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**GENMIN**

**ABN 81 141 425 292**

Interim Financial Report

for the half-year ended 30 June 2021

**GENMIN LIMITED**

Outram Centre  
Suite 7, 1297 Hay Street  
WEST PERTH WA 6005

PO Box 1256  
WEST PERTH WA 6872

ACN 141 425 292



## **DIRECTORS**

Mr Michael Arnett, *Non-Executive Chairman*  
Mr Giuseppe Ariti, *Managing Director & CEO*  
Mr Brian van Rooyen, *Non-Executive Director*  
Mr Salvatore Pietro Amico, *Non-Executive Director*  
Mr John Hodder, *Non-Executive Director*

## **COMPANY SECRETARY**

Mrs Lucy Rowe

## **AUDITORS**

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco, WA 6008  
T: +61 8 9426 0666

## **SOLICITORS**

Herbert Smith Freehills  
QV1 Building, 250 St Georges Terrace  
Perth WA 6000  
T: +61 8 9211 7777

## **BANKERS**

National Australia Bank  
100 St Georges Terrace  
Perth, WA 6000

## **REGISTERED OFFICE AND BUSINESS ADDRESS**

Suite 7, Outram Centre  
1297 Hay Street  
West Perth WA 6005  
T: +61 8 9200 5812

## **SHARE REGISTRY**

Computershare Investor Services Pty Limited  
Level 11, 172 St George's Terrace  
Perth WA 6000

## **STOCK EXCHANGE LISTING**

The Company's shares are listed and quoted on the Australian Securities Exchange (ASX).  
ASX Code: GEN

**WEBSITE:** [www.genmingroup.com](http://www.genmingroup.com)

## **General Information**

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2020.



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## Directors' Report

The Directors of Genmin Limited (**Genmin** or **Company**) and its controlled entities (**Group**), present their Report together with the Interim Financial Report of the Consolidated Entity, for the half-year period ended 30 June 2021 and the Independent Auditor's Report thereon.

### Directors

The names of the Directors of the Company in office up to the date of this report are:

Mr Michael Arnett	Non-Executive Chairman	Appointed: 10 March 2021
Mr Giuseppe Ariti	Managing Director & CEO	
Mr John Hodder	Non-Executive Director	Re-elected: 27 May 2021
Mr Salvatore Pietro Amico	Non-Executive Director	
Mr Brian van Rooyen	Non-Executive Director	Appointed: 10 March 2021

Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

### Results of Operations

The Group recorded a loss after tax for the half-year ended 30 June 2021 of US\$709,455 (2020: US\$1,269,471).

### Review of Operations

On 10 March 2021, the Company was successfully admitted to the official list of the Australian Securities Exchange (**ASX**), following an initial public offering (**IPO**) and capital raising, made pursuant to its Prospectus dated 9 February 2021 (**Prospectus**). Genmin issued approximately 88.2 million new shares at AU\$0.34 per share, to raise AU\$30 million (US\$23.1 million) (before costs) and an additional 12.2 million new shares, to extinguish a US\$3.2 million Convertible Note (including Interest and The Establishment Fee).

Funds raised by Genmin in the IPO are being applied to develop its 100% owned African iron ore assets located in Gabon, central West Africa. More specifically completion of a Preliminary Feasibility Study at the Baniaka Iron Ore Project (**Baniaka**) (feasibility stage), resource definition at the Bakoumba Iron Ore Project (advanced exploration stage), and regional exploration at the Minvoul/Bitam Iron Ore Project (early exploration stage), as well as working capital.

As part of, and following, the successful IPO and capital raising, the Company has made significant progress in its growth through enhancing Board independence, increasing the breadth and skill set of the executive leadership group and executing on the ground work activities, including:

- appointment of Mr Michael Arnett and Mr Brian van Rooyen as independent, non-executive directors who also add legal and further enhance African, iron ore and steelmaking, and commercial skill sets to the Board;
- expanding the breadth of the executive leadership group with the appointment of a Chief Financial Officer, General Manager – Technical Services, new Company Secretary, and at the end of the half-year, a Study Manager and Manager – Sales & Marketing;
- recommencement of diamond drilling at Baniaka in late June 2021, which remains ongoing;

- commencement of pilot scale metallurgical test work in South Africa on representative bulk oxide iron ore samples from within the mineral resource envelope at Baniaka;
- completion of a detrital iron deposits mineral resource update improving the 63.1 million tonne mineral resource classification from 19% to 38% Indicated at Baniaka<sup>1</sup>; and
- commencement of small, support civil work programs including 31km of access road refurbishment and installation of bulk fuel storage at Baniaka.

