



**ODIN**  
**METALS**<sub>LTD</sub>

**ODIN METALS LIMITED**

**Interim Financial Report**

**31 December 2020**

ABN 32 141 804 104

[odinmetals.com.au](http://odinmetals.com.au)

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## CONTENTS

## PAGE

Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Condensed Notes to the Consolidated Financial Statements	13
Directors' Declaration	20
Independent Auditor's Review Report	21

## CORPORATE DIRECTORY

### Directors and Officers

Jason Bontempo (Executive Chairman)  
Simon Mottram (Managing Director & CEO)  
Luis Azevedo (Non-Executive Director)  
Aaron Bertolatti (Company Secretary)

### Registered Office & Principal Place of Business

35 Richardson Street  
WEST PERTH WA 6005

### Share Registry

Computershare Investor Services Pty Ltd  
Level 11  
172 St Georges Terrace  
PERTH WA 6000

### Auditors

RSM Australia Partners  
Level 32, Exchange Tower,  
2 The Esplanade  
PERTH WA 6000  
Telephone: +61 8 9261 9160

### Stock Exchange

Australian Securities Exchange  
(Home Exchange: Perth, Western Australia)  
ASX Code: ODM

### Website

odinmetals.com.au

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The Directors present their report for Odin Metals Limited ("Odin Metals" or "the Company") and its subsidiaries ("the Group") for the half year ended 31 December 2020.

### DIRECTORS

The persons who were directors of Odin Metals during the half year and up to the date of this report are:

- Jason Bontempo (Executive Chairman)
- Simon Mottram (Managing Director)
- Luis Azevedo (Non-Executive Director)

