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ABN 74 148 214 260

And Controlled Entities

Interim Financial Report
For the Half-Year Ended 31 December 2019

**Rumble Resources Ltd
& Controlled Entities
CONTENTS**

| | |
|--|----|
| <i>Corporate Directory</i> | 2 |
| <i>Directors' Report</i> | 3 |
| <i>Auditors Independence Declaration</i> | 5 |
| <i>Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income</i> | 6 |
| <i>Condensed Consolidated Statement of Financial Position</i> | 7 |
| <i>Condensed Consolidated Statement of Changes in Equity</i> | 8 |
| <i>Condensed Consolidated Statement of Cash Flows</i> | 9 |
| <i>Notes to the Financial Statements</i> | 10 |
| <i>Directors' Declaration</i> | 18 |
| <i>Independent Auditors Report</i> | 19 |

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**Rumble Resources Ltd
& Controlled Entities
CORPORATE DIRECTORY**

DIRECTORS

Shane Sikora – Managing Director

Brett Keillor – Technical Director

Matthew Banks – Non-Executive Director

Michael Smith – Non-Executive Director

COMPANY SECRETARY

Steven Wood

PRINCIPAL AND REGISTERED OFFICE

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Perth WA 6000

STOCK EXCHANGE CODE – RTR

SHARE REGISTRY

Automic Registry Services

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AUDITORS

Bentleys

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LAWYERS

HWL Ebsworth Lawyers

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BANKERS

Westpac Banking Corporation

Level 13, 109 St Georges Terrace

Perth WA 6000

**Rumble Resources Ltd
& Controlled Entities
DIRECTORS' REPORT**

Your directors submit the financial report of Rumble Resources Limited ("Rumble" or "the Company") and its controlled entities ("the Group") for the half-year ended 31 December 2019.

DIRECTORS

The names of Directors who held office during or since the end of the half-year are:

| | |
|---------------|------------------------|
| Shane Sikora | Managing Director |
| Brett Keillor | Technical Director |
| Michael Smith | Non-Executive Director |
| Matthew Banks | Non-Executive Director |

RESULTS

The loss after tax for the half-year ended 31 December 2019 was \$176,362 (2018: \$1,359,155).

REVIEW OF OPERATIONS

During the period, Rumble Resources Ltd ("Group") executed the Board's clear strategy of generating a pipeline of quality high grade base and precious metal projects at various stages of exploration and development, critically reviewing them against stringent criteria developed by Rumble's highly regarded technical director Brett Keillor, negotiating low cost upfront optionality and systematically exploring multiple projects to test for high grade world class discoveries.

During the half-year ending 31 December 2019, the Group renegotiated and exercised the option to acquire 75% of the Earacheedy Project and subsequently commenced a drill program at the Earacheedy Project.

The Group also commenced drill programs at the Munarra Gully project, the Western Queen Gold Project and completed a drill program at the Panache Project in the Sudbury region in Canada.

On 22 July 2019 the Group entered into an earn-in joint venture agreement with AIC Mines Limited in respect of the Lamil project. Under that agreement, AIC can earn a 50% interest in the Lamil Project by spending \$6 million over 4 years and can earn 65% by spending a further \$4million over 1 year. The Option fee to commence the JV was AIC issuing Rumble 714,286 new shares for nil consideration. The shares in AIC were issued to Rumble in August 2019.

On 6 August 2019 the Group executed an option agreement to acquire the Western Queen Gold Project in Western Australia. The Western Queen Gold Project comprises two contiguous mining leases (M59/45 and M59/208) for a total area of 9.8 km².

On 3 September 2019 the Group announced a placement to raise \$3,750,000 via the issue of 50,000,000 shares at \$0.075 per share. This placement introduced two new strategic, cornerstone investors to the Company.