Gabon generally experiences low levels of COVID-19 infections, with approximately 25,600 cases and 165 deaths recorded since the commencement of the pandemic, to 18 August 2021. Subject to normal visa restrictions, travel in and out of Gabon is permitted and the government has in place various protection protocols (PCR testing on arrival and exit, online government quarantine accommodation portal, mandatory wearing of masks, a vaccination program and vaccination incentives), to manage and stop transmission of the virus.

During the half-year, the Company has not experienced any significant impact on its operations through COVID-19, or as a result of the protective measures Gabon has in place. The Company has indirect exposure to the impact of COVID-19 on global logistics chains through its drilling contractors at Baniaka, specifically the procurement and transport of supplies and consumables in support of the drilling function.

On 2 August 2021, Genmin's auditor Bentleys Audit & Corporate (WA) Pty Ltd (ABN 33 121 222 802) merged with, and changed its name to, Hall Chadwick WA Audit Pty Ltd (ABN 33 121 222 802) (**Hall Chadwick WA**). The Auditors Independence Declaration and the Independent Auditor's Review Report is issued by Hall Chadwick WA, but for all intents and purposes the shareholder approved auditor remains the same.

### Subsequent Events

No other matters or circumstances have arisen, which significantly affect or may 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

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



**Michael Arnett**  
Non-Executive Chairman  
3 September 2021

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<sup>1</sup> Refer ASX market announcement titled *Baniaka DID Mineral Resource Update* dated 21 July 2021 in which Mr Richard Gaze and Mr Mathieu Lacorde are Competent Persons. Further, the Company confirms that all material assumptions and technical parameters underpinning the mineral resource estimates in that ASX announcement continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the mineral resource estimates.



## Auditors Independence Declaration

HALL CHADWICK 

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 Genmin Limited for the half-year ended 30 June 2021, 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

  
**HALL CHADWICK**  
Chartered Accountants

  
**CHRIS NICOLOFF CA**  
Partner

Dated 3<sup>rd</sup> day of September 2021



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Hall Chadwick Association is a national group of independent Chartered Accountants and Business Advisory firms.  
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## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Half-Year ended 30 June 2021	Half-Year ended 30 June 2020
		US\$	US\$
<b>Continuing operations</b>			
Other income	3	18,872	33,906
<b>Total Other income</b>		<b>18,872</b>	<b>33,906</b>
Accounting and audit fees		(80,665)	(46,248)
Consultancy fees		(68,365)	(45,990)
Travel and accommodation		(5,741)	(13,260)
Corporate expenses		(403,927)	(107,760)
Director and employee expenses	4	686,166	(856,760)
Legal fees		(279,869)	(47,208)
Occupancy expenses		(10,181)	(7,211)
Depreciation expense		(41,643)	(127,957)
Interest paid		(61,593)	(26,584)
Reversal of provision of doubtful debt		25,191	-
FX gain/loss		(469,323)	(10,737)
Financial cost	5	303,386	(13,662)
Site Maintenance		(161,581)	-
Loss on transfer of exploration licence	7	(160,182)	-
<b>Loss before income tax</b>		<b>(709,455)</b>	<b>(1,269,471)</b>
Income Tax Expense		-	-
<b>Loss after income tax for the half-year</b>		<b>(709,455)</b>	<b>(1,269,471)</b>
<b>Loss attributable to:</b>			
Owners of Genmin Group Limited		(705,393)	(1,266,285)
Non-controlling interests		(4,062)	(3,186)
		<b>(709,455)</b>	<b>(1,269,471)</b>
<b>Basic Earnings per share (cent)</b>		<b>(0.194)</b>	<b>(0.423)</b>
<b>Diluted Earnings per share (cent)</b>		<b>(0.194)</b>	<b>(0.423)</b>
<b>Other comprehensive income / (loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
· exchange differences on translating controlled entities		(630,505)	5,841
<b>Other comprehensive income / (loss), net of income tax</b>		<b>(630,505)</b>	<b>5,841</b>
<b>Total comprehensive loss for the half-year</b>		<b>(1,339,960)</b>	<b>(1,263,630)</b>
<b>Total comprehensive loss for the half-year attributable to:</b>			
Owners of Genmin Group Limited		(1,335,827)	(1,260,447)
Non-controlling interests		(4,133)	(3,183)
		<b>(1,339,960)</b>	<b>(1,263,630)</b>

This statement should be read in conjunction with the notes to the financial statements.



