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OzAurum Resources Limited & Controlled Entity
ABN 63 643 244 544

Consolidated Interim Financial Report

for the Half-Year ended 31 December 2021

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Corporate Directory

Directors

Jeffrey Williams
Chairman

Andrew Pumphrey
CEO and Managing Director

Martin Holland
Executive Director

Andrew Tudor
Non-executive Director

Company Secretary

Stephen Hewitt-Dutton

Registered and Principal Office

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Auditor

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Share Registrar

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Stock Exchange Listing

Australian Securities Exchange
Home Exchange: Perth WA
ASX Code: **OZM**

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*Your directors
submit the financial
report of the
consolidated group
for the six month
period ended
31 December 2021
("half-year").*

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Directors' Report

Your directors submit the financial report of the consolidated group for the six month period ended 31 December 2021 ("half-year").

DIRECTORS

The names of directors who held office during or since the end of the half-year:

- **Jeffrey Williams** (Chairman)
- **Andrew Pumphrey** (CEO and Managing Director)
- **Martin Holland** (Executive Director)
- **Andrew Tudor** (Non-executive Director)

RESULTS OF OPERATIONS

The Company realised a net loss of \$3,036,622 for the half-year ended 31 December 2021 (6 months ended 5 February 2021: \$1,226,708).

REVIEW OF OPERATIONS

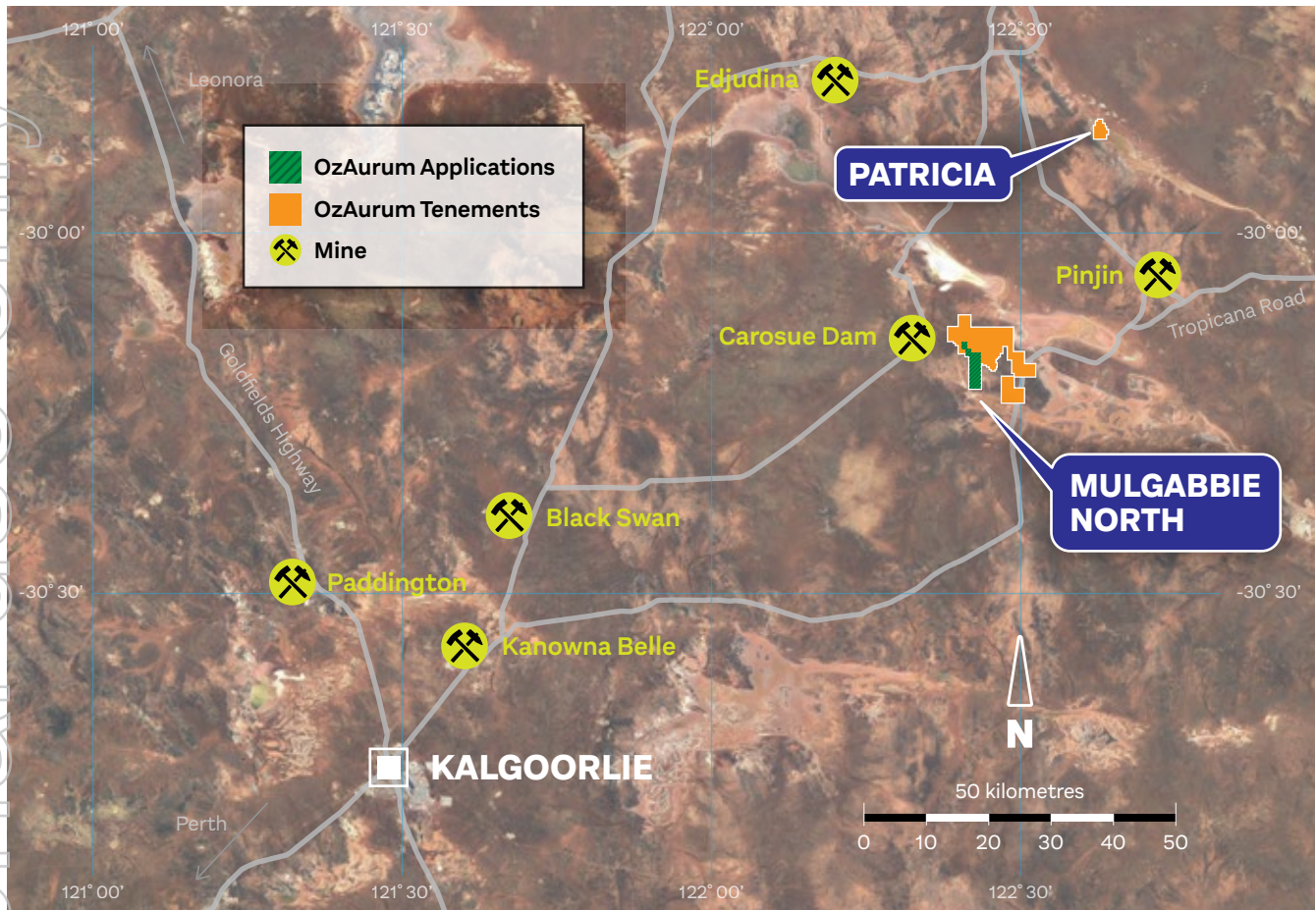
During the half-year, the Company continued to deliver excellent results from its large-scale Reverse Circulation (RC) and Aircore (AC) drilling programs at the Mulgabbie North Project, situated North East of Kalgoorlie. In addition, OzAurum completed its Maiden Drilling Campaign at its 100%-owned Patricia Gold Project, situated 40 kilometres (km) north east of Mulgabbie- delivering exceptional high-grade gold hits.

MULGABBIE PROJECT

Mulgabbie North Summary Drilling Results

Current AC and RC drilling continues to advance the Company's flagship Mulgabbie North Project – delivering positive results. The RC results, combined with AC results, have now defined significant zones of mineralisation extending for 4.2 km in strike- further highlighting the potential of Mulgabbie North to be a major gold project.

