



TURACO GOLD LIMITED
(formerly Manas Resources Limited)
ABN 23 128 042 606

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED
30 JUNE 2021

For personal use only

Contents**Page**

Directors' Report	3
Auditor's Independence Declaration	11
Condensed Statement of Profit or Loss and Other Comprehensive Income	12
Condensed Statement of Financial Position	13
Condensed Statement of Changes in Equity	14
Condensed Statement of Cash Flows	15
Notes to the Condensed Financial Statements	16
Directors' Declaration	22
Independent Auditor's Review Report	23

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 annual report for the year ended 31 December 2020 and any public announcements made by Turaco Gold Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

DIRECTORS' REPORT

Your directors submit the financial report of Turaco Gold Limited ("Turaco" or the "Company") (formerly Manas Resources Limited) for the half-year ended 30 June 2021. The directors report as follows:

Directors

The names of directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

John Fitzgerald	Non-Executive Chairman (appointed 23 July 2021)
Justin Tremain	Managing Director
Alan Campbell	Non-Executive Director
Bruce Mowat	Non-Executive Director (appointed 9 August 2021)
David Kelly	Non-Executive Director (resigned 9 August 2021)

Results

The loss for the half-year after tax was \$3,382,667 (six months ended 30 June 2020: \$130,062). The increase in losses for the half-year is primarily due to the write-off of previously capitalised exploration expenditure at the Mbengue project, permit PR272 only, increased exploration activities over the reporting period, recognition of share based payments expense, as well as due diligence costs in relation to a corporate transaction that was concluded post half year end.

Review of Operations for the Half-Year

Since the issue of the December 2020 financial year end report, the six months to 30 June 2021 have been transformational for Turaco. In May 2021, Turaco announced an agreement to acquire a 6,194km² exploration package ('Acquisition') from Resolute and the restructure of the joint venture covering a portion of that package with Predictive Discovery Ltd ('Predictive') such that Turaco holds a 89% interest in that joint venture ('Turaco-Predictive Joint Venture').

The Acquisition, completed subsequent to 30 June 2021, has grown Turaco's position in Cote d'Ivoire to 8,325km² with several advanced projects including four core projects: Boundiali, Ferke, Eburnea, and the Tongon North Gold Projects (refer Figure One).

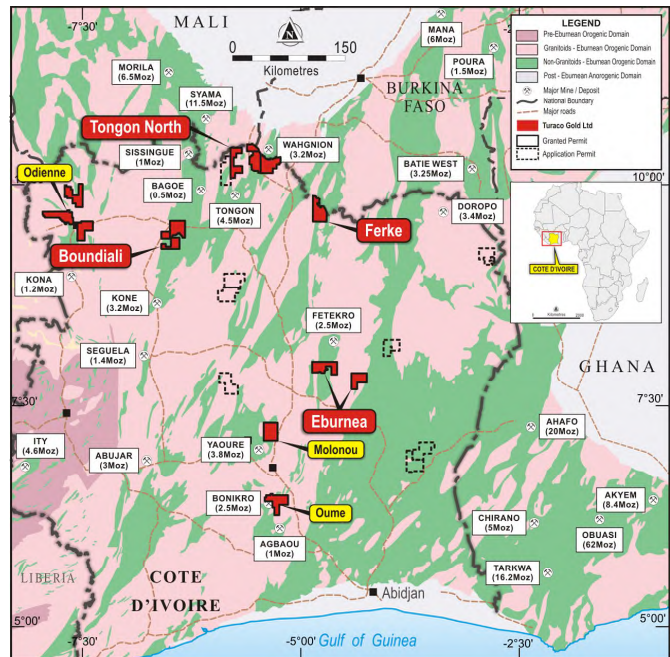


Figure One | Project Location, Côte d'Ivoire

Côte d'Ivoire Projects

Boundiali Gold Project

The Boundiali Gold Project covers two contiguous granted exploration permits covering 572km² (refer Figure Two). The southern exploration permit (PR414) is held 100% by the Turaco-Predictive Joint Venture and has been the focus of exploration work and includes the Nyangboue gold discovery which is Turaco's priority (refer Figure Three). The adjoining northern exploration permit (PR808) is held by a joint venture company with a 35% shareholding held by the Turaco-Predictive JV and the remaining 65% shareholding held by a local joint venture partner and is subject to a dispute with the local partner.

The Boundiali belt is a highly prospective greenstone belt hosting Resolute's world class Syama gold operation and Tabakoroni deposit. On the belt's southern extension into Cote d'Ivoire several smaller high-grade deposits have been discovered, including Perseus Mining Ltd's Sissingue gold operation and Bagoé deposits and Montage Gold's recent 3.2Moz Kone gold discovery to the southwest where it merges with the Senoufo belt.

The Boundiali project area covers the under explored southern extension of the Boundiali belt where a highly deformed synclinal greenstone horizon traverses finer grained basin sediments and to the west Tarkwaian clastic rocks lie in contact with a granitic margin (refer Figure Three).

Initial exploration undertaken on the southern permit of the Boundiali Gold Project included stream sediment sampling and geochemical soil sampling collected over the permit area. Detailed aeromagnetic and IP surveys have also been conducted across the permit.