## Condensed Consolidated Statement of Financial Position

	Note	As at 30 June 2021	As at 31 Dec 2020
		US\$	US\$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	6	19,268,423	868,274
Trade and other receivables		332,843	77,498
Prepayments		103,004	84,024
<b>Total current assets</b>		<b>19,704,270</b>	<b>1,029,796</b>
<b>Non-current</b>			
Property, plant and equipment		213,146	247,750
Exploration and evaluation assets	7	24,888,080	24,910,867
Intangible assets		395,285	395,285
Capital work in progress		63,504	-
Right of use asset		41,180	79,314
<b>Total non-current assets</b>		<b>25,601,195</b>	<b>25,633,216</b>
<b>Total assets</b>		<b>45,305,465</b>	<b>26,663,012</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables		648,672	815,522
Lease liabilities		46,342	73,536
Convertible note	8	-	2,823,460
Embedded derivative		-	583,789
<b>Current liabilities</b>		<b>695,014</b>	<b>4,296,307</b>
<b>Non-Current</b>			
Lease liabilities		-	8,945
<b>Non-Current liabilities</b>		<b>-</b>	<b>8,945</b>
<b>Total liabilities</b>		<b>695,014</b>	<b>4,305,252</b>
<b>Net assets</b>		<b>44,610,451</b>	<b>22,357,760</b>
<b>Equity</b>			
Share capital	9	61,194,355	37,130,711
Reserves		(1,399,465)	(298,038)
Accumulated losses		(15,114,504)	(14,409,111)
Equity Attributable to Owners of the Company		44,680,386	22,423,562
Non-controlling interest		(69,935)	(65,802)
<b>Total equity</b>		<b>44,610,451</b>	<b>22,357,760</b>

This statement should be read in conjunction with the notes to the financial statements.





## Condensed Consolidated Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Options reserve	Performance right reserve	Acquisition of NCI reserve	Accumulated losses	Non-Controlling interest	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Balance as at 1 January 2020</b>	<b>36,075,955</b>	<b>(2,410,697)</b>	-	<b>1,968,871</b>	<b>(1,385,407)</b>	<b>(11,604,302)</b>	<b>(58,518)</b>	<b>22,585,902</b>
Loss for the half-year	-	-	-	-	-	(1,266,285)	(3,186)	(1,269,471)
Other comprehensive income	-	5,838	-	-	-	-	3	5,841
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>5,838</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,266,285)</b>	<b>(3,183)</b>	<b>(1,263,630)</b>
<i>Transactions with owners in their capacity as owners:</i>								
- issue of ordinary shares	1,054,756	-	-	-	-	-	-	1,054,756
- net movement performance rights	-	-	-	448,725	-	-	-	448,725
<b>Sub-total</b>	<b>1,054,756</b>	<b>-</b>	<b>-</b>	<b>448,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,503,481</b>
<b>Balance as at 30 June 2020</b>	<b>37,130,711</b>	<b>(2,404,859)</b>	<b>-</b>	<b>2,417,596</b>	<b>(1,385,407)</b>	<b>(12,870,587)</b>	<b>(61,701)</b>	<b>22,825,753</b>
<b>Balance as at 1 January 2021</b>	<b>37,130,711</b>	<b>(970,875)</b>	-	<b>2,058,244</b>	<b>(1,385,407)</b>	<b>(14,409,111)</b>	<b>(65,802)</b>	<b>22,357,760</b>
Loss for the half-year	-	-	-	-	-	(705,393)	(4,062)	(709,455)
Other comprehensive loss for the half-year	-	(630,434)	-	-	-	-	(71)	(630,505)
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(630,434)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(705,393)</b>	<b>(4,133)</b>	<b>(1,339,960)</b>
<i>Transactions with owners in their capacity as owners:</i>								
- issue of ordinary shares	26,377,534	-	-	-	-	-	-	26,377,534
- cost of issue of ordinary shares	(2,313,890)	-	-	-	-	-	-	(2,313,890)
- issue of options	-	-	903,952	-	-	-	-	903,952
- net movement performance rights	-	-	-	(1,374,945)	-	-	-	(1,374,945)
<b>Sub-total</b>	<b>24,063,644</b>	<b>-</b>	<b>903,952</b>	<b>(1,374,945)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,592,651</b>
<b>Balance as at 30 June 2021</b>	<b>61,194,355</b>	<b>(1,601,309)</b>	<b>903,952</b>	<b>683,299</b>	<b>(1,385,407)</b>	<b>(15,114,504)</b>	<b>(69,935)</b>	<b>44,610,451</b>