Figure 1: Project Location



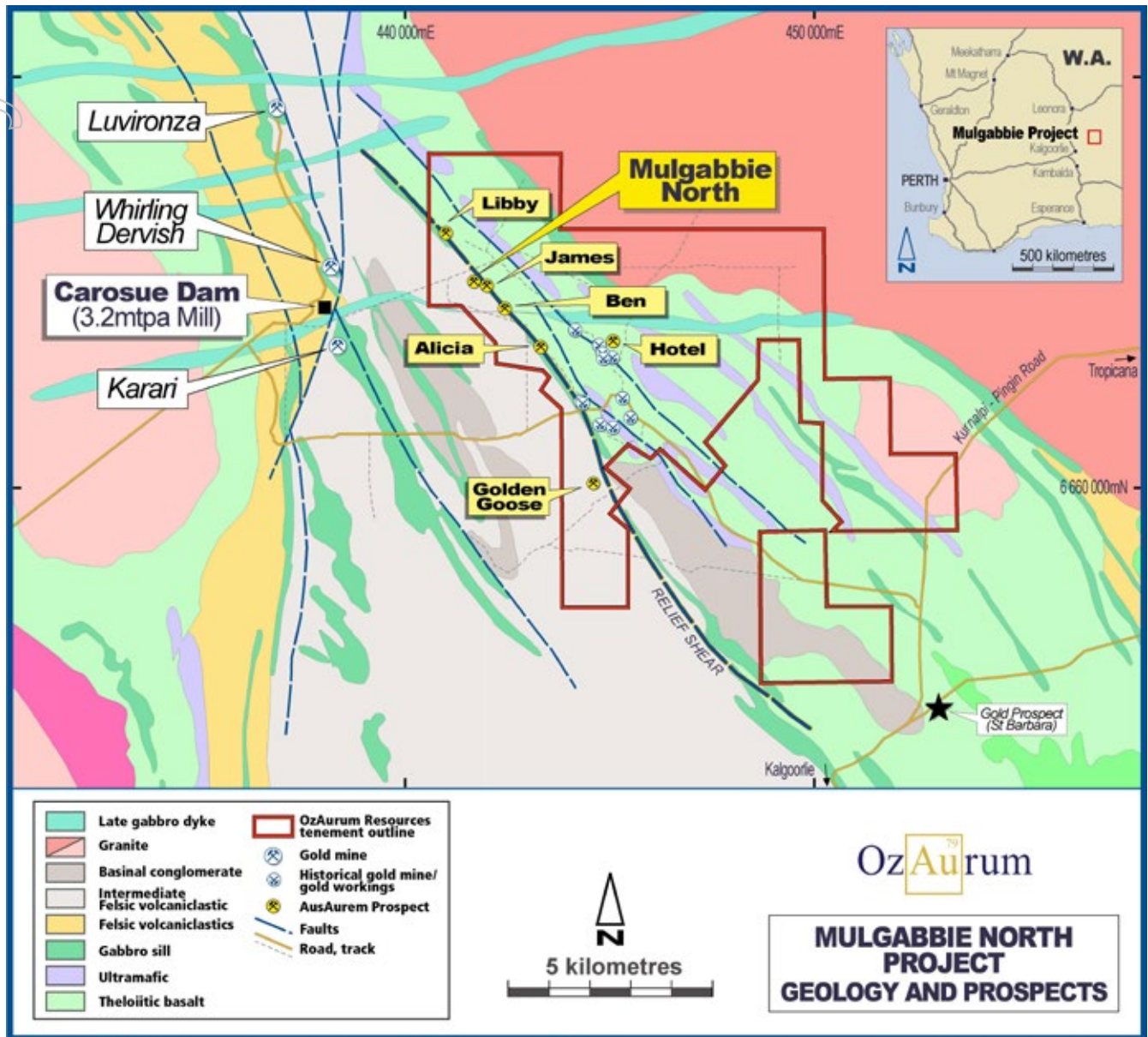
During the half-year, drilling at the Mulgabbie North Project was focussed at the James, Ben and Alicia Prospects- delivering excellent results. In particular, gold mineralisation has been extended at both the Ben and James Prospects, and new primary gold mineralisation has been intersected over a wide zone at the Alicia Prospect which is situated 1 km south east of current RC drilling at the Ben Prospect.

RC Drilling

The RC drill campaign identified high-grade gold mineralisation at both the Ben and James Prospects. Most notably, RC holes **MNORC 074** intersected **10 m @ 2.80 g/t Au** from 27 m including **1 m @ 21.60 g/t Au** and **MNORC 065** intersected **11 m @ 2.14 g/t Au** from 17 m including **1 m @ 19.75 g/t Au**. In addition, RC holes **MNORC 086** intersected **13 m @ 1.80 g/t Au** from 75 m from within **22 m @ 1.28 g/t Au**. Furthermore, **MNORC 088** intersected **14 m @ 1.48 g/t Au** from 90 m within **20 m @ 1.16 g/t Au**, including **1 m @ 6.05 g/t Au** and **1 m @ 6.33 g/t Au**. (ASX: 13 July 2021 and 19 August 2021).

A number of significant gold intervals were also intersected in **MNORC 103** – situated approximately 100 m along strike at the James Prospect. Significant intervals from this hole include **6 m @ 1.40 g/t Au** from 83 m and **13 m @ 1.28 g/t Au** from 99 m, including **5 m @ 2.09 g/t Au** (ASX: 24 September 2021). Follow up drilling at the James Prospect included RC hole **MNORC 115**, identifying the northern extension of the James Prospect and intersected **18 m @ 1.64 g/t Au** from 105 m from within **75 m @ 0.72 g/t Au**, and also includes **8 m @ 1.02 g/t Au** from 81 m and **2 m @ 1.67 g/t Au** from 94 m. **MNORC 118** intersected **14 m @ 1.58 g/t Au** from 24 m in saprolite hosted gold mineralisation with associated quartz veining observed within the mineralised interval. This will be targeted at depth with future RC drilling. Gold mineralisation intersected in these holes represent an extension of the James Prospect gold mineralisation which is open at depth and along strike to the north (ASX: 8 November 2021).

Figure 2: Mulgabbie North Project



The first two holes drilled at the Alicia Prospect both intersected wide zones of gold mineralisation. RC holes **MNORC 109** intersected **33 m @ 1.24 g/t Au** from 93 m including **8 m @ 3.29 g/t Au** and **6 m @ 1.45 g/t Au** from 135 m. **MNORC 110** intersected **23 m @ 0.92 g/t Au** from 89 m. These RC holes, MNORC 109 and MNORC 110, have defined a continuous thick zone of gold mineralisation over 80m of strike. This new zone is currently open at depth and along strike at the Alicia Prospect (ASX: 24 September 2021).

Four RC drill holes were also drilled at the Golden Goose Prospect, which is situated 4 km southeast of Mulgabbie North along the Relief Shear, with **MNORC 107** intersecting **20 m @ 0.68 g/t Au** from 19 m including **3 m @ 1.02 g/t Au** from 23 m and **4 m @ 1.48 g/t Au** from 30 m.

The current RC drilling at Mulgabbie North has defined primary gold mineralisation for over 1.3km of strike from the Ben Prospect to the James Prospect, and OzAurum is confident that extensional RC drilling completed will further extend this strike. Further, we believe future RC drilling will continue to identify new primary gold mineralisation related to the numerous geochemical gold anomalies and recent saprolite hosted gold mineralisation targets identified by AC drilling.