SUBSEQUENT EVENTS

| Date | Description |
|------------------|---|
| 23 January 2020 | The Company announced a large scale Zn-Pb-Ag discovery at the Earacheedy Project. |
| 28 January 2020 | The Company announced that a ground EM program had commenced at the Long Lake project in Canada. |
| 30 January 2020 | The Company announced that high priority targets had been identified at the Waroo Project. |
| 11 February 2020 | The Company announced a large scale copper-gold system was defined over 7km's at the Munarra Gully Project. |
| 11 February 2020 | The Company announced the proposed issue of 309,290 ordinary shares in respect of a Munarra Gully option agreement. |
| 17 February 2020 | The Company announced a high-grade gold discovery at the Western Queen Gold Project. |
| 25 February 2020 | The Company announced drilling had commenced at the Western Queen Gold Project. |
| 5 March 2020 | The Company announced drilling had commenced at the Munarra Gully Project. |

No other events occurred of a material nature subsequent to the period end that require further disclosure.

**Rumble Resources Ltd
& Controlled Entities
DIRECTORS' REPORT**

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under s307c of the Corporations Act 2001 for the half-year ended 31 December 2019 is included on page 5 within this financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Shane Sikora
Managing Director

Perth
Dated: 12 March 2020

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To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Partner for the review of the financial statements of Rumble Resources Limited for the half year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Partner

Dated at Perth this 12th day of March 2020

**Rumble Resources Ltd
& Controlled Entities**
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

| | Note | 31 December 2019 \$ | 31 December 2018 \$ |
|---|------|------------------------|------------------------|
| Other Income | 2 | 1,551,222 | 620,244 |
| Administration expenses | | (87,088) | (41,979) |
| Compliance and regulatory expenses | | (162,424) | (189,383) |
| Employee benefits expense | | (331,286) | (214,777) |
| Loss on revaluation of shares in listed companies | | (85,714) | - |
| Impairment of exploration expenditure | 3 | (483,429) | (1,285,567) |
| Exploration expenditures | | (471,049) | (179,239) |
| Occupancy costs | | (29,291) | (29,463) |
| Travel and accommodation | | (18,514) | (7,119) |
| Share based payment expense | 8 | (30,270) | - |
| Depreciation expense | | (8,730) | (15,662) |
| Other expenses | | (19,789) | (16,210) |
| Loss before income tax expense | | (176,362) | (1,359,155) |
| Income tax (expense)/benefit | | - | - |
| Loss for the period | | (176,362) | (1,359,155) |
| Other comprehensive income | | - | - |
| Total comprehensive loss attributable to members of the Rumble Resources | | (176,362) | (1,359,155) |
| Loss Per Share | | | |
| Basic and diluted loss per share (cents per share) | 5 | (0.04) | (0.38) |

The accompanying notes form part of these financial statements.

**Rumble Resources Ltd
& Controlled Entities**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

| | Note | 31 December 2019 \$ | 30 June 2019 \$ |
|--|------|------------------------|--------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 4,364,498 | 1,831,332 |
| Trade and other receivables | | 152,398 | 212,883 |
| Other financial assets | | 229,113 | 21,970 |
| TOTAL CURRENT ASSETS | | 4,746,009 | 2,066,185 |
| NON-CURRENT ASSETS | | | |
| Exploration and evaluation expenditure | 3 | 6,307,252 | 4,679,760 |
| Plant and equipment | | 47,681 | 37,749 |
| TOTAL NON-CURRENT ASSETS | | 6,354,933 | 4,717,509 |
| TOTAL ASSETS | | 11,100,942 | 6,783,694 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 4 | 1,040,260 | 843,919 |
| TOTAL CURRENT LIABILITIES | | 1,040,260 | 843,919 |
| TOTAL LIABILITIES | | 1,040,260 | 843,919 |
| NET ASSETS | | 10,060,682 | 5,939,775 |
| EQUITY | | | |
| Issued capital | 6 | 24,028,939 | 19,851,752 |
| Reserves | 7 | 2,696,537 | 2,576,454 |
| Accumulated losses | | (16,664,794) | (16,488,431) |
| TOTAL EQUITY | | 10,060,682 | 5,939,775 |

The accompanying notes form part of these financial statements.