This statement should be read in conjunction with the notes to the financial statements.



## Condensed Consolidated Statement of Cash Flows

	Note	Half-Year ended 30 June 2021	Half-Year ended 30 June 2020
		US\$	US\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(2,231,543)	(950,856)
Interest received		4,306	818
<b>Net cash used in operating activities</b>		<b>(2,227,237)</b>	<b>(950,038)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(98,781)	(3,249)
Payments for exploration and evaluation		(876,472)	(516,519)
<b>Net cash used in investing activities</b>		<b>(975,253)</b>	<b>(519,768)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		21,638,665	1,054,756
Proceeds for convertible notes		-	1,000,000
Repayment of Principal on Leases		(31,657)	(43,051)
<b>Net cash provided by financing activities</b>		<b>21,607,008</b>	<b>2,011,705</b>
<b>Net change in cash and cash equivalents held</b>		<b>18,404,518</b>	<b>541,899</b>
Cash and cash equivalents at beginning of financial year		868,274	217,953
Effects of exchange rate changes on cash		(4,369)	73
<b>Cash and cash equivalents at end of financial year</b>	6	<b>19,268,423</b>	<b>759,925</b>

This statement should be read in conjunction with the notes to the financial statements.

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## Notes to the Consolidated Financial Statements

### 1. Basis of Preparation

These condensed interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the consolidated condensed interim financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full 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 interim financial statements be read in conjunction with the full financial report for the year ended 31 December 2020 and any public announcements made by Genmin 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 accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 January 2021 disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards (IFRS).

The interim financial statements have been prepared on a historical cost basis, except for selected non-current assets, financial assets and financial liabilities. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The Company is domiciled in Australia and all amounts are presented in United States dollars, unless otherwise noted.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

#### *Statement of compliance*

The interim financial report was authorised for issue on 3 September 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 IFRS.

#### *Significant accounting estimates and judgements*

The preparation of the interim financial statements 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.

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 31 December 2020.



## *New and revised Standards and Interpretations*

### Standards and Interpretations

In the period ended 30 June 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group 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 half-year ended 30 June 2021. 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 Company and, therefore, no change is necessary to Group accounting policies.

## 2. **Going Concern**

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

The Group incurred a loss for the half-year of US\$709,455 (2020: US\$1,269,471), and had a net operating cash outflow of US\$2,227,237 (30 June 2020: US\$950,038).

The above is mitigated for the following reasons:

- Genmin completed an IPO and raised US\$23.1m (AU\$30m) on 10 March 2021 and as at 30 June 2021, the Company had US\$19.3m as cash and cash equivalent;
- Management has prepared a cash flow forecast, which indicates that the Company has sufficient funds to meet all commitments and working capital requirements for the next 12 months from the date of signing this interim financial report; and
- Given the Company's history of raising capital to date and the expanded shareholder base following the IPO, the Directors are reasonably confident of the Company's ability to raise additional funds as and when they are required.

