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Ookami

LIMITED

Condensed Financial Report for the half-year ended 31 December 2021

This report does not include all the notes of the type normally included within the annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, finance position and financing and investing activities of Ookami Limited as the full financial report. Accordingly, this report should be read in conjunction with the annual report of Ookami Limited for the year ended 30 June 2021. It is also recommended that this financial report be considered together with any public announcement made by Ookami Limited during the half-year ended 31 December 2021, in accordance with the continuous disclosure requirements of the Corporations Act 2001, including its quarterly reports lodged with the Australian Securities Exchange.

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Directors

Joseph van den Elsen	Managing Director and CEO
John Ciganek	Non-Executive Chairman
Emmanuel Correia	Non-Executive Director

Company Secretary

Justin Mouchacca

Registered office

Level 21, 459 Collins St,
Melbourne, Victoria 3000
Ph: +61 3 8630 3321

Auditor

Pitcher Partners BA&A Pty Ltd
Level 11, 12-14 The Esplanade
Perth, WA 6000

Bankers

National Australia Bank
Gateway Building
Cnr Marmion & Davy Streets
Booragoon, WA 6154

Share Registry

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

Securities Exchange Listing

Australian Securities Exchange Limited
Level 40, Central Park 152-158 St Georges Terrace
Perth, WA 6000

ASX Code – OOK

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The Directors of Ookami Limited (**the Company**) submit herewith the financial report of the Company and its subsidiaries (**the Group**) for the half-year ended 31 December 2021. In order to comply with the provision of the *Corporations Act 2001*, the Directors report as follows:

Directors

The names and the particulars of the Company's Directors in office during the half-year and to the date of this report are set out below. Directors were in office for this entire half-year unless otherwise stated.

Name	Status	Appointed	Resigned/Ceased
Joseph van den Elsen	Managing Director and CEO	14 April 2021	-
John Ciganek	Non-Executive Chairman	9 July 2021	-
	Non-Executive Director	9 December 2020	-
Emmanuel Correia	Non-Executive Director	9 July 2021	-
Faldi Ismail	Non-Executive Chairman	5 June 2015	9 July 2021

Principal Activity

As a result of the matters noted in the Review of operations section below, the Company changed its principal activity in the half-year from being a blockchain venture company to a mineral exploration and resource investment company, currently focusing on the exploration and assessment of the Boulbi and Messok East Projects, located in Senegal and Cameroon respectively.

Review of operations

Corporate

On 2 March 2021, the Company announced on the ASX that it had entered into Share Sale Agreements (**SSAs**) with Cameroon Cobalt Pty Ltd (**Cameroon Cobalt**) and Valhalla Minerals Limited (**Valhalla**) in order to acquire 100% of the issued capital of Cameroon Cobalt and 57% of the issued capital of Valhalla (combined **the Transaction**).

Cameroon Cobalt is the 100% shareholder of Cameroon Mining Corporation SARL (**Cameroon Mining**) which is the registered holder of a nickel and cobalt exploration project located in the southeast of Cameroon (**the Messok East Project**).

Valhalla is the holder of 90% of Sahel Minerals SARL (**Sahel**) which is the registered holder of an advanced copper exploration project located in the Tambacounda Region in Senegal (**the Boulbi Project**).

Under the key terms of the SSAs, the Company would acquire the relative issued capital of Cameroon Cobalt and Valhalla for 5,000,000 Company ordinary shares at \$0.20 each on a post consolidation basis.

The completion of the Transaction was conditional on certain conditions being satisfied as follows:

- The Company, Cameroon Cobalt and Valhalla Minerals having obtained all regulatory consents and approvals which were necessary for the Transaction, including all approvals required from the ASX;
- The Company having received a conditional re-admission letter from the ASX on terms acceptable to the Company;
- Completion of an equity capital raising by the Company to raise \$5,777,773 (before costs) comprising of a \$4,500,000 Public Offer and a \$1,277,773 Priority Offer through the replacement prospectus dated 23 April 2021 (**the Replacement Prospectus**) offering 28,888,865 new fully paid ordinary shares at \$0.20 per share (**the Capital Raise**); and
- Completion of a consolidation of the Company's entire issued share capital on an 80 to 1 basis.

Review of operations (Continued)

On 15 July 2021, the Company completed all conditions noted above and therefore finalisation of the Transaction and the Capital Raise resulted in the Company issuing the following during the half-year ended 31 December 2021:

- 28,888,865 new fully paid ordinary shares at \$0.20 each for the Capital Raise;
- 5,000,000 new ordinary shares at \$0.20 each as consideration for the Transaction;
- 1,500,000 options to the Lead Manager under the Lead Manager Offer exercisable at \$0.30 each within 36 months; and
- 2,000,000 management performance options issued to Directors exercisable at \$0.001 each within 24 months.