### REVIEW OF OPERATIONS

#### MONTE AZUL

During the period the Company completed its initial diamond drill programme at the Monte Azul Project located in the established mining state of Minas Gerais, Brazil. In total 11 holes for 2,739m (MA-DD001 to MA-DD011) were completed. Drilling principally targeted the existing historic resources and their extensions, particularly where these extensions are inferred by modelling rather than proven by drilling. Collar locations are shown in Figure 2.

Results include:

##### Alto Alegre

- 0.25m at 2.89% Zn, 1.04% Pb from 209.40m in MA-DD011<sup>2,3</sup>

##### Monte Azul

- 0.22m at 7.10% Zn, 0.27% Pb from 216.86m in MA-DD010<sup>2,3</sup>
- 2.70m at 1.25% Zn, 0.08% Pb from 286.20m in MA-DD009<sup>2,3</sup>

Hole MA-DD011 at Alto Alegre intersected the continuation of mineralisation at depth, however widths and grade were below expectation. MA-DD010 targeted the extension of the Eastern lens (see Figure 2), intersecting a narrow zone of high-grade mineralisation however does not warrant follow up drilling. Holes MA-DD008 and 009 targeted the western lens. MA-DD009 intersected 2.70m wide zone of lower grade mineralisation.

Holes targeting the central lens (MA-DD001 to MA-DD005, and MA-DD007) intersected mineralisation (Figure 3, Section 900NE) in line with expectations. Holes MA-DD001 and MA-DD003 targeting mineralisation closer to surface, intersected oxidised (leached) mineralisation above the base of oxidation, confirming Odin's interpretation of mineralisation (see Figure 2).

Following review of the project the Company has withdrawn from the option with Vale over the two mining lease applications at Monte Azul.

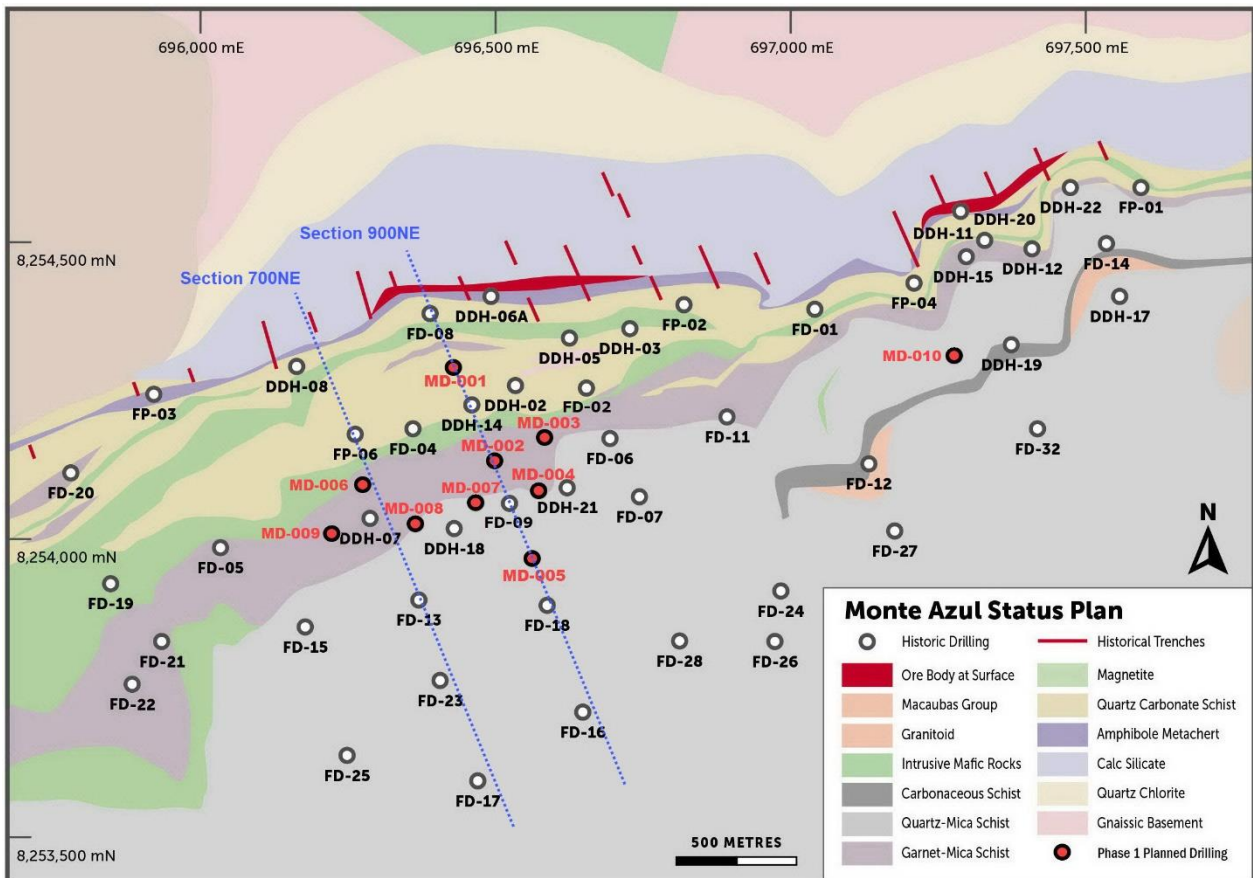
The Company continues to explore the extensive exploration tenure along the ~40km strike held under agreement with GRB Grafite Do Brasil Mineração Ltda option licences and the exploration Joint Venture with IMS Engenharia Mineral Ltda;



