



NORONEX
— LIMITED —

ABN 83 609 594 005

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 December 2020

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INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2020

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CORPORATE DIRECTORY

DIRECTORS

David Prentice (Non-Executive Chairman)
Piers Lewis (Non-Executive Director)
Luke Hall (Non-Executive Director)
Mr Robert Klug (Non-Executive Director)

COMPANY SECRETARIES

Sebastian Andre

REGISTERED OFFICE

295 Rokeby Road
Subiaco WA 6008

POSTAL ADDRESS

PO Box 866
Subiaco WA 6904

PRINCIPAL PLACE OF BUSINESS

Suite 1, 295 Rokeby Road
Subiaco WA 6008

CONTACT INFORMATION

Tel: +61 8 6555 2950
Fax: +61 8 6166 0261

AUDITORS

HLB Mann Judd (WA PARTNERSHIP)
Level 4, 130 Stirling Street
Perth WA 6000

SHARE REGISTRY

Automic Share Registry
Level 2, 267 St Georges Terrace
Perth WA 6000

1300 288 664 (Local)
+61 2 9698 5414 (International)
www.automic.com.au

BANKER

National Australia Bank
Level 1 / 1238 Hay Street
West Perth WA 6005

SECURITIES EXCHANGE LISTING

Australian Securities Exchange (**ASX**)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

ASX CODE: NRX

DIRECTORS' REPORT

The directors of Noronex Limited (formerly known as Lustrum Minerals Limited) (**ASX:NRX**) (**Company** or **Noronex**) and its controlled entities (**Group**), for the half-year ended 31 December 2020 (**Period**) and the auditor's review report thereon. The Interim Financial Report has been prepared in accordance with AASB 134 Interim Financial Reporting.

DIRECTORS

The names and particulars of the directors of the Company in office during the Period and until the date of this report are as follows. Directors were in office for the entire Period unless otherwise stated.

Director	Position
Mr David Prentice	Non-Executive Chairman
Mr Robert Klug	Non-Executive Director (Appointed 5 November 2020)
Mr Luke Hall	Non-Executive Director
Mr Piers Lewis	Non-Executive Director

The names of the secretaries in office at any time during or since the end of the year are:

Company Secretaries	Position
Mrs Loren Anne King	Company Secretary (Resigned 30 November 2020)
Mr Sebastian Andre	Company Secretary (Appointed 30 November 2020)

OPERATING RESULTS

The Group has incurred a net loss after tax for the half-year ended 31 December 2020 of \$982,666 (31 December 2019: \$309,662).

REVIEW OF OPERATIONS

PROJECT AND EXPLORATION SUMMARY

Copper Projects in Namibia and Canada

Namibia

The Namibian Projects comprise three exclusive prospecting licences (Prospecting Licences) covering 78,000Ha that are prospective for sedimentary Cu-Ag mineralisation along the prolific Kalahari Copper Belt that spans Namibia and Botswana (see figure 1 below). The Namibian Projects have seen over 150,000m of historic RC and diamond drilling. The belt also hosts the Zone 5 deposit (owned by private equity backed Cupric Canyon) and Sandfire Resources' (ASX:SFR) T3 deposit (acquired in the MOD Resources (ASX:MOD) acquisition in 2019).