Furthermore, on completion of the Capital Raise and the Transaction Mr Faldi Ismail resigned as Director and Mr Emmanuel Correia was appointed as Non-Executive Director, Mr John Ciganek was appointed as Non-Executive Chairman and following re-compliance with ASX listing rules, the Company's securities recommenced trading on the ASX.

On 6 October 2021, a total of 1,569 shareholders with an aggregate holding of 372,573 shares participated in the small shareholding sale facility, under the terms of which their shares were sold for \$0.205 each.

On 16 November 2021, shareholders approved the buy-back of 201,657 fully paid ordinary share that were issued to Acuity Capital Investment Management Pty Ltd (**the Collateral Shares**). The Collateral Shares were cancelled on 23 November 2021.

On 10 November 2021, the Company disposed of its wholly owned subsidiary Akela Capital Pty Ltd for consideration of \$20,000. Refer to Note 6 for further details.

Boulbi Project update

The Boulbi Project is located in the Tambacounda region of eastern Senegal, adjacent to the borders with both Mali and Mauritania, and can be accessed by sealed roads from Dakar, the Senegalese capital.

The Company has acquired an initial 51% interest in the Boulbi Project with the ability to increase its interest to 70% by way of an earn-in agreement.

During the half-year, SRK Exploration Services Ltd (**SRK**) completed a detailed desktop review of available geological data, including analysis and reprocessing of satellite imagery, geophysical and geochemical data using modern techniques. SRK's remote sensing study generated 20 exploration targets and their review of available soil geochemistry data identified four additional targets for Cu-Zn mineralization.

Messok East Project update

The Company holds a 100% interest in the Messok East Project, comprised of one exploration permit and three applications for exploration permits prospective for Co-Ni laterite mineralization.

During the half-year, SRK completed a detailed desktop review of available geological data and identified a range of exploration targets across the Messok East Project based on coincident digital elevation model, magnetic anomalies and field observations.

During the half-year ended 31 December 2021, the Company's Managing Director and CEO attended site visits and met with key stakeholders.

Financial performance

The total comprehensive loss for the half-year ended 31 December 2021 was \$393,807 (31 December 2020: loss \$351,619). The Group's performance reflects the significant change and transformation that occurred during the half-year including completion of the Transaction and Capital Raise and the disposal of the subsidiary, Akela Capital Pty Ltd. The non-recurring restructuring activities that led to the loss for the half-year are now completed.

The Group had working capital of \$4,407,655 (30 June 2021: negative working capital of \$490,994). The Group had net cash outflows from operating activities for the half-year amounting to \$807,624 (31 December 2020: \$206,121).

Dividends paid or recommended

There were no dividends paid, or recommended, during the half-year ended 31 December 2021.

Significant change in state of affairs

The review of operations on page 2 sets out number of matters that have significant effects on the state of affairs of the Group.

Significant events after the balance sheet date

There were no significant events subsequent to the reporting date for the half-year ended 31 December 2021.

Rounding of amounts to nearest thousand dollars

In accordance with *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar.

Auditor independence

The auditor's independence declaration is included on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3)(a) of the *Corporations Act 2001*.
On behalf of the Directors



Joseph van den Elsen

Managing Director and CEO

Dated 2 March 2022

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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF OOKAMI LIMITED AND ITS CONTROLLED ENTITIES**

In relation to the independent review for the half-year ended 31 December 2021, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Ookami Limited and the entities it controlled during the period.

Pitcher Partners BA+A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

Michael Fay

MICHAEL FAY
Director
Perth, 2 March 2022

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Consolidated Statement of Profit or Loss

For the half-year ended 31 December 2021



		31 December 2021	31 December 2020
	Note	\$	\$
Other income		3,540	65
Director fees		(45,000)	(75,434)
Exploration expenditure expense		(184,366)	-
Insurance expense		(20,961)	(30,799)
Professional fees		(65,518)	(91,051)
Share based payment expense	12	(48,252)	-
Compliance and regulatory costs		(15,028)	(23,581)
Transaction costs		(6,603)	(75,755)
Other expenses		(33,914)	(25,557)
(Loss) before tax from continuing operations		(416,102)	(322,112)
Income tax expense		-	-
(Loss) for the half-year from continuing operations		(416,102)	(322,112)
Discontinued operations			
Profit/(loss) for the half-year from discontinued operations after tax	6	21,673	(29,508)
(Loss) for the half-year		(394,429)	(351,619)
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent half-years (net of tax):			
Exchange differences on translation of foreign operations		622	-
Total comprehensive (loss) for the half-year, net of tax		(393,807)	(351,619)
(Loss) attributable to:			
Members of the parent entity		(394,189)	(351,619)
Non-controlling interest		(240)	-
		(394,429)	(351,619)
Total comprehensive (loss) attributable to:			
Members of the parent entity		(393,630)	(351,619)
Non-controlling interest		(177)	-
		(393,807)	(351,619)