Figure 3: Mulgabbie North RC drill collar plan

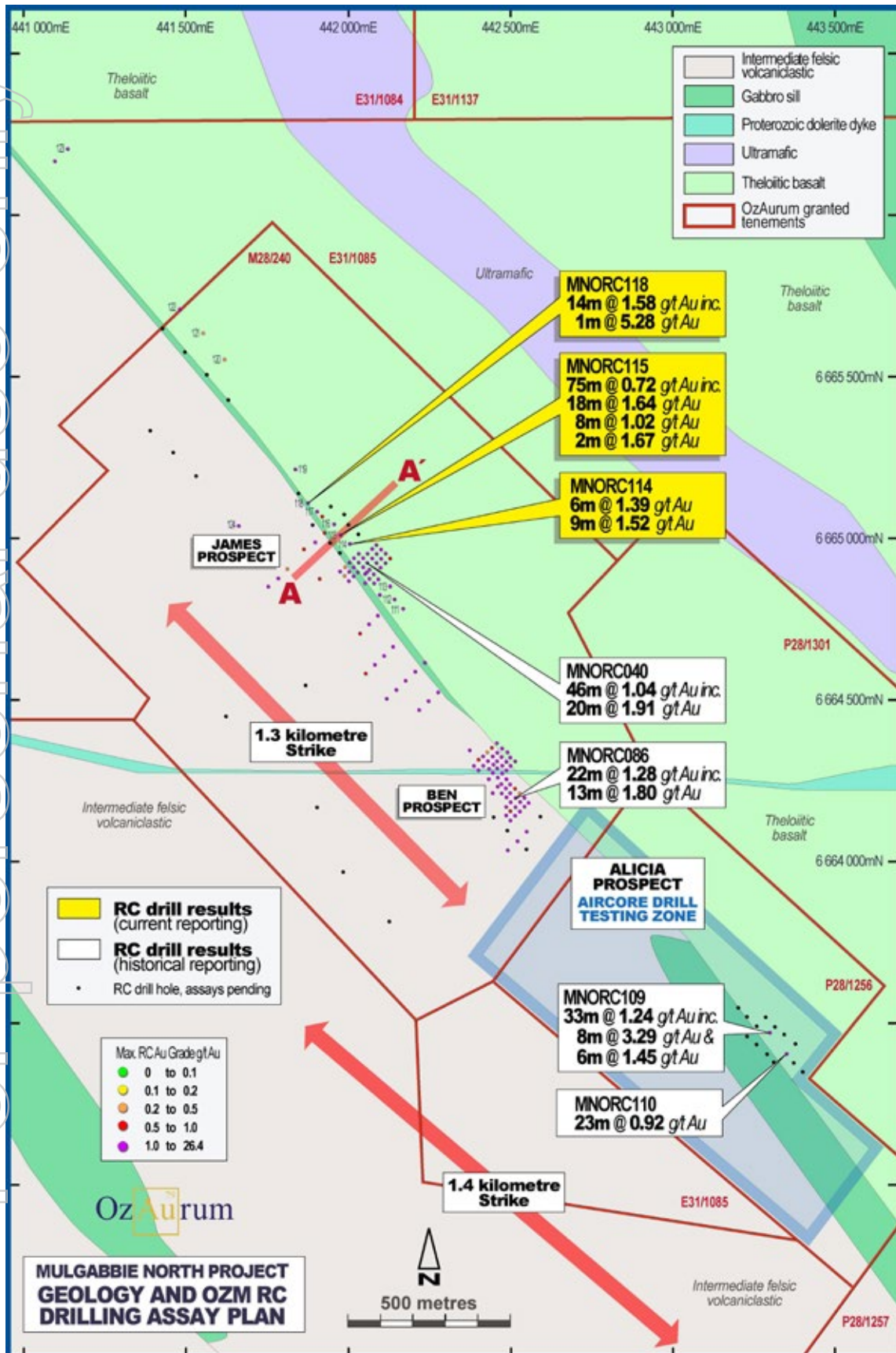
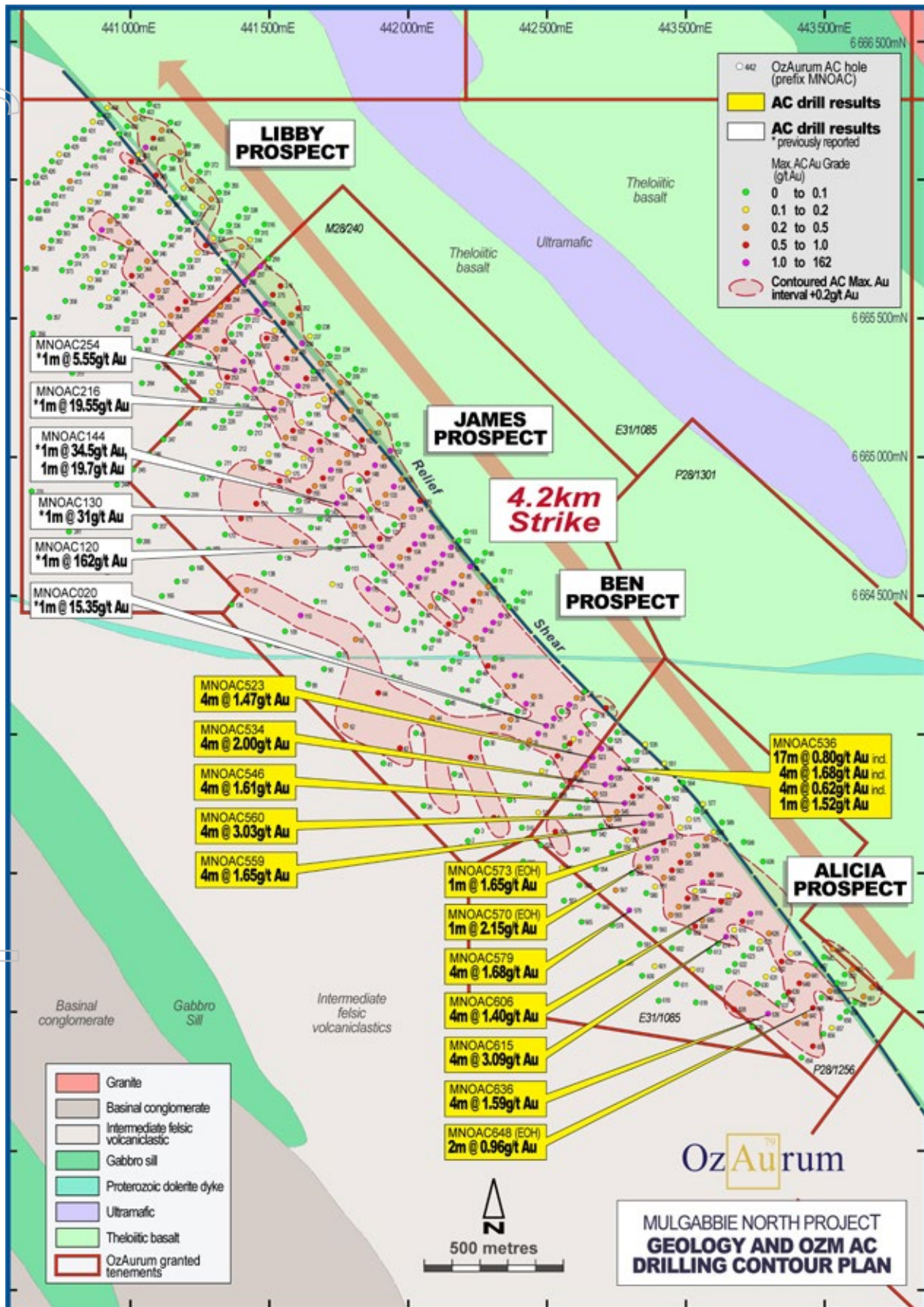