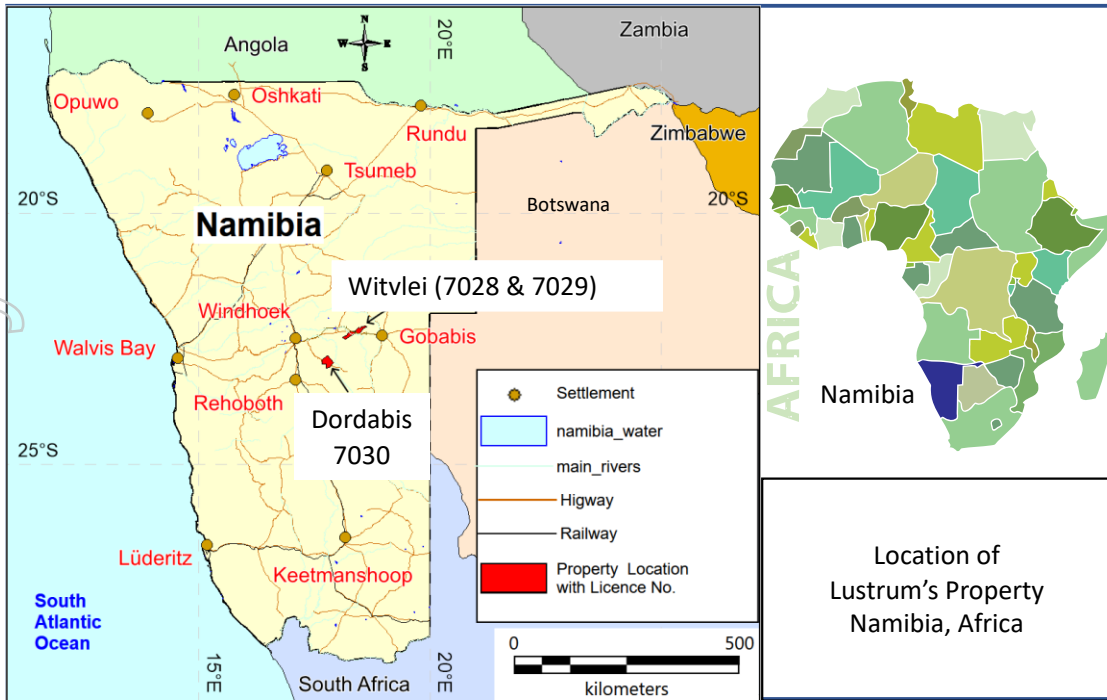


Figure 1: Property Location Map showing claim locations in central Namibia

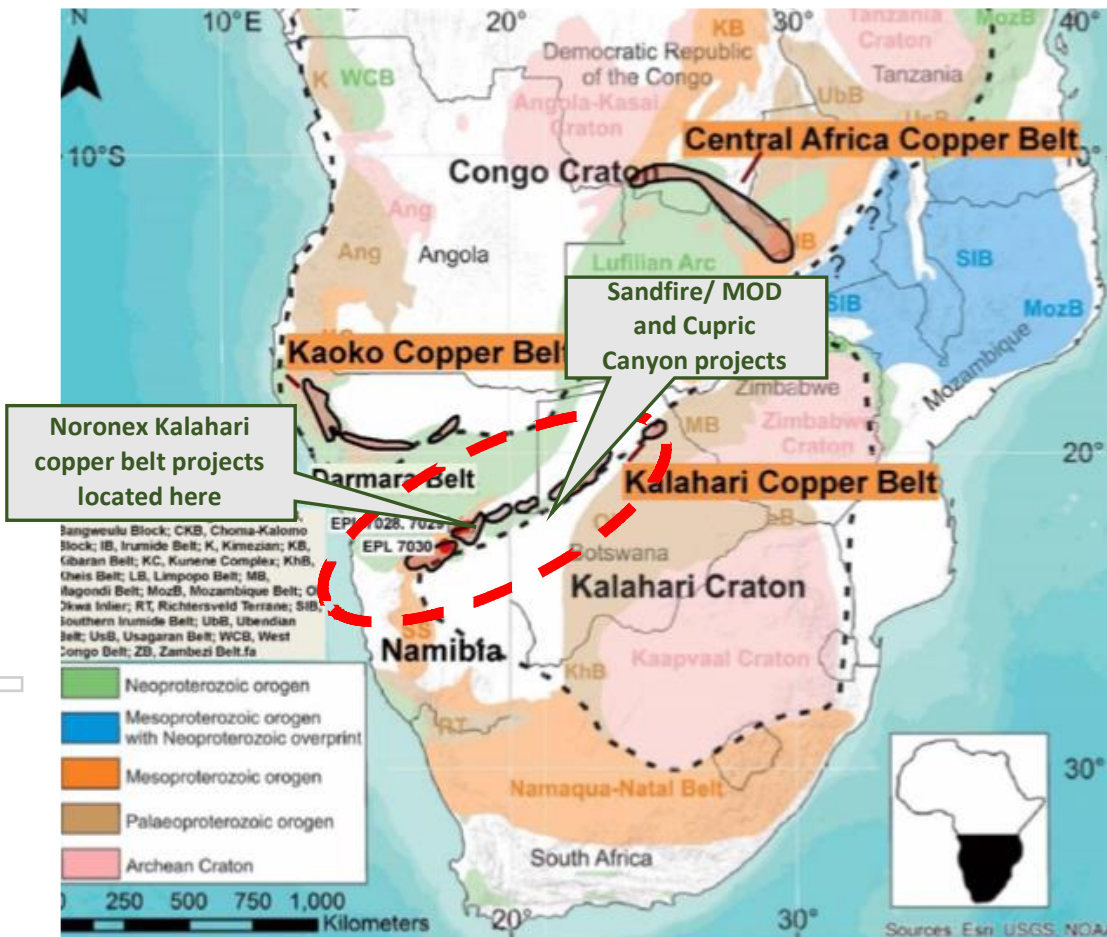


Figure 2: Property location highlighting Kalahari Copper Belt

The Namibian Projects consist of the Witvlei (EPLs 7028 and 7029) and Dordabis Projects (EPL 7030). The Namibian Project areas are located in central Namibia (see figure 2 above) on the Kalahari Copper belt, 150kms east and 100kms south-east respectively of the capital, Windhoek. Key infrastructure includes an

airport (one hour), paved road and rail which intersects the Witvlei properties. There are other mines in similar proximity to Windhoek including copper, gold, and uranium mines.

During the period, Noronex appointed NRG to commence an aerial electromagnetic (EM) survey on its Namibian Projects. The EM survey is the first ever state-of-the-art airborne survey to be undertaken on the project areas. The use of significantly improved modern technology and geophysical interpretation is intended to generate new exploration targets to expand on 150,000m of historic RC and diamond drilling that has already identified numerous sedimentary Cu-Ag deposits. The contractor NRG commenced flying the Witvlei project in early January and will then move to the Dordabis project (see Figure 3 below).

An updated JORC 2012 resource estimate on part of the deposit area based on historic drilling is also being undertaken by MSA Group with initial results currently expected in February.

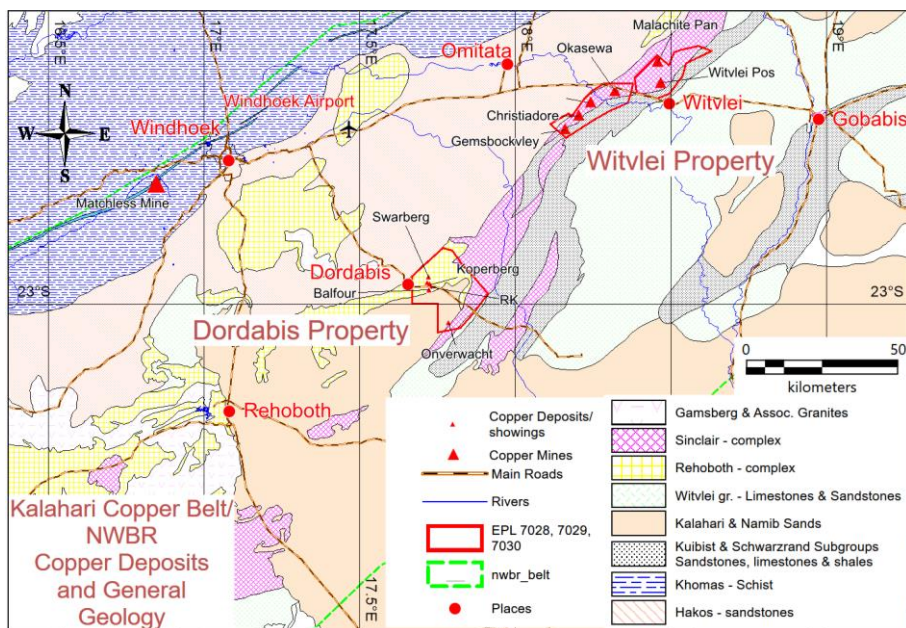


Figure 3: Kalahari Copper Belt geology and key Witvlei and Dordabis project locations

Witvlei Project

To date, six key project areas have been defined at Witvlei including Malachite Pan, Okasewa, Christiadore North & South, Witvlei Pos and Gemsbockvley (see Figure 4 below).