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2021



	31 December 2021	31 December 2020
Note	\$	\$
Earnings per share		
Basic loss per share (cents per share)	(1.08)	(8.255)
Diluted loss per share (cents per share)	(1.08)	(8.255)
Earnings per share from continuing operations:		
Basic loss per share (cents per share) from continuing operations	(1.14)	(7.562)
Diluted loss per share (cents per share) from continuing operations	(1.14)	(7.562)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position

As at half-year ended 31 December 2021



		31 December 2021	30 June 2021
	Note	\$	\$
CURRENT ASSETS			
Cash and cash equivalents		4,457,997	38,461
Trade and other receivables		5,270	55,010
Other assets	7	29,954	534,005
		4,493,221	627,476
NON-CURRENT ASSETS			
Financial assets at fair value through OCI	8	933,240	933,240
Exploration expenditure	9	1,498,537	-
Intangible assets		-	14
Property, plant and equipment		823	1,181
		2,432,600	934,435
TOTAL ASSETS		6,925,821	1,561,911
CURRENT LIABILITIES			
Trade and other payables		85,566	1,030,279
Borrowings		-	88,191
		85,566	1,118,470
TOTAL LIABILITIES		85,566	1,118,470
NET ASSETS		6,840,255	443,441
SHAREHOLDERS' EQUITY			
Issued capital	10	33,648,854	27,439,194
Reserves	11	(112,531)	(221,797)
Accumulated losses		(27,168,145)	(26,773,956)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		6,368,178	443,441
Non-controlling interests		472,077	-
TOTAL EQUITY		6,840,255	443,441

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2021



	Issued Capital	Fair value reserve of financial assets at FV through OCI	Share Based Payment Reserve	Translation Reserve	Accumulated Losses	Total	Non-Controlling Interests	Total Equity
	\$	\$	\$		\$	\$	\$	\$
Balance at 1 July 2020	27,439,194	(270,697)	48,900	-	(25,923,926)	1,293,471	-	1,293,471
Loss for the half-year	-	-	-	-	(322,112)	(322,112)	-	(322,112)
Other comprehensive income for the half-year	-	-	-	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	-	(322,112)	(322,112)	-	(322,112)
Balance at 31 December 2020	27,439,194	(270,697)	48,900	-	(26,246,038)	971,359	-	971,359
Balance at 1 July 2021	27,439,194	(270,697)	48,900	-	(26,773,956)	443,441	-	443,441
Loss for the half-year	-	-	-	-	(394,189)	(394,189)	(240)	(394,429)
Other comprehensive income for the half-year	-	-	-	559	-	559	63	622
Total comprehensive loss for the half-year	-	-	-	559	(394,189)	(393,630)	(177)	(393,807)
Transactions with owners recognised directly in equity								
Issue of ordinary shares related to the Capital Raise during the half-year	5,777,788	-	-	-	-	5,777,788	-	5,777,788
Issue of ordinary shares related to the Transaction during the half-year	1,000,000	-	-	-	-	1,000,000	-	1,000,000
Costs related to the Capital Raise during the half-year	(568,128)	-	60,455	-	-	(507,673)	-	(507,673)
Options and management performance rights expensed during the half-year	-	-	48,252	-	-	48,252	-	48,252
Non-controlling interest arising from the Transaction during the half-year	-	-	-	-	-	-	472,254	472,254
Balance at 31 December 2021	33,648,854	(270,697)	157,607	559	(27,168,145)	6,368,178	472,077	6,840,255

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flow

For the half-year ended 31 December 2021



	31 December 2021	31 December 2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(417,545)	(199,653)
Payments for software platform	(11,412)	(6,533)
Payments for transaction costs	(179,132)	-
Payments for exploration expenditure	(199,755)	-
Interest received	220	65
Net cash (used in) operating activities	(807,624)	(206,121)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of assets, net of cash acquired	5 6,348	-
Proceeds from sale of discontinued operations, net of cash disposed	6 19,900	-
Net cash from investing activities	26,248	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	5,777,788	-
Transaction costs	(491,131)	-
Proceeds from borrowings	3,696	-
Repayment to lender (insurance premium)	-	(8,659)
Repayment of loan to Director	(78,496)	-
Repayment of interest and establishment fee for the loan from Director	(10,945)	-
Net cash from/(used in) financing activities	5,200,912	(8,659)
Net increase/(decrease) in cash and cash equivalents	4,419,536	(214,780)
Cash and cash equivalents at beginning of the half-year	38,461	410,051
Cash and cash equivalents at 31 December	4,457,997	195,271

The consolidated statement of cash flow should be read in conjunction with the accompanying notes.

