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ACN 64 639 427 099

**Interim Financial Report
for the Period Ended 31 December 2021**

**AURUMIN LIMITED
CONTENTS**

	Page
Directors' Report	2
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements	12
Directors' declaration	17
Independent Auditor's Review Report to the Members	18

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CORPORATE DIRECTORY

ABN

64 639 427 099

DIRECTORS

Piers Lewis
Bradley Valiukas
Darren Holden
Shaun Day

COMPANY SECRETARIES

Arron Canicais
Yew Thai Goh

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STOCK EXCHANGE

Australian Securities Exchange Limited
ASX Code: AUN

AURUMIN LIMITED

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the "Consolidated Entity" or "Group") consisting of Aurumin Limited (referred to hereafter as the "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

1. DIRECTORS

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

- Mr. Piers Lewis
- Mr. Bradley Valiukas
- Mr. Darren Holden
- Mr. Shaun Day

All Directors were in office for the entire duration unless otherwise stated.

2. OPERATING RESULTS

The net loss after providing for income tax amounted \$2,880,318 (2020: \$2,460,770).

3. PRINCIPAL ACTIVITY

The principal activities of the Company during the financial period were mineral exploration at the Company's Mt Dimer and Mt Palmer gold projects in Western Australia. At the end of the financial period, there was a significant change in the activities of the Company following the announcement of the proposed acquisition of the Sandstone Gold Project from Middle Island Resources for a consideration of \$12 million in cash and shares.

4. REVIEW OF OPERATIONS AND SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On 16 December 2021, the Company announced the proposed acquisition of the Sandstone Gold Project in Western Australia for a consideration of \$12 million in cash and shares.

COMPANY PROJECTS – WESTERN AUSTRALIA

SANDSTONE GOLD PROJECT ACQUISITION

In December, the Company announced that it had executed a binding Share Purchase Agreement (SPA) with Middle Island Resources Limited (Middle Island) for the 100% acquisition of Middle Island subsidiary, Sandstone Operations Pty Ltd (SOPL), the owner of the Sandstone Gold Project (Sandstone).

SOPL is the holder of the 784koz Sandstone Gold Project, including mining leases M57/128 and M57/129, exploration licence 57/1102 and prospecting licences P57/1384, P57/1395 and P57/1442 (and related mining information), processing infrastructure and freehold tenure in the town of Sandstone, WA.

The consideration to be satisfied by Aurumin on completion of the Acquisition (Completion) is A\$12 million, comprising A\$6 million in cash (Completion Payment) and 30,000,000 fully paid Ordinary shares in Aurumin (Shares) (valued at \$6,000,000 using a deemed issue price per share of \$0.20) (Consideration Shares).

The Acquisition is subject to, amongst other things, Aurumin having received legally binding commitments or terms for at least \$8 million (Financing) (which may be conditional on Completion). Aurumin has entered into a Convertible Note for \$5 million (with the issue of the Convertible Note being subject to shareholder approval), has completed a placement of \$2.5 million to institutional and sophisticated investors on 23 December 2021 and has undertaken an entitlement offer to raise up to \$5 million (Entitlement Offer) of which \$2 million has been underwritten. The issue price for both the placement and Entitlement Offer is \$0.20 per Share.

Sandstone Gold Project – Summary

The Sandstone Gold Project is located 12km south of the township of Sandstone, ~520km northeast of Perth, and located on a sealed highway between the mining towns of Mt Magnet and Leinster in the East Murchison Mineral Field of Western Australia.

The Sandstone Gold Project contains Indicated and Inferred Mineral Resources of 22Mt at 1.1g/t Au for 784,300oz Au. The Sandstone Gold Project comprises granted tenure covering 112km², including two granted Mining Licences.

The Sandstone Gold Project also includes a non-operating 500,000tpa CIL processing plant, all associated infrastructure, operating licences, permitted tailings storage facility and bore field, and camp facilities located on freehold title within the nearby town of Sandstone.

Further details can be found in ASX Announcement dated 15 December 2021.

MT DIMER

The Mt Dimer Project is located approximately 120km north north-east of Southern Cross and is accessible via the Great Eastern Highway and Mt Walton Road, or by air.

Mt Dimer was first explored by Western Mining Corporation and Placer Exploration Ltd between 1985 and 1993 and later mined by Tectonic Resources NL between 1994 and 1997. Historical production of greater than 125,000oz is recorded from Mt Dimer, including approximately 600,000t at 6.4g/t gold mined from six open pit and one underground operation.