Figure 4: Mulgabbie North AC drill collar plan with Max Au g/t AC 1m and composite intervals



AC Drilling

During the half-year, AC drilling identified a new zone of widespread gold mineralisation at Mulgabbie North, now extending for 4.2km long and up to 150 m wide. Over the period, a number of exciting new targets were identified for future RC drilling in this area, including noteworthy strike extensions at the James Prospect. In addition, a new zone of widespread gold mineralisation, extending for 1.4 km long and up to 150 m wide, has been defined by numerous high-grade AC intersections at the Mulgabbie North gap zone between the Ben and Alicia Prospects.

Significant four metre composite AC drilling results from holes MNOAC 335-435 at Mulgabbie North include **4 m @ 3.39 g/t Au** from 20 m (MNOAC 404 – Libby Prospect), **4 m @ 1.87 g/t Au** from 40 m (MNOAC 378), **8 m @ 0.46 g/t Au** from 24 m (MNOAC 343) along with **3 m @ 0.75 g/t Au** from 60 m at end of hole (EOH) (MNOAC405) (ASX: 2 September 2021). Further AC drilling results from holes MNOAC 515-633 at Mulgabbie North include **4 m @ 3.09 g/t Au** from 12 m (MNOAC 615), **4 m @ 3.03 g/t Au** from 64 m (MNOAC 560), **4 m @ 2.00 g/t Au** from 44 m (MNOAC 534) along with **4 m @ 1.68 g/t Au** from 56 m (MNOAC 579) (ASX: 16 December 2021).

Results from the AC drill program have provided the Company with exciting new high-priority targets that will be followed-up with planned RC and diamond drilling in 2022. A number of these exciting new targets that have been identified for future RC drilling coincide with an extensive zone of magnetic destruction and the co-incident, strong and steep gravity gradient that extends the length of the Mulgabbie North Project. Interpretation of the recently completed detailed drone magnetic survey and close spaced gravity survey at Mulgabbie North is ongoing.

Location of the Mulgabbie Project in relation to the Carosue Dam Gold Mine in the distance