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



This condensed consolidated financial report of Ookami Limited (**the Company**) and its subsidiaries (**the Group**) for the half-year ended 31 December 2021 was authorised for issue in accordance with a resolution of the Directors on 2 March 2022.

Ookami Limited is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity. The Group is principally engaged in exploration and assessment of the Boulbi and Messok East Projects, located in Senegal and Cameroon respectively.

NOTE 1: BASIS OF PREPARATION

This condensed consolidated financial report does not include the 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 condensed consolidated financial report is read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by Ookami Limited during and since the end of the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

a) Basis of preparation

The consolidated financial report is prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting (AASB 134)*. Compliance with AASB 134 ensures compliance with IAS 34 *Interim Financial Reporting*.

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of certain financial assets.

The consolidated financial statements have been prepared using the same accounting policies and methods of computation as disclosed in the Company's annual report for the financial year ended 30 June 2021. However, as a result of acquiring exploration assets and disposal of subsidiary, new accounting policies detailed in Notes 5, 6 and 9 were adopted during the half-year. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

b) Going concern

The consolidated financial statements have been prepared on going concern basis. In arriving at this position, the Directors have had regard to the fact that on 15 July 2021 the Group successfully re-listed on the ASX and raised \$5,777,773 (before costs). Of this amount, \$1,030,279 was used to settle liabilities with the remaining \$4,690,686 being contributed to working capital. As at the 31 December 2021, the Group's cash and cash equivalent balance is \$4,457,997. In the Directors opinion, the Group's cashflow forecast for the twelve month period ending 31 March 2023 indicates that the Group has sufficient cash to fund administrative and other committed expenditure and settle its liabilities as they fall due for a period of at least 12 months from the date of signing this report.

c) New and amended standards adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current annual financial reporting half-year beginning on or after 1 July 2021. It has been determined by the Group that there is no impact, material or otherwise, of the new or amended Accounting Standards and therefore no changes to Group accounting policies. No retrospective change in accounting policy of material reclassification has occurred during the half year.

Accounting standards issued but not yet effective

The Australian Accounting Standards Board has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting half-years, some of which are relevant to the Group. The Group has decided not to early adopt any of these new and amended pronouncements. The Group is currently in the process of assessing the following new and amended pronouncements:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*, AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 1: BASIS OF PREPARATION (CONTINUED)

- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

d) Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the condensed consolidated financial report have been rounded to the nearest dollar.

NOTE 2: DIVIDEND

No dividends have been paid by the Group during the half-year ended 31 December 2021, nor have the Directors recommended that any dividends be paid (30 June 2021: nil).

NOTE 3: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

Critical judgements in applying the Group's accounting policies

Significant judgements, estimates and assumption made by management in the preparation of these consolidated financial statements are found in the following notes:

- Note 5 – Asset acquisition
- Note 8 – Financial assets at fair value through OCI
- Note 9 – Exploration and evaluation expenditure
- Note 12 – Share-based payments

NOTE 4: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group now only has one segment being the exploration and assessment of the Boulbi and East Messok Projects. Accordingly, all significant operating disclosures are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

NOTE 5: ASSET ACQUISITION

On 2 March 2021, the Company announced on the ASX that it had entered into Share Sale Agreements (**SSAs**) with Cameroon Cobalt Pty Ltd (**Cameroon Cobalt**) and Valhalla Minerals Limited (**Valhalla**) in order to acquire 100% of the issued capital of Cameroon Cobalt and 57% of the issued capital of Valhalla (combined **the Transaction**).

Cameroon Cobalt is the 100% shareholder of Cameroon Mining Corporation SARL (**Cameroon Mining**) which is the registered holder of a nickel and cobalt exploration project located in the southeast of Cameroon (the **Messok East Project**).

Valhalla is the holder of 90% of Sahel Minerals SARL (**Sahel**) which is the registered holder of an advanced copper exploration project located in the Tambacounda Region in Senegal (**the Boulbi Project**).

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 5: ASSET ACQUISITION (CONTINUED)

Under the key terms of the SSAs, the Company would acquire the relative issued capital of Cameroon Cobalt and Valhalla for 5,000,000 Company ordinary shares at \$0.20 each on a post consolidation basis.

The completion of the Transaction was conditional on certain conditions being satisfied as follows:

- The Company, Cameroon Cobalt and Valhalla Minerals having obtained all regulatory consents and approvals which were necessary for the Transaction, including all approvals required from the ASX;
- The Company having received a conditional re-admission letter from ASX on terms acceptable to the Company; and
- Completion of an equity capital raising by the Company to raise \$5,777,773 (before costs) comprising of a \$4,500,000 Public Offer and a \$1,277,773 Priority Offer through the replacement prospectus dated 23 April 2021 (**the Replacement Prospectus**) offering 28,888,865 new fully paid ordinary shares at \$0.20 per share (**the Capital Raise**); and
- Completion of a consolidation of the Company's entire issued share capital on an 80 to 1 basis.