**Rumble Resources Ltd
& Controlled Entities**
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

| | Issued capital | Reserves | Accumulated losses | Total |
|--|-------------------|------------------|---------------------|-------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2019 | 19,851,752 | 2,576,454 | (16,488,432) | 5,939,775 |
| Loss for the period | - | - | (176,362) | (176,362) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | - | - | (176,362) | (176,362) |
| <i>Transactions with owner directly recorded in equity</i> | | | | |
| Shares issued during the period, net of transaction costs | 4,177,187 | - | - | 4,177,187 |
| Share based payments | - | 120,083 | - | 120,083 |
| Balance at 31 December 2019 | 24,028,939 | 2,696,537 | (16,664,794) | 10,060,682 |

| | Issued capital | Reserves | Accumulated losses | Total |
|--|-------------------|------------------|---------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2018 | 18,164,936 | 2,576,454 | (14,502,902) | 6,238,488 |
| Loss for the period | - | - | (1,359,155) | (1,359,155) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | - | - | (1,359,155) | (1,359,155) |
| <i>Transactions with owner directly recorded in equity</i> | | | | |
| Shares issued during the period, net of transaction costs | 110,000 | - | - | 110,000 |
| Option reserve on recognition of share-based payment | 79,600 | - | - | 79,600 |
| Balance at 31 December 2018 | 18,354,536 | 2,576,454 | (15,862,057) | 5,068,933 |

The accompanying notes form part of these financial statements.

**Rumble Resources Ltd
& Controlled Entities**
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

| | 31 Dec 2019 \$ | 31 Dec 2018 \$ |
|--|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest received | 10,493 | 25,050 |
| Payments to suppliers and employees | (479,710) | (610,161) |
| Exploration and evaluation expenditure | (1,137,758) | (149,639) |
| R&D grant refund and other income | 1,336,531 | 582,750 |
| Net cash (used in) operating activities | (270,444) | (152,000) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments for capitalised exploration and evaluation | (1,088,278) | (1,538,744) |
| Purchase of plant and equipment | (3,112) | (1,210) |
| Net cash (used in) investing activities | (1,091,390) | (1,539,954) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of shares | 4,120,000 | 110,000 |
| Payment of transaction costs associated with capital raising | (225,000) | - |
| Net cash provided by financing activities | 3,895,000 | 110,000 |
| Net (decrease)/increase in cash held | 2,533,166 | (1,581,954) |
| Cash at beginning of financial period | 1,831,332 | 3,804,350 |
| Cash at end of financial period | 4,364,498 | 2,222,396 |

The accompanying notes form part of these financial statements.

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements and notes represent those of Rumble Resources Limited and controlled entities (the "Group"). Rumble is a listed public company, incorporated and domiciled in Australia.

Basis of Preparation

These interim financial statements constitute a general purpose financial report and have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB134 ensures compliance with IAS134: Interim Financial Reports. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2019.

These interim financial statements were approved by the Board of Directors on 12 March 2020.

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

All monetary values are reported in Australian Dollar unless otherwise stated.

a) Adoption of new and revised accounting standards

The accounting policies adopted in the current year are consistent with those adopted and disclosed in the Group's 2019 Annual Report for the year ended 30 June 2019 except for the adoption of AASB 16 Leases ("AASB 16").

The Group has adopted AASB 16 using the modified retrospective approach from 1 July 2019 but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provision in the standard.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under -residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Practical expedients applied

In applying AASB16 for the first time, the Group has used the following practical expedients permitted by the standard:

- Reliance on previous assessment on whether leases are onerous;
- The accounting for operating leases with a remaining term of less than 12 months as at 1 July 2019 as short-term leases;
- The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- The use of hindsight in determining the leases term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying AASB117 and IFRIC4 Determining whether an Arrangement contains a Lease.

