Appendix 4E

Preliminary final report

Name of entity

Delecta Limited

ABN or equivalent company reference	Financial year ended ('current period')
92 009 147 924	30 June 2021

Results for announcement to the market

				$A'000
Revenues from continuing operations	Down	1%	to	16,543
Loss from continuing operations after tax attributable to members	Down	53%	to	(139)
Net loss after tax for the period attributable to members	Down	53%	to	(139)

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend Interim dividend	None	- ¢
Previous corresponding period	None	- ¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution)	N/A

The above results should be read in conjunction with the notes and commentary contained in this report.

Management Discussion and Analysis

Overview

The consolidated entity recorded a net loss attributable to members of $139,000 (2020: loss $298,000) from operations.

The total loss per share for the year was 0.01 cents (2020: loss 0.04 cents).

The total group revenues decreased by 1% to $16,543,000.

Summarised operating results are as follows:

Year ended 30 June 2021

Operating Segment	Sales and services revenues from external customers $'000	Other income $'000	Earnings before interest, tax, depreciation, amortisation and impairment $'000	Depreciation, amortisation and impairment $'000	Interest (paid)/ received $'000	Profit / (loss) before income tax $'000
Wholesale	16,543	213	2,251	(246)	(30)	1,975
Exploration & Evaluation	-	-	(35)	(1,188)		(1,223)
Unallocated	-	-	(968)	-	2	(966)
	16,543	213	1,248	(1,434)	(28)	(214)
Income Tax Expense						(16)
Non-controlling interests						91
Total						(139)

Year ended 30 June 2020

Operating Segment	Sales and services revenues from external customers $'000	Other income $'000	Earnings before interest, tax, depreciation, amortisation and impairment $'000	Depreciation, amortisation and impairment $'000	Interest Paid/ received $'000	Profit / (loss) before income tax $'000
Wholesale	16,652	365	909	(82)	-	827
Exploration & Evaluation	-	-	(29)			(29)
Unallocated	-	-	(1,106)	-	1	(1,105)
	16,652	365	(226)	(82)	1	(307)
Income Tax Credit						9
Total						(298)

Wholesale

Wholesale sales revenue for the year decreased slightly in comparison to the prior year. A positive increase in sales revenues in the first half of the financial year was reversed in the second half following the cessation of the Australian Federal Government stimulus packages.

However, the division's focus on providing premium products and a premium service to suppliers and customers, along with the improvement in the Australian / US Dollar exchange rate and cost savings, resulted in the increase in the profitability of the segment.

Exploration & Evaluation

In January 2021, the group entered into a mining lease and option to purchase agreement to acquire the Speedway Gold Project, located in Tooele County, Utah, USA

Geological mapping and rock chip sampling was completed over the project and the company's consultant geologist has produced a report with recommendations for drill testing of gold targets. An airborne magnetic survey and an orthophotographic survey have also been completed to provide base maps for ongoing work including drill testing.

The results of this work are currently being assessed by the Company with the objective of finalising the targets to be tested and the scope of a drill program.

The Group's investments in the Highline Cobalt-Copper project in Nevada, USA, and Sunrise Mineral's Rex Vanadium-Uranium project in Colorado, were written down during the year. No substantive expenditure or exploration and evaluation of mineral resources at the Highline project is currently planned.

Given the recent positive sentiment in relations to uranium and vanadium the Company is planning to conduct geological mapping and rock chip sampling at the Rex Vanadium-Uranium project.

Head Office / Corporate

Head office / corporate expenditure for the year decreased to $966,000 from $1,105,000 in the previous financial year, although the prior year included $330,000 in costs relating to a withdrawn prospectus and a discontinued ASX re-compliance program.

Contingencies

There were no known contingent assets or liabilities within the group at year end.

Share Capital

212,625,000 ordinary shares and 236,312,500 unlisted options (exercisable at $0.008 on or before 3 September 2023) were issued following shareholder approval at a general meeting held on 2 September 2020.

A further 10,000,000 unlisted options (exercisable at $0.01 on or before 31 December 2023) were issued on 27 January 2021.

Subsequent Events

No matter or circumstance has arisen since the end of the financial year to the date of this report which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Statement of Comprehensive Income
For the Year ended 30 June 2021

	Notes	Consolidated For the year ended 30 June 2021 $'000	Consolidated For the year ended 30 June 2020 $'000
Continuing Operations			
Revenue	3	16,543	16,652
Cost of sales		(11,313)	(12,452)
Gross Profit		5,230	4,200
Other income	3	215	365
Other expenses		(4,471)	(4,872)
Impairment of Exploration assets	10	(1,188)	-
Loss from continuing operations before income tax		**(214)**	**(307)**
Income tax (expense) / credit		(16)	9
Net loss for the period		**(230)**	**(298)**
Attributable to:			
Equity holders of the parent		(139)	(298)
Non-controlling interests		(91)	-
		(230)	**(298)**
Other comprehensive income / (losses)			
Items that may be reclassified subsequently to profit and loss			
- Foreign currency translation		**1**	9
- Fair value income / (loss) on assets at fair value through other comprehensive income		**33**	(407)
Other comprehensive income / (losses)		**34**	**(398)**
Attributable to:			
Equity holders of the parent		34	(398)
Non-controlling interests		**-**	**-**
		34	**(398)**
Total comprehensive loss for the period		**(196)**	**(696)**
Attributable to:			
Equity holders of the parent		(105)	(696)
Non-controlling interests		(91)	-
		(196)	**(696)**