The Witvlei projects have had 101,914m of drilling across 699 holes (96,376m RC and 5,538m diamond) to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
Okasewa, Namibia ¹	OKRC017:	20m @ 2.15% Cu from 101m down hole
	OKRC026:	54m @ 1.51% Cu from 69m down hole
	OKDD002:	26.6m @ 2.03% Cu from 228.4m
	OKRC187:	29m @ 1.78% Cu from 0m
Malachite Pan, Namibia ¹	MPRC007:	5m @ 2.73% Cu from 66m
		4m @ 1.56% Cu from 73m
	MPRC042:	24m @ 1.2% Cu from 0m
	MPRC043:	13m @ 1.8% Cu from 11m
		16m @ 1.94% Cu from 46m

MPRC115:	4m @ 3.56% Cu from 47m 3m @ 3.09% Cu from 54m 11m @ 2.11% Cu from 163m
MPRCDD130:	5m @ 3.38% Cu from 163m 6m @ 3.86% Cu from 215m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are estimated to be 70 to 80% of the down-hole thickness at Okasewa and 60-70% at Malachite Pan.

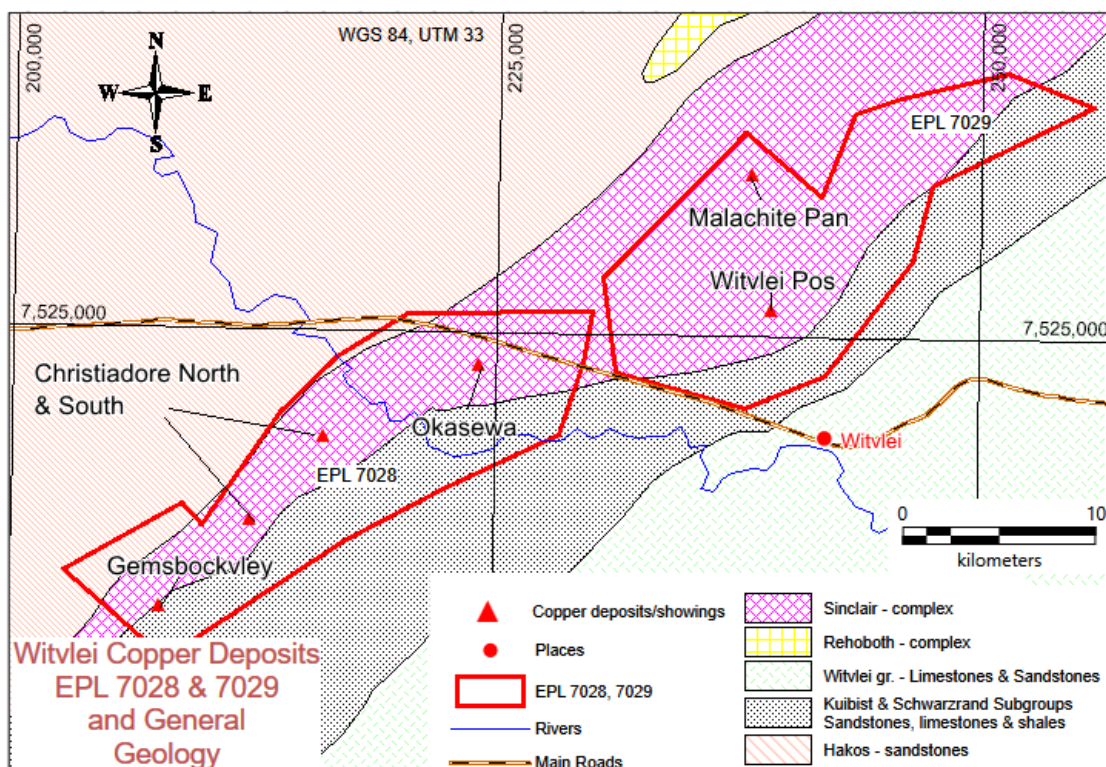


Figure 4: Witvlei Project mineral deposits and prospects.

Dordabis Project

The Dordabis project includes a number of deposits including Koperberg, RK, RK West, Swartberg, Balfour and Onverwacht (see Figure 5 below). The Dordabis project has had 49,575m of RC drilling across 478 holes to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
<i>Koperberg, Namibia¹</i>	KRC54: including	37m @ 1.46% Cu from 38m down hole 5m @ 3.34% Cu from 43m down hole
	KRC 55: including	78m @ 1.72% Cu from 27m down hole 13m @ 2.6% Cu from 74m down hole
	KRC056:	27m @ 1.87% Cu from 86m
	KRC 67:	21m @ 2.09% Cu from 0m
	KRC 87: including	47m @ 1.46% Cu from 27m down hole 10m @ 2.48% Cu from 44m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are not known