As the Group do not have any leases, AASB 16 'Leases' had no a significant impact on the current period.

| NOTE 2: OTHER INCOME | 31 Dec 2019 | 31 Dec 2018 |
|-------------------------------------|--------------------|--------------------|
| | \$ | \$ |
| Interest received | 10,493 | 25,050 |
| Share acquired at nil consideration | 292,857 | 2,280 |
| Research and development refund | 1,225,694 | 582,750 |
| Other revenue | 22,177 | 10,164 |
| | 1,551,222 | 620,244 |

| NOTE 3: EXPLORATION AND EVALUATION EXPENDITURE | 31 Dec 2019 | 30 June 2019 |
|---|--------------------|---------------------|
| | \$ | \$ |
| Exploration expenditure capitalised | | |
| - Exploration and evaluation phase | 6,307,252 | 4,679,760 |

A reconciliation of the carrying amount of exploration and evaluation expenditure is set out below:

| | | |
|---|------------------|------------------|
| Carrying amount at the beginning of the period | 4,679,760 | 2,691,197 |
| - Costs capitalised during the period, net of refunds | 2,111,631 | 3,274,551 |
| - Costs impaired during the period ⁽¹⁾ | (483,429) | (1,285,988) |
| Carrying amount at the end of the period | 6,307,252 | 4,679,760 |

(1) During the half-year ended 31 December 2019, tenement license E59/2359 was relinquished, and tenement license M51/0122 was subsequently relinquished in February 2020.

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

NOTE 4: TRADE AND OTHER PAYABLES

| | 31 Dec 2019 | 30 June 2019 |
|---|--------------------|---------------------|
| | \$ | \$ |
| Current | | |
| Trade creditors | 887,836 | 726,917 |
| Accrued expenses and other payables | 152,425 | 117,002 |
| Trade and other payables ⁽¹⁾ | 1,040,260 | 843,919 |

(1) Trade creditors are expected to be paid on 30 day terms.

NOTE 5: EARNINGS PER SHARE

| | 31 Dec 2019 | 31 Dec 2018 |
|----------------------------------|--------------------|--------------------|
| | Cents per share | Cents per share |
| Basic and diluted loss per share | (0.04) | (0.38) |

The loss and weighted average number of ordinary shares used in this calculation of basic/ diluted loss per share are as follows:

| | \$ | \$ |
|--|---------------|---------------|
| Loss | (176,362) | (1,359,155) |
| | Number | Number |
| Weighted average number of ordinary shares for the purposes of basic/ diluted loss per share | 423,281,521 | 356,576,675 |

As the Group is in a loss position, the options outstanding at 31 December 2019 have no dilutive effect on the earnings per share calculation.

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

| NOTE 6: ISSUED CAPITAL | 31 Dec 2019 | 31 Dec 2019 | 30 June 2019 | 30 June 2019 |
|--|--------------------|--------------------|---------------------|---------------------|
| | Number | \$ | Number | \$ |
| Ordinary shares fully paid of no par value | 446,385,673 | 24,028,939 | 385,791,041 | 19,851,752 |

| Reconciliation of movements in issued capital: | Number of Shares | \$ |
|---|-----------------------------|-------------------|
| Opening Balance – 1 July 2018 | 354,268,101 | 18,164,936 |
| Shares issued pursuant to Barramine Project acquisition agreement on 23 July | 985,211 | 50,000 |
| Shares issued on exercise of directors options on 26 July | 1,375,000 | 110,000 |
| Shares issued pursuant to Long Lake and Panache Project acquisition agreements on 9 August | 400,000 | 29,600 |
| Issue of shares as part of Munarra Gully option fees on 1 March | 2,948,084 | 145,256 |
| Issue of Placement shares at \$0.055 per share on 18 April | 25,814,645 | 1,419,809 |
| Less: transaction costs | | (67,849) |
| Closing Balance – 30 June 2019 | 385,791,041 | 19,851,752 |
| Shares issued pursuant to Long Lake and Panache Project acquisition agreement on 29 July 2019 | 400,000 | 22,000 |
| Director Placement on 29 July 2019 | 2,181,182 | 120,000 |
| Shares issued pursuant to JV agreement with AIC on the Lamil Project on 28 August 2019 | 4,166,667 | 250,000 |
| Issue of Placement shares on 10 October 2019 | 50,000,000 | 3,750,000 |
| Shares issued pursuant to 75% of Earahedy Project acquisition agreement on 21 October 2019 | 3,846,153 | 350,000 |
| Less: transaction costs | - | (314,813) |
| Closing Balance – 31 December 2019 | 446,385,673 | 24,028,939 |

| NOTE 7: RESERVES | 31 Dec 2019 | 30 June 2019 |
|------------------------------|--------------------|---------------------|
| | \$ | \$ |
| Share based payments reserve | 2,591,454 | 2,471,371 |
| Option premium reserve | 105,083 | 105,083 |
| | 2,696,537 | 2,576,454 |