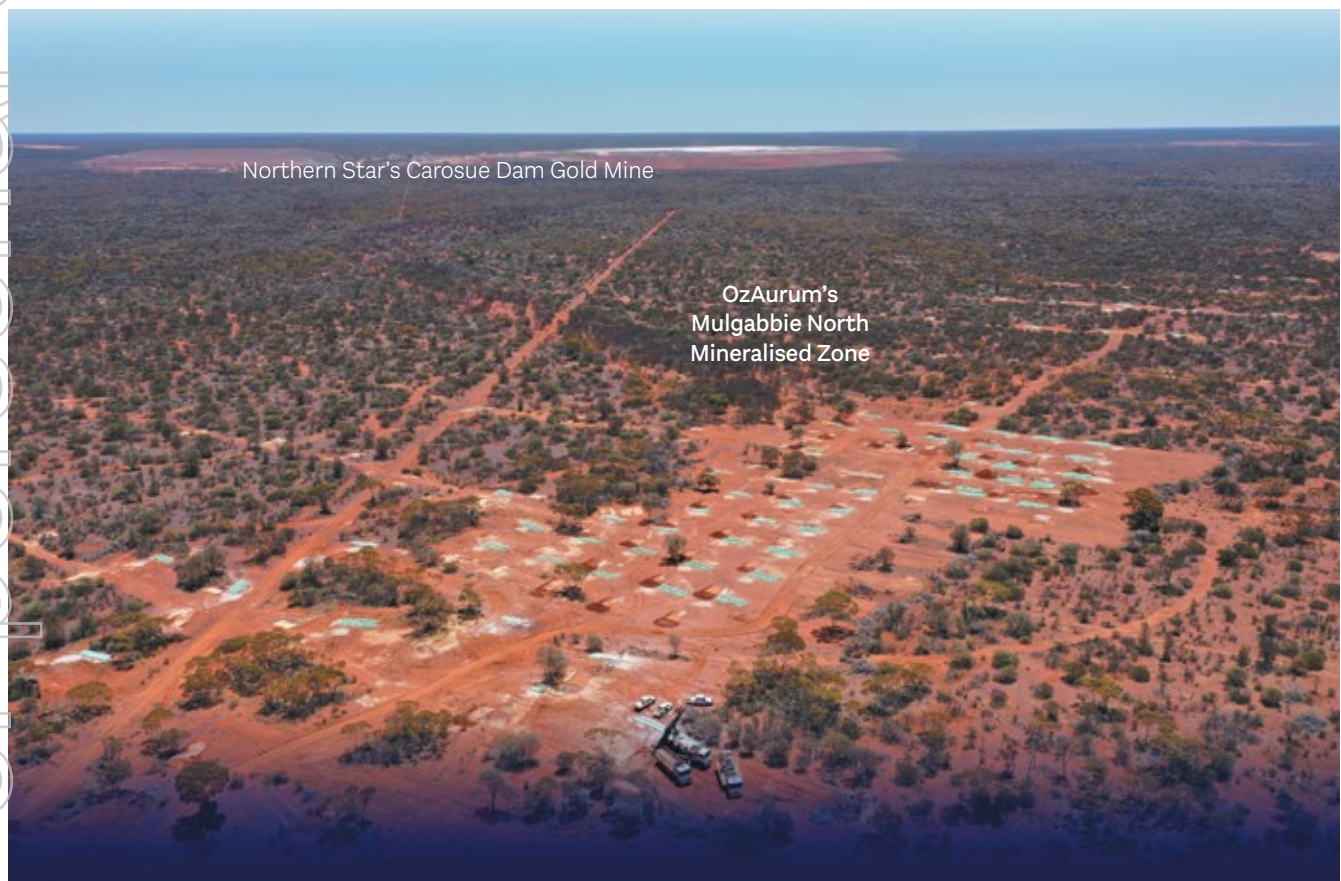


Figure 5: Mulgabbie North 2021 gravity survey image with AC collars

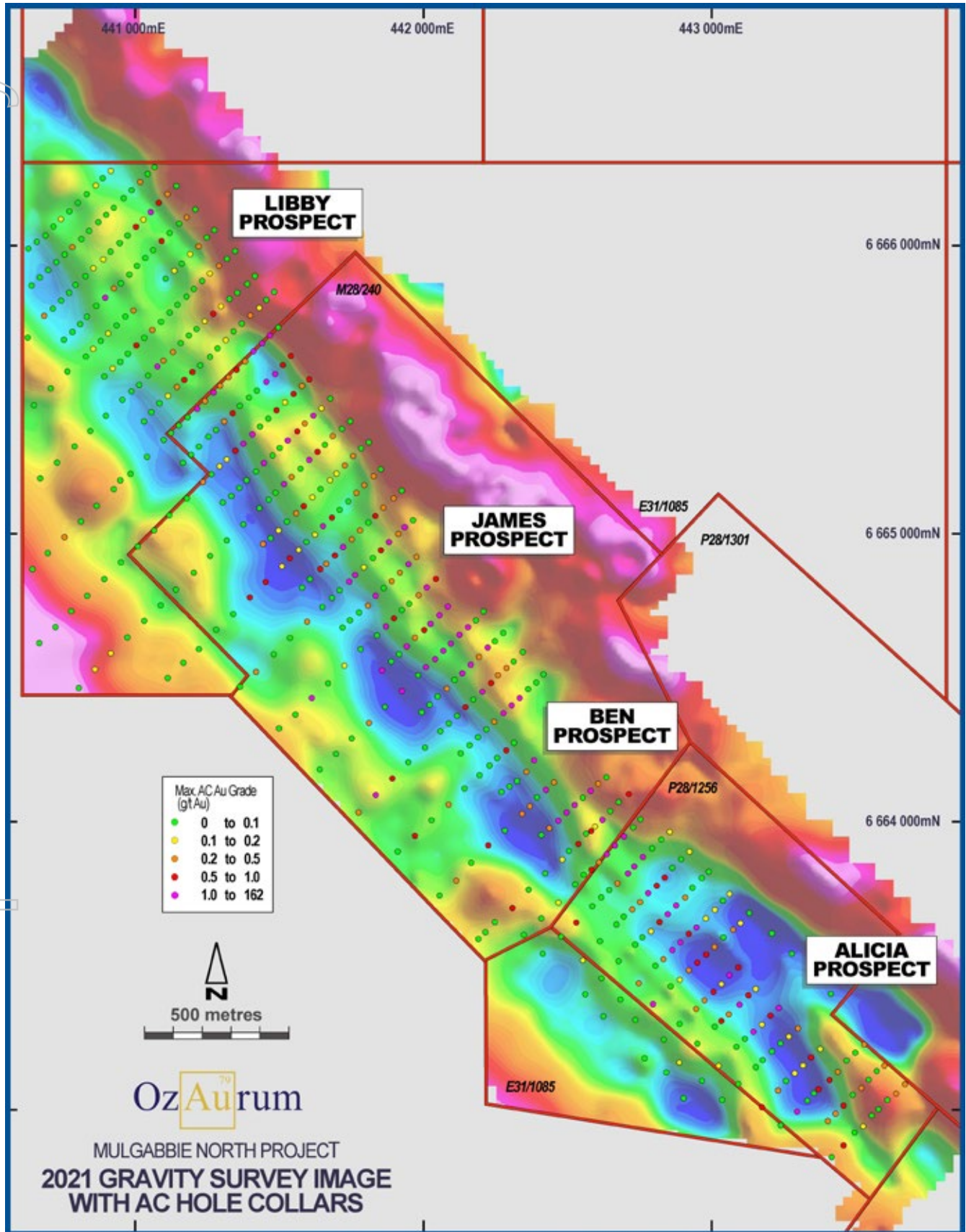
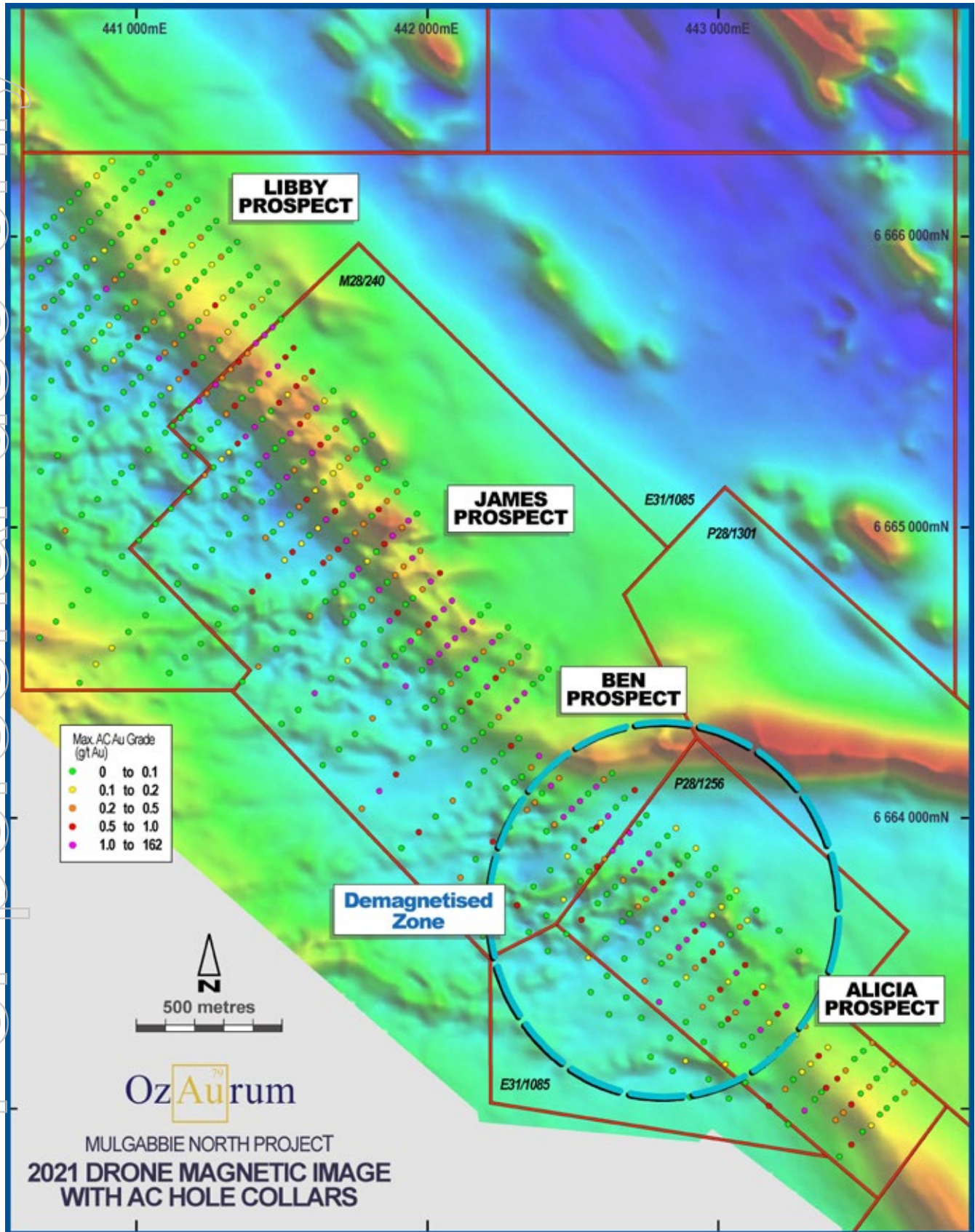


Figure 6: Mulgabbie North2021 drone magnetic survey image with AC collars



Mulgabbie North Tenement Acquisition

During the half-year period, OzAurum acquired a 100% interest in strategically located adjoining exploration licence E31/1084 from local Kalgoorlie prospectors for a total cash consideration of \$120,000. The prospectors retain a 2% Net Smelter Royalty on all gold produced, as well as, alluvial gold rights.

