

For personal use only



Cooper Metals Limited
ACN: 647 594 956

Interim Financial Report
for the Half Year Ended
31 December 2021

**COOPER METALS LIMITED
CONTENTS**

Page

Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Cash Flows	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10
Directors' Declaration	13
Independent Auditor's Report	14

For personal use only

**COOPER METALS LIMITED
CORPORATE DIRECTORY**

Directors

Non-Executive Chairman

Mr Michael Frayne

Managing Director

Mr Ian Warland

Non-Executive Director

Mr Timothy Armstrong

Company Secretary

Mr Alan Armstrong

Registered and Principal Office

Level 11
216 St Georges Terrace
Perth Western Australia 6000

Telephone : +61 (8) 9481 0389
Facsimile : +61 (8) 9463 6103

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco Western Australia 6008

Bankers

National Australia Bank Limited
Ground Floor, 100 St Georges Terrace
Perth Western Australia 6000

For personal use only

COOPER METALS LIMITED DIRECTORS' REPORT

The Directors present their report together with the interim financial statements of Cooper Metals Limited (referred to hereafter as "the Company") for the half year ended 31 December 2021.

Current Directors

The name and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire half year unless stated otherwise.

Mr Michael Frayne - Non-Executive Chairman
Mr Ian Warland – Managing Director
Mr Timothy Armstrong - Non-Executive Director

Mr Michael Frayne Non-Executive Chairman

Mr Frayne is a qualified accountant and geologist with 30 years' experience in the resource and finance sectors. He has provided corporate management and advice to numerous resource, commodity and energy companies, the majority of which have been listed on AIM and the Australian Stock Exchange, with projects in Australia, Africa, Asia, North and South America. Michael is also the Managing Director of LSE AIM listed, Capital Metals Plc which is a natural resources company focused on the development of the Eastern Minerals Project in Sri Lanka, one of the highest-grade mineral sands' projects globally.

Mr Ian Warland Managing Director

Mr Warland is a highly experienced and successful geologist with 25 years' experience in Australia and internationally over a wide range of commodities. Notably, a career highlight, when he worked with Iluka Resources, was being joint recipient for "Explorer of the Year" in 2006 for the discovery of the Jacinth and Ambrosia zircon-rich mineral sand deposits. Ian holds a Bachelor of Applied Science Geology with First Class Honours and university medal from the University of Technology Sydney. He also has a Graduate Diploma of Applied Finance and Investment and an Associate Diploma in Environmental Control. In the last ten years Ian has worked primarily in the junior exploration sector as a geological consultant and in senior management positions for Musgrave Minerals and Marmota. After leading Twenty Seven Co Ltd (ASX: TSC) as their CEO for the last three years, Ian is now Managing Director of Cooper Metals.

Mr Warland was Managing Director of ASX listed company, Marmota Limited (ASX: MEU) (30 January 2017 to 2 June 2017).

Mr Timothy Armstrong Non-Executive Director

Mr Armstrong is an institutional financial advisor with the Prenzler Group in Sydney with an extensive network across the financial PR, stock broking and investment banking industries in Australia and the UK. Previously worked in financial PR in Perth/London, which entailed advising numerous listed and private companies. He started his career in professional sport and spent five years as a first-class cricketer.

Principal Activities

The principal activity of the Company during the period was copper and gold exploration.

Operating Results for the Year

The operating result of the Company for the period was a loss of \$377,130.

COOPER METALS LIMITED

DIRECTORS' REPORT

Review of Operations

During the half-year, exploration commenced in late November after the Company listed on the ASX. Exploration focussed on the Mt Isa East Copper Gold Project in Queensland and the Gooroo Copper Gold Project in Western Australia.

Mt Isa East Copper Gold Project (EPM27698, EPM27699, EPM27700, EPM27782)

Cooper is exploring for copper (Cu) and gold (Au) mineralisation in the Mt Isa Inlier located in north western Queensland. The Company has five tenements covering around 1,300 sqkm of tenure highly prospective for iron oxide copper gold (IOCG), iron sulphide copper gold (ISCG) and shear hosted copper and gold deposits. During the half year, the on ground exploration consisted of geochemical sampling of sixty rock chips samples at selected prospects through the tenure. Significant results were returned from several prospects including King Solomon, where rock chips returned up to 16.65% Cu and at Python prospect rock chips up to 35.3% Cu were returned. The Company's strategy is to initially assess the numerous historical Cu and Au occurrences within the tenure and rank their prospectivity. As part of this process, the Company has also identified several conceptual Cu-Au targets that have evidence of significant structures located in favourable host rocks for early exploration work. Subsequent to the period, the Company undertook geophysical surveys at King Solomon, Python and My Zsu Sui prospects.

Gooroo Copper Gold Project Western Australia (EL59_2512)

The Gooroo Cu-Au Project is located approximately 413km northeast of Perth, Western Australia. Cooper is targeting Orogenic Au and Cu-Au mineralisation (Deflector style) in the highly prospective Gullewa Greenstone Belt in the Murchison Province of the Yilgarn craton. The area also has potential for Volcanic Massive Sulphide (VMS) deposits. During the period, Cooper commenced a regional soil sampling program spaced on a 200m-by-200m grid focusing on an area of outcropping to thinly covered greenstones in the north-western portion of the Project area. Results of the geochemical program were not available at the end of the period.

