

Cohiba Minerals Limited

ABN 72 149 026 308

Half year Financial Report - 31 December 2021

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Cohiba Minerals Limited
Contents
31 December 2021



Corporate directory	2
Directors' report	3
Auditor's independence declaration	6
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	14
Independent auditor's review report to the members of Cohiba Minerals Limited	15

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Directors	Mr Mordechai Benedikt (Executive Chairman) Mr Andrew Graham (Executive Director & CEO) Mr Nachum Labkowski (Non-Executive Director)
Company secretary	Mr Justin Mouchacca
Registered office	Level 21, 459 Collins Street Melbourne, VIC 3000 Ph: (03) 8630 3321
Principal place of business	Level 21, 459 Collins Street Melbourne, VIC 3000
Share register	Automic Registry Services 477 Collins Street Melbourne VIC 3000 Ph: 1300 288 664
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Stock exchange listing	Cohiba Minerals Limited securities are listed on the Australian Securities Exchange (ASX codes: CHK and CHKOA)
Website	www.cohibaminerals.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated entity') consisting of Cohiba Minerals Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

Directors

The following persons were directors of Cohiba Minerals Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Mr Mordechai Benedikt (Executive Chairman)
Mr Andrew Graham (Executive Director)
Mr Nachum Labkowski (Non-Executive Director)

Principal activities

The principal activity of the consolidated entity during the period was the exploration for natural resources, including metals, precious metals and minerals. There have been no significant changes in the nature of those activities during the period.

Review of operations

The loss for the Consolidated entity after providing for income tax amounted to \$907,382 (31 December 2020: \$813,219).

Financial performance

During the year, operating expenses increased by \$109,703 to \$907,382 (31 December 2020: \$813,219). This was mainly driven by a non-cash share based payment expense which has been recorded for the half-year period amounting to \$327,050 and the recent OTC listing and expenses associated. Other operating expenses remained consistent during the half-year period.

Financial position

Net assets of the consolidated entity decreased from \$11,171,806 to \$10,576,201, attributable to a decrease in cash reserves from exploration expenditure and other normal operating costs.

Below is a summary of the consolidated entity's operations during the period.

Olympic Domain Farm-in Agreement (EL's 6118, 6119, 6120, 6121, 6122, 6183 & 6675)

Horse Well Project

The Company completed HWDD05 on 29 September 2021, at a dip of 80.9° and an azimuth of 84.6° for a final hole length of 1,417.46m (vertical depth at 80.9° of approximately 1,399m).

The Company completed drill hole HWDD05W1 as a curved wedge hole from drill hole HWDD05 on 20 October 2021, at a dip of 59.9° and an azimuth TN of 40.5° for a final hole length of 1,335.7m (vertical depth of approximately 1,290m).

The drill core from HWDD05 and HWDD05W1 was photographed and transported to Adelaide where it was logged in detail and the core filleted for despatch ALS Laboratories for full suite analysis.

The Company continued to engage subject matter experts to undertake detailed investigations of the drill core from the Horse Well Project. The investigations included mineralogical, petrological and geochemical studies to provide detailed data to inform future drillhole locations.

A total of 26 technical summaries were generated to capture all of the technical discussions, correspondence, key findings and postulations between the subject matter experts in order to optimise the exploration decision-making process.

The Company conducted a heritage survey on November 8 – 11, 2021 in partnership with the Kokatha people and Australian Heritage Surveys as a requirement of the Exploration Program for Environment Protection and Rehabilitation (EPEPR) for the next proposed drilling program at Horse Well.

Pernatty C

Drill hole PSDDH001 was completed on 15 December 2021 at a dip of 65.9° and an azimuth TN of 253.8° and with a total hole length of 1,110.5m. The drill core was logged and photographed and transported to secure storage in Adelaide where it was assessed for sampling and assaying.

Drill hole PSDDH02 was set up for commencement on 17 December 2021 with drilling set to be underway at the beginning of January 2022.

The Company maintained regular meetings with DEM SA in relation to grant funding it received from the Accelerated Discovery Initiative (ADI) grants for strategic drilling at its Pernatty C Project.

Lake Torrens

There was no activity on the Lake Torrens tenements during the half.

A Strategic Plan with full budget estimates was generated for the Olympic Dam tenements as part of the Company's commitment to good management and financial responsibility.

Warriner Creek (Farm-In with Tigers Dominion Group)

In August the Company signed a Farm-In Agreement with Tigers Dominion Group Pty Ltd over the Warriner Creek Project in the Gawler Craton. Tigers Dominion Group Pty Ltd (TDG) is a subsidiary of junior explorer White Tiger Resources Ltd. The Warriner Creek Project comprises two tenements under exploration licence to TDG, EL6324 and EL6533, which cover a combined area of 346 km² over strategic, shallow IOCG targets in the Gawler Craton.