Figure 1: Location of the Monte Azul Project



Figure 2: Monte Azul – Drill Status Plan



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Figure 3: Monte Azul - Section 900NE

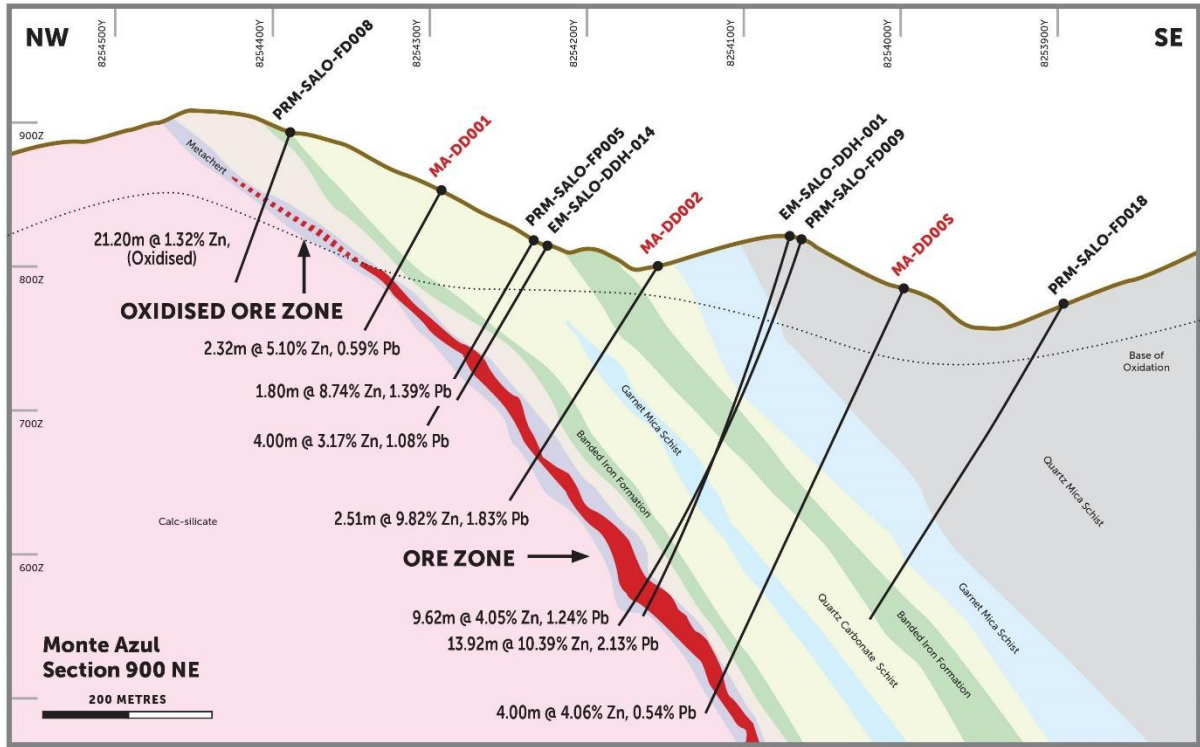
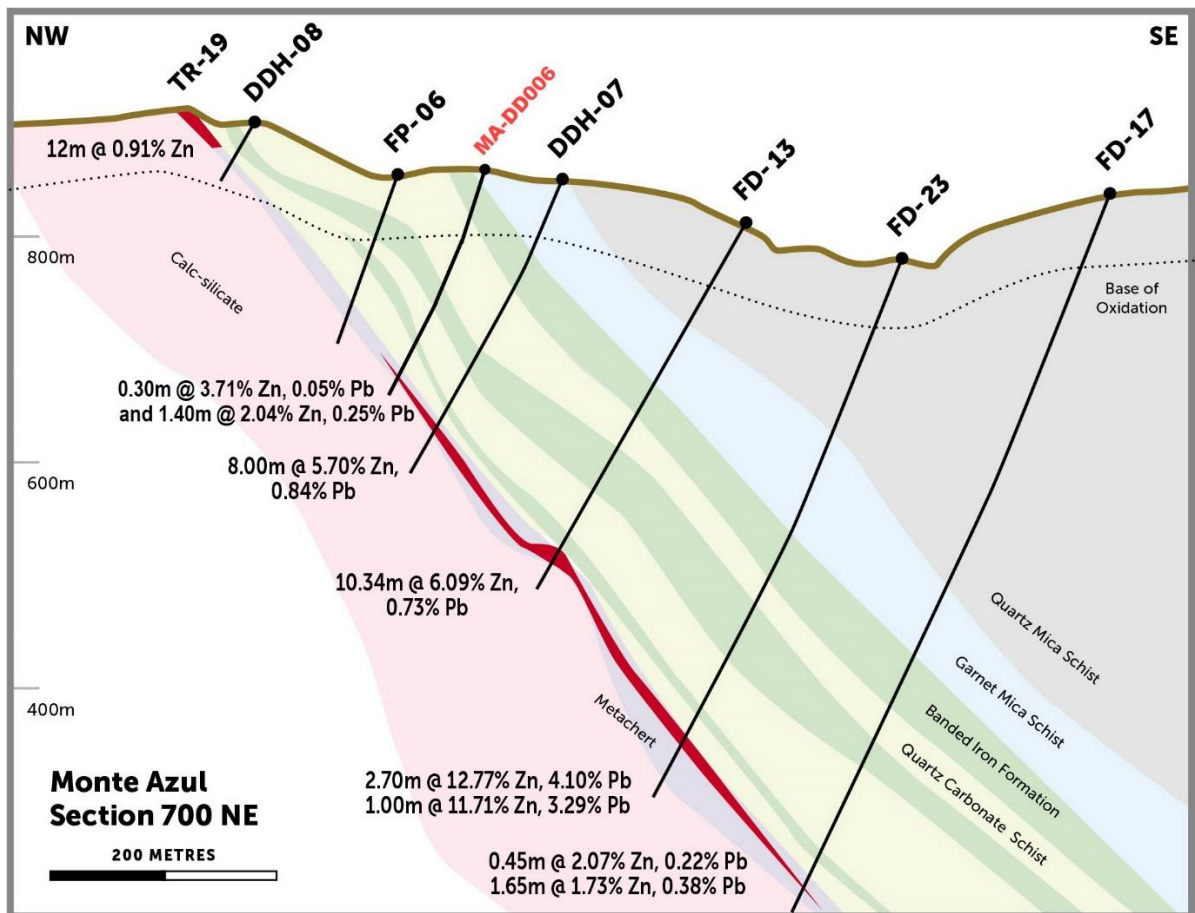