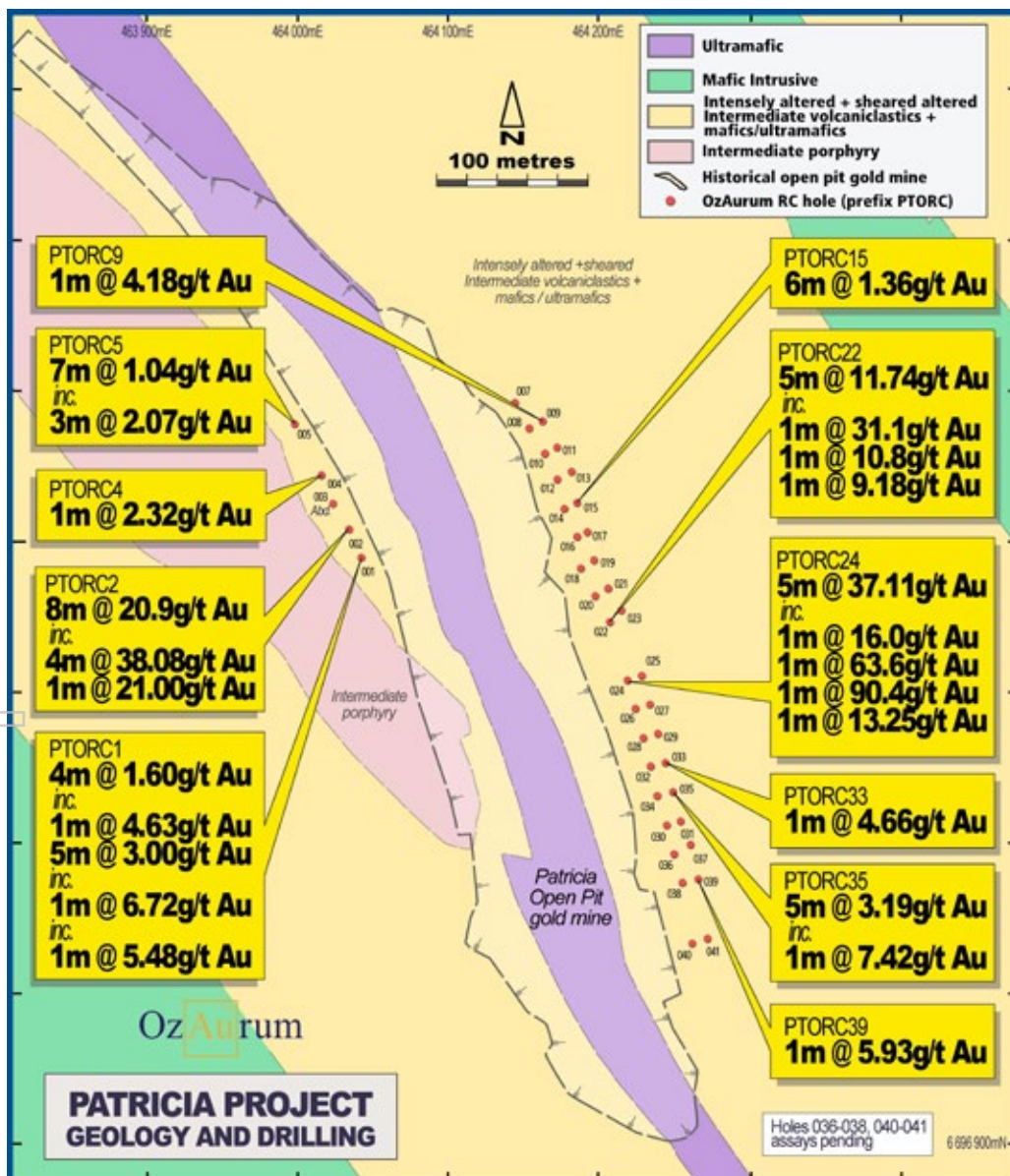
Exploration licence E31/1084 is located adjacent OzAurum's new Libby Prospect, and is an additional 2 km strike length of the Perseverance shear. This allows for future drilling at the new Libby Prospect to be undertaken along strike to the north east.

PATRICIA PROJECT

Patricia Project Summary Drilling Results

OzAurum completed the maiden drill program at the Patricia Project over the half-year period. The 28-hole program was extended with an additional 13 holes for a total of 41 holes drilled for 7,850 m. The Patricia Gold Project is situated North East of Kalgoorlie in the Eastern Goldfields of Western Australia.

Figure 7: Patricia Gold Project significant RC intercepts



The RC program delivered outstanding results from several holes. Drill hole PTORC 002 with **4 m @ 38.08 g/t Au** intersected within a broader zone of **8 m @ 20.9 g/t Au** from 99 m including **1 m @ 93.9 g/t Au**. PTORC 024 returned a peak assay of **5 m @ 37.11 g/t Au** intersected from 154 m including **1 m @ 90.40 g/t Au, 1 m @ 63.60 g/t Au, 1 m @ 16.00 g/t Au** and **1 m @ 13.25 g/t Au**. Lengths stated are downhole interval length – the true width is yet to be determined but is expected to be 50% of the downhole length.

Other excellent, noteworthy results were received from PTORC 001, intersecting **4 m @ 1.6 g/t Au** including **1 m @ 4.63 g/t Au** from 57 m as well as **5 m @ 3.00 g/t Au** from 93 m including **1 m @ 6.72 g/t Au** and **1 m @ 5.48 g/t Au**. PTORC 022 with **5 m @ 11.74 g/t Au** intersected from 151 m including **1 m @ 31.10 g/t Au, 1 m @ 10.80 g/t Au, 1 m @ 9.18 g/t Au** and **1 m @ 7.38 g/t Au**. Results from other holes included PTORC033 **1 m @ 4.66 g/t Au** from 191 m and PTORC035 **5 m @ 3.19 g/t Au** including **1 m @ 7.42 g/t Au**.