Yamarna Gold Project Western Australia (EL38_3551, EL38_3580)

The Yamarna Gold Project is located 140km east of Laverton in the Yamarna Terrane. Cooper has two tenements totalling approximately 171sqkm over prospective greenstones. Exploration tenement E38/3551 is along strike from Gold Road's 6.16 Moz world class Gruyere Gold Deposit (ASX: GOR) and contains an extensive length of untested Dorothy Hills Shear Zone that was important in the formation of the Gruyere gold deposit located approximately 10 km to the southeast of Cooper's tenements. No on ground activities were conducted during the half year.



Figure 1: Project Location Map

**COOPER METALS LIMITED
DIRECTORS' REPORT**

Significant Events after Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Auditor Independence

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this financial report.

Signed in accordance with a resolution of the directors:



**Mr Michael Frayne
Non-Executive Chairman**

Dated this 16th day of March 2022

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Cooper Metals 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:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,


HALL CHADWICK WA AUDIT PTY LTD


DOUG BELL CA
Director

Dated this 16th day of March 2022
Perth, Western Australia

For personal use only

COOPER METALS LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	Dec 2021 \$
Revenue		-
Administration expenses		(228,018)
Director Fees		(21,500)
Legal fees		(109,690)
Travel and accommodation		(17,922)
		-
Profit/(loss) before income tax		(377,130)
Income tax expense		-
		-
Net profit/(loss) for the year		(377,130)
Other comprehensive income		-
Total comprehensive income/(loss) for the year		(377,130)
(Loss) per share		
Basic and diluted (loss) per share (cents)		(2.19)

The accompanying notes form part of these financial statements

For personal use only

COOPER METALS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	Dec 2021 \$	Jun 2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		4,406,214	115,000
Trade and other receivables		-	4,001
Other receivables		61,024	-
Prepayments		17,333	-
TOTAL CURRENT ASSETS		<u>4,484,571</u>	<u>119,001</u>
NON-CURRENT ASSETS			
Exploration Expenditure	4	<u>1,170,273</u>	-
TOTAL NON-CURRENT ASSETS		<u>1,170,273</u>	-
TOTAL ASSETS		<u>5,654,844</u>	<u>119,001</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	<u>16,840</u>	<u>867</u>
TOTAL CURRENT LIABILITIES		<u>16,840</u>	<u>867</u>
TOTAL LIABILITIES		<u>16,840</u>	<u>867</u>
NET ASSETS / (DEFICIT)		<u>5,638,004</u>	<u>118,134</u>
EQUITY			
Issued capital	6	5,602,426	4,001
Reserves	7	413,575	-
Other equity – seed applications		-	115,000
Accumulated losses		<u>(377,997)</u>	<u>(867)</u>
TOTAL EQUITY		<u>5,638,004</u>	<u>118,134</u>

The accompanying notes form part of these financial statements

For personal use only

**COOPER METALS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	Note	Dec 2021 \$
Cash flows from operating activities		
Payments to suppliers and employees		(435,513)
Net cash flows from/(used in) operating activities		<u>(435,513)</u>
Cash flows from investing activities		
Payments for exploration assets		<u>(270,273)</u>
Net cash flows from/(used in) investing activities		<u>(270,273)</u>
Cash flows from financing activities		
Proceeds from issue of shares in the Company (net of costs)		<u>4,997,000</u>
Net cash flows from financing activities		<u>4,997,000</u>
Net (decrease)/ increase in cash and cash equivalents		4,291,214
Cash and cash equivalents at the beginning of the year		115,000
Cash and cash equivalents at the end of the year		<u><u>4,406,214</u></u>

The accompanying notes form part of these financial statements

For personal use only

COOPER METALS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Issued Capital \$	Options Reserve \$	Seed Applications \$	Accumulated Losses \$	Total \$
Balance at 30 June 2021	4,001	-	115,000	(867)	118,134
Loss for the period	-	-	-	(377,130)	(377,130)
Other comprehensive income	-	-	-	-	-
	-	-	-	(377,130)	(377,130)
Issue of shares (net of costs)	5,598,425	-	(115,000)	-	5,483,425
Share based payment	-	413,575	-	-	413,575
Total transactions with equity holders in their capacity as owners	5,598,425	413,575	(115,000)	-	5,897,000
Balance at 31 December 2021	5,602,426	413,575	-	(377,997)	5,638,004

The accompanying notes form part of these financial statements

COOPER METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1. CORPORATE INFORMATION

This financial report of Cooper Metals Limited (“Company”) was authorised for issue in accordance with a resolution of the directors on 16 March 2022.

Cooper Metals Limited is a public company listed on the ASX, incorporated and domiciled in Australia.