The soil sampling undertaken in 2015 and 2016 defined three large gold anomalies on the southern permit (refer Figure Four):

- **Nyangboue** - >6km strike length gold -in-soils anomaly associated with the greenstone horizon in the north-east corner of the southern Boundiali permit and open into the Boundiali northern permit
- **Nyangboue South** - >2km strike length gold-in-soils anomaly ~6km along southern strike to Nyangboue
- **Gbemou** - >1.5km strike length gold-in-soils anomaly in the north-west of the Boundiali south permit

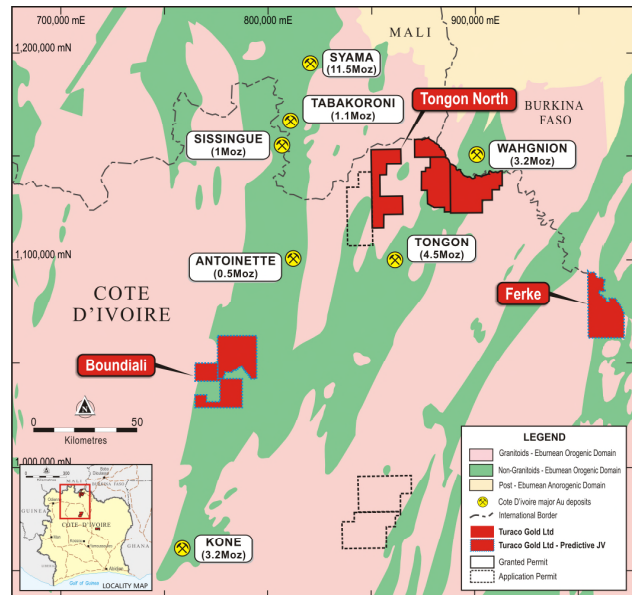


Figure Two | Boundiali Gold Project

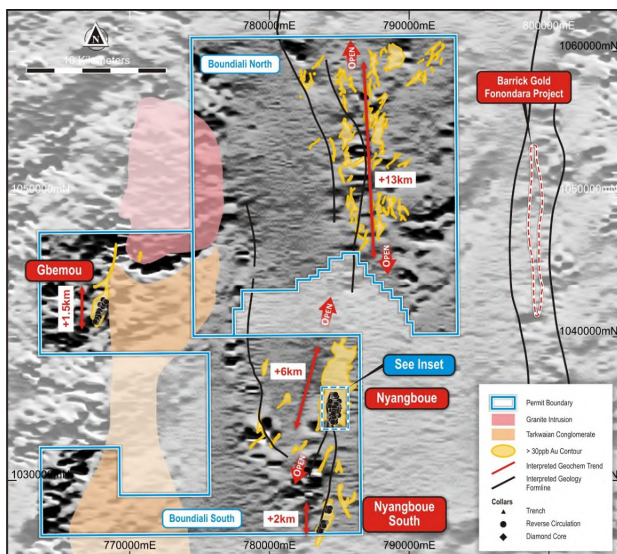


Figure Three | Boundiali Gold Project - Geology and Gold-in-Soils Anomalies

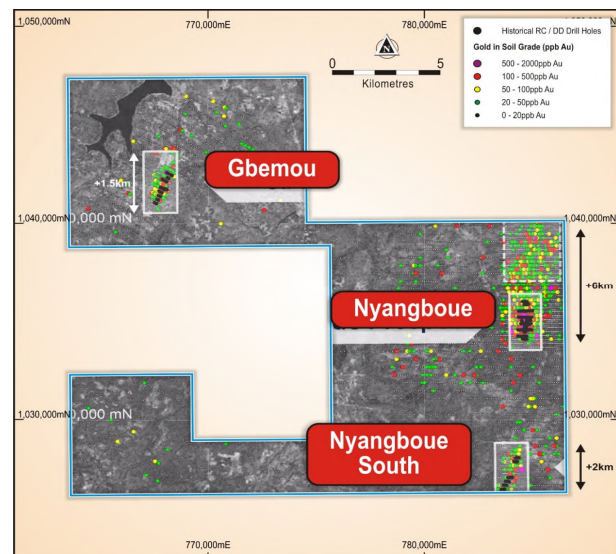


Figure Four | Boundiali Gold Project - Soil Geochemistry

Boundiali Gold Project - continued

In mid-2016, at Nyangboue, an initial wide-spaced RC program of 92 holes for 5,496m (average hole depth 60m) was undertaken focussing only on the southern 2km of the >6km Nyangboue gold anomaly. The success of the first phase of RC drilling led to a second and third phase of infill RC drilling program of 47 holes for 5,198m, focussing on the southern 2km of the >6km gold anomaly, and a small diamond drill program of 10 holes for 1,658m (refer Figure Five).

Significant drill results include (refer Predictive ASX announcements dated 23 June 2016, 25 July 2016, 8 August 2016, 17 May 2017, 29 May 2017, 27 May 2019):

- **20m @ 10.45g/t** gold fr 38m (BRC0004S, being a re-drill of BDRC004 to extend the hole)
- **30m @ 8.30g/t** gold fr 39m (NDC007)
- **20m @ 1.97g/t** gold fr 0m and **14m @ 5.51g/t** gold fr 32m (BRC004)
- **28m @ 4.04g/t** gold fr 3m and **6m @ 3.29g/t** gold fr 47m (BRC003)
- **9m @ 7.90g/t** gold fr 99m (BRC006)
- **27m @ 2.42g/t** gold fr 27m (BRC175)
- **28m @ 1.55g/t** gold fr 1m (BRC048)
- **4.5m @ 6.59g/t** gold fr 75m (NDC001)
- **9m @ 2.86g/t** gold fr 68m (BRC183)

Turaco considers this discovery provides high priority walk-up drill targets with potential for definition of a JORC Mineral Resource estimate. An Air Core and RC drilling program commenced in August 2021 shortly after the half year period ended.

