During the financial year no loans or receivables were revalued through profit or loss.

(iii) Market Risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The company is not exposed to foreign exchange and interest rate risk.

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

(iv) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses publicly available financial information and its own trading record to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparty is a bank with a high credit rating assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(v) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(vi) Liquidity and interest rate risk tables

The following table details the Company's remaining contractual maturity for its financial liabilities. These are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted Average Effective Interest Rate %	Less than 1 Month	1 - 3	3 - 12
			Months	Months
For the six months ended 31 December 2022				
Non-interest bearing		-	-	-
Interest bearing				
Convertible loan notes	5%	-	-	-
Loan - 1319275 B.C. LTD	10%	-	-	207,915
Loan - Foresense Ltd	15%	-	-	116,392
Loan from Radium Capital	15%&14%	-	-	328,500

Critical Infrastructure Technologies Pty Limited
Notes to the Financial Statements
For the six months ended 31 December 2022

(vii) Fair Value of Financial Instruments

The fair value of financial assets and financial liabilities are determined as follows:

The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The fair value of other financial assets and liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

(viii) Interest Rate Sensitivity Analysis

The sensitivity analyses have been determined based on the exposure to interest rates for variable rate instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.