Figure 4: Monte Azul - Section 700NE



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### Notes:

1. Mineralisation at the Monte Azul Project is of a Sedimentary Exhalative (SEDEX) type
2. Refer to Appendix 1 and 2 of the December Activities Report dated 29 January 2021 for complete results and JORC Table 1 material assumptions
3. Grades are uncut. Depths and widths are downhole

### Competent Persons Statement:

The information in this report that relates to Exploration results, Metallurgical results and/or Mineral Resources is an accurate representation of the available data and is based on information compiled by Mr Simon Mottram who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Mottram is the Chief Executive Officer of Odin Metals Limited. Mr Mottram has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (CP) as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mottram consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

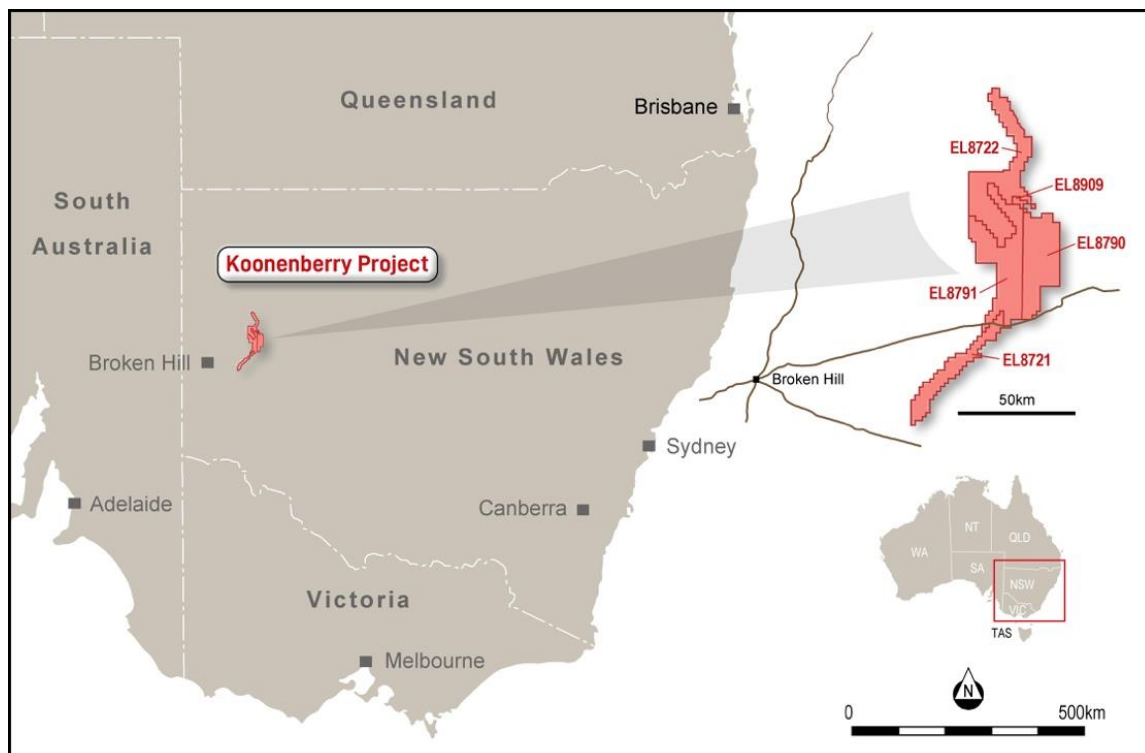
### CANADIAN PROJECTS

Following the previously announced 2019 exploration results and the Company's subsequent focus on the Monte Azul Project, during the period Odin withdrew from the Sturgeon Lake Joint Venture.

### SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 18 February 2021, the Company announced that it had executed a binding purchase agreement ("Agreement") with Peel Far West Pty Ltd ("PFW") to acquire a 100% ownership interest in the Koonenberry project comprising exploration licences EL8721, EL8722, EL8790, EL8791 and EL8909 (together, the "Koonenberry Project" or "Licences") located 80km east of Broken Hill, New South Wales (see Figure 5).

Figure 5: Koonenberry Project Location Map





The Koonenberry Project covers 2,600km<sup>2</sup> and is ~150km strike of the significantly under-explored Koonenberry Belt which is considered highly prospective for VMS-hosted Cu-Zn-Ag-Au, magmatic Ni-Cu-PGE, epithermal Ag-Pb-Cu and orogenic Au.

Under the Agreement, the consideration payable by Odin to PFW (or its nominee) to acquire a 100% ownership interest in the Licences is:

- the issue of 50,000,000 fully paid ordinary shares in Odin ("Consideration Shares"), subject to Odin first obtaining shareholder approval for the issue under Listing Rule 7.1; and
- a 1% net smelter return royalty ("Royalty")

Completion of the Proposed Acquisition is subject to the satisfaction or waiver of a number of conditions, including PFW obtaining approval under s 121 of the Mining Act 1992 (NSW) for the transfer of the Licences, Odin conducting due diligence to its satisfaction by the date that is 3 months from the date of the Agreement and Odin obtaining shareholder approval under Listing Rule 7.1 and any other shareholder approvals required for completion.

### Placement

On 23 February 2021, the Company announced that it had received firm commitments from sophisticated and institutional investors and other investors qualifying under s708 of the Corporations Act 2001 (Cth) to subscribe for a placement of up to 112,500,000 ordinary fully paid shares at \$0.02 per share to raise proceeds of up to \$2,250,000 before costs ("Placement"). The Placement will be undertaken in two tranches.

The first tranche of 49,000,000 shares were issued on 24 February 2021 at an issue price of \$0.02 per share, raising \$980,000 (before costs). The second tranche of the Placement is intended to be completed subject to the Company obtaining shareholder approval. If completed, tranche two will result in the issue of up to 63,500,000 shares at \$0.02 per share to raise up to approximately \$1.27 million (before costs).

In addition to the Placement, on 24 February 2021, Odin issued 10 million shares at an issue price of \$0.0001 per share as advisor/facilitation fees in relation to the acquisition.

### Incentive Option Conversion

On 24 February 2021, the Company issued 6,625,000 shares following the conversion of unlisted incentive options exercisable at \$0.0001 on or before 1 May 2024.

### Proposed Board Appointment

It is proposed, subject to shareholders approving the proposed acquisition, that Mr Ted Coupland join the board of Odin as Non-Executive Director. Mr Coupland has over 30 years of experience in the mining, exploration and resource finance industry and holds qualifications in geology, geostatistics, mineral economics and finance.

There have been no other significant events subsequent to the end of the financial year to the date of this report which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

### AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 8 and forms part of this Directors' report for the half-year ended 31 December 2020.



## Directors' Report

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This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read 'Jason Bontempo', written over a horizontal line.