The high grade intercepts PTORC 002 **4 m @ 38.08 g/t Au** and PTORC 024 **5 m @ 37.11 g/t Au** are in line with the **41 g/t Au** average grade previously mined from 4,115 t of ore producing 5,384 oz from underground mining at the historic Patricia Gold Mine.

Visible gold was intersected in two adjacent RC drill holes PTORC 022 and PTORC 024. Visible gold in drill chips from PTORC 022 154-155 was first identified by OzAurum's exploration geologist, Hugo Serra, whilst relogging RC drill chips.

Initial observations and the early interpretation of RC drill logging demonstrates that Patricia is an exciting but structurally complex project, potentially with late stage faulting that is offsetting lithologies and potential gold mineralisation. Planned Diamond Drilling will provide structural data that will assist us to resolve this.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as outlined in the review of operations, there were no significant changes in the state of affairs of the Group during the half year.

SUBSEQUENT EVENTS

There has been no matters or circumstances that has arisen after reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2021 is set out on page 12.

This report is signed in accordance with a resolution of the Board of Directors.



Jeffrey Williams
Chairman

Dated this 15th day of March 2022

Competent Persons Statement

The information in this report that relates to exploration results is based on information compiled by Andrew Pumphrey who is a Member of the Australian Institute of Geoscientists and is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Pumphrey is a full-time employee of OzAurum Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pumphrey has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Auditor's Independence Declaration



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of OzAurum Resources Limited for the half-year ended 31 December 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
15 March 2022

N G Neill
Partner

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

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for the half-year ended 31 December 2021

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2021

	Note	Half-year 31 Dec 2021 \$	Half-year 5 Feb 2021 \$
Interest income		3,000	-
Exploration costs		(2,451,962)	(403,791)
Director fees		(100,000)	(41,425)
Compliance and professional fees		(147,276)	(446,701)
Depreciation		(48,953)	-
Administration expenses		(125,106)	(49,287)
Employee benefits expense		(158,363)	-
Occupancy costs		(2,449)	(2,500)
Interest expense and finance charges		(5,513)	-
Share Based Payments	10	-	(283,004)
(Loss) before income tax		(3,036,622)	(1,226,708)
Income tax expense		-	-
(Loss) from continuing operations after related income tax expense for the half year attributable to members of OzAurum Resources Limited		(3,036,622)	(1,226,708)
Other comprehensive income		-	-
Total comprehensive loss attributable to the members of OzAurum Resources Limited		(3,036,622)	(1,226,708)
(Loss) per share for the half year attributable to members of OzAurum Resources Limited			
Basic and diluted loss per share (cents)		(2.65) cents	(1.92) cents

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

Consolidated Statement of Financial Position

as at 31 December 2021

	Note	As at 31 Dec 2021 \$	As at 30 Jun 2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents		4,093,911	7,567,715
Other receivables	3	160,266	175,965
Other current assets		125,712	35,877
Total Current Assets		4,379,889	7,779,557
Non-Current Assets			
Property, plant and equipment		344,381	278,090
Right of use asset		83,449	100,714
Exploration assets	4	1,143,077	1,011,918
Total Non-Current Assets		1,570,907	1,390,722
TOTAL ASSETS		5,950,796	9,170,279
LIABILITIES			
Current Liabilities			
Trade and other payables	5	349,048	566,391
Lease liability	6	32,499	30,377
Employee entitlements	7	46,279	-
Total Current Liabilities		427,826	596,768
Non-Current Liabilities			
Lease liability	6	53,974	70,836
Employee entitlements	7	2,943	-
Total Non-Current Liabilities		56,917	70,836
TOTAL LIABILITIES		484,743	667,604
NET ASSETS		5,466,053	8,502,675
EQUITY			
Contributed equity	8	12,584,625	12,584,625
Reserves	9	385,314	385,314
Accumulated losses		(7,503,886)	(4,467,264)
TOTAL EQUITY		5,466,053	8,502,675

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

Consolidated Statement of Cash Flows

for the half-year ended 31 December 2021

Note	Half-year 31 Dec 2021 \$	Half-year 5 Feb 2021 \$
Cash flows from operating activities		
Payments to suppliers and employees	(583,583)	(284,695)
Payment for exploration expenditure	(2,646,317)	(286,320)
Interest received	5,487	-
Interest paid	(5,513)	-
Net cash flows used in operating activities	(3,229,926)	(571,015)
Cash flows from investing activities		
Acquisition of tenements	(131,159)	(250,000)
Payments for property, plant and equipment	(97,979)	-
Net cash flows used in investing activities	(229,138)	(250,000)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	-	13,005,000
Share issue costs	-	(124,189)
Payment of lease liability	(14,740)	-
Net cash flows (used in)/provided by financing activities	(14,740)	12,880,811
Net (decrease)/increase in cash held	(3,473,604)	12,059,796
Cash and cash equivalents at the beginning of the half-year	7,567,715	-
Cash and cash equivalents at the end of the half-year	4,093,911	12,059,796

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

Consolidated Statement of Changes in Equity

for the half-year ended 31 December 2021

	Note	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2021		12,584,625	385,314	(4,467,264)	8,502,675
Total comprehensive loss for the half-year		-	-	(3,036,622)	(3,036,622)
Balance at 31 December 2021		12,584,625	385,314	(7,503,886)	5,466,053
Balance at incorporation		-	-	-	-
Total comprehensive loss for the half-year		-	-	(1,226,708)	(1,226,708)
Shares issued on incorporation of Company	8	5,000	-	-	5,000
Shares issued – Seed capital raising	8	1,000,000	-	-	1,000,000
Shares issued – on acquisition of tenements	8	650,000	-	-	650,000
Shares issued – Initial Public Offering	8	12,000,000	-	-	12,000,000
Share Issue costs		(1,025,904)	-	-	(1,025,904)
Options issued to Directors	10	-	283,004	-	283,004
Options issued to Lead Manager of IPO	10	-	102,310	-	102,310
Balance at 5 February 2021		12,629,096	385,314	(1,226,708)	11,787,702

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

Notes to the Consolidated Financial Statements

for the half-year ended 31 December 2021

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all periods presented unless otherwise stated. The financial report includes financial statements of the consolidated entity consisting of OzAurum Resources Limited and its subsidiary (referred to as "the Group").

(a) Basis of Preparation

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the period ended 30 June 2021 and any public announcements made by OzAurum Resources Limited and its controlled entity during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial statements are consistent with those adopted and disclosed in the Group's annual financial report for the financial period ended 30 June 2021 except for the impact (if any) of the new and revised Standards and Interpretations effective 1 July 2021 as discussed below.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. It has been determined by the Group that there are no new Accounting Standards or Interpretations that have a material or otherwise impact on its business.