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

| | Number | Weighted Average Exercise Price (\$) |
|---|-------------------|---|
| A summary of the movements of all unlisted options granted is as follows: | | |
| Options outstanding as at 1 July 2018 | 30,100,000 | 0.10 |
| Exercised during year | (1,375,000) | 0.08 |
| Granted during year | 3,473,110 | 0.15 |
| Expired during the year | (3,125,000) | 0.08 |
| Options outstanding as at 30 June 2019 | 29,073,110 | 0.11 |
| Granted during Period ⁽¹⁾ | 20,240,000 | 0.15 |
| Exercised during Period | - | - |
| Expired during Period | (16,313,110) | 0.15 |
| Options outstanding as at 31 December 2019 | 33,000,000 | 0.15 |

- 1) 15 million options issued during the half-year ended 31 December 2019 had a total fair value of \$174,433, of which \$30,270 was recognised as a share based payment expense in the consolidated statement of profit or loss and other comprehensive income. The remainder pertained to free attaching options issued to shareholders as part of Placement on 29 July 2019.

Share Options on issue at 31 December 2019

At 31 December 2019, the Group has the following share options on issue:

- 4,000,000 unlisted options exercisable at \$0.03 on or before 8 September 2020
- 9,000,000 unlisted options exercisable at \$0.08 on or before 22 December 2020
- 15,000,000 incentive options with zero exercise price expiring on or before 26 July 2023, subject to vesting conditions
- 5,000,000 unlisted options exercisable at \$0.15 expiring on or before 31 December 2022

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**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

NOTE 8: SHARE BASED PAYMENTS

Share based payments during the half year ended 31 December 2019 are summarised below.

| | 31 Dec 2019 | 31 Dec 2018 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Expense arising from equity settled share based payment transactions | 30,270 | - |

Directors Incentive Options issued during the period will vest on the earlier to occur of:

- (i) the satisfaction of the Timeframe Vesting Condition and the relevant VWAP Vesting Condition;
- (ii) the holder becoming a Good Leaver, and the relevant VWAP Vesting Condition being satisfied; or
- (iii) a Change in Control Event occurring, and the relevant VWAP Vesting Condition being satisfied.

The Incentive options were valued using a Monte Carlo model with the following inputs:

| Tranche | Dividend Yield | Valuation Date | Expected Volatility | Risk-Free Interest Rate | Expiry | Underlying Share Price | Value per Right (\$) | Total Fair Value (\$) |
|---------|----------------|----------------|---------------------|-------------------------|--------------|------------------------|----------------------|-----------------------|
| 1A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01193 | \$ 9,942 |
| 1B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.0223 | \$ 18,583 |
| 1C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.02864 | \$ 23,867 |
| 2A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00676 | \$ 5,633 |
| 2B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01701 | \$ 14,175 |
| 2C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.02395 | \$ 19,958 |
| 3A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00419 | \$ 3,492 |
| 3B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01354 | \$ 11,283 |
| 3C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.02115 | \$ 17,625 |
| 4A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00275 | \$ 2,292 |
| 4B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01115 | \$ 9,292 |
| 4C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01888 | \$ 15,733 |
| 5A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.0006 | \$ 500 |
| 5B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00535 | \$ 4,458 |
| 5C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.01183 | \$ 9,858 |
| 6A | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00008 | \$ 67 |
| 6B | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.00221 | \$ 1,842 |
| 6C | - | 17 July 2019 | 103.5% | 0.99% | 26 July 2023 | \$0.056 | 0.007 | \$ 5,833 |

**Rumble Resources Ltd
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2019

NOTE 9: OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group has one operating segment being mining exploration in Australia.