As detailed in the Company's Replacement Prospectus, the Transaction involved a significant change to the nature of the Company's main business activity from being a blockchain venture company to a mineral exploration and resource investment company.

On 15 July 2021, the Company completed all conditions noted above and therefore finalisation of the Transaction and the Capital Raise resulted in the Company issuing the following during the half-year ended 31 December 2021:

- 28,888,865 new fully paid ordinary shares at \$0.20 each for the Capital Raise;
- 5,000,000 new ordinary shares at \$0.20 each as consideration for the Transaction;
- 1,500,000 options to the Lead Manager under the Lead Manager Offer exercisable at \$0.30 each within 36 months; and
- 2,000,000 management performance options issued to Directors exercisable at \$0.001 each within 24 months.

As Cameroon Cobalt and Valhalla did not meet the definition of a business in accordance with AASB 3 *Business Combinations* (**AASB 3**), the Transaction could not be accounted for as a business combination. Therefore, the Transaction has been accounted for as an asset acquisition whereby the consideration transferred by the Company has been allocated to the fair value of the assets acquired and liabilities assumed. Furthermore, no deferred tax will arise in relation to the assets acquired and liabilities assumed as the initial recognition exemption for deferred tax under AASB 112 *Income Taxes* applies. No goodwill will arise, and transaction costs will be included in the capitalised cost of the assets acquired.

Acquisition of Cameroon Cobalt	Fair value as at 15 July 2021
	\$
Cash and cash equivalents	6,338
Exploration assets	493,662
Net assets acquired	500,000

Purchase consideration	As at 15 July 2021
	\$
2,500,000 ordinary shares issued at \$0.20 per share	500,000

Acquisition of Valhalla	Fair value as at 15 July 2021
	\$
Cash and cash equivalents	10
Exploration and evaluation expenditure	1,004,875
Trade and other payables	(32,673)
Net assets acquired	972,212

NOTE 5: ASSET ACQUISITION (CONTINUED)

Purchase consideration	Fair value as at 15 July 2021
	\$
2,500,000 ordinary shares issued at \$0.20 per share	500,000
Non-controlling interests	472,254
	<u>972,254</u>

Analysis of cash flows on acquisitions	Fair value as at 15 July 2021
	\$
Net cash acquired (included in the cash flows from investing activities)	6,348
Net cash flow on acquisitions	<u>6,348</u>

NOTE 6: DISCONTINUED OPERATIONS

On 10 November 2021, the Company finalised the disposal of Akela Capital Pty Ltd (**Akela**), a wholly owned subsidiary of the Company. The disposal was consistent with the Company's policy to focus on other core activities.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and other comprehensive income. All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

The results of Akela for the half-year are presented below:

	31 December 2021 ¹	31 December 2020
	\$	\$
Other Income	7	-
Expenses	(220)	(29,508)
Operating loss	<u>(213)</u>	<u>(29,508)</u>
Finance costs	-	-
(Loss) from discontinued operations before income tax	<u>(213)</u>	<u>(29,508)</u>
Tax (expense)/benefit	-	-
(Loss) from discontinued operations after tax	<u>(213)</u>	<u>(29,508)</u>
Gain on sale of discontinued operations	21,886	-
Tax (expense)/benefit	-	-
Gain on the sale of discontinued operations after tax	<u>21,886</u>	<u>-</u>
Profit/(loss) for the half-year from discontinued operations after tax	<u>21,673</u>	<u>(29,508)</u>

The net cash flows generated from the sale of Akela are, as follows:

	\$
Cash received from sale of discontinued operations	20,000
Cash transferred as a part of discontinued operations	(100)
Net cash inflow from sale of discontinued operations	<u>19,900</u>

¹ Activity to disposal of Akela on 10 November 2021.

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Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 6: DISCONTINUED OPERATIONS (CONTINUED)

The net cash flows generated/(incurred) by Akela are, as follows:

	31 December 2021 ¹	31 December 2020
	\$	\$
Operating	2,578	(5,768)
Net cash inflow/(outflow)	2,578	(5,768)
Earnings/(loss) per share		
Basic, profit/(loss) for the half-year from discontinued operations	0.23	(0.69)
Diluted, profit/(loss) for the half-year from discontinued operations	0.23	(0.69)

NOTE 7: OTHER ASSETS

	31 December 2021	30 June 2021
	\$	\$
Re-compliance cost	-	499,070
Prepayment	29,954	34,935
	29,954	534,005

Re-compliance cost relate to costs incurred for re-compliance with ASX's re-quotations requirements. The re-compliance costs were re-allocated to equity followed by successful completion of the Company's Capital Raise.