	For the year ended 30 June 2021 $'000	For the year ended 30 June 2020 $'000
Earnings per share		
From operations		
Basic loss per share	(0.01) cents	(0.04) cents
Diluted loss per share	(0.01) cents	(0.04) cents

The Condensed Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position
As at 30 June 2021

Consolidated	Notes	As at 30 June 2021 $'000	As at 30 June 2020 $'000
Current assets			
Cash and cash equivalents		1,845	1,722
Trade and other receivables		1,827	2,329
Inventories		3,202	2,100
Financial assets at fair value through Other Comprehensive Income	3	572	539
Prepayments and deposits		1,141	938
Total current assets		**8,587**	**7,628**
Non-current assets			
Plant and equipment		258	184
Right of use asset		647	798
Exploration and evaluation	4	336	908
Deferred tax asset		18	15
Total non-current assets		**1,259**	**1,905**
Total assets		**9,846**	**9,533**
Current liabilities			
Trade and other payables		905	990
Share placement funds received in advance		-	440
Current tax liabilities		14	6
Lease liabilities		156	121
Provisions		223	182
Total current liabilities		**1,298**	**1,739**
Non-current liabilities			
Lease liabilities		549	704
Provisions		117	116
Total non-current liabilities		**666**	**820**
Total liabilities		**1,964**	**2,559**
Net assets		**7,882**	**6,974**
Equity			
Contributed equity	5	71,229	70,497
Reserves		449	143
Accumulated losses		(63,805)	(63,666)
Equity attributable to equity holders of the parent		**7,873**	**6,974**
Non-controlling interests		9	-
Total equity		**7,882**	**6,974**

Cash Flow Statement
For the Year ended 30 June 2021

Consolidated	Notes	For the year ended 30 June 2021 $'000	For the year ended 30 June 2020 $'000
Cash flows from operating activities			
Receipts from customers		19,264	18,586
Payments to suppliers and employees		(18,765)	(18,131)
Interest paid		(28)	(29)
Interest received		1	1
Net cash flows from operating activities		**472**	**427**
Cash flows used in investing activities			
Payment for purchases of property, plant and equipment		(158)	(47)
Investment in exploration and evaluation activities		(486)	-
Security deposits refunded		50	-
Net cash flows used in investing activities		**(594)**	**(47)**
Cash flows from financing activities			
Share placement funds received		367	818
Principal repayment of lease liability		(120)	(109)
Net cash flows from financing activities		**247**	**709**
Net increase in cash held		**125**	**1,089**
Cash and cash equivalents at beginning of period		1,722	637
Net foreign exchange difference		(2)	(4)
Cash and cash equivalents at end of period		**1,845**	**1,722**

Statement of Changes in Equity
Year ended 30 June 2021

	Consolidated				
	Issued Capital $'000	**Accumulated losses $'000**	**Other reserves $'000**	**Non-controlling interest $'000**	**Total equity $'000**
At 30 June 2019	**70,118**	**(63,368)**	**541**	**-**	**7,291**
Loss for the year	-	(298)	-	-	(298)
Other comprehensive income	-	-	(398)	-	(398)
Total comprehensive income for the year	-	(298)	(398)	-	(696)
Issue of share capital	379	-	-	-	379
At 30 June 2020	**70,497**	**(63,666)**	**143**		**6,974**
Loss for the year	-	(139)	-	(91)	(230)
Other comprehensive income	-	-	34	-	34
Total comprehensive income for the year	-	(139)	34	(91)	(196)
Issue of share capital	732	-	-	-	732
Issue of share options	-	-	272	-	272
Equity attributable to non-controlling interest	-	-	-	100	100
At 30 June 2021	**71,229**	**(63,805)**	**449**	**9**	**7,882**

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:	**As at 30 June 2021 $'000**	**As at 30 June 2020 $'000**
Cash on hand and at bank	1,294	1,716
Deposits at call	551	6
Total cash at end of period	**1,845**	**1,722**

Non-cash financing and investing activities

There were no non-cash financing and investing activities undertaken by the consolidated entity in the current or prior financial year.