The Farm-In Agreement comprises an "Initial Period" whereby the Company will assess the prospectivity of the Warriner Creek Project through the expenditure of \$600,000 (minimum expenditure) by drilling a 600m drill hole on the eastern part of EL6324, followed by a 400m drill hole on either the eastern or western part of EL6324 (at Cohiba's discretion).

The Heritage Survey, EPEPR documentation and Woomera Access approvals for the Warriner Creek Project were all completed during the period and the drill pad for the first exploration hole was constructed.

Pyramid Lake Update (E74/594)

The Company received notification on 17 September 2021 that it had been successful in securing a 5-year extension over exploration licence E74/594, which covers all of Pyramid Lake in south-western Western Australia. The new expiry date for the tenement is 4 July 2026.

Work on securing a Mining Lease over the high-grade part of the Pyramid Lake resource was recommenced during the September 2021 quarter following a delay due to a change in the application conditions.

Wee Macgregor Project Update (ML's 2504, 2773, 90098)

No significant work was conducted by the company during the half-year period other than discussions with parties regarding potential involvement in the Wee Macgregor.

Cobalt X Pty Ltd (a wholly owned subsidiary of Cohiba) has maintained all of these tenements in good standing and in accordance with the Farm-in Agreement in the early part of the calendar year will be able to fully exert its right in relation to an 80% ownership in the tenements.

Queensland (Cobalt X) Project (EPM's 26376, 26377, 26379 & 26380)

No significant work was conducted by the company during the half-year period on these tenements.

Significant changes in the state of affairs

On 10 August 2021, the Company issued 16,667 Shares for the conversion of 16,667 CHKOA options with an exercise price of \$0.01 (1 cent) per option.

On 27 August 2021, the Company issued 14,000,000 unlisted options to consultants with each option being exercisable at \$0.02 (2 cents) on or before 18 December 2023.

On 17 December 2021, the Company issued 45,000,000 CHKAD unlisted options to directors with each option being exercisable at \$0.04 (4 cents) on or before 17 December 2024.

There were no other significant changes in the state of affairs of the Consolidated entity during the financial half-year.

Matters subsequent to the end of the half-year

Subsequent to 31 December 2021 and up to the date of this report, the Company issued 751,100 Shares for the conversion of 751,100 CHKOA options with an exercise price of \$0.01 (1 cent) per option.

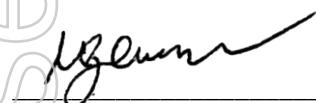
No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the directors



Mordechai Benedikt
Executive Chairman

15 March 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF COHIBA MINERALS LIMITED

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



N. S. Benbow
Director

Dated this 15th day of March 2022

ACCOUNTANTS & ADVISORS

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Cohiba Minerals Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021



	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Income		
Interest Income	9,907	5,713
Other Income	-	10,000
	<u>9,907</u>	<u>15,713</u>
Expenses		
Corporate and Administrative expenses	(449,579)	(250,844)
Employment expenses	(467,710)	(578,088)
	<u>(907,382)</u>	<u>(813,219)</u>
Loss before income tax expense	(907,382)	(813,219)
Income tax expense	-	-
	<u>-</u>	<u>-</u>
Loss after income tax expense for the half-year attributable to the owners of Cohiba Minerals Limited	(907,382)	(813,219)
Other comprehensive income for the half-year, net of tax	-	-
	<u>-</u>	<u>-</u>
Total comprehensive income for the half-year attributable to the owners of Cohiba Minerals Limited	<u>(907,382)</u>	<u>(813,219)</u>
	Cents	Cents
Basic earnings/(loss) per share	(0.07)	(0.08)
Diluted earnings/(loss) per share	(0.07)	(0.08)

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

Cohiba Minerals Limited
Statement of financial position
As at 31 December 2021



		Consolidated	
	Note	31 December	30 June 2021
		2021	2021
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		4,136,452	6,499,442
Trade and other receivables	4	336,382	67,693
Prepayments		7,914	34,630
Total current assets		<u>4,480,748</u>	<u>6,601,765</u>
Non-current assets			
Exploration and evaluation	5	6,535,687	4,637,754
Total non-current assets		<u>6,535,687</u>	<u>4,637,754</u>
Total assets		<u>11,016,435</u>	<u>11,239,519</u>
Liabilities			
Current liabilities			
Trade and other payables		440,234	67,713
Total current liabilities		<u>440,234</u>	<u>67,713</u>
Total liabilities		<u>440,234</u>	<u>67,713</u>
Net assets		<u>10,576,201</u>	<u>11,171,806</u>
Equity			
Issued capital	6	19,235,365	19,235,198
Reserves		893,485	581,975
Accumulated losses		(9,552,649)	(8,645,367)
Total equity		<u>10,576,201</u>	<u>11,171,806</u>

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

Cohiba Minerals Limited
Statement of changes in equity
For the half-year ended 31 December 2021