**Jason Bontempo**  
**Executive Chairman**

Perth, WA  
2 March 2021

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Odin Metals Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM  
RSM AUSTRALIA PARTNERS

  
ALASDAIR WHYTE  
Partner

Perth, WA  
Dated: 2 March 2021

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**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
for the half-year ended 31 December 2020

	Note	31-Dec-20 \$	31-Dec-19 \$
<b>Continuing Operations</b>			
Interest received		614	3,291
Other income		68,899	-
Professional and consulting fees		(163,509)	(212,201)
Director and employee costs		(251,525)	(243,480)
Other expenses		(103,381)	(112,910)
Impairment expense	4	(6,728,315)	(306,999)
Unrealised loss on investment		(27,000)	-
Share based payments expense		(344,477)	(232,420)
<b>Loss before income tax</b>		<b>(7,548,694)</b>	<b>(1,104,719)</b>
Income tax expense		-	-
<b>Net loss for the period</b>		<b>(7,548,694)</b>	<b>(1,104,719)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit and loss		(38,002)	51
<b>Other comprehensive income for the period net of tax</b>		<b>(38,002)</b>	<b>51</b>
<b>Total comprehensive loss for the period</b>		<b>(7,586,696)</b>	<b>(1,104,668)</b>
<b>Loss per share</b>			
Loss per share (cents)		(2.90)	(0.72)

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 2020

	Note	31-Dec-20 \$	30-Jun-20 \$
<b>Current Assets</b>			
Cash and cash equivalents		1,853,934	2,635,783
Trade and other receivables		38,435	148,051
Assets held for sale		-	552,000
<b>Total Current Assets</b>		<b>1,892,369</b>	<b>3,335,834</b>
<b>Non-Current Assets</b>			
Financial assets at fair value through profit and loss	3	405,000	-
Property, plant and equipment		46,136	48,131
Deferred exploration and evaluation expenditure	4	220,000	6,545,741
<b>Total Non-Current Assets</b>		<b>671,136</b>	<b>6,593,872</b>
<b>Total Assets</b>		<b>2,563,505</b>	<b>9,929,706</b>
<b>Current Liabilities</b>			
Trade and other payables		68,580	192,562
<b>Total Current Liabilities</b>		<b>68,580</b>	<b>192,562</b>
<b>Total Liabilities</b>		<b>68,580</b>	<b>192,562</b>
<b>Net Assets</b>		<b>2,494,925</b>	<b>9,737,144</b>
<b>Equity</b>			
Issued capital	5	16,417,600	16,417,600
Reserves	6	1,915,401	1,608,926
Accumulated losses	7	(15,838,076)	(8,289,382)
<b>Total Equity</b>		<b>2,494,925</b>	<b>9,737,144</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



## Consolidated Statement of Changes in Equity

for the period ended 31 December 2020

	Issued capital	Accumulated losses	Foreign exchange translation reserve	Share option reserve	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	<b>12,595,418</b>	<b>(6,437,528)</b>	<b>-</b>	<b>864,261</b>	<b>7,022,151</b>
<b>Total comprehensive loss for the period</b>					
Loss for the period	-	(1,104,719)	-	-	(1,104,719)
Foreign currency translation	-	-	51	-	51
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(1,104,719)</b>	<b>51</b>	<b>-</b>	<b>(1,104,668)</b>
<b>Transactions with owners in their capacity as owners</b>					
Share based payment	-	-	-	232,420	232,420
<b>Balance at 31 December 2019</b>	<b>12,595,418</b>	<b>(7,542,247)</b>	<b>51</b>	<b>1,096,681</b>	<b>6,149,903</b>
<b>Balance at 1 July 2020</b>	<b>16,417,600</b>	<b>(8,289,382)</b>	<b>5,086</b>	<b>1,603,840</b>	<b>9,737,144</b>
<b>Total comprehensive loss for the period</b>					
Loss for the period	-	(7,548,694)	-	-	(7,548,694)
Foreign currency translation	-	-	(38,002)	-	(38,002)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(7,548,694)</b>	<b>(38,002)</b>	<b>-</b>	<b>(7,586,696)</b>
<b>Transactions with owners in their capacity as owners</b>					
Share based payment	-	-	-	344,477	344,477
<b>Balance at 31 December 2020</b>	<b>16,417,600</b>	<b>(15,838,076)</b>	<b>(32,916)</b>	<b>1,948,317</b>	<b>2,494,925</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.



**Consolidated Statement of Cash Flows**  
for the period ended 31 December 2020

	Note	31-Dec-20 \$	31-Dec-19 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(615,301)	(600,765)
Interest received		614	3,291
Other receipts		68,899	-
<b>Net cash used in operating activities</b>		<b>(545,788)</b>	<b>(597,474)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(4,500)	-
Proceeds from sale of tenement		120,000	-
Payments for exploration expenditure		(426,309)	(186,657)
<b>Net cash used in investing activities</b>		<b>(310,809)</b>	<b>(186,657)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		100,000	-
<b>Net cash provided by financing activities</b>		<b>100,000</b>	<b>-</b>
Net decrease in cash and cash equivalents		(756,597)	(784,131)
Cash and cash equivalents at the beginning of the period		2,635,783	1,379,172
Effect of exchange rate fluctuations on cash		(25,252)	51
<b>Cash and cash equivalents at the end of the period</b>		<b>1,853,934</b>	<b>595,092</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



**1. Corporate Information**

The financial report of Odin Metals Limited (“Odin Metals” or “the Company”) for the half-year ended 31 December 2020 was authorised for issue in accordance with a resolution of the Directors on 2 March 2021. Odin Metals is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and the principal activities of the Company are described in the Directors’ Report.

**2. Summary of Significant Accounting Policies**

**(a) Basis of Preparation**

These general purpose financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with applicable accounting standards including AASB 134 “Interim Financial Reporting” and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with IAS 34 “Interim Financial Reporting”.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by Odin Metals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The half-year report has been prepared on an accruals basis and is based on historical costs. For the purpose of preparing the half-year financial report the half-year has been treated as a discrete reporting period.