Historical cost convention

These financial statements have been prepared under the historical cost convention, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The Group has incurred a net loss after tax for the half year ended 31 December 2021 of \$3,036,622 (6 months to 5 February 2021: \$1,226,708) and incurred net cash outflows from operating activities of \$3,229,926 (6 months to 5 February 2021: \$571,015). At 31 December 2021, the Group had current assets of \$4,379,889 (30 June 2021: \$7,779,557).

The ability of the Group to continue as a going concern is dependent on securing additional funding through debt or equity issues or partial sale of its mineral properties as and when the need to raise working capital arises, to continue to fund its operational activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report. Subsequent to period end the Group expects to receive additional funds through debt or equity issues.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group has a proven history of successfully raising capital.
- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities.
- The fact that future exploration and evaluation expenditures are generally discretionary in nature and may be slowed or suspended as part of the management of the Group's working capital and other forecast commitments.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

2. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

OzAurum Resources Limited operates in the mineral exploration industry in Australia.

Given the nature of the Group, its size and current operations, management does not treat any part of the Group as a separate operating segment. Internal financial information used by the Group's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The Group's management operate the business as a whole without any special responsibilities for any separately identifiable segments of the business.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

3. TRADE AND OTHER RECEIVABLES

	31 Dec 2021 \$	30 Jun 2021 \$
Interest receivable	8,163	10,650
GST receivable	152,103	165,315
	160,266	175,965

As of 31 December 2021, there were no trade or other receivables which were past due but not impaired.

4. EXPLORATION ASSETS

	31 Dec 2021 \$	30 Jun 2021 \$
<i>Exploration and evaluation phases</i>		
At cost	1,143,077	1,011,918

A reconciliation of the movements in the capitalised exploration assets is detailed below:

	31 Dec 2021 \$	30 Jun 2021 \$
Opening balance	1,011,918	–
Acquisition Mulgabbie and Patricia projects	–	936,918
Acquisition of additional tenement at Patricia (cash)	–	75,000
Acquisition of additional tenement at Mulgabbie (cash)	120,000	–
Stamp duty paid	11,159	–
Closing Balance	1,143,077	1,011,918

5. TRADE AND OTHER PAYABLES

	31 Dec 2021 \$	30 Jun 2021 \$
Trade payables	252,308	273,418
Accruals	39,916	228,818
Other creditors	56,824	64,155
	349,048	566,391

6. LEASES

The Company signed a three-year, lease agreement for office premises in Kalgoorlie, Western Australia with a commencement date of 4 June 2021. The lease agreement was accounted for under AASB 16 which resulted in the recognition of 'right of use asset' and 'lease liability' on the statement of financial position.

Lease liability is presented in the statement of financial position as follows:

	31 Dec 2021 \$	30 Jun 2021 \$
Lease liability – Current	32,499	30,377
Lease liability – Non-current	53,974	70,836
	86,473	101,213

7. EMPLOYEE ENTITLEMENTS

	31 Dec 2021 \$	30 Jun 2021 \$
Current		
Annual leave	46,279	–
Non-current		
Long service leave	2,943	–

8. ISSUED CAPITAL

Shares	31 Dec 2021 \$	30 Jun 2021 \$
Ordinary shares	12,584,625	12,584,625

	31 Dec 2021		5 Feb 2021	
	Number	\$	Number	\$
<i>Movements in ordinary shares on issue</i>				
Shares on issue at beginning of period	114,500,000	12,584,625	–	–
Shares issued – Incorporation	–	–	50,000,000	5,000
Shares issued – Seed raising	–	–	10,000,000	1,000,000
Shares issued – Consideration shares ¹	–	–	6,500,000	650,000
Shares issued – IPO	–	–	48,000,000	12,000,000
Issue costs	–	–	–	(1,025,904)
Closing balance	114,500,000	12,584,625	114,500,000	12,629,096

Note 1: During the comparative period, the Company acquired the Mulgabbie and Patricia projects. The Projects were acquired by the Company's subsidiary OzAurum Mines Pty Ltd. The Consideration for the purchase included 6,500,000 ordinary Shares issued at a price of \$0.10 (Note 4).

Options	31 Dec 2021	31 Dec 2021	5 Feb 2021	5 Feb 2021
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding at beginning of period	13,725,000	0.375	–	–
Issued during the period – Director Options	–	–	8,000,000	0.375
Issued during the period – Broker Options ²	–	–	5,725,000	0.375
Outstanding at the end of the period	13,725,000	0.375	13,725,000	0.375
Exercisable at the end of the period	13,725,000	0.375	13,725,000	0.375

Note 2: Under the terms of their appointment as Lead Manager, Canaccord received Broker Options equating to 5% of the total share capital of the Company as at Admission to ASX.

9. RESERVES

	31 Dec 2021 \$	5 Feb 2021 \$
Opening balance	385,314	-
Issued during the period – Director Options (Note 10)	-	283,004
Issued during the period – Broker Options (Note 10)	-	102,310
	385,314	385,314

10. SHARE BASED PAYMENTS

Ordinary Shares	31 Dec 2021 \$	5 Feb 2021 \$
Shares issued as consideration for tenement acquisition (Note 4)	-	650,000
	-	650,000

Options

The Company issued options during the prior period; 8,000,000 options issued to Directors and 5,725,000 Broker Options issued under the terms of the appointment of Canaccord as Lead Manager of the Company's IPO. The fair value of the options was determined using the Black-Scholes option valuation methodology and applying the following inputs:

	Director Options	Broker options
Exercise Price	37.5c	37.5c
Expiry Date	4 February 2026	4 February 2024
Risk Free Rate	0.38%	0.25%
Volatility	75%	75%
Value per Option	\$0.035	\$0.018
Total Value of Options	\$283,004	\$102,310
Amount to be Expensed in Future Years	\$-	\$-

11. CONTINGENT LIABILITIES

As at the date of the report, the Directors are not aware of any material contingent liabilities that would require disclosure.

12. COMMITMENTS

Exploration commitments	31 Dec 2021 \$	30 Jun 2021 \$
<i>Payable:</i>		
Within one year	256,600	226,600
Later than one year but not later than 5 years	593,236	517,768
Later than 5 years	266,083	293,387
	1,115,919	1,037,755

13. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions with related parties during the half-year were on the same basis as stated in the 30 June 2021 Annual Report.

14. SUBSEQUENT EVENTS

There has been no other matters or circumstances that has arisen after reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

Directors' Declaration

for the half-year ended 31 December 2021

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 14 to 23:
 - (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the economic entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date.
2. In the Directors' opinion 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.



Jeff Williams
Chairman

Dated this 15th day of March 2022

Independent Auditor's Review Report



INDEPENDENT AUDITOR'S REVIEW REPORT To the members of OzAurum Resources Limited

Report on the Interim financial report

Conclusion

We have reviewed the accompanying interim financial report of OzAurum Resources Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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 Group comprising the company and the entity 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 interim financial report of OzAurum Resources 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*. 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.

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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.

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the interim 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 interim 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 interim 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 interim 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*.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2022

N G Neill
Partner

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