NTA backing

	As at 30 June 2021	**As at 30 June 2020**
Net tangible asset backing per ordinary security	0.78 cents	0.88 cents

Notes to the Preliminary Final Report

1 REVENUE AND EXPENSES

Consolidated	**For the year ended 30 June 2021 $'000**	**For the year ended 30 June 2020 $'000**
Revenue		
Continuing Operations		
Sales and services revenue	16,543	16,652
	16,543	16,652
Other Income		
Continuing Operations		
Finance revenue	2	1
Foreign exchange gain	-	-
Other Income	213	364
	215	365
Expenses		
Continuing operations		
Administration expenses	3,215	3,482
Distribution expenses	132	184
Marketing expenses	84	119
Occupancy expenses	327	413
Other	2,327	674
	5,874	4,872
Continuing Operations		
Included in other expenses:		
Depreciation and amortisation of fixed assets	66	82
Foreign exchange loss	87	102
Write off of exploration expenditure	1,223	29
Costs associated with terminated American Vanadium Pty Ltd agreement, ASX re-compliance and withdrawn prospectus	-	330

2 TAXATION

	As at 30 June 2021 $'000	**As at 30 June 2020 $'000**
Current year's tax charge	19	15
Deferred tax asset	(3)	(6)
	16	9

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2021 $'000	As at 30 June 2020 $'000
Listed		
11,000,000 Ordinary shares European Lithium Limited		
Opening fair value	539	946
Fair value gain / (loss) for the period	33	(407)
	572	539

At 30 June 2021 the group's investment in European Lithium Limited was re-valued to market value with the movement being recorded in other comprehensive income.

This is a level 1 measurement basis on the fair value hierarchy.

4 EXPLORATION AND EVALUATION

	As at 30 June 2021 $'000	As at 30 June 2020 $'000
Highline Cobalt / Copper Project	-	908
Speedway Gold Project	336	-
	336	908

5 ISSUED CAPITAL

	As at 30 June 2021 $'000	As at 30 June 2020 $'000
Issued and fully paid		
Ordinary shares	71,229	70,497
	71,229	70,118

	Number of shares	$'000
Movements in ordinary shares on issue		
At 1 July 2020	795,996,205	70,497
Issued during the year	212,625,000	732
At 30 June 2021	1,008,621,205	71,297

6 OPERATING SEGMENTS

Identification of Reportable Segments

The Group has identified its operating segments based on its internal reports and used by the executive team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.
The operating segments are identified by management based on the manner in which the product is sold and the nature of the services provided. Discrete financial information about each of these operating businesses is reported to the executive management team on a monthly basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the manner in which the products are sold or provided as these are the sources of the Group's major risks and have the most effect on the rates of return.

Types of Products and Services

Wholesale
The wholesale segment divisions are those divisions that sell adult products directly to wholesale customers in Australia and New Zealand.

Exploration and Evaluation
The exploration and evaluation segment relates to the group's interests in various exploration and evaluation projects.

Accounting Policies and Inter-segment Transactions

The accounting policies used by the Group in reporting segments are the same as those contained in note 2 to the financial statements and in prior periods.

Inter-entity sales
Wholesale sales within the group are at cost.

Corporate Charges
Non-segmental expenses, such as head office expenses and expenses that are not directly attributable to a segment and not considered part of the core operations of any segment, are not allocated to operating segments by way of corporate charges and include:

- Head office employee expenses and directors' fees
- Company secretarial and listing expenses
- Group legal fees
- General head office expenses (travel and accommodation, directors and officer's insurance, telephone, etc)

The following table presents the revenue and profit information relating to business segments for the years ended 30 June 2021 and 30 June 2020:

30 June 2021	Continuing Operations Wholesale	Continuing Operations Exploration & Evaluation	Total
	$'000	$'000	$'000
Segment Revenue			
Sales to and other revenue from external customers	16,543	-	16,543
Other income	213		213
Unallocated interest income			2
Total Revenue and Other Income per the Statement of Comprehensive Income			16,578
Segment Result			
Segment Results	1,975	(1,223)	752
Unallocated items			
- Corporate expenses			(968)
- Interest income			2
- Non-controlling interests			91
- Income tax expense			(16)
Net loss attributable to equity holders of the parent per the Statement of Comprehensive Income			(139)

30 June 2020	Continuing Operations Wholesale	Continuing Operations Exploration & Evaluation	Total
	$'000	$'000	$'000
Segment Revenue			
Sales to and other revenue from external customers	16,652	-	16,652
Other income	364		364
Unallocated interest income			1
Total Revenue and Other Income per the Statement of Comprehensive Income			17,017
Segment Result			
Segment Results	827	(29)	798
Unallocated items			
- Corporate expenses			(1,106)
- Interest income			1
- Income tax credit			9
Net loss attributable to equity holders of the parent per the Statement of Comprehensive Income			(298)

7 DIVIDENDS PAID AND PROPOSED

No dividends have been paid or proposed during the year.

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place	To be confirmed
Date	To be confirmed
Time	To be confirmed
Approximate date the +annual report will be available	22 October 2021

Compliance statement

1 This report has been prepared in accordance with ASX Listing Rules.

2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

4 This report is based on +accounts to which one of the following applies.

(Tick one)

☐	The +accounts have been audited.	☐	The +accounts have been subject to review.
☐	The +accounts are in the process of being audited or subject to review.	☑	The +accounts have *not* yet been audited or reviewed.

Authorised by the Board

Sign here: .... Date: 31 August 2021
(Managing Director)

Print name: Malcolm Day