**(b) Compliance Statement**

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS). The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The impact on the financial performance and position of the Group from the adoption of the new or amended Accounting Standards and Interpretations was not material. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**3. Financial Assets at Fair Value Through Profit and Loss**

	31-Dec-20 \$	30-Jun-20 \$
Opening Balance	-	-
Acquisition of listed investments	432,000	-
Unrealised gain/(loss) on investments	(27,000)	-
Closing balance	<b>405,000</b>	-

<sup>1</sup> On 17 August 2020 the Company was issued 4,500,000 shares in Moho Resources Limited at a deemed issue price of \$0.096 per share following the completion of the acquisition and transfer of the remaining 30% ownership of tenement M27/263.





**Notes to the Consolidated Financial Statements for the period ended 31 December 2020**

Financial assets comprise investments in the ordinary issued capital of listed entities. There are no fixed returns or fixed maturity dates attached to these investments. They are deemed to be level 1 and measured as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

The Company does not have any level 2 or 3 financial assets or liabilities.

	31-Dec-20	30-Jun-20
	\$	\$
<b>4. Deferred Exploration &amp; Evaluation Expenditure</b>		
<b>Exploration and Evaluation phase - at cost</b>		
Opening balance	6,545,741	5,721,107
Acquisition of exploration tenements	-	720,000 <sup>1</sup>
Exploration expenditure written off	(6,728,315) <sup>1,2</sup>	(306,999)
Exploration and evaluation expenditure incurred during the year	414,898	411,633
Foreign exchange translation difference	(12,324)	-
Closing balance	<b>220,000</b>	<b>6,545,741</b>

<sup>1</sup> In February 2020, the Company announced that it had signed an option agreement to acquire 100% of the Monte Azul Zinc Project in Brazil from Vale S.A.

Following review of the project and completion of the initial diamond drill programme, the Company withdrew from the option with Vale over the two mining lease applications at Monte Azul Project. As a result, exploration and evaluation expenditure in relation to the Vale Option was written down to nil. The impairment expense recognised was \$1,094,761.

Regional Exploration Joint Venture and Option Agreement

Odin entered into an exploration Joint Venture (“JV”) with IMS Engenharia Mineral Ltda (“IMS”) consisting of 8 granted exploration licences covering an area of approximately 105km<sup>2</sup>. Key terms included:

1. the JV was precedent on the Vale agreement becoming effective;
2. the exploration licences were to be transferred to Odin upfront;
3. 1,000,000 Odin shares were granted to the quota holders of IMS on 18 June 2020 at deemed issue price of \$0.035 per share;
4. Odin can earn 70% by expending AU\$2,000,000 in exploration over 3 years;
5. At Odin’s election it may acquire the remaining 30% by paying A\$2,000,000 (half of this amount can be paid through the issuance of Odin shares to the quota holders of IMS, subject to shareholder approval); and
6. 1% NSR is payable to IMS on production above 120,000t of zinc metal from the acquired license area

In addition, Odin entered into a binding letter of intent with GRB Grafite Do Brasil Mineração Ltda (“GRB”), who has been granted the right to 15 exploration licences (12 granted and 3 applications), covering an area of approximately 260km<sup>2</sup>. Odin completed a 10-day due diligence period, following which, the Company elected to exercise the option to purchase the 15 Exploration Licences and negotiated a definitive contract that included the following payments to GRB of:

1. 5,000,000 Odin shares to be granted to GRB or its nominees (issued 22 June 2020) at a deemed issue price of \$0.037;
2. A 1-year deferred payment of A\$150,000 in Odin shares and A\$100,000 in cash; and

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**Notes to the Consolidated Financial Statements for the period ended 31 December 2020**

3. An underlying 1% NSR is payable on any production from the acquired licenses to Falcon Metais Ltda.

<sup>2</sup> Following the previously announced 2019 exploration results and the Company's subsequent focus on the Monte Azul Project, during the period Odin withdrew from the Sturgeon Lake Joint Venture. As a result, exploration and evaluation expenditure in relation to the Sturgeon Lake Properties was written down to nil. The impairment expense recognised was \$5,633,554 (2019: \$306,999).

	31-Dec-20 \$	30-Jun-20 \$
<b>5. Issued Capital</b>		
<b>(a) Issued and paid up capital</b>		
Issued and fully paid	<b>16,417,600</b>	<b>16,417,600</b>

	31-Dec-20		30-Jun-2020	
	Number of shares	\$	Number of shares	\$
<b>(b) Movements in ordinary shares on issue</b>				
Opening balance	259,719,335	16,417,600	153,719,335	12,595,418
Shares issued via placement	-	-	100,000,000	4,000,000
Shares issued as consideration for acquisition <sup>1</sup>	-	-	6,000,000	220,000
Transaction costs on share issue	-	-	-	(397,818)
Closing balance	<b>259,719,335</b>	<b>16,417,600</b>	<b>259,719,335</b>	<b>16,417,600</b>

<sup>1</sup> 5,000,000 Odin shares were granted to GRB on 22 June 2020 at a deemed issue price of \$0.037 and 1,000,000 Odin shares were granted to the quota holders of IMS on 18 June 2020 at deemed issue price of \$0.035 per share.