The project area has multiple geophysical, geochemical and geological targets identified from previous studies and a significant number of high-grade unmined intersections.

Exploration Activity

In July-August, a reverse circulation (RC) program comprising 34 holes for 2,954m was completed. A follow-up RC program of 30 holes for 3,004m was completed in November 2021.

Lightning

Lightning is a high-grade unmined deposit at Mt Dimer. Mineralisation consists of multiple narrow high-grade quartz bearing ore shoots plunging steeply to the north, within a northerly trending structure primarily hosted by granite.

In the July-August program, drillhole LTRC2106 intersected the best intercept to date by Aurumin at Mt Dimer, returning 4m @ 48.69g/t Au, including 1m @ 153.50g/t Au. The drilling intersected mineralisation to the north, into the ultramafic unit previously not considered prospective.

Four holes were then drilled in the November programme to follow up the northerly extensions of the deposit surrounding Aurumin's July intercept of 4m @ 48.69g/t Au.

MD_LT_RC_21_0009 returned 8m @ 15.00g/t Au including 2m @ 57.35g/t Au and 1m @ 90.70g/t Au from this work. Additionally, three holes were drilled perpendicular to the ultramafic contact to test for mineralisation running along the lithological contact. These holes returned broad lower grade mineralisation, including 5m @ 0.81g/t Au in MD_LT_RC_21_0013.

LO3

The LO3 deposit is one of the three LO deposits mined in the mid 1990's at Mt Dimer. It has an open pit of similar scale to LO1 and LO2, however, unlike LO1 and LO2, LO3 has limited underground workings. The orebody has not been closed off along strike or below the underground workings and remnant potential exists directly below the open pit.

Seven holes were drilled in the July programme, testing north, south and below existing mineralisation. Two holes drilled from the footwall dipped and did not intersect the target.

Drilling returned positive results south, north and below existing mineralisation, with the highlight being 5m @ 19.26g/t Au, including 1m @ 54.80g/t Au, in LO3RC2106 to the north.

Five further RC holes were drilled in the November program testing northerly extensions and depth extensions of high-grade shoots.

Highlights of that round of drilling included 4.0m @ 2.58g/t Au including 1m @ 8.98g/t Au in MD_L3_RC_21_0014, located within a potential new structure parallel to the main ore body and 2m @ 3.11g/t Au on the target structure in MD_L3_RC_21_0013.

These results confirmed the potential for future further extensions to the north and at depth, and also offers opportunity to follow up the potential new parallel structure. The southern extension of LO3 was not tested during this round of drilling and is still considered an attractive target.

T12

The T12 target was previously identified by Aurumin using a SAM survey and first pass drilling. Five holes were drilled in the July program, to confirm structure and link to previous results.

Drilling returned positive results in three holes, with the highlights being the broad shallow mineralisation in both TMDRC2102 (8m @ 2.58g/t Au) from 22m downhole and TMDRC2101 (4m @ 2.76g/t Au) from 15m downhole.

A further 13 holes were drilled as part of the November RC drill program. This round of drilling confirmed the tenor of mineralisation at T12 with MD_XP_RC_21_0066 returning 7m @ 2.50g/t Au including 1m @ 7.51g/t Au. Additionally, broad zones of lower grade material were returned with 8m @ 1.08g/t Au in MD_XP_RC_21_0067 and 6m @ 0.88g/t Au in MD_XP_RC_21_0065.

Aurumin believes there is potential for discovery of additional higher grade zones to complement the broad lower grade material. The interpretation of the T12 structure will be revised and additional targets generated.

Frodo

Frodo is a high-grade deposit at Mt Dimer previously mined as an open pit and has had limited underground work. Mineralisation consists of multiple narrow high-grade quartz bearing ore shoots plunging to the south, within a northerly trending structure primarily hosted by granite.

Five holes were drilled at Frodo North (T6) in the July programme, aiming to identify northerly mineralisation extension from the Frodo open pit.

Drilling returned mixed results, with the highlight being FNRC2101 with 2m @ 11.67g/t Au, including 1m @ 22.00g/t Au, from 29m down hole

Three holes were drilled during the November work, testing depth extensions below the pit area at Frodo. Hole MD_FO_RC_21_0002 returned 2m @ 28.94g/t Au including 1m @ 50.10g/t Au. The remaining two holes did not return significant results, this has led to a review of the interpreted orientation of the mineralisation and a refining of high-grade plunge targets.