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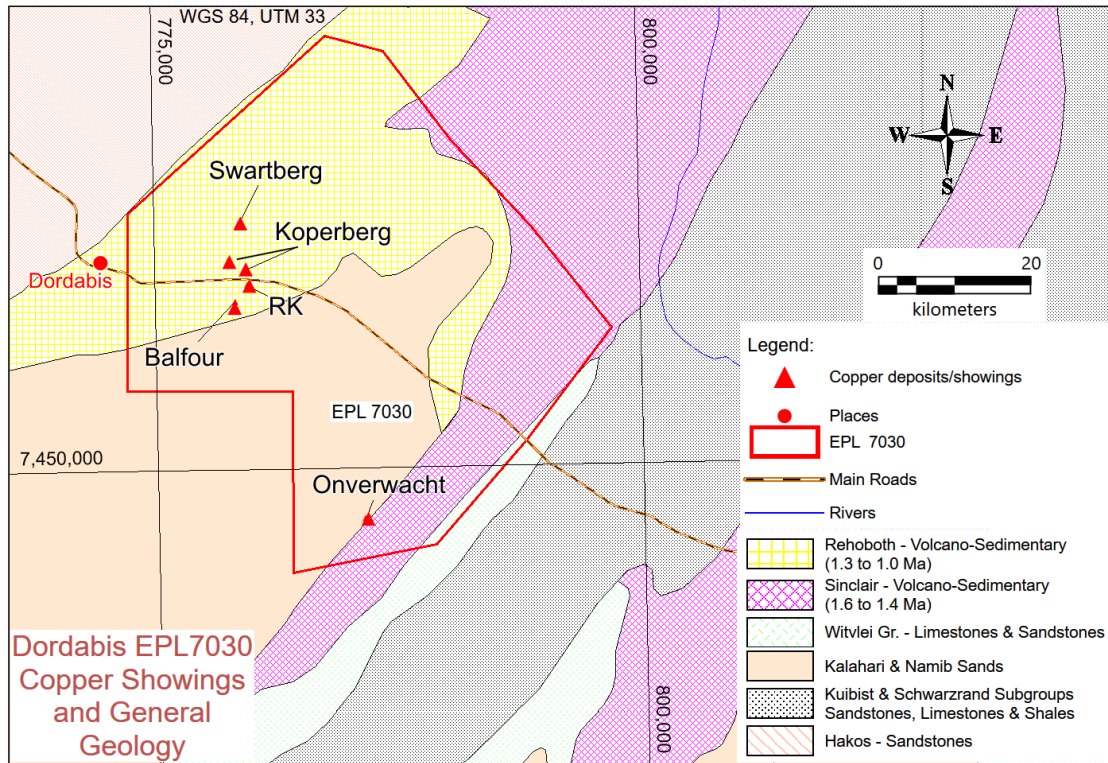


Figure 5: Dordabis Project showing project locations

Canada

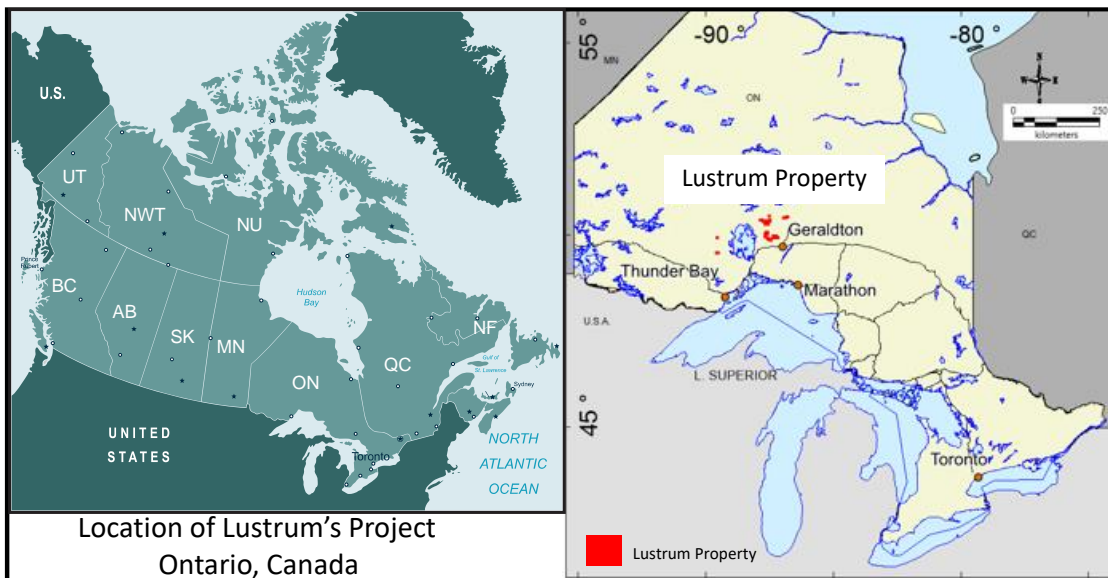


Figure 6: Location of project areas in Ontario, Canada

The Canadian Projects consist of claims in central Ontario, 200kms northeast of the town of Thunder Bay (Figure 6), a key regional centre with significant access to mining expertise, personnel, and equipment. The Canadian Projects are accessed from the towns of Geraldton or Beardmore just east of Lake Nipigon. Key infrastructure includes road (TransCanada Highway), nearby rail (Canadian National Railway Line is 20kms away) and power. There are also numerous logging and mining operations in the areas providing excellent access to the claim areas.

The key Project areas include Onaman, Kupfer, Ryan Block A, Ryan Block B and Amukun (see figure 7 below).

The most significant mineral asset in Canada is the Onaman property, where the Lynx copper-gold-silver deposit is at an advanced stage of exploration (Onaman Project). The Onaman Project includes outcropping mineralisation and hosts numerous other deposits and prospects along strike from Lynx including Headway (Zn-Ag), Cane (Au) and Cane (Cu) which have only seen limited exploration. Lynx is located 5kms south-west from the historic producing Tashota-Nipigon Au-Ag-Cu mine.

During the period the company undertook a review of historic data from previous exploration programs, undertook a confirmatory surface sampling program on a number of the claims and submitted drill plans to test for extensions to the VMS structure along strike and at depth from the Onaman Project.

The Onaman Project has had 18,992m of diamond drilling to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
Onaman, Canada ¹	S06-01:	5.0m @ 6.03% Cu, 1.53g/t Au and 154g/t Ag from 96m
	S08-33:	7.5m @ 4.94% Cu, 2.04g/t Au and 136.3 g/t Ag from 111m
	S08-52:	3.7m @ 8.07% Cu, 6.08g/t Au and 236 g/t Ag from 195m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are an average of 84% of these values.

In June 2020, a JORC (2012) compliant resource (reported by G. Kirkham) was completed at the Lynx deposit representing approximately 600 metres of a 12km trend of mineralisation on the Onaman property. Inferred Mineral Resources with reasonable prospects for eventual economic extraction have been estimated at Lynx in conformance with the JORC Code (2012) as detailed in Table 1.