## 3. **Income**

	Half-Year ended 30 June 2021	Half-Year ended 30 June 2020
	US\$	US\$
Interest received	13,173	818
Miscellaneous income	5,699	33,088
<b>Total Other income</b>	<b>18,872</b>	<b>33,906</b>



#### 4. Director and Employee Expenses

	Note	Half-Year ended 30 June 2021	Half-Year ended 30 June 2020
		US\$	US\$
Salaries and wages		429,006	345,854
Superannuation contributions		40,756	32,856
Performance rights - lapsed		(1,374,945)	448,725
Performance rights – cash settled		60,008	-
Recruitment costs		66,322	192
Director Fees		92,337	25,000
Other		350	4,133
<b>Total Director and employee expenses</b>		<b>(686,166)</b>	<b>856,760</b>

#### 5. Financial Cost

	Half-Year ended 30 June 2021	Half-Year ended 30 June 2020
	US\$	US\$
Embedded derivative	333,594	-
Convertible note establishment fee	(25,714)	(8,552)
Bank fees	(4,494)	(5,110)
<b>Total Financial costs</b>	<b>303,386</b>	<b>(13,662)</b>

#### 6. Cash and Cash Equivalent

	As at 30 June 2021	As at 31 Dec 2020
	US\$	US\$
United States Dollar (US\$)	7,552	715,606
Australian Dollar (AU\$)	19,232,462	73,395
Central African Franc (XAF)	28,409	79,273
<b>Total Cash and cash equivalents</b>	<b>19,268,423</b>	<b>868,274</b>



## 7. Exploration Expenditure

	Half-Year ended 30 June 2021	Year ended 31 Dec 2020
	US\$	US\$
<b>Opening Balance</b>	24,910,867	22,112,217
Exploration and evaluation expenditure	695,504	1,411,643
Impairment of exploration and evaluation expenditure	-	(7,021)
Loss on transfer of exploration licence	(160,182)	-
Foreign exchange translation effect	(558,109)	1,394,028
<b>Closing Balance</b>	<b>24,888,080</b>	<b>24,910,867</b>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

## 8. Convertible Notes

	Half-Year ended 30 June 2021	Year ended 31 Dec 2020
	US\$	US\$
Proceeds from issue of Convertible notes	3,000,000	3,000,000
Embedded derivative	(583,789)	(583,789)
Embedded derivative - unwound	583,789	333,594
Establishment fee	(60,000)	(60,000)
Establishment fee unwound during the period	60,000	34,285
Interest expense	207,863	99,370
Conversion into shares	(3,207,863)	-
<b>Carrying value of liability as at 30 June 2021</b>	<b>-</b>	<b>2,823,460</b>

On 1 May 2020, Genmin signed a Convertible Note Deed (**Deed**) with Tembo Capital Mining Fund LP (**Tembo**), which was approved by the Company's shareholders at the 2020 Annual General Meeting. The key terms of the Deed were as follows:

- Genmin to raise up to US\$3m by issuing up to 30,000 unsecured convertible notes to Tembo at a face value of US\$100 each, convertible into fully paid ordinary shares of Genmin (**Facility**);
- An establishment fee of 2% and interest rate of 10% per annum payable on the Facility;
- The Facility had a Maturity Date of 30 June 2021, and the Repayment Amount was due and payable on 31 December 2021.
- Subject to certain regulatory approvals, Tembo could have elected to convert the notes into shares at a conversion price, which was equal to the higher of:
  - 100% subtract the 15% discount rate then multiplied by the price per share payable on the basis of the fair market value that is determined by an independent expert; and
  - the floor price, which is US\$0.15 per share.

Tembo retrospectively received Foreign Investment Review Board (**FIRB**) approval of the Deed on 25 November 2020 and accordingly, Genmin recognised the embedded derivative. Prior to receiving FIRB approval, Genmin treated the Facility as an unsecured debt.

Contemporaneous with the IPO and capital raising, Tembo converted the Facility into ordinary shares pursuant to the Tembo Offer set out in the Prospectus.

## 9. Issued capital

### 9.1 Share capital

The share capital of Genmin consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital.