MT PALMER

Following drilling and mapping earlier in 2021 and review, Aurumin released an exploration update during the December quarter for Mt Palmer.

Gold mineralisation at Mt Palmer has been interpreted to have occurred by the ascent of mineralising fluids through major north trending faults before migrating via a series of interconnected northwesterly trending faults (observed in historic mine plans and

interpreted from high resolution aeromagnetic imagery) before being deposited in reactivated local shear zones hosting quartz veins and pegmatite dykes.

Aurumin undertook a first pass rock chip and soil sampling programme approximately 1km both north and south of the historical Mt Palmer mine during the quarter and the overall work programme for the area is ongoing. Aurumin is trialling the CSIRO Ultrafine sampling to account for cover material and to improve the contrast between background and anomalous results.

JOHNSON RANGE

The Johnson Range Project is located approximately 170km north of Southern Cross in Western Australia (refer Annexure A) and 6km northwest of the Ramelius Resources Ltd owned historical Evanston Mine. The Johnson Range project consists of 6km² of tenements (6 granted tenements). Johnson Range is accessible from the Great Eastern Hwy, between Merredin and Southern Cross, via Bullfinch and then the Bullfinch to Evanston Road. Final access is via Aurumin owned access roads.

During the September quarter, the Company announced a 64,700oz Mineral Resource estimate for Johnson Range. The Mineral Resource estimate for the Johnson Range Project has been completed following extensive data validation and on ground survey work. The Mineral Resource has been reported at a cut-off grade of 1.0g/t Au and within 100m of natural ground surface. The Mineral Resource has been classified as Inferred principally as it is based on historic drilling.

Table 1 – Johnson Range Mineral Resource August 2021

Deposit	Cut-off (g/t Au)	Max Depth Below Surface (m)	Inferred		
			Tonnes	Grade (g/t Au)	Au Ounces
Gwendolyn	1.0	100	803,000	2.51	64,700

1. Data has been rounded to the nearest 1,000 tonnes, .01g/t and 100 ounces.

2. Rounding errors may occur.

KARRAMINDIE

Aurumin's Karramindie tenement E15/1769 was granted during the December quarter.

The Karramindie Project is located within the Kalgoorlie Terrane, the westernmost terrane within the larger Eastern Goldfields Super terrane consisting of the Kalgoorlie, Kurnalpi, and Burtville.

Karramindie occurs between two shear zones: Karramindie in the east and Kunanalling in the west. The Karramindie Shear is north-northwest trending, wrapping around the Depot Granodiorite, and is an important structure in the deposition of gold mineralisation such as the Freddo Gold Mine on the northeast boundary of Karramindie and Ghost Crab Gold Mine 6km to the south of Karramindie.

Aurumin have identified a total of 15 exploration targets. The targets have been defined by prospective geology and structure along with historical geochemistry and drilling results. Aurumin intends to complete site-based mapping as well as interpretation using historical work.

Competent Person Statements

The information in this announcement that relates to exploration results, data quality and geological interpretations for the Mt Dimer, Mt Palmer and Karamindie Projects is based on information compiled by Peter Aldridge, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Aurumin Limited. Mr. Aldridge 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. Aldridge consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to exploration results and data quality for the Johnson Range Project is based on information compiled by Peter Aldridge, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Aurumin Limited. Mr Aldridge 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 Aldridge

AURUMIN LIMITED
DIRECTORS' REPORT

consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to geological interpretations and Mineral Resource estimations for the Johnson Range Project is based on information compiled by Graeme Bland, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Aurumin Limited. Mr Bland 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 Bland consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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AURUMIN LIMITED
DIRECTORS' REPORT

5. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Subsequent to the period end, the Company:

- Received shareholder approval for all resolutions sought under the Notice of Meeting dated 7 January 2022; and
- Completed a non-renounceable entitlement offer through the issue of 2,140,694 shares at an issue price of \$0.20 raising \$428,169. The offer is partially underwritten by Lazarus Corporate Finance Pty Ltd to \$2,000,000 pursuant to an underwriting agreement between Lazarus and the Company dated 15th December 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than noted above, there has been no additional matter or circumstance that has raised after balance date that significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future reporting periods.

6. AUDITOR'S DECLARATION

A copy of the independence declaration by the lead auditor under section 307C of the Corporations Act 2001 is included on page 7 of this half-year financial report.