NOTE 8: FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

	31 December 2021	30 June 2021
	\$	\$
Investment in Brontech Pty Ltd	933,240	933,240
Investment in National Currency eXchange Group	-	-
	933,240	933,240

Significant judgment has been applied by the Directors in determining the fair value of the above financial assets at fair value through OCI. Refer to Note 1 (s) in the Company's Annual Report for the year ended 30 June 2021 for details of those significant judgments. There were no new investments acquired during the half-year ended 31 December 2021 and no changes in the number of shares held in the existing investment.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2021	30 June 2021
	\$	\$
The reconciliation of exploration and evaluation expenditure carried forward is set out as below:		
Balance at the beginning of half-year	-	-
Additions as a result of the Transaction (Note 5)	1,498,537	-
Balance at end of half-year	1,498,537	-

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

Accounting for exploration and evaluation expenditure is assessed separately for each area of interest. Each area of interest is an individual geological area which considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such deposit.

The Group has adopted the 'successful efforts' method of accounting whereby only those costs that lead directly to the discovery, acquisition, or development of specific discrete mineral reserves within an area of interest are capitalised. Costs that are known to fail the meet this criterion (at the time of occurrence) are generally expensed to profit or loss in the period they are incurred.

License costs paid in connection with a right to explore an existing area of interest are capitalised and reviewed at each reporting period to confirm that there is no indication that the carrying amount exceeds the recoverable amount.

Acquisition costs are carried forward where the right to explore an area of interest is current and they are expected to be recouped through the sale or successful development of an area of interest.

Exploration and evaluation expenditure is carried forward on the basis that the exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation, to the area of interest is continuing. The future recoverability of the carrying amount of capitalised exploration and evaluation expenditure is dependent on successful development and commercial exploitation or, alternatively, the sale of an area of interest.

NOTE 10: ISSUED CAPITAL

		31 December 2021	30 June 2021
a) Share Capital		\$	\$
33,648,854 (30 June 2021: 4,259,259) fully paid ordinary shares		33,648,854	27,439,194
b) Movements in fully paid Ordinary Capital		Number	\$
Balance at 30 June 2020 and 31 December 2020		340,739,459	27,439,194
Consolidated on 80:1	26 April 2021	(336,480,215)	-
Voluntary escrowed shares		200	-
Unissued share capital		15	-
Balance at 30 June 2021		4,259,459	27,439,194
b) Movements in fully paid Ordinary Capital		Number	\$
Balance at 1 July 2021		4,259,459	27,439,194
Issue of ordinary shares related to the Capital Raise during the half-year	15 July 2021	28,888,865	5,777,788
Issue of ordinary shares for acquisition of Cameroon Cobalt	15 July 2021	2,500,000	500,000
Issue of ordinary shares for acquisition of Valhalla Minerals	15 July 2021	2,500,000	500,000
Cancellation of ordinary shares pursuant to selective buy back	23 Nov 2021	(201,657)	-
Costs related to the Capital Raise during the half-year		-	(568,128)
Balance at 31 December 2021		37,946,667	33,648,854

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of, and amounts paid, on the shares held. Shares have no par value.

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 10: ISSUED CAPITAL (CONTINUED)

Issued capital is classified as equity and is recognised at the fair value of the consideration received by the Group. Any transaction cost arising on the issue of ordinary shares is recognised directly in equity as a reduction of share proceeds received.

NOTE 11: RESERVES

	31 December 2021	30 June 2021
	\$	\$
Fair value reserve of financial assets at FV through OCI	(270,697)	(270,697)
Share based payment reserve	157,607	48,900
Foreign operations translation reserve	559	-
	<u>(112,531)</u>	<u>(221,797)</u>

Movements - Fair value reserve of financial assets at FV through OCI

	31 December 2021	30 June 2021
	\$	\$
Balance at the beginning of the half-year	(270,697)	(270,697)
Fair value movement of financial assets at FV through OCI during the half-year	-	-
Balance at end of the half-year	<u>(270,697)</u>	<u>(270,697)</u>

Movements – Share based payment reserve

Balance at the beginning of the half-year	48,900	48,900
Issue of 1,500,000 options to Lead Manager during the half-year	60,455	-
Issued of 2,000,000 management performance options to Directors during the half year	48,252	-
Balance at the end of the half-year	<u>157,607</u>	<u>48,900</u>

Movements – Foreign operations translation reserve

Balance at the beginning of the half-year	-	-
Translation of foreign operations during the half-year	559	-
Balance at the end of the half-year	<u>559</u>	<u>-</u>

Functional and presentation of currency

The functional currency of each entity within the Group is measured using the currency of the primary economic environment in which entity operates. The consolidated financial statements are presented in AUD.