	Date	No. of shares	Value (US\$)
Opening balance	01-Jan-20	293,028,650	36,075,955
Issue of shares (Tembo/Ndovu Capital 1 BV)	15-Jan-20	7,031,705	1,054,756
<b>Closing balance</b>	<b>31-Dec-20</b>	<b>300,060,355</b>	<b>37,130,711</b>
<b>Opening balance</b>	<b>01-Jan-21</b>	<b>300,060,355</b>	<b>37,130,711</b>
Issue of shares (IPO excl. Tembo C-Note)	10-Mar-21	88,235,294	23,094,301
Cost of IPO	10-Mar-21	-	(2,313,890)
Issue of Shares (Tembo Conversion C-Note)	10-Mar-21	12,253,105	3,207,863
Issue of Shares (Chantilly Limited options)	16-Jun-21	10,077	1,512
Issue of Shares (Volksvs Super Fund options)	16-Jun-21	460,000	14,316
Issue of Shares (Shane Volk)	16-Jun-21	1,940,000	59,542
<b>Closing balance</b>	<b>30-Jun-21</b>	<b>402,958,831</b>	<b>61,194,355</b>

## 10. Performance Rights

	Half-Year ended 30 June 2021 US\$	Half-Year ended 30 June 2020 US\$
At the beginning of the reporting period	2,058,244	1,968,871
Issued during the year	-	464,014
Exercised during the year	(155,035)	-
Lapsed during the year	(133,532)	(41,616)
Probability adjustment	(1,086,378)	26,327
<b>At reporting date</b>	<b>683,299</b>	<b>2,417,596</b>

On 27 May 2021, Genmin's shareholders approved:

- issuing 1,600,000 performance rights to Mr Michael Arnett;
- issuing 1,200,000 performance rights to Mr Brian van Rooyen;
- amending the terms of certain performance rights previously issued to Mr Salvatore Pietro Amico; and

the details are set out in the tables overleaf.



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Name	Performance Rights Granted	Vesting Conditions
Michael Arnett	400,000	The Company achieving a 30-day VWAP of at least AU\$0.70 per Share
	400,000	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023
	400,000	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024
	400,000	Asset growth through the acquisition of key regional projects resulting in a significant value uplift (as determined by an independent party)

Name	Performance Rights Granted	Vesting Conditions
Brian van Rooyen	300,000	The Company achieving a 30-day VWAP of at least AU\$0.70 per Share
	300,000	Completion of a positive Bankable Feasibility Study for the Baniaka Iron ore Project by 31 December 2022
	300,000	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023
	300,000	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024

Name	Performance Rights Granted	Vesting Conditions	Grant Date	Expiry Date
Salvatore Pietro Amico	360,000	Grant of a mining permit and entering into the Mining Convention for the Baniaka Iron Ore Project by <del>31 December 2022</del> <u>30 June 2023</u> .	23 June 2020	<del>22 June 2023</del> 22 June 2024
	360,000	Assisting in achieving either: a project financing outcome once the mining permit is granted; or an exit at an amount in excess of <del>USD200 million</del> <u>USD300 million</u> for Shareholders before <del>31 December 2024</del> <u>31 December 2023</u> .	23 June 2020	<del>22 June 2023</del> 22 June 2024





## 10.1 Number of Performance Rights

For the half-year ended 30 June 2021

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Performance rights at the start of the half-year	Granted during the half-year	Exercised (not vested) during the half-year	Forfeited during the half-year	Lapsed during the half-year	Balance at the half-year end	Vested at the end of the half-year
26/08/2018	25/08/2021	Nil	\$0.28	4,800,000	-	-	-	-	4,800,000	1,200,000
12/09/2018	11/09/2021	Nil	\$0.30	500,000	-	-	-	-	500,000	250,000
31/12/2019	31/12/2022	Nil	\$0.63	1,035,000	-	(265,000)	-	(385,000)	385,000	300,000
23/06/2020	22/06/2023	Nil	\$0.62	1,200,000	-	-	-	-	1,200,000	-
27/05/2021	26/05/2025	Nil	\$0.15	-	700,000	-	-	-	700,000	-
27/05/2021	26/05/2025	Nil	\$0.22	-	2,100,000	-	-	-	2,100,000	-
				<b>7,535,000</b>	<b>2,800,000</b>	<b>(265,000)</b>	<b>-</b>	<b>(385,000)</b>	<b>9,685,000</b>	<b>1,750,000</b>

For the year ended 31 December 2020

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Performance rights at the start of the year	Granted during the year	Exercised (not vested) during the year	Forfeited during the year	Lapsed during the year	Balance at the Year End	Vested at the end of the year
5/04/2018	5/04/2021	Nil	\$0.28	6,000,000	-	-	-	(1,200,000)	4,800,000	-
12/09/2018	11/09/2021	Nil	\$0.30	500,000	-	-	-	-	500,000	250,000
31/12/2019	31/12/2022	Nil	\$0.63	1,800,000	-	-	-	(765,000)	1,035,000	432,500
23/06/2020	22/06/2023	Nil	\$0.62	-	1,200,000	-	-	-	1,200,000	-
				<b>8,300,000</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>(1,965,000)</b>	<b>7,535,000</b>	<b>682,500</b>