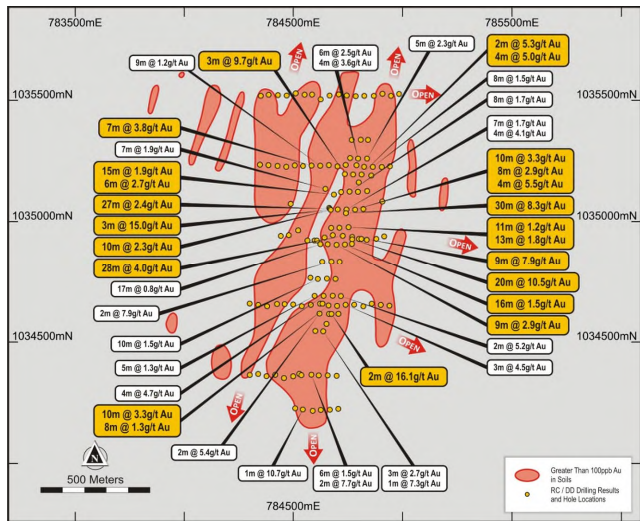


Figure Five | Boundiali Gold Project - Nyangboue Drill Hole Plan

For personal use only

Ferke Gold Project

The Ferke Gold Project comprises a granted exploration permit covering 300km² located on the eastern margin of the Daloa greenstone belt at the intersection of major regional scale shear zones, in northern Cote d'Ivoire (refer Figure Six).

The Turaco-Predictive Joint Venture is earning into an 85% interest in the Ferke exploration permit in joint venture with a local partner, Gold Ivoire Minerals SARL ('GIV'), by sole funding exploration through to a Definitive Feasibility Study ('GIV Joint Venture'). Under the GIV Joint Venture, a 51% interest was to be earned by spending US\$1m (which has been achieved and accepted by GIV), a 65% interest by sole funding a further US\$2m of expenditure and then 85% by funding completion of a Definitive Feasibility Study ('DFS'). Upon completion of a DFS, GIV may convert its 15% interest to a 1.5% NSR (in which case the 2.5% NSR granted to Resolute as part of the Acquisition will be reduced to 1.0% such that the total NSR is 2.5%). GIV is also entitled to a payment of US\$1.00/ounce of JORC Reserves defined in the DFS.

Initial exploration was undertaken at Ferke Gold Project during 2016 and 2017 comprising of several phases of geochemical stream and soil sampling across the permit area which defined the >16km gold-in-soils 'Leraba Gold Trend' (refer Predictive ASX announcements dated 14 December 2016, 1 February 2017 and 28 April 2017). Detailed aeromagnetics were flown over the eastern portion of the Ferke Project area in early 2017 covering the Leraba Gold Trend (refer Figure Seven). Aeromagnetics suggests the Leraba Gold Trend is associated with a large-scale flexure on regional scale shear zones.

An initial wide-spaced reconnaissance RC drilling program of 80 holes for 4,989m (average hole depth 62m) was carried out in the first quarter of 2018 which returned **25m @ 3.06g/t gold from 64m to end of hole in FNRC016 at the Ouarigue South prospect**, located in the southern portion of the +16km Leraba Gold Trend (refer Predictive ASX announcement dated 26 June 2018).

This initial discovery hole was then followed up with trenching across the Ouarigue South prospect which returned significant mineralisation in trenches including (refer Predictive ASX announcement dated 13 February 2019):

- **34m @ 5.29g/t gold** (trench FNTR035)
- **92m @ 1.76g/t gold** (trench FNTR029)
- **78m @ 1.30g/t gold and 22m @ 1.6g/t gold** (trench FNTR028)

Following on from the discovery hole FNRC016 and the exceptional trenching results, a total of 18 diamond holes were drilled for 2,718m at Ouarigue South (refer Figure Eight). This maiden diamond drilling program returned highly encouraging results and confirmed a significant gold discovery, with the potential for further discoveries along the +16km Leraba Gold Trend.

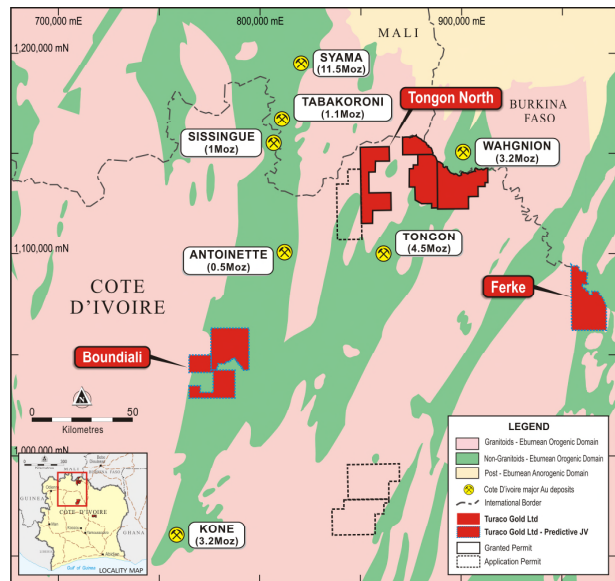


Figure Six | Ferke Gold Project

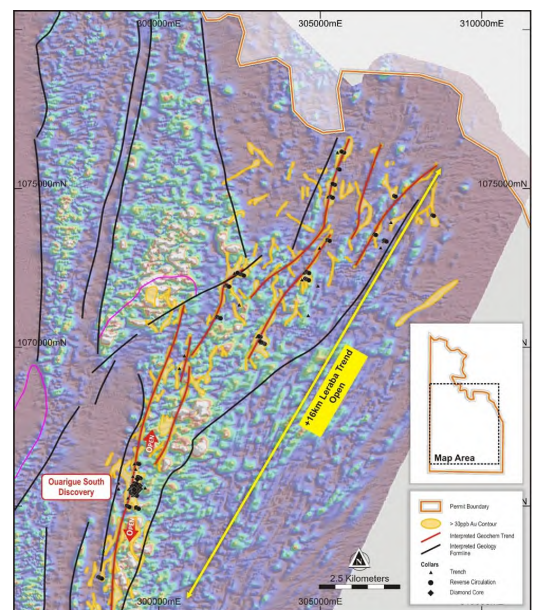


Figure Seven | Ferke Gold Project
 >16km Leraba Gold Trend

Diamond drilling results from Ouarigue South include (refer Predictive ASX announcements dated 16 April 2020 and 4 June 2019):