Zone	Tonnes	Cu%	Au gpt	Ag gpt	Cu pounds	Au ounces	Ag ounces
1	233,037	1.71	0.56	52.01	8,798,433	4,200	389,643
2	96,455	1.75	0.29	38.67	3,716,379	912	119,909
3	132,400	2.01	1.16	42.66	5,864,124	4,927	181,590
4	179,899	1.64	0.38	36.35	6,522,738	2,179	210,221
5	420,292	1.15	0.41	24.66	10,609,378	5,555	333,268
7	568,540	1.79	0.92	46.25	22,441,679	16,829	845,401
Total	1,630,623	1.61	0.66	39.68	57,952,730	34,602	2,080,032

Table 1: Inferred Mineral Resource estimates for the Lynx Project

Notes: Mineral Resources are reported at a 0.5 g/t CuEq block cut-off (within open pit constraints) or a 1.0 CuEq block cut-off (below open pit constraints), and classified in accordance with the JORC Code (2012) by Kirkham Geosystems Ltd. Metal equivalents were calculated using appropriate prices and recoveries as outlined in JORC Table included in Schedule 5 and using the following equation: $CuEq = 0.85 * Cu (\%) + 0.343 * Au (g/t) + 0.004 * Ag (g/t)$. Tonnage is reported as dry tonnes.

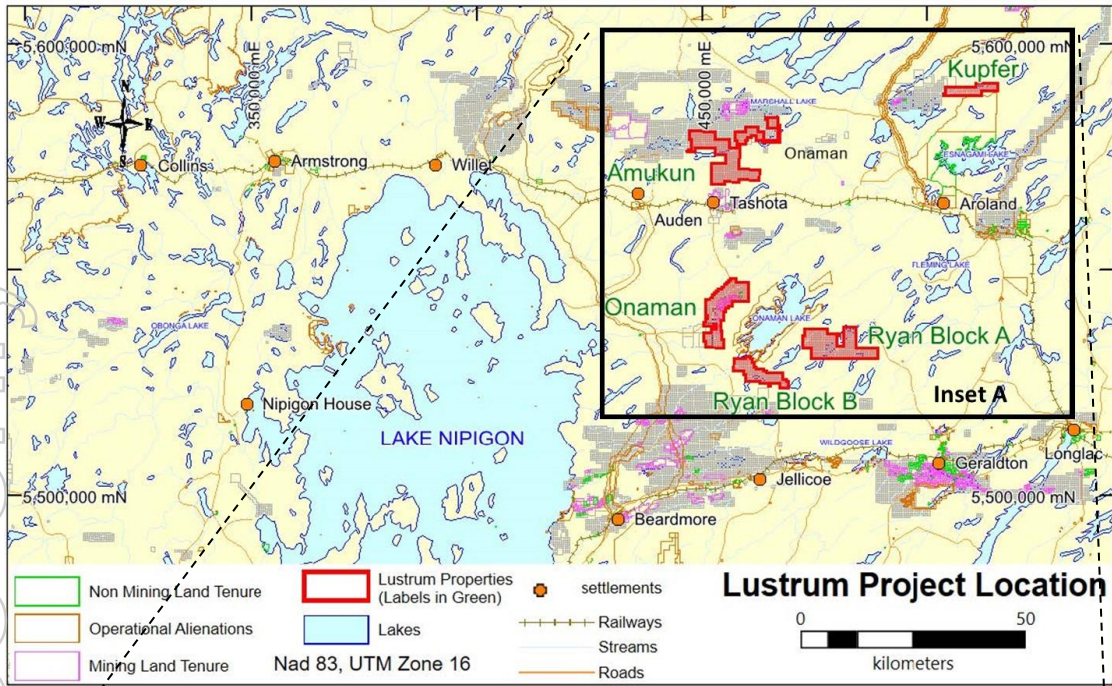
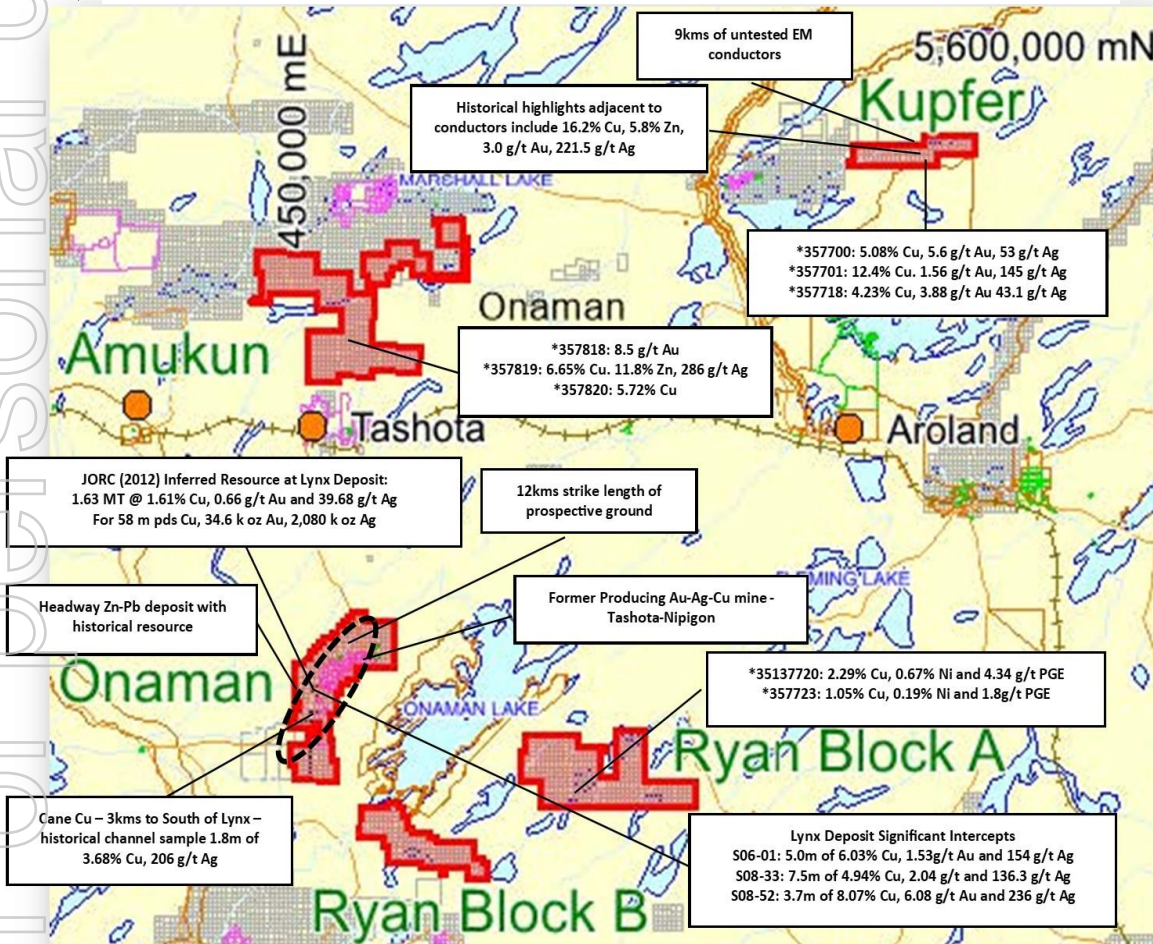