## 10.2 Value of Performance Rights

For the half-year ended 30 June 2021

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date	Performance rights at the start of the half-year	Granted during the half-year	Exercised (not vested) during the half-year	Forfeited during the half-year	Lapsed during the half-year	Probability adjustment	Balance at the Year End
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
26/08/2018	25/08/2021	Nil	\$0.28	813,906	-	-	-	-	(452,443)	361,463
12/09/2018	11/09/2021	Nil	\$0.30	139,020	-	-	-	-	(63,715)	75,305
31/12/2019	31/12/2022	Nil	\$0.63	526,150	-	(155,035)	-	(133,532)	8,948	246,531
23/06/2020	22/06/2023	Nil	\$0.62	579,168	-	-	-	-	(579,168)	-
27/05/2021	26/05/2025	Nil	\$0.15	-	-	-	-	-	-	-
27/05/2021	26/05/2025	Nil	\$0.22	-	-	-	-	-	-	-
				<b>2,058,244</b>	<b>-</b>	<b>(155,035)</b>	<b>-</b>	<b>(133,532)</b>	<b>(1,086,378)</b>	<b>683,299</b>

For the year ended 31 December 2020

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date	Performance rights at the start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Lapsed during the year	Probability adjustment	Balance at the Year End
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
26/08/2018	25/08/2021	Nil	\$0.28	1,124,376	-	-	-	(272,027)	(38,443)	813,906
12/09/2018	11/09/2021	Nil	\$0.30	94,783	-	-	-	-	44,237	139,020
31/12/2019	31/12/2022	Nil	\$0.63	749,712	-	-	-	(320,503)	96,941	526,150
23/06/2020	22/06/2023	Nil	\$0.62	-	464,014	-	-	-	115,154	579,168
				<b>1,968,871</b>	<b>464,014</b>	<b>-</b>	<b>-</b>	<b>(592,530)</b>	<b>217,889</b>	<b>2,058,244</b>



## 11. Options

Options are issued and give the holder the right, but not the obligation, to subscribe for one fully paid ordinary share in the capital of the Company. These options are considered equity transactions and no value is placed on the early conversion or on the granting of additional options.

	Half-year ended 30 June 2021 Number of options	Year ended 31 Dec 2020 Number of options
At the beginning of the reporting period	11,087,584	18,249,971
Issued during the year	5,000,000	-
Exercised during the year	(2,410,077)	(7,031,705)
Lapsed during the year	(968,625)	(130,682)
<b>At reporting date</b>	<b>12,708,882</b>	<b>11,087,584</b>

### Options on issue as at 1 January 2021

Issue Date	Expiry Date	Exercise Price	Number of Options	Fair value on Issue Date
1-Sep-12	14-Aug-22	AU\$0.04	7,200,000	free attaching
1-Nov-12	14-Aug-22	AU\$0.04	1,000,000	free attaching
7-Jun-17	6-Jun-22	AU\$0.04	124,403	free attaching
23-May-16	30-Apr-21	US\$0.25	968,625	free attaching
31-Jul-18	31-Jan-23	US\$0.15	1,254,479	free attaching
5-Aug-19	31-Jul-24	US\$0.15	250,000	free attaching
27-Aug-19	31-Jul-24	US\$0.15	280,000	free attaching
1-Oct-19	31-Jul-24	US\$0.15	10,077	free attaching
			<b>12,087,584</b>	

### Options exercised during the half-year ended 30 June 2021

Issue Date	Expiry Date	Exercise Price	Exercise Date	Number of Options	Fair value on Issue Date	Share price on Exercise Date
1-Sep-12	14-Aug-22	AU\$0.04	24-Mar-21	1,940,000	free attaching	AU\$0.275
1-Sep-12	14-Aug-22	AU\$0.04	16-Apr-21	460,000	free attaching	AU\$0.270
1-Oct-19	31-Jul-24	US\$0.15	1-May-21	10,077	free attaching	AU\$0.295
				<b>2,410,077</b>		