- **14m @ 10.74g/t** gold fr 33m (FNDC012)
- **45.3m @ 3.16g/t** gold fr 45.9m, **10.9m @ 1.94g/t** gold fr 95.7m and **4.7m @ 6.14g/t** gold fr 134m (FNDC001)
- **39.7m @ 3.54g/t** gold fr 51.4m (FNDC008)
- **9.75m @ 7.46g/t** gold fr 104m (FNDC019)
- **40.4m @ 1.88g/t** gold fr 104m and **13.65m @ 2.13g/t** gold fr 194m (FNDC018)
- **15m @ 2.06g/t** gold fr 0m, **10.5m @ 1.71g/t** gold fr 34.5m and **59.7m @ 1.35g/t** gold fr 49.5m (FNDC005)
- **45m @ 1.52g/t** gold fr 42.1m (FNDC002)
- **33m @ 1.62g/t** gold fr 28m (FNDC015)
- **16.5m @ 2.43g/t** gold fr 24m (FNDC004)

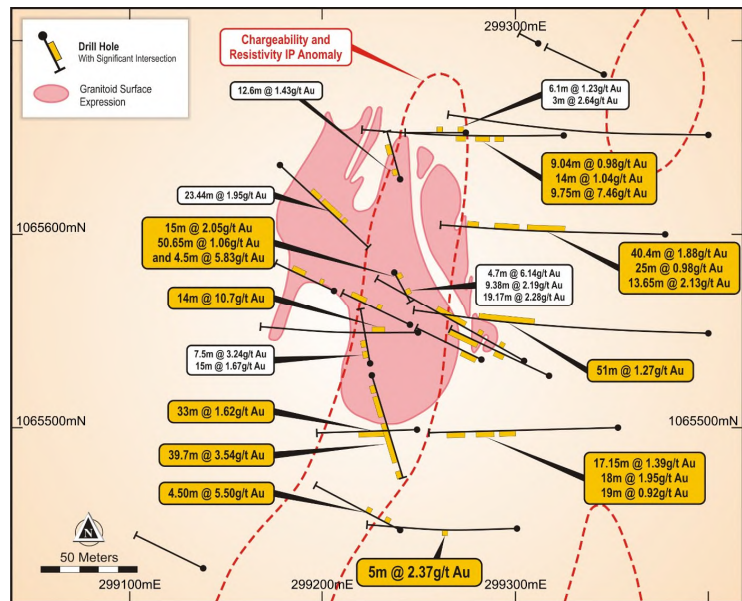


Figure Eight | Ferke Gold Project
 Ouarigue South Prospect Drill Hole Plan with IP Anomalies

The Ouarigue South discovery is hosted in a strongly altered and veined granitic intrusion which is not well constrained. Deformation of the host granitic body is controlled by a kilometric scale shear zone associated with the >16km Leraba Gold Trend.

Interpretation of detailed aeromagnetic survey data flown in 2018 suggests that there are many granitic intrusions along the Leraba Gold Trend. Moreover, given the structurally controlled nature of mineralisation and the large scale of the controlling structure there is potential for other favourable lithologies to host volumetrically significant mineralisation.

The Ferke Gold Project will be a particular focus for Turaco with follow up drilling planned at Ouarigue South along with drilling of other anomalies along the Leraba Gold Trend, following the wet season in Cote d'Ivoire.

Eburnea Gold Project

The Eburnea Gold Project is situated on the highly prospective Oume-Fetekro greenstone belt. The belt is one of the most prolific gold belts in Cote d'Ivoire and hosts Allied Gold's Bonikro and Agbaou gold mines and Endeavour Mining's 2.5Moz Fetekro development project. Turaco has an 80% interest in the western permit that makes up the Eburnea Gold Project with a right to increase to 90% upon completion of a feasibility study (refer ASX announcement dated 18 May 2018).

The adjacent Satama permit, acquired as part of the Resolute Acquisition and now owned 100% by Turaco, grows the Eburnea Gold Project to approximately 690km² (refer Figure Nine). This permit is positioned on Ouango-Fitini trend which represents the southern extension of the prolific Houde greenstone belt in Burkina Faso

Regional soil sampling undertaken by Turaco in August 2020 across the western Eburnea permit identified several large-scale, untested gold-in-soil anomalies (refer ASX announcement 4 August 2020). Turaco recently completed an infill soil sampling program of 699 samples on a 100m by 250m grid which has returned very encouraging high tenor anomalism up to 19.6g/t gold (refer Figure Ten and ASX announcement 2 August 2021), to better define the more coherent soil anomalies to allow for auger drill testing. Terrain and ternary radiometrics indicates that these samples are largely in-situ. There are no known artisanal workings across the defined anomalies although there are extensive artisanal workings along strike, with a legally designated artisanal mining area adjoining the permit immediately along strike to the north.

Each of the anomalies have a strike length of >2km. Importantly each contains a very high tenor core to the anomaly of >120ppb gold across consecutive soil sampling lines extending for over 1.5km. All three gold anomalies remain open and limited only by the extent of the soil sampling grid. An area extending for approximately 4.5km between the three gold anomalies remains unsampled.

Auger drilling across both permits commenced shortly after the half year period ended.