The Company was incorporated on 2 February 2021 and as such there are no comparatives for the period ended 31 December 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These consolidated interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial statements comprise the consolidated interim financial statements for the Company. For the purposes of preparing the financial statements, the Company is a for-profit entity. The consolidated interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as the full financial report. It is recommended these consolidated interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2021 and any public announcements made by Copper Metals Limited during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. For the purpose of preparing the consolidated interim financial statements, the half year has been treated as a discrete reporting period.

(b) New and Amended Accounting Policies Adopted by the Company

The Company 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.

3. SEGMENT INFORMATION

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

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

The Board considers that it has only operated in one segment, being mineral exploration.

COOPER METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

4. EXPLORATION EXPENDITURE

	31 December 2021 \$	30 June 2021 \$
Exploration and evaluation assets		
Balance at the beginning of period	-	-
Exploration costs capitalised	139,660	-
Acquisition of Gooroo Project ¹	209,596	-
Acquisition of Yamarna Projects ²	300,000	-
Acquisition of Mt Isa Projects ³	521,017	-
Balance at the end of reporting period	<u>1,170,273</u>	<u>-</u>

¹The Gooroo Project was acquired for 1,000,000 shares valued at 20 cents per share plus the reimbursement of costs.

²The Yamarna Projects were acquired for 1,500,000 shares valued at 20 cents per share.

³The Mt Isa Projects were acquired for 2,000,000 shares valued at 20 cents per share plus the reimbursement of costs.

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group conducts impairment testing on an annual basis when indicators of impairment are present at the reporting date.

5. TRADE AND OTHER PAYABLES

	31 December 2021 \$	30 June 2021 \$
Trade creditors	<u>16,840</u>	<u>867</u>
	<u>16,840</u>	<u>867</u>

All trade creditors are unsecured, non interest bearing and are due and payable within 12 months.

6. CONTRIBUTED EQUITY

	2021 \$	
Ordinary shares		
Issued and fully paid	<u>6,016,001</u>	
	<i>No.</i>	<i>\$</i>
Movement in ordinary shares on issue		
On issue at 1 July 2021	4,000,001	4,001
Issue of seed shares	7,500,001	600,000
Issue of vendor shares (non-cash)	4,500,000	900,000
Issue of IPO shares	24,000,000	4,800,000
Share issue costs	-	(701,575)
On issue at 31 December 2021	<u>40,000,002</u>	<u>5,602,426</u>

COOPER METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

7. RESERVES

	31 December 2021	30 June 2021
	\$	\$
Share based payment (option) reserve	413,575	-
	413,575	-

The share based payment (option) reserve is used to record the fair value of options issued.

During the period, the Company issued 3,600,000 broker options for capital raising services. The options were valued using a Black-Scholes option valuation model with the following inputs:

<i>Spot Price</i>	<i>\$0.20</i>
<i>Exercise Price</i>	<i>\$0.25</i>
<i>Term</i>	<i>3 years</i>
<i>Expected Volatility</i>	<i>100%</i>
<i>Risk Free Rate</i>	<i>0.01%</i>

8. RELATED PARTY DISCLOSURE

In the opinion of the directors, there were no significant changes in related party transactions during the period ended 31 December 2021.

9. COMMITMENTS

The Company's minimum expenditure commitments in relation to its tenements are as follows:

	31 December 2021	30 June 2021
	\$	\$
Within 1 year	471,000	-
Between 2 and 5 years	1,643,490	-
More than 5 years	-	-
	2,114,490	-

10. EVENTS AFTER REPORTING DATE

No matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

11. CONTINGENT LIABILITIES

Pursuant to the Trapsite Acquisition Agreement, the Company will issue that number of Shares equal in value to \$250,000 (**Deferred Consideration Shares**), subject to the Company announcing, on or before the date that is five (5) years from the date of Admission (17 November 2021), a JORC 2012 compliant resource in the Inferred category (or higher) of not less than 100,000 tonnes of CuEq contained metal (lead, silver, zinc and gold) with a minimum grade of 0.3% in respect of the area of the Tenements comprising the Gooroo Gold Project (as at settlement of the Trapsite Acquisition Agreement) verified by an independent competent person (**Milestone**).

A 2% net smelter royalty is payable over all minerals produced from the area within the boundary of the Tenement comprising the Gooroo Gold Project as at settlement of the Trapsite Acquisition Agreement.

The Company has no other contingent liabilities as at 31 December 2021.

**COOPER METALS LIMITED
DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Cooper Metals Limited, I state that:

1. In the opinion of the directors:

- (a) the interim financial statements and notes are in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the period ended on that date.
 - (ii) complying with Australian Accounting Standards, International Financial Reporting Standards as issued by the International Accounting Standards Board and *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001*.

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



Mr Michael Frayne
Non Executive Chairman

Dated this 16th day of March 2022

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

Conclusion

We have reviewed the accompanying half-year financial report of Cooper Metals Limited ("the Company") and controlled entities ("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 selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Consolidated Entity does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 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 *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

The directors of 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 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.

For personal use only

Auditor's Responsibility for the Review of the Financial Report

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


HALL CHADWICK WA AUDIT PTY LTD


DOUG BELL CA
Director

Dated this 16th day of March 2022
Perth, Western Australia

For personal use only