Consolidated	Issued capital \$	Options reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	11,016,910	190,750	(7,251,484)	3,956,176
Loss after income tax expense for the half-year	-	-	(813,219)	(813,219)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(813,219)	(813,219)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting of share-based payments	-	420,925	-	420,925
Issue of ordinary shares, net of transaction costs	7,831,692	-	-	7,831,692
Issue of listed options	6,690	-	-	6,690
Balance at 31 December 2020	<u>18,855,292</u>	<u>611,675</u>	<u>(8,064,703)</u>	<u>11,402,264</u>

Consolidated	Issued capital \$	Options reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	19,235,198	581,975	(8,645,268)	11,171,905
Loss after income tax expense for the half-year	-	-	(907,382)	(907,382)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(907,382)	(907,382)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting of share-based payments	-	311,510	-	311,510
Exercise of options	168	-	-	168
Balance at 31 December 2021	<u>19,235,366</u>	<u>893,485</u>	<u>(9,552,650)</u>	<u>10,576,201</u>

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

Cohiba Minerals Limited
Statement of cash flows
For the half-year ended 31 December 2021



	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Cash flows from operating activities		
Payments to suppliers & employees (inclusive of GST)	(618,518)	(473,491)
Interest received	9,907	5,713
Government grants received	-	10,000
	<u>(608,611)</u>	<u>(457,778)</u>
Cash flows from investing activities		
Payments for exploration and evaluation assets	<u>(1,754,547)</u>	<u>(1,340,335)</u>
Net cash used in investing activities	<u>(1,754,547)</u>	<u>(1,340,335)</u>
Cash flows from financing activities		
Proceeds from issue of shares	-	7,908,830
Payments for capital raising costs	-	(51,599)
Proceeds from issue of options	168	6,690
Conversion of options	-	24,462
Net cash from financing activities	<u>168</u>	<u>7,888,383</u>
Net increase/(decrease) in cash and cash equivalents	(2,362,990)	6,090,270
Cash and cash equivalents at the beginning of the financial half-year	<u>6,499,442</u>	<u>904,285</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>4,136,452</u></u>	<u><u>6,994,555</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Cohiba Minerals Limited as a Consolidated entity consisting of Cohiba Minerals Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Cohiba Minerals Limited's functional and presentation currency.

Cohiba Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 21, 459 Collins Street
Melbourne, VIC 3000
Ph: (03) 8630 3321

A description of the nature of the Consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 March 2022.

The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and if adopted, there was, and is expected to be, no material impact on these financial statements.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity has identified its operating segments based on the investment decisions of the board and used by the chief operating decision makers in assessing performance and in determining the allocation of resources. The consolidated entity operates in one segment being the evaluation and exploration of resources in the Oceania region.

Note 4. Current assets - trade and other receivables

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Trade receivables	-	43,250
GST receivable	111,111	19,024
Other receivables	225,271	5,419
	<u>336,382</u>	<u>67,693</u>

Note 5. Non-current assets - exploration and evaluation

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Exploration and evaluation assets	<u>6,535,687</u>	<u>4,637,754</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current half-year are set out below:

Consolidated	Exploration and evaluation assets \$	Total \$
Balance at 1 July 2021	4,637,754	4,637,754
Expenditure during the half year	<u>1,897,933</u>	<u>1,897,933</u>
Balance at 31 December 2021	<u>6,535,687</u>	<u>6,535,687</u>

Note 6. Equity - issued capital

	Consolidated			
	31 December	30 June 2021	31 December	30 June 2021
	2021	2021	2021	2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	1,391,479,920	1,391,463,253	19,086,122	19,085,955
Options over ordinary shares	<u>348,903,277</u>	<u>348,919,944</u>	<u>149,243</u>	<u>149,243</u>
	<u>1,740,383,197</u>	<u>1,740,383,197</u>	<u>19,235,365</u>	<u>19,235,198</u>

Movements in issued capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	1,391,463,253		19,085,955
CHKOA option conversion	10 August 2021	<u>16,667</u>	\$0.01	<u>167</u>
Balance	31 December 2021	<u>1,391,479,920</u>		<u>19,086,122</u>

Note 6. Equity - issued capital (continued)

Movements in options

Details	Date	Options	Issue price	\$
Balance	1 July 2021	348,919,944		149,243
CHKOA option conversion	10 August 2021	<u>(16,667)</u>	-	-
Balance	31 December 2021	<u>348,903,277</u>		<u>149,243</u>

Note 7. Contingent liabilities

There were no contingent liabilities at 31 December 2021 (31 December 2020: Nil).

Note 8. Events after the reporting period

Subsequent to 31 December 2021 and up to the date of this report, the Company issued 751,100 Shares for the conversion of 751,100 CHKOA options with an exercise price of \$0.01 (1 cent) per option.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mordechai Benedikt
Executive Chairman

15 March 2022

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Cohiba Minerals Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (together, the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or 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 half-year financial report of Cohiba Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 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 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 Management 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.

ACCOUNTANTS & ADVISORS

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Melbourne VIC 3000

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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company'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*.

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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in black ink, appearing to read 'N. S. Benbow'.

N. S. Benbow
Director

Melbourne, 15th of March 2022

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