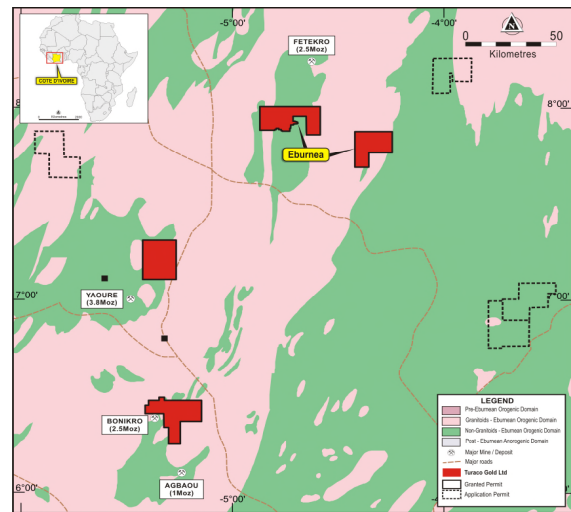


Figure Nine | Eburnea Project

of 699 samples on a 100m by 250m grid which has

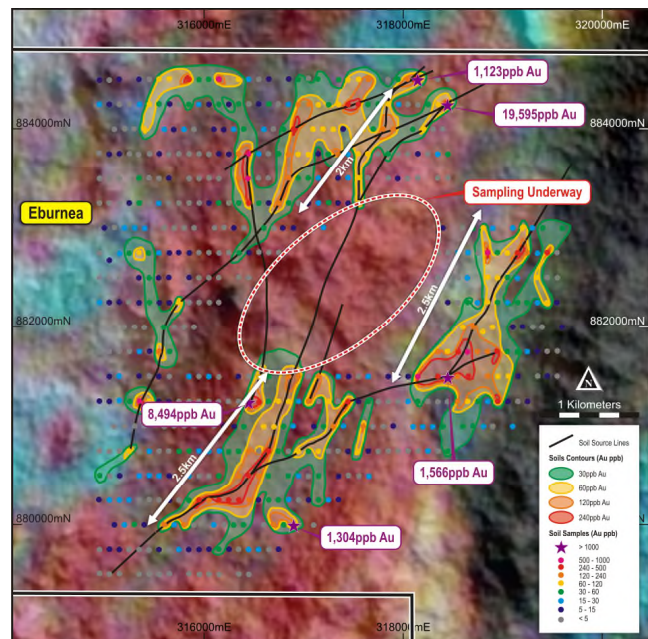


Figure Ten | Eburnea Gold Project - Soil Geochemistry (Gold-in-Soils Anomalies)

Tongon North Project

The Tongon North Project is located on the highly prospective Senoufo greenstone belt in northern Côte d'Ivoire and covers a total area of 1,540km² across four granted exploration permits and one exploration permit application (refer Figure Eleven). Turaco has 100% ownership of the granted permits that make up the Tongon North Project. Turaco had earned a 70% joint venture interest in an additional permit referred to as Mbengue (PR272) but subsequent to the end of the half year elected to withdraw from the joint venture given the permit had been well explored and was nearing the end of its tenure period.

Turaco has undertaken an infill auger drilling program at the 100%-owned 'Dielle' exploration permit following up on previously reported auger results from a recently completed broad spaced (400m by 50m) auger program (refer ASX announcement dated 6 April 2021). The infill program was completed on a 250m by 25m grid to better define the orientation, continuity and tenor of the previously defined

auger anomalies

Before electing to withdraw from the joint venture with Perseus on the Mbengue permit, additional soil sampling was completed to test the remaining sparsely sampled areas within the permit and an auger program was also completed to test the immediate north-east and south-west strike extension of the Turaco-Madala trend. No significant results were returned.

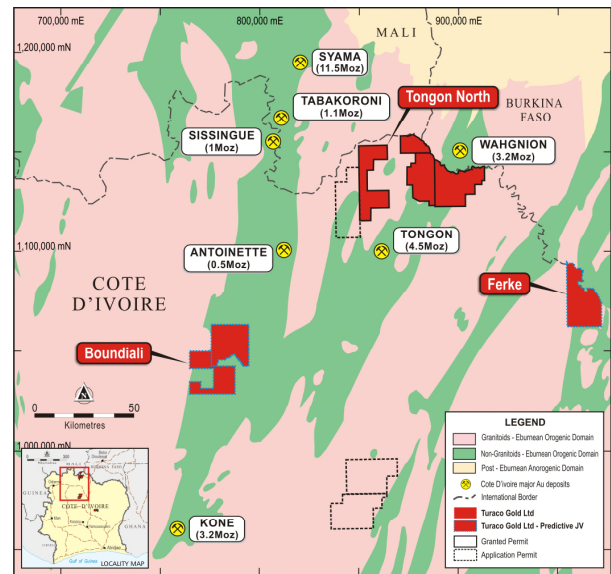


Figure Eleven | Tongon North Project

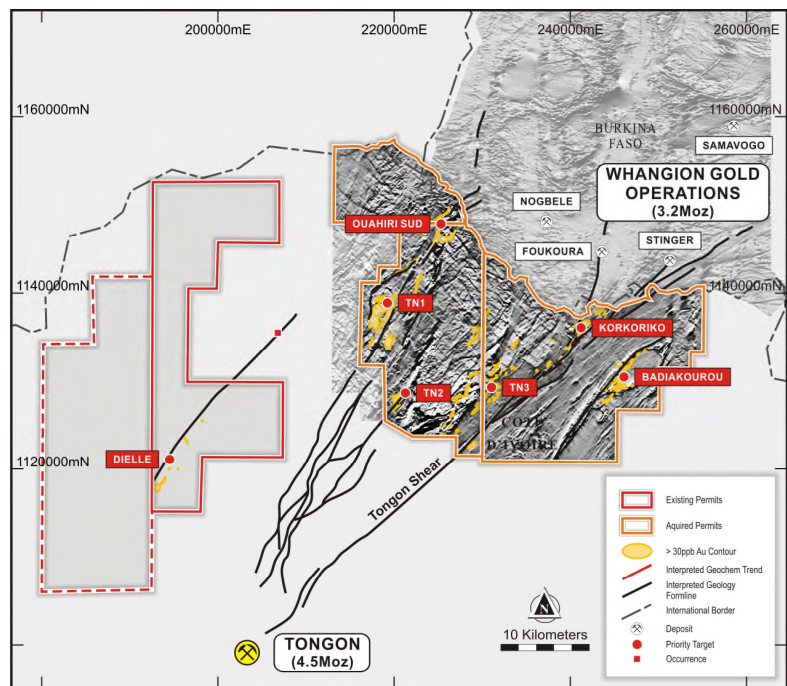


Figure Twelve | Tongon North Gold Project - Geology, Geochemistry and Drill Hole Plan

Odienne Project

The Odienne Project, comprises three granted exploration permits, one being held 100% by Turaco and the two others held by the Turaco-Predictive JV in joint venture with GIV. The project covers a total area of 1,085km² and provides Turaco with a dominant land position in an emerging area of exploration focus. Geologically, the project area lies on the regional scale Sassandra fault which forms the partition between the Archean Kenema Man domain and the Proterozoic Baoule-Mossi Domain.