Foreign currency transactions and balances

Foreign currency translations are translated into presentation currency using the exchange rate prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when the fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in profit or loss.

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NOTE 12: SHARE BASED PAYMENTS

On 9 July 2021, 1,500,000 options were issued to the Lead Manager under the Lead Manager Offer exercisable at \$0.30 each within 36 months, and 2,000,000 management performance options were issued to Directors exercisable at \$0.001 each within 24 months.

Share based payments expense as disclosed in profit and loss and Capital Raise costs for the half-year:

Recipient	Class of SBP	Quantity	Share price at Grant date	Value recognised during the half-year	Value to be recognised in future years
CPS	Unlisted Options	1,500,000	\$0.20	60,455	-
Mr Joseph van den Elsen	Performance Rights Class A	600,000	\$0.1243	17,903	56,677
	Performance Rights Class B	600,000	\$0.0767	11,047	34,973
Mr John Ciganek	Performance Rights Class A	200,000	\$0.1243	5,968	18,892
	Performance Rights Class B	200,000	\$0.0767	3,683	11,657
Mr Emmanuel Correia	Performance Rights Class A	200,000	\$0.1243	5,968	18,892
	Performance Rights Class B	200,000	\$0.0767	3,683	11,657
		3,500,000		108,708	152,748

Fair value of share options:

The fair value of share options granted have been valued using a Black Scholes Methodology, taking into account the terms and conditions upon which the share options were granted. A summary of the inputs used in the valuation of the share options is as follows

	Unlisted Options
Exercise price	\$0.30
Spot price	\$0.20
Grant date	9 July 2021
Expected volatility	48.5%
Expiry date	9 July 2024
Risk free interest rate	0.19%
Number of share options	1,500,000
Total value of share options	\$60,455
Value recognised during the half-year	\$60,455

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



12: SHARE BASED PAYMENTS (CONTINUED)

Fair value of management performance rights:

The fair value of management performance rights granted have been valued using a trinomial valuation model, taking into account the terms and conditions upon which the management performance rights were granted. A summary of the inputs used in the valuation of the management performance rights is as follows:

	Directors' Performance Rights	
	Class A	Class B
Exercise price	\$0.001	\$0.001
Spot price	\$0.20	\$0.20
Grant date	9 July 2021	9 July 2021
Expected volatility	100%	100%
Expiry date	9 July 2023	9 July 2023
Risk free interest rate	0.11%	0.11%
Performance Hurdle	20 Day VWAP of \$0.40 or Higher	20 Day VWAP of \$0.80 or Higher
Provision for Employee Exit (%)	16%	16%
Number of management performance rights	1,000,000	1,000,000
Total value of management performance rights	\$124,300	\$76,700
Value recognised during the half-year	\$29,839	\$18,413

NOTE 13: RELATED PARTY TRANSACTIONS

(a) Purchases and Services by Key Management Personnel (KMP)

Purchases from and sales to KMP and their related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group acquired the following services from entities that are controlled by members of the Group's KMP.

Some Directors or former Directors of the Group hold or have held positions in other companies, where it is considered, they control or significantly influence the financial or operating policies of those entities. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Subsequent to the completion of transaction, the Group has paid off all the outstanding balances that owed to the existing Directors.

Entity	Nature of transaction	KMP	Total Expense		Payable Balance	
			Dec 2021	Dec 2020	Dec 2021	June 2021
			\$	\$	\$	\$
Otsana Pty Ltd	AFSL Expense/ Capital raising fees	Faldi Ismail ²	-	(2,500)	- ³	(38,500)
Romfal Corporate Pty Ltd	Director fee	Faldi Ismail ²	-	(20,000)	-	(44,000)
Attolo Pty Ltd	Director fee	Brendan de Kauwe ⁴	-	(19,467)	-	(19,467)
Gotham Corporate Pty Ltd	Managing Director fee	Joseph van den Elsen	90,000	-	-	-
Cardona Energy	Director fee	Emmanuel Correia	18,000)	-	(3,300)	-

² Mr Faldi Ismail resigned on 9 July 2021.

³ The full amount of \$42,500 (included GST) was paid to Otsana Pty Ltd (in liquidation) during the half year.

⁴ Mr Brendan de Kauwe resigned on 26 November 2020.

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 13: RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Loan from a related party

On 25 February 2021, the Company entered into a \$200,000 short term loan facility arrangement (**the Facility**) with Mr Joseph van den Elsen to provide the Company with the interim funding in respect of working capital requirements prior to the completion of the Transaction.

The Facility was secured, and any amounts drawn down would be repayable on the earlier 6 months or within 10 days following the reinstatement of the Company to official quotation on the ASX.