Figure 7: Project locations showing road and rail access to the east of Lake Nipigon



Inset A: Location of JORC (2012) resource estimate at Lynx, historical drilling and Noronex sampling*
Note that insufficient information is available to verify historical assays

Queensland

During the period, the Company maintained its interest in the Consuelo Project in Queensland. The Consuelo Project is comprised of three (3) Coal Exploration Permits (EPCs 2327, 2318 and 2332, together the EPCs or Project) located south of the town of Rolleston in Queensland's Bowen Basin adjacent to the Rolleston thermal coal mine. The Company is currently reviewing the proposed forward plan for this project including possible joint venture or divestment opportunities.

Tenement Status

The Company confirms that the tenements acquired as result of the acquisitions described in the Prospectus remain in good standing and that the Company has not acquired additional tenements or disposed of any tenements during the period. The Company further confirms that as at the end of the period the beneficial interest held by the Company in the various tenements has not changed. Details of the tenements and their location are set out in detail in the Company's Prospectus which is available on the Company's website. The Company also confirms that it holds three Coal Exploration Permits (EPCs 2327, 2318 and 2332) located south of the town of Rolleston in Queensland.

STATUS OF COMPANY OPERATIONS

- Completed the acquisition of copper projects in Namibia and Canada as set out in the Company's Prospectus dated 16 September 2020.
- Capital raising successfully completed with A\$4.3 million (before costs) raised under the Prospectus and the Company reinstated to official quotation on the ASX on 18 November 2020.
- Experienced resources executive, Mr Robert Klug appointed as a non-executive director upon re-listing and an experienced technical advisory board (including Mr Bruce Hooper and Dr Dennis Arne) was constituted.
- Exploration planning and programs commenced on the Namibian projects with the appointment of key contractors to undertake the first ever EM Survey and to commence work on updated JORC (2012) resources for some of the more advanced project areas.
- Canadian projects exploration advanced with a review of historic data, a confirmatory surface sampling program and the submission drill plans.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results at the DorWit Copper Project is based on information compiled by Mr Bruce Hooper who is a Registered Professional Geoscientist (RPGeo) of The Australian Institute of Geoscientists. Mr Hooper is a consultant to Noronex Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources were first announced on 8 March 2021 ("JORC Update"). The Company confirms that it is not aware of any new information or data that materially affects the information included in the JORC Update and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

CORPORATE

During the period, Noronex successfully completed the acquisition of copper projects in Namibia and Canada (as per the prospectus dated 16 September 2020), finalised a capital raising of \$4.3m and was reinstated to official quotation on the ASX following re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The Company also held its Annual General Meeting, changed its name from Lustrum Minerals Ltd to Noronex Ltd, changed its principal place of business and appointed a new company secretary.

Experienced resources executive, Mr Robert Klug joined the board as a non-executive director. Mr Klug was most recently the Chief Commercial Officer at Sandfire Resources Limited (ASX: SFR), the owner of the De Grussa Cu-Au mine in Western Australia. He was a key part of the team that successfully completed the \$160m acquisition of ASX-listed MOD Resources Ltd (ASX: MOD), the owner of the T3 Cu-Ag project on the Kalahari Copper Belt, Botswana.

During the period the company also established the Noronex Technical Advisory Board ("Advisory Board") to drive planning and execution of the Company's current exploration plans and oversee technical due diligence activities.

The Advisory Board includes:

- Mr Bruce Hooper, a highly experienced resources executive and geologist who was most recently the Chief Exploration & Business Development Officer at Sandfire Resources Ltd (ASX: SFR). Sandfire is the owner of the De Grussa Cu-Au mine in Western Australia and the owner of the T3 Cu-Ag deposit on the Kalahari Copper Belt in Botswana; and
- Dr Dennis Arne, who was recently the Managing Director of CSA Global Canada. Dr Arne is a geologist with nearly 40 years' experience in economic geology and exploration geochemistry globally. He has been involved in exploration programs for a variety of commodities in the Yukon, Nunavut, Quebec and Ontario in Canada, the USA, Australia, Suriname, Sudan and Laos.

CAPITAL MANAGEMENT

The Company maintains 151,594,676 fully paid ordinary shares on issue and \$4,029,192 in net cash as at the end of the Period.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

SIGNIFICANT CHANGE IN THE STATE OF AFFAIRS

During the period the Company reinstated to official quotation on the ASX on 18 November 2020 and completed the acquisition of copper projects in Namibia and Canada as set out in the Company's Prospectus dated 16 September 2020. There were no other significant changes in the state of affairs of the Group other than as referred to elsewhere in this consolidated half-year report and in the accounts and notes attached thereto.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half-year is set out on page 12 of this report.

This report is presented in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



David Prentice

Non-Executive Chairman

Perth, Western Australia this 12th day of March 2021

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Noronex 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:

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

Perth, Western Australia
12 March 2021



D I Buckley
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Noronex Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Noronex Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for 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.

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 Noronex 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 the *Corporations Regulations 2001*.

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 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group'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 the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 E: mailbox@hlbwa.com.au

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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.