Despite hosting comparable stratigraphy to Guinea's Siguiri basin the Odienne region remains largely unexplored, though recent exploration success includes Centamin Mining's 1.2Moz Kona gold discovery which is located along strike to the south.

The permits were only granted during the 2020 year and very little exploration work has been undertaken to date. Turaco will initially undertake grass roots stream sediment and soil sampling over the entire project area.

Oume Gold Project

The 400km² Oume Gold Project is located on the Oume-Fetekro belt, one of Cote d'Ivoire's most productive greenstone belt, host to Allied Gold's 2.5Moz Bonikro and 1.0Moz Agbaou gold operations and Endeavour's 2.5Moz Fetekro gold project. Turaco will undertake a review of historical datasets to assess the exploration potential of the Oume project and plan a further exploration program which will initially comprise stream sediment sampling to determine the most prospective areas for more focussed exploration

Molonou Gold Project

The Molonou Gold Project covers 391km² located north-east of Perseus' Yaoure gold operation. Very little exploration has been undertaken at Molonou with only a stream sediment sampling program and two small phases of soil sampling undertaken. Turaco is undertaking a review of the exploration potential of Molonou before making a decision as to further exploration work.

Auditor's Independence Declaration

Section 307C of the *Corporations Act 2001* requires the auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 30 June 2021.

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



Justin Tremain
Managing Director
Perth, 13 September 2021

Competent Person's Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Elliot Grant, who is a Member of the Australasian Institute of Geoscientists. Mr Grant is a full-time employee of Turaco Gold Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Grant consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

References may have been made in this announcement to certain past ASX announcements, including references regarding exploration results. For full details, refer to the referenced ASX announcement on the said date. The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier market announcements.

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Turaco Gold Limited (formerly Manas Resources 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:

- 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
13 September 2021

M R Ohm
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

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

For personal use only

Turaco Gold Limited
Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 30 June 2021

	Notes	Consolidated	
		Half-year 30 June 2021	Half-year 30 June 2020
		\$	\$
Other income		174	24,413
		174	24,413
Employee benefits expense		(281,436)	(82,244)
Depreciation and amortisation expense		(37,567)	(24,026)
Occupancy expenses		(17,937)	(12,870)
Corporate and administration expenses		(173,503)	(89,017)
Travel expenses		(18,092)	(2,094)
Exploration expenditure written off	5	(2,578,352)	(113,140)
Share-based payments	7	(115,352)	-
Foreign exchange (loss) / gain	2	(168)	168,916
Due diligence costs		(160,434)	-
(Loss) before income tax benefit		(3,382,667)	(130,062)
Income tax benefit		-	-
Net (loss) after tax		(3,382,667)	(130,062)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange (loss) / gain arising on translation of foreign operations		(51,867)	10,406
Total comprehensive (loss) for the period		(3,434,534)	(119,656)
Earnings per share			
Basic (loss) per share		(0.12) cents	(0.005) cents
Diluted (loss) per share		(0.12) cents	(0.005) cents

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

		Consolidated	
		30 June 2021	31 December 2020
		\$	\$
	Notes		
Assets			
Current Assets			
Cash and cash equivalents		7,124,227	5,328,722
Other receivables	3	36,398	17,339
Total Current Assets		<u>7,160,625</u>	<u>5,346,061</u>
Non-Current Assets			
Other assets	4	20,000	20,000
Property, plant and equipment		199,309	205,938
Exploration and evaluation expenditure	5	667,978	2,874,002
Total Non-Current Assets		<u>887,287</u>	<u>3,099,940</u>
Total Assets		<u>8,047,912</u>	<u>8,446,001</u>
Liabilities			
Current Liabilities			
Trade and other payables		117,177	360,626
Provisions		11,664	-
Total Current Liabilities		<u>128,841</u>	<u>360,626</u>
Total Liabilities		<u>128,841</u>	<u>306,626</u>
Net Assets		<u>7,919,071</u>	<u>8,085,375</u>
Equity			
Issued capital	6	56,762,100	53,609,222
Reserves		4,029,285	3,965,800
Accumulated losses		(52,872,314)	(49,489,647)
Total Equity		<u>7,919,071</u>	<u>8,085,375</u>

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

CONSOLIDATED	Issued Capital	Share-Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 January 2020	53,083,579	4,046,544	(44,399)	(48,211,951)	8,873,773
Loss attributable to members of the group	-	-	-	(130,062)	(130,062)
Exchange differences arising on translation of foreign operations	-	-	10,406	-	10,406
Total comprehensive loss for the year	-	-	10,406	(130,062)	(119,656)
Balance at 30 June 2020	53,083,579	4,046,544	(33,993)	(48,342,013)	8,754,117
Balance at 1 January 2021	53,609,222	4,075,223	(109,423)	(49,489,647)	8,085,375
Loss attributable to members of the group	-	-	-	(3,382,667)	(3,382,667)
Exchange differences arising on translation of foreign operations	-	-	(51,867)	-	(51,867)
Total comprehensive loss for the year	-	-	(51,867)	(3,382,667)	(3,434,534)
Shares issued	3,300,000	-	-	-	3,300,000
Share issue costs	(179,222)	-	-	-	(179,222)
Share issued in lieu of cash fees	32,100	-	-	-	32,100
Recognition of share-based payment expense	-	115,352	-	-	115,352
Balance at 30 June 2021	56,762,100	4,190,575	(161,290)	(52,872,314)	7,919,071