The Company paid a 5% establishment fee in respect of the Facility and interest was payable following the drawdown of funds at a rate of 5% per annum.

During the half-year, the balance of \$88,361 owing to Mr Joseph van den Elsen was repaid in full. Consequently, there was no outstanding balance as at 31 December 2021.

(c) Share based payments

Refer to Note 12 Share Based Payments for details of equity transactions with related parties.

NOTE 14: CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

There are no known contingent liabilities as at the end of the reporting period for the half-year ended 31 December 2021 (30 June 2021: Nil).

Commitments

Exploration expenditure commitment	31 December 2021	30 June 2021
The Group commitments for the exploration expenditure arising from obligations to governments to perform minimum exploration work and expend minimum amounts of money pursuant to the award of exploration tenements of Boulbi Project and Messok East Project		
Not later than one year	247,710	-
Later than one year but not later than five years	5,188,400	-
	<hr/> 5,436,110	<hr/> -

NOTE 15: FAIR VALUE MEASUREMENT

Fair value hierarchy

Assets and liabilities measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Inputs for the asset or liability that are not based on observable market data

Notes to the Condensed Financial Statements

For the half-year ended 31 December 2021



NOTE 15: FAIR VALUE MEASUREMENT (CONTINUED)

31 December 2021	Date of valuation	Total	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value – unquoted equity shares		\$	\$	\$	\$
Investment in Brontech Pty Ltd	31 December 2021	933,240	-	-	933,240
Investment in National Currency eXchange Group Limited	31 December 2021	-	-	-	-
Total financial assets		933,240	-	-	933,240

The fair value of the financial assets has been determined in accordance with the fair value hierarchy disclose above. The Group has conducted an internal assessment with regards to Brontech Pty Ltd and National Currency eXchange Group Limited and concluded that cost remains an appropriate estimate of the fair value of the investment at 31 December 2021 as there have been no matters or circumstances arising to provide the Group with a substantive indication that this conclusion is no longer appropriate.

The significant unobservable inputs considered by the Directors in the determination that cost remains an appropriate estimate of the fair value of Brontech Pty Ltd and National Currency eXchange as at 31 December 2021 are as follows:

Brontech Pty Ltd

- That there has been no capital raised by Brontech Pty Ltd since the time of the Group's investment in Brontech Pty Ltd. A further capital raise could be relied on by the Group as an independent, third party indication of the investment's fair value;
- Brontech Pty Ltd's financial performance, assessed by the Directors by reviewing unaudited financial information on a regular basis has improved during the period, but not to a degree to justify either an increase or decrease in the Group's investment; and
- Despite the impact of COVID-19 on the business, Brontech Pty Ltd was able to progress its operating objectives and was able to achieve an improvement in financial performance in comparison to the previous financial year.

National Currency exChange Group Limited ("NCX")

- As announced on 20 September 2019, the Group intended to divest its investment in NCX by entering into a binding Sale Share Agreement with Lateral Capital Ventures Pty Ltd ("Lateral") to dispose of the investment on behalf of the Group. Given the occurrence of COVID-19 resulting in an uncertain economic market, this has impacted Lateral's ability to dispose of the investment. Consequently as at 30 June 2021 the Directors assessed that the Group continued to retain the risks and rewards of ownership of the NCX investment.

On the basis that no reliable information was available to determine an appropriate estimate of fair value and the uncertainty within the external operating environment, the Directors considered it prudent to value the investment at \$nil as at 30 June 2021. The Directors have considered whether any further reliable information is available as at 31 December 2021 to indicate that the value as at that date should be adjusted. On the basis that no additional reliable information is available to determine an appropriate estimate of fair value, the Directors consider it prudent to continue to value the investment at \$nil.

The fair value of the Group financial instruments approximate their carrying amount.

Reconciliation of level 3 fair value movements

	31 December 2021	30 June 2021
Financial investment in unquoted equity shares		
Opening balance	933,240	933,240
Purchase / Issues	-	-
Total gain recognised in other comprehensive income	-	-
Closing balance	933,240	933,240

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

There were no significant events subsequent to the reporting date for the half-year ended 31 December 2021.

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In the opinion of the Directors of Ookami Limited and its controlled entities ('the Group')

1. The financial statements and notes, as set out on pages 5-22 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Joseph van den Elsen
Managing Director and CEO

Dated 2 March 2022

OOKAMI LIMITED
ABN 67 009 081 770

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Ookami Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, 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 accompanying half-year financial report of Ookami Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 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* ("ASRE 2410"). 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 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 for the Review of the Half-Year 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 31 December 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*.

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OOKAMI LIMITED
ABN 14 127 175 946

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

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.

Pitcher Partners BA+A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

Michael Fay

MICHAEL FAY
Director
Perth, 2 March 2022

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