Independence

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
12 March 2021



D I Buckley
Partner

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DIRECTORS' DECLARATION

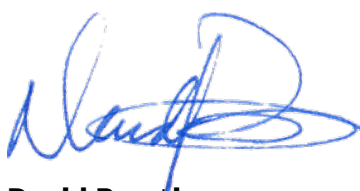
The directors declare that the financial statements and notes are in accordance with the *Corporations Act 2001*:

- (a) Comply with Accounting Standards and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements;
- (b) As stated in Note 1.2, the financial statements also comply with International Financial Reporting Standards; and
- (c) Give a true and fair view of the financial position of the entity as at 31 December 2020 and of its performance for the period ended on that date.

In the directors' opinion there are reasonable grounds to believe that Noronex Limited 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 directors.

For, and on behalf of, the Board of the Company,



David Prentice

Non-Executive Chairman

Perth, Western Australia this 12th day of March 2021

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 31 December 2020

	Note	Half-Year Ended 31 Dec 2020 \$	Half-Year Ended 31 Dec 2019 \$
Expenses			
Audit and accounting fees		(91,880)	(19,848)
Corporate compliance costs		(99,754)	(90,645)
Corporate fees		(36,000)	(20,000)
Directors' fees, salaries, superannuation, and consulting costs		(70,570)	(89,996)
Insurance expense		(17,461)	(9,753)
Legal fees		(217,385)	(40,534)
Other expenses from ordinary activities		(20,225)	(25,105)
Exploration expenditure expensed		(312,295)	(13,779)
Share based payment expensed	6	(117,096)	-
Total Expense		(982,666)	(309,660)
Income tax (benefit)/expense		-	-
Loss after tax from continuing operations		(982,666)	(309,660)
Other comprehensive loss for the period, net of tax		(15,777)	-
Total comprehensive loss net of tax for the Period		(998,443)	(309,660)
Loss for the period attributable to:			
Owners of the parents		(973,094)	-
Non-controlling interest		(9,572)	-
		(982,666)	-
Total Comprehensive Loss:			
Owners of the parents		(988,871)	-
Non-controlling interest		(9,572)	-
		(998,443)	-
Basic and diluted loss per share (\$)		(1.39)	(0.01)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Note	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Current assets			
Cash and cash equivalents	2	4,029,192	1,507,211
Trade and other receivables		54,429	7,447
Total current assets		4,083,621	1,514,658
Non-Current assets			
Property	3	352,594	-
Deferred Exploration and evaluation expenditure	4	2,324,497	-
Total Non-Current assets		2,677,091	-
Total assets		6,760,712	1,514,658
Current liabilities			
Trade and other payables		317,410	168,575
Total current liabilities		317,410	168,575
Total liabilities		317,410	168,575
Net Assets		6,443,302	1,346,083
Equity			
Issued capital	5	11,582,727	6,140,048
Reserve		257,576	-
Accumulated losses		(5,767,059)	(4,793,965)
Non-Controlling Interest		370,058	-
Total Equity		6,443,302	1,346,083

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2020

	Note	Issued Capital \$	Option Reserve	Foreign Currency Reserve	Accumulated Losses \$	Non- Controlling Interest	Total Equity \$
Balance at 1 July 2019		6,140,048	-	-	(4,098,472)	-	2,041,576
Loss for the Period		-	-	-	(309,660)	-	(309,660)
Total comprehensive loss for the Period		-	-	-	(309,660)	-	(309,660)
Shares issued during the Period		-	-	-	-	-	-
Capital raising costs		-	-	-	-	-	-
Balance as at 31 December 2019		6,140,048	-	-	(4,408,132)	-	1,731,916
Balance at 1 July 2020		6,140,048	-	-	(4,793,965)	-	1,346,083
Other Comprehensive loss		-	-	(15,777)	-	-	(15,777)
Loss for the Period		-	-	-	(973,094)	(9,572)	(982,666)
Total comprehensive loss for the Period		-	-	(15,777)	(973,094)	(9,572)	(998,443)
Non-controlling interest recognised on acquisition of Larchmont	7	-	-	-	-	379,630	379,630
Share based payments	6	-	273,353	-	-	-	273,353
Shares issued during the period		5,887,161	-	-	-	-	5,887,161
Capital raising costs		(444,482)	-	-	-	-	(444,482)
Balance at 31 December 2020		11,582,727	273,353	(15,777)	(5,767,059)	370,058	6,443,302

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2020

	Note	Half-Year Ended 31 Dec 2020 \$	Half-Year Ended 31 Dec 2019 \$
Cash flows from operating activities			
Payments to suppliers and employees		(568,728)	(327,360)
Payment for exploration activities		(334,437)	-
<i>Net cash used in operating activities</i>		(903,165)	(327,360)
Cash flows from investing activities			
Payment for acquisition of subsidiary, net of cash acquired	7	(437,343)	-
Payment for acquisition of exploration assets		(266,592)	-
<i>Net cash (used in)/generated by investing activities</i>		(703,935)	-
Cash flows from financing activities			
Proceeds from issue of shares		4,300,000	-
Issued capital cost		(170,919)	-
<i>Net cash (used in)/generated by financing activities</i>		4,129,081	-
Net (decrease)/ increase in cash and cash equivalents		2,521,981	(327,360)
Cash and cash equivalents at the beginning of the Period		1,507,211	2,078,872
Foreign exchange differences		-	-
Cash and cash equivalents at the end of the Period		4,029,192	1,751,512

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

1. BASIS OF PREPARATION

1.1. BASIS OF PREPARATION

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by Noronex Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

1.2. STATEMENT OF COMPLIANCE

The interim financial statements were authorised for issue on 12 March 2021.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

1.3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact (if any) of the new and revised Standards and Interpretations effective 1 July 2020 as disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

1.4. SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2020, except for the impact (if any) of the new and revised Standards and Interpretations effective 1 July 2020 as disclosed below.

1.5. NEW AND REVISED ACCOUNTING STANDARDS

Standards and Interpretations applicable to 31 December 2020

In the period ended 31 December 2020, the Directors have reviewed all of the new and revised standards and interpretations issued by the AASB that are relevant to the Group's operations. It has been determined that there is no material impact of the standards and interpretations and therefore, no change is required to the Group's accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2020. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to the Group's accounting policies.