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

Turaco Gold Limited
Condensed Statement of Cash Flows
For the half-year ended 30 June 2021

	Consolidated	
	Half-year 30 June 2021 \$	Half-year 30 June 2020 \$
Cash flows from operating activities		
Interest received	174	17,453
Payments to suppliers and employees	(628,399)	(200,469)
Government grants received	-	10,000
Net cash used in operating activities	<u>(628,225)</u>	<u>(173,016)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(32,045)	(203,646)
Payments for exploration and evaluation expenditure	(513,744)	(527,122)
Due diligence costs of new acquisition	(150,734)	-
Net cash used in investing activities	<u>(696,523)</u>	<u>(730,768)</u>
Cash flows from financing activities		
Proceeds from share issue	3,300,000	-
Payment of share issue costs	(179,222)	-
Net cash from financing activities	<u>3,120,778</u>	<u>-</u>
Net increase / (decrease) in cash held	1,796,030	(903,784)
Cash and cash equivalents at the beginning of the period	5,328,722	7,217,081
Effects of exchange rate fluctuations on cash held	(525)	64,683
Cash and cash equivalents at the end of the period	<u>7,124,227</u>	<u>6,377,980</u>

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The interim financial report is a general-purpose financial report 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 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 31 December 2020 and any public announcements made by Turaco Gold Limited during the half-year and up to the date of this report in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The interim report has been prepared on a historical cost basis. 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.

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

Going Concern

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business. At balance date, the Group had a working capital surplus of \$7,031,784. Based on its assessment of cash flows, the Board of the Group considers that it is appropriate to prepare the financial statements on a going concern basis.

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.

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's financial report for the year ended 31 December 2020.

Standards and Interpretations

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those disclosed in the Group's 2020 annual financial report for the financial year ended 31 December 2020.

New Accounting Standards and Interpretations not yet mandatory or early adopted

The Group has reviewed the new or revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') not yet adopted for the half year ended 30 June 2021. As a result of this review, the Group has determined that there is no significant impact of the Standards and Interpretations in issue not yet adopted on the Group, therefore no change is necessary to the Group's accounting policies.

NOTE 2: EXPENSES

The loss for the half-year includes the following expense items that are unusual because of their nature, size or incidence:

Foreign exchange (loss) / gain

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
	(168)	168,916

NOTE 3: OTHER RECEIVABLES

Current

Other receivable
Prepayments and advances
Deposit paid

	Consolidated	
	30 June 2021	31 December 2020
	\$	\$
	27,700	5,045
	7,974	12,294
	724	-
	36,398	17,339

NOTE 4: OTHER ASSETS

Non-Current

Security deposit ⁽¹⁾

	Consolidated	
	30 June 2021	31 December 2020
	\$	\$
	20,000	20,000
	20,000	20,000

(1) Security deposit held with bank for a corporate credit card facility.

NOTE 5: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:

Exploration and evaluation phase – at cost

Movement for the period

Balance at beginning of period

Expenditure incurred

Expenditure written off

Foreign exchange movement

Total deferred exploration and evaluation expenditure

	Consolidated	
	30 June 2021	Year to 31 December 2020
	\$	\$
	667,978	2,874,002
	2,874,002	1,654,195
	483,371	1,447,921
	(2,578,352)	(180,845)
	(111,043)	(47,269)
	667,978	2,874,002

NOTE 5: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE - continued

The Company has been in a joint venture (Turaco 70%: Perseus Mining Limited 30%) to fund exploration activities at the Mbengué permit (PR272) forming part of the Mbengué gold project in Cote D'Ivoire. Subsequent to period end, the Company has withdrawn from this joint venture and has no residual interest in the Mbengué permit (PR272). Consequently all exploration expenditure capitalised on PR272 has been written off in these financial statements.

The Company has an earn in agreement with Eburnea Gold Resources SARL to fund the exploration activities at the Bouake North permit (PR575) in Cote D'Ivoire for up to XOF 1.141 billion to earn up to 80% interest in the project. As at 30 June 2021, approximately XOF 112 million (A\$283,000) has been spent and recognised as exploration expenditure.

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

NOTE 6: ISSUED CAPITAL

	30 June 2021 No.	Year to 31 December 2020 No.	30 June 2021 \$	Year to 31 December 2020 \$
Ordinary shares				
Issued and fully paid	3,315,623,598	2,760,273,598	56,762,100	53,609,222
Movements in ordinary shares on issue				
Beginning of period	2,760,273,598	2,643,162,488	53,609,222	53,083,579
Placement issue at \$0.006 in May 21	550,000,000	-	3,300,000	-
Shares issued in lieu of annual fee payable to Eburnea Gold Resources SARL	5,350,000	-	32,100	-
Placement issue at \$0.0045 in Nov 20	-	111,111,110	-	500,000
Conversion of performance rights	-	6,000,000	-	30,000
Share issue expenses	-	-	(179,222)	(4,357)
End of period	3,315,623,598	2,760,273,598	56,762,100	53,609,222

NOTE 7: OPTIONS AND RIGHTS

- (a) Options to subscribe for ordinary shares in the capital of the Company as at 30 June 2021 and 31 December 2020 are as follow:

Exercise Period	Exercise Price	Opening Balance	Issued	Exercised Lapsed or Expired	Closing Balance
		1 Jan 2021	Number	Number	30 June 2021
		Number	Number	Number	Number
On or before 30 November 2021	\$0.0075	40,000,000	-	-	40,000,000
		40,000,000	-	-	40,000,000
Exercise Period	Exercise Price	Opening Balance	Issued	Exercised Lapsed or Expired	Closing Balance
		1 Jan 2020	Number	Number	31 December 2020
		Number	Number	Number	Number
On or before 30 June 2020	\$0.005	30,000,000	-	(30,000,000)	-
On or before 30 November 2021	\$0.0075	40,000,000	-	-	40,000,000
		70,000,000	-	(30,000,000)	40,000,000