	31-Dec-20 \$	30-Jun-20 \$
<b>6. Reserves</b>		
Share option reserve	1,948,317	1,603,840
Foreign exchange translation reserve	(32,916)	5,086
	<b>1,915,401</b>	<b>1,608,926</b>

**Movements in Reserves**

<i>Share option reserve</i>		
Opening balance	1,603,840	864,261
Share-based payments expense	344,477	738,579
Proceeds from option issue	-	1,000
Closing balance	<b>1,948,317</b>	<b>1,603,840</b>

The share option reserve is used to record the value of equity benefits provided to Directors and executives as part of their remuneration and non-employees for their goods and services. This reserve also includes subscription proceeds from options. Refer to note 9 for further details of the securities issued during the financial period ended 31 December 2020.

<i>Foreign exchange translation reserve</i>		
Opening balance	5,086	-
Foreign exchange translation difference	(38,002)	5,086
Closing balance	<b>(32,916)</b>	<b>5,086</b>



**Notes to the Consolidated Financial Statements for the period ended 31 December 2020**

The foreign exchange differences arising on translation of foreign controlled entities are taken to the foreign currency translation reserve.

	31-Dec-20 \$	30-Jun-20 \$
<b>7. Accumulated Losses</b>		
Movements in accumulated losses were as follows:		
Opening balance	(8,289,382)	(6,437,528)
Loss for the period	(7,548,694)	(1,851,854)
Closing balance	<b>(15,828,076)</b>	<b>(8,289,382)</b>

	31-Dec-20 \$	31-Dec-19 \$
<b>8. Share-based payments</b>		
<b>(a) Recognised share-based payment transactions</b>		
Share-based payment transactions recognised either as operational expenses in the statement of profit or loss and other comprehensive income or as capital raising costs in the equity during the period were as follows:		
Employee and Director share-based payments (note 8 (b))	172,667	159,840
Share-based payments to suppliers (note 8 (c))	171,810	72,580
	<b>344,477</b>	<b>232,420</b>

**(b) Employee and Director share-based payments**

The Company has established an employee share option plan (ESOP). The objective of the ESOP was to assist in the recruitment, reward, retention and motivation of employees and contractors of Odin Metals Limited. An individual may receive the options or nominate a relative or associate to receive the options. The plan is open to executive officers, employees and eligible contractors of the Company.

The fair value at grant date of options granted during the reporting year was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option.

The table below summarises options granted during the half-year ended 31 December 2020:

Grant Date	Expiry date	Exercise price per option	Balance at start of the period Number	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
08/07/2020	08/07/2022	\$0.08	-	1,000,000	-	-	1,000,000	333,333 <sup>1</sup>
			-	<b>1,000,000</b>	-	-	<b>1,000,000</b>	<b>333,333 <sup>1</sup></b>

<sup>1</sup> Options will only be exercisable on achievement of the following conditions:

- i. 333,333 will vest immediately on execution of the consulting agreement;
- ii. 333,333 will vest 12 months from the date of issue providing the employee continues to be engaged during this period; and
- iii. 333,334 will vest 24 months from the date of issue providing the employee continues to be engaged during this period.

The expense recognised in respect of the above options granted during the year was \$2,456. The expense recognised during the half-year on options granted in prior periods was \$170,211.



**Notes to the Consolidated Financial Statements for the period ended 31 December 2020**

The model inputs, not included in the table above, for options granted during the period included:

- a) options were granted for nil consideration;
- b) expected life of the options of 3 years;
- c) share price at grant date of \$0.041;
- d) expected volatility of 100%;
- e) expected dividend yield of nil; and
- f) a risk-free interest rate ranged of 0.75%

There were no unlisted options issued to Employee's and Director's during the half-year ended 31 December 2019.

**(b) Share-based payment to suppliers**

During the financial period ended 31 December 2020 the Company issued unlisted options to provide consideration to consultants and corporate advisors for services rendered to date and over the coming 12 months. These options have been valued using the Black-Scholes option pricing model.

Grant Date	Expiry date	Exercise price per option	Balance at start of the period Number	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
08/07/2020	08/07/2022	\$0.08	-	3,000,000	-	-	3,000,000	3,000,000
08/07/2020	08/07/2022	\$0.10	-	3,000,000	-	-	3,000,000	3,000,000
			-	<b>6,000,000</b>	-	-	<b>6,000,000</b>	<b>6,000,000</b>

The expense recognised in respect of the above options granted during the half-year was \$83,268. The expense recognised during the half-year on options granted in prior periods was \$88,542.

The model inputs, not included in the table above, for options granted during the period included:

- a) options were granted for nil consideration;
- b) expected life of the options of 3 years;
- c) share price at grant date of \$0.041;
- d) expected volatility of 100%;
- e) expected dividend yield of nil; and
- f) a risk-free interest rate ranged of 0.75%

**9. Segment Information**

The Group has identified its operating segments based on the internal reports that are reported to Executives (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance. The Group operates predominately in one industry, being the exploration of mineral resources. The main geographic areas that the entity operates in are Australia and Canada. The parent entity is registered in Australia.