NOTE 10: COMMITMENTS

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report.

| | 31 December 2019 | 30 June 2019 |
|-------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Not Longer than 12 months | 417,354 | 666,641 |
| Between 12 months and 5 years | 407,063 | 1,506,527 |
| Longer than 5 years | 63,302 | 70,066 |
| | 887,719 | 2,237,234 |

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

NOTE 11: CONTINGENT LIABILITIES

Under the terms of the Earraheedy Zinc project option agreement in respect of tenement E69/3464, following completion of a bankable feasibility study and decision to mine, the vendor of the project can either elect to contribute to the ongoing project development or dilute to a 1.5% net smelter royalty ("NSR").

Under the terms of the Munarra Gully project option agreement in respect of tenement E51/1677, following completion of a bankable feasibility study and decision to mine, the vendors of the project can elect to contribute to the ongoing project development or to convert its remaining interest in to a 1% NSR resulting in Rumble holding a 100% legal and beneficial interest in the project.

As part of the terms of the Barramine project acquisition, subject to exercising the option and following completion of a bankable feasibility study and decision to mine, the vendor of the project can elect to contribute to the ongoing project development or to convert its remaining interest in to a 1.5% NSR resulting in Rumble holding a 100% legal and beneficial interest in the project.

Under the terms of the Panache project option agreement, subject to exercising the option and following a decision to mine, Rumble will pay a 3% NSR to the vendor of the project. Rumble can secure a 1% NSR buy back for a cash payment of CAD\$1,500,000 to the vendor. Rumble can secure a further 1% NSR buyback for Cad \$1,500,000 paid to the vendor.

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**Rumble Resources Ltd
& Controlled Entities**

NOTES TO THE FINANCIAL STATEMENTS

For the Half-Year Ended 31 December 2019

Under the terms of the Long Lake project option agreement, subject to exercising the option and following a decision to mine, Rumble will pay a 3% NSR to the vendor of the project. Rumble can secure a 1% NSR buy back for cash payment of CAD\$1,500,000 to the vendor. Rumble can secure a further 1% NSR buyback for Cad \$1,500,000 paid to the vendor.

Under the terms of the Western Queen Gold project option agreement, at any time before the end of either option period, Rumble can pay A\$1,000,000 in shares or cash (or any combination) at Rumble's election to exercise the option to purchase the project 100%. Rumble has granted Ramelius a last right of refusal to provide any gold processing and associated haulage services that relate to activities on the Western Queen Project.

There were no other contingent liabilities as at 31 December 2019, or since that date and the date of this report.

NOTE 12: SUBSEQUENT EVENTS

| Date | Description |
|-------------------------|--|
| 23 January 2020 | The Company announced a large scale Zn-Pb-Ag discovery at the Earraheedy Project. |
| 28 January 2020 | The Company announced that a ground EM program had commenced at the Long Lake project in Canada. |
| 30 January 2020 | The Company announced that high priority targets had been identified at the Waroo Project. |
| 11 February 2020 | The Company announced a large scale copper-gold system was defined over 7km's at the Munarra Gully Project. |
| 11 February 2020 | The Company announced the proposed issue of 309,290 ordinary shares valued at \$25,000 in respect of a Munarra Gully option agreement. |
| 17 February 2020 | The Company announced a high-grade gold discovery at the Western Queen Gold Project. |
| 25 February 2020 | The Company announced drilling had commenced at the Western Queen Gold Project. |
| 5 March 2020 | The Company announced drilling had commenced at the Munarra Gully Project. |

No events occurred of a material nature subsequent to the period end that require further disclosure.

**Rumble Resources Ltd
& Controlled Entities
DIRECTORS' DECLARATION**

The Directors of the Group declare that:

1. The financial statements and notes, as set out on pages 6 to 17 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the interim period ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Shane Sikora
Managing Director

PERTH
Dated this 12 March 2020

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Independent Auditor's Review Report

To the Members of Rumble Resources Limited

We have reviewed the accompanying half-year financial report of Rumble Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Directors Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independent Auditor's Review Report

To the Members of Rumble Resources Limited (*Continued*)



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Rumble Resources Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Partner

Dated at Perth this 12th day March of 2020

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