- (b) Performance Rights issued or on issue during the half year ended 30 June 2021 and year ended 31 December 2020 were as follows:

Exercise Period	Exercise Price	Opening Balance	Issued	Exercised Lapsed or Expired	Closing Balance
		1 Jan 2021	Number	Number	30 June 2021
		Number	Number	Number	Number
On or before 30 Nov 2025	\$0.0001	124,000,000	-	-	124,000,000
		124,000,000	-	-	124,000,000
Exercise Period	Exercise Price	Opening Balance	Issued	Exercised Lapsed or Expired	Closing Balance
		1 Jan 2020	Number	Number	31 December 2020
		Number	Number	Number	Number
On or before 31 July 2023	Nil	-	16,000,000	(16,000,000)	-
On or before 30 Nov 2025	\$0.0001	-	124,000,000	-	124,000,000
		-	140,000,000	(16,000,000)	124,000,000

A share based payment expense of \$115,352 (30 June 2020: nil) was recognised during this financial period.

NOTE 8: SEGMENT REPORTING

Segment information is presented on the same basis as that used for internal reporting purposes. The board as a whole regularly reviews the identified segments in order to allocate resources to the segment and to assess its performance.

(a) Description of segments

During the half-year the Group considers that it has only operated in one segment, being the exploration and evaluation of mineral interests in Cote d'Ivoire.

(b) Segment information provided to the Board

The segment information provided to the Board for the reportable segments for the half-year ended 30 June 2021 and 2020 is as outlined below.

Half-year ended 30 June 2021	Mineral Exploration Cote d'Ivoire	Corporate and Unallocated	Consolidated
	\$	\$	\$
Continuing operations			
Segment result	(2,842,150)	(540,517)	(3,382,667)
Interest income	-	174	174
Employee benefits	-	(281,436)	(281,436)
Share based payment	-	(115,352)	(115,352)
Exploration expenditure	(2,738,786)	-	(2,738,786)
Depreciation	(37,567)	-	(37,567)
Occupancy	(8,818)	(9,119)	(17,937)
Corporate, administration and others	(56,979)	(134,784)	(191,763)
Segment assets			
Exploration and evaluation expenditure	667,978	-	667,978
Other segment assets	246,453	7,133,481	7,379,934
	914,431	7,133,481	8,047,912
Segment Liabilities			
Trade creditors and payables	(47,146)	(70,031)	(117,177)
Other segment liabilities	-	(11,664)	(11,664)
	(47,146)	(81,695)	(128,841)

NOTE 8: SEGMENT REPORTING - continued

Half-year ended 30 June 2020	Mineral Exploration Cote d'Ivoire	Corporate and Unallocated	Consolidated
	\$	\$	\$
Continuing operations			
Segment result	(126,390)	(3,672)	(130,062)
Other income	-	24,413	24,413
Segment Assets	2,429,386	6,379,560	8,808,946
Segment Liabilities	(31,272)	(23,557)	(54,829)

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

On 23 July 2021, a shareholders meeting approved, amongst other matters, the acquisition of a significant portfolio of mineral assets in Cote d'Ivoire, a company name change, consolidation of securities on issue and the adoption of a new constitution. Following that meeting, material post balance date events were as follows:

- (a) 1 for 10 capital consolidation of securities became effective on 26 July 2021 (securities information in Notes 6 and 7 in this report is presented on a pre-consolidation basis);
- (b) Equity funds of \$200,000 were raised from directors whose participation in the capital raising was approved by shareholders;
- (c) 3,700,000 performance rights, exercisable at \$0.001 each, and subject to various vesting conditions up to 30 November 2023 (expiring 30 November 2025) were issued to certain directors and company personnel; and
- (d) Completion and settlement of the transactions to acquire mineral property interests in Cote d'Ivoire took place on 5 and 6 August 2021 resulting in the following consideration being paid by the Company:
 - (i) \$1 million cash payment to Resolute Mining Limited and the grant of a 2.5% net smelter return ("NSR") royalty payable on Turaco's share of future production from the mineral permits the subject of the agreement with Resolute Mining Limited. This payment can be reduced by any third party commercial royalties also payable with respect to these permits.
 - (ii) Issue of 10 million performance shares (expiring 6 August 2026) to Predictive Discovery Limited. These performance shares convert to ordinary shares in the Company if the following milestones are achieved:
 - 3.5 million performance shares convert to Turaco shares upon Turaco announcing a JORC Mineral Resource Estimate from the Turaco-Predictive Joint Venture permits of greater than 500,000 ounces of gold at a grade greater than 1.5g/t gold; and
 - 6.5 million performance shares convert to Turaco shares upon Turaco announcing a JORC Mineral Resource Estimate from the Turaco-Predictive Joint Venture permits of greater than 1,000,000 ounces of gold at a grade of greater than 1.5g/t gold.

The Company has an obligation to pay a further \$4 million cash to Resolute Mining Limited no later than 12 months after commercial gold production from a project development within any of the permits the subject of the agreement with Resolute Mining Limited.

Post balance date, the transaction described above has been treated as an asset acquisition transaction.

Apart from the above and to the date of this report, no other matter or circumstance has arisen which significantly affected, or may significantly effect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Turaco Gold Limited we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and other mandatory professional reporting requirements.
- (b) there are reasonable grounds to believe that Turaco Gold Limited 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, and on behalf of the Board by:



Justin Tremain
Managing Director

Perth, 13 September 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Turaco Gold Limited (formerly Manas Resources Limited)

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Turaco Gold Limited (formerly Manas Resources Limited) ("the company") 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, 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 information, 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 Turaco Gold Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity'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* and the *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 (including Independence Standards)* (the Code) 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.

Responsibility of the directors for the 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 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*

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@hbw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

including giving a true and fair view of the consolidated entity'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.

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
13 September 2021



M R Ohm
Partner

For personal use only