2. CASH AND CASH EQUIVALENTS

	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Current		
Cash at bank	4,029,192	1,507,211

3. PROPERTY

	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Opening Balance	-	-
Acquisition of Property	378,584	-
Foreign Exchange Difference	(25,990)	-
	<u>352,594</u>	<u>-</u>

As part of the Larchmont acquisition the Company acquired Canadian mining patents which have rights equivalent to freehold land and have therefore been recognised as property and not capitalised under exploration and evaluation assets. Refer to Note 7 for further details.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

4. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Opening Balance:	-	-
Larchmont Acquisition ¹	1,670,743	-
White metals option Agreement ² - Namibia	541,593	-
Payment for White metal option to RJZ ² - Namibia	112,161	-
Closing Balance	<u>2,324,497</u>	<u>-</u>

¹ Refer to Note 7 for further details.

² Refer to Note 5 for further details.

The ultimate recoupment of the expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

5. ISSUED CAPITAL

	As At 31 Dec 2020 No.	As At 30 Jun 2020 No.
Fully paid ordinary shares	151,594,676	33,851,450

	As At 31 Dec 2020		As At 30 Jun 2020	
	No.	\$	No.	\$
Opening Balance	33,851,450	6,140,048	33,851,450	6,140,048
Shares issued under the Public Offer	86,000,000	4,300,000	-	-
Shares issued as part consideration for the acquisition of 80% of Larchmont	24,000,000	1,200,000	-	-
Share issued in part satisfaction of the initial payment under White Metal Agreement	5,500,000	275,000	-	-
Shares issued for payment to RJZ for assignment of the White Metal Option to Larchmont	2,243,226	112,161	-	-
Capital raising costs	-	(444,482)	-	-
Balance at end of the period	<u>151,594,676</u>	<u>11,582,727</u>	<u>33,851,450</u>	<u>6,140,048</u>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

6. SHARE BASED PAYMENT RESERVE

	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Opening Balance:	-	-
Issue of Director Options (share-based payment expensed)	117,096	-
Issue of Advisor Options (cost of equity)	156,257	-
Closing Balance	<u>273,353</u>	<u>-</u>

The Advisor Options and the Director Options are defined as share based payments. The valuation of share based payment transactions is measured by reference to fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

ITEM	VALUE OF INPUT			
	PRO FORMA ADJUSTMENTS			
	DIRECTOR OPTIONS		ADVISOR OPTIONS	
	CLASS A	CLASS B	CLASS A	CLASS B
Fair value per option	\$0.0127	\$0.0134	\$0.0127	\$0.0134
Number of options	4,500,000	4,500,000	6,000,000	6,000,000
Exercise price	\$0.10	\$0.15	\$0.10	\$0.15
Expected volatility	81.7%	81.7%	81.7%	81.7%
Implied option life	2 years	3 years	2 years	3 years
Expected dividend yield	Nil	Nil	Nil	Nil
Risk free rate	0.16%	0.16%	0.16%	0.16%
Underlying share price at grant date	\$0.05	\$0.05	\$0.05	\$0.05

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

7. ACQUISITION OF LARCHMONT

On 14 September 2020, the Company entered into the Larchmont Agreement with the Larchmont Vendors, pursuant to which the Larchmont Vendors agreed to sell, and the Company agreed to buy, 80% of the issued capital in Larchmont. Larchmont holds a portfolio of high-grade copper claims in Canada.

The consideration payable at Settlement under the Larchmont Agreement is a \$100,000 cash deposit, 24,000,000 Shares and a cash fee of \$339,461, being a reimbursement for expenditure that has been incurred on the Canadian Projects to date.

The acquisition of Larchmont had occurred on the 4th of November 2020 as all condition's precedent has been met.

	\$
Fair value of consideration	
Cash consideration as part payment for the acquisition of 80% of Larchmont	339,461
Shares issued as part consideration for the acquisition of 80% of Larchmont	1,200,000
Deposit to Vendors	100,000
Total consideration	1,639,461
Fair value of net assets acquired	
Cash	2,118
Other assets	1,222
Exploration and evaluation expenditure	1,670,743
Property – land	378,584
Trade and other payables	(33,576)
Less: non-controlling interest 20%	(379,630)
Fair value of net assets acquired	1,639,461

	\$
Reconciliation to Cash flow	
Deposit	(100,000)
Cash Consideration	(339,461)
Cash acquired	2,118
Payment for acquisition of subsidiary, net of cash acquired	(437,343)

8. SEGMENT REPORTING

The Group has adopted AASB 8 'Operating Segments' which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Group reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

The group operates in the mineral exploration sector predominantly in Australia, Namibia, and Canada. Majority of all assets and liabilities are held in Australia other than, capitalised exploration costs which is outlined in note 6. There has been no material spend made in the profit and loss in Namibia and Canada from the date of acquisition of Larchmont.

9. SUBSEQUENT EVENTS

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

10. FAIR VALUE MEASUREMENT

The Directors consider that the carrying amount of other financial assets and liabilities recognised in the consolidated financial statements approximate their fair value.

11. RELATED PARTY TRANSACTIONS

During the half-year ended 31 December 2020 the following related party transaction was undertaken between the Group and director related entities:

The company has an agreement with Smallcap Corporate (**SCC**), of which Mrs Piers Lewis is a shareholder, (**Corporate Services Agreement**). Pursuant to the Corporate Services Agreement, the SCC was appointed to provide corporate and administrative services to the Company. The fee payable by the Company to SCC in consideration for performing the services under the Corporate Services Agreement is A\$96,000 per annum.

The Company has not sought Shareholder approval for the execution of the proposal despite SCC being a related party of the Company on the basis that the Proposal has been negotiated at arm's length and contains standards commercial terms and therefore falls within the exception on section 210 of the Corporations Act.

12. COMMITMENTS AND CONTINGENT LIABILITIES

12.1. TENEMENT RELATED COMMITMENTS AND CONTINGENCIES

The Company is required to meet minimum committed expenditure requirements to maintain current rights of tenure to exploration licences. These obligations may be subject to re-negotiation, may be farmed-out or may be relinquished and have not been provided for in the statement of financial position. A summary of aggregate commitments is as follows:

	As At 31 Dec 2020 \$	As At 30 Jun 2020 \$
Within one year	929,825	-
One to five years	1,500,000	-
	<u>2,429,825</u>	<u>-</u>