The Group's exploration assets were located in Australia, Brazil and Canada. The following table present revenue, expenditure and certain asset and liability information regarding geographical segments for the half-year ended 31 December 2020 and year ended 30 June 2020:

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## Notes to the Consolidated Financial Statements for the period ended 31 December 2020

	Australia \$	Brazil \$	Canada \$	Total \$
<b>Period ended 31 December 2020</b>				
Interest income	516	99	-	615
<b>Segment revenue</b>	<b>516</b>	<b>99</b>	<b>-</b>	<b>615</b>
Result				
Loss before tax	(752,938)	(1,162,202)	(5,633,554)	(7,548,694)
Income tax expense	-	-	-	-
<b>Loss for the year</b>	<b>(752,938)</b>	<b>(1,162,202)</b>	<b>(5,633,554)</b>	<b>(7,548,694)</b>
Asset and liabilities				
Segment assets	2,294,556	268,949	-	2,563,505
Segment liabilities	37,367	31,213	-	68,580
<b>Year ended 31 December 2019</b>				
Interest income	3,291	-	-	3,291
<b>Segment revenue</b>	<b>3,291</b>	<b>-</b>	<b>-</b>	<b>3,291</b>
Result				
Loss before tax	(1,104,719)	-	-	(1,104,719)
Income tax expense	-	-	-	-
<b>Loss for the year</b>	<b>(1,104,719)</b>	<b>-</b>	<b>-</b>	<b>(1,104,719)</b>
Asset and liabilities				
Segment assets	604,053	-	5,593,675	6,197,728
Segment liabilities	47,825	-	-	47,825

**10. Dividends**

No dividends have been paid or provided for during the half-year.

**11. Contingent Assets and Liabilities**

The Directors are not aware of any new contingent liabilities or assets as at 31 December 2020. There has been no change in contingent liabilities or assets since the last annual reporting date.

**12. Commitments**

There are no known contractual commitments as at 31 December 2020.

**13. Significant Events after the Reporting Date**

On 18 February 2021, the Company announced that it had executed a binding purchase agreement ("Agreement") with Peel Far West Pty Ltd ("PFW") to acquire a 100% ownership interest in the Koonenberry project comprising exploration licences EL8721, EL8722, EL8790, EL8791 and EL8909 (together, the "Koonenberry Project" or "Licences") located 80km east of Broken Hill, New South Wales.

The Koonenberry Project covers 2,600km<sup>2</sup> and is ~150km strike of the significantly under-explored Koonenberry Belt which is considered highly prospective for VMS-hosted Cu-Zn-Ag-Au, magmatic Ni-Cu-PGE, epithermal Ag-Pb-Cu and orogenic Au. Under the Agreement, the consideration payable by Odin to PFW (or its nominee) to acquire a 100% ownership interest in the Licences is:

- the issue of 50,000,000 fully paid ordinary shares in Odin ("Consideration Shares"), subject to Odin first obtaining shareholder approval for the issue under Listing Rule 7.1; and
- a 1% net smelter return royalty ("Royalty")



**Notes to the Consolidated Financial Statements for the period ended 31 December 2020**

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Completion of the Proposed Acquisition is subject to the satisfaction or waiver of a number of conditions, including PFW obtaining approval under s 121 of the Mining Act 1992 (NSW) for the transfer of the Licences, Odin conducting due diligence to its satisfaction by the date that is 3 months from the date of the Agreement and Odin obtaining shareholder approval under Listing Rule 7.1 and any other shareholder approvals required for completion.

**Placement**

On 23 February 2021, the Company announced that it had received firm commitments from sophisticated and institutional investors and other investors qualifying under s708 of the Corporations Act 2001 (Cth) to subscribe for a placement of up to 112,500,000 ordinary fully paid shares at \$0.02 per share to raise proceeds of up to \$2,250,000 before costs ("Placement"). The Placement will be undertaken in two tranches.

The first tranche of 49,000,000 shares were issued on 24 February 2021 at an issue price of \$0.02 per share, raising \$980,000 (before costs). The second tranche of the Placement is intended to be completed subject to the Company obtaining shareholder approval. If completed, tranche two will result in the issue of up to 63,500,000 shares at \$0.02 per share to raise up to approximately \$1.27 million (before costs).

In addition to the Placement, on 24 February 2021, Odin issued 10 million shares at an issue price of \$0.0001 per share as advisor/facilitation fees in relation to the acquisition.

**Incentive Option Conversion**

On 24 February 2021, the Company issued 6,625,000 shares following the conversion of unlisted incentive options exercisable at \$0.0001 on or before 1 May 2024.

**Proposed Board Appointment**

It is proposed, subject to shareholders approving the proposed acquisition, that Mr Ted Coupland join the board of Odin as Non-Executive Director. Mr Coupland has over 30 years of experience in the mining, exploration and resource finance industry and holds qualifications in geology, geostatistics, mineral economics and finance.

There have been no other significant events subsequent to the end of the financial year to the date of this report which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.





## Directors' Declaration

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In the opinion of the Directors of Odin Metals Limited ('the Company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - a. complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

**Jason Bontempo**  
**Executive Director**

Perth, WA  
2 March 2021

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
ODIN METALS LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Odin Metals Limited, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 half-year 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 2020 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 Odin Metals Limited, 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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### *Independence*


In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Odin Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### *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 Odin Metals Limited 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 2020 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*.

**RSM**  
RSM AUSTRALIA PARTNERS

  
ALASDAIR WHYTE  
Partner

Perth, WA  
Dated: 2 March 2021

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