### Options lapsed during the half-year ended 30 June 2021

Issue Date	Expiry Date	Exercise Price	Number of Options	Fair value on Issue Date
23-May-16	30-Apr-21	US\$0.25	968,625	free attaching
			<b>968,625</b>	



Options granted during the half-year ended 30 June 2021

In accordance with the IPO Offer Management Agreement dated 9 February 2021, Genmin issued a total of 5,000,000 unlisted Advisor options to the Joint Lead Managers (**JLM Options**). The JLM Options have been valued using a Black Scholes pricing model with the following inputs:

Issue Date / Valuation Date:	8 March 2021
Share price:	AU\$0.340
Exercise price:	AU\$0.442
Maturity:	5 years
Risk-free rate:	0.78%
Dividend yield:	0%
Expected volatility:	100%

As a result, the fair value of the JLM Options on the Issue Date was AU\$0.2401 per option.

Options on issue as at 30 June 2021

Issue Date	Expiry Date	Exercise Price	Number of Options	Fair value on Issue Date
1-Sep-12	14-Aug-22	AU\$0.04	4,800,000	free attaching
1-Nov-12	14-Aug-22	AU\$0.04	1,000,000	free attaching
7-Jun-17	6-Jun-22	AU\$0.04	124,403	free attaching
31-Jul-18	31-Jan-23	US\$0.15	1,254,479	free attaching
5-Aug-19	31-Jul-24	US\$0.15	250,000	free attaching
27-Aug-19	31-Jul-24	US\$0.15	280,000	free attaching
8-Mar-21	7-Mar-26	AU\$0.442	5,000,000	AU\$0.2401
			<b>11,708,882</b>	

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## 12. Operating Segments

For management purposes, Genmin is organised into business units based on its geographical location and the nature of activities. Genmin has two business units and they are:

- Gabon Exploration; and
- Corporate.

The following tables present revenue and profit information and certain asset and liability information regarding business segments.

	Corporate	Gabon Exploration	Total
	US\$	US\$	US\$
<b>30 June 2021</b>			
Segment Revenue	18,872	-	<b>18,872</b>
Segment loss before income tax expense	(130,731)	(578,724)	<b>(709,455)</b>

### 30 June 2021

Segment Assets	19,882,949	25,422,516	<b>45,305,465</b>
Segment Liabilities	298,234	396,780	<b>695,014</b>

	Corporate	Gabon Exploration	Total
	US\$	US\$	US\$
<b>30 June 2020</b>			
Segment Revenue	33,906	-	<b>33,906</b>
Segment loss before income tax expense	(1,101,867)	(167,604)	<b>(1,269,471)</b>

### 31 December 2020

Segment Assets	1,449,373	25,213,639	<b>26,663,012</b>
Segment Liabilities	3,920,513	384,739	<b>4,305,252</b>

## 13. Contingencies

There has been no change in contingent liabilities since the last annual reporting date (31 December 2020: \$nil).



#### **14. Financial Instruments**

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position.

The Directors consider that the carrying amounts of current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair values.

#### **15. Subsequent Events**

No other matters or circumstances have arisen which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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## Directors' Declaration

The Directors of the Group declare that:

1. The consolidated financial statements and notes are in accordance with the *Corporations Act 2001*:
  - a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
  - b) complying with Accounting Standard AASB 134: *Interim Financial Reporting, Corporate Regulations 2001* and other mandatory professional reporting requirements.
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.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Michael Arnett'.

**Michael Arnett**  
Non-Executive Chairman  
3 September 2021



## Independent Auditor's Review Report

HALL CHADWICK 

### INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GENMIN LIMITED

#### Conclusion

We have reviewed the accompanying half-year financial report of Genmin Limited ("the Company") and Controlled Entities ("the Group") which comprises the condensed consolidated statement of financial position as at 30 June 2021, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

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 Genmin Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Genmin Limited financial position as at 30 June 2021 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*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the Directors for the Financial Report

The directors of Genmin Limited 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.





HALL CHADWICK 

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 30 June 2021 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*.

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.



**HALL CHADWICK**  
Chartered Accountants



**CHRIS NICOLOFF CA**  
Partner

Dated 3<sup>rd</sup> day of September 2021

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