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



Brad Valiukas
Managing Director

Dated this 16th day of March 2022

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF AURUMIN LIMITED

As lead auditor for the review of Aurumin Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 16 March 2022

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AURUMIN LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December 2021	31 December 2020
Notes	\$	\$
Other income	12,146	73
Administration expenses	(432,836)	(200,844)
Director fees	(94,574)	(35,848)
Depreciation expense	(39,579)	(1,016)
Exploration and evaluation expenditure	(1,820,964)	(847,682)
Finance costs	(2,633)	(118)
Travel expenses	(4,973)	-
Legal and compliance expenses	(233,955)	(83,585)-
Initial public offering expenses	-	(253,350)
Share based payments	8 (262,951)	(1,038,400)
(Loss) before income tax	(2,880,318)	(2,460,770)
Income tax expense	-	-
(Loss) after income tax for the period	(2,880,318)	(2,460,770)
Total comprehensive loss for the period attributable to the owners of Aurumin Limited	(2,880,318)	(2,460,770)
Loss per share for the period attributable to the members of Aurumin Limited		
Basic loss per share (cents per share)	(3.30)	(4.57)
Diluted loss per share (cents per share)	(3.30)	(4.57)

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

AURUMIN LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents		3,966,574	3,761,737
Trade and other receivables	2	171,563	288,662
Total Current Assets		4,138,137	4,050,399
Non-current Assets			
Other assets		208,863	187,543
Property, Plant and Equipment		54,340	63,720
Right of use asset		52,665	81,589
Capitalised Exploration Expenditure	3	1,497,130	1,492,933
Total Non-Current Assets		1,812,998	1,825,785
TOTAL ASSETS		5,951,135	5,876,184
LIABILITIES			
Current liabilities			
Trade and other payables	4	644,408	315,818
Provisions		98,711	59,081
Lease liability		59,260	55,074
Total Current Liabilities		802,379	429,973
NON-CURRENT LIABILITIES			
Lease Liability		-	30,088
TOTAL NON-CURRENT LIABILITIES		-	30,088
TOTAL LIABILITIES		802,379	460,061
NET ASSETS		5,148,756	5,416,123
EQUITY			
Contributed equity	5	17,000,009	14,650,009
Reserves	6	1,542,784	1,308,199
Accumulated losses		(13,394,037)	(10,542,085)
TOTAL EQUITY		5,148,756	5,416,123

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

AURUMIN LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Contributed Equity	Accumulated Losses	Share Based Payments Reserve	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2020	6,690,833	(5,484,492)	-	1,206,341
Loss for period	-	(2,460,770)	-	(2,460,770)
Other comprehensive income/(loss) for the period	-	-	-	-
Total comprehensive income/(loss) for period	-	(2,460,770)	-	(2,460,770)
Transactions with owners in their capacity as owners:				
Issue of share capital (net of capital raising cost)	7,831,858	-	214,000	8,045,858
Share based payments during the period	-	-	1,038,400	1,038,400
Balance at 31 December 2020	14,522,691	(7,945,262)	1,252,400	7,829,829
	Contributed Equity	Accumulated Losses	Share Based Payments Reserve	Total Equity
Balance at 1 July 2021	14,650,009	(10,542,085)	1,308,199	5,416,123
Loss for period	-	(2,880,318)	-	(2,880,318)
Other comprehensive income/(loss) for the period	-	-	-	-
Total comprehensive income/(loss) for period	-	(2,880,318)	-	(2,880,318)
Transactions with owners in their capacity as owners:				
issue of share capital (net of capital raising cost)	2,350,000	-	-	2,350,000
Share based payments during the period	-	-	262,951	262,951
Expiry/forfeiture of share based payments	-	28,366	(28,366)	-
Balance at 31 December 2021	17,000,009	(13,394,037)	1,542,784	5,148,756

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

AURUMIN LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December 2021 \$	31 December 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from interest and other income	12,146	-
Payments to suppliers and employees	(288,005)	(736,649)
Payments for exploration expenditure	(1,820,964)	(883,705)
Net cash outflow from operating activities	(2,096,823)	(1,620,354)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant & equipment	-	(13,847)
Payment for acquisition of exploration expenditure assets	(25,516)	(59,659)
Net cash outflow from operating activities	(25,516)	(73,506)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of shares	2,500,000	8,360,000
Payments for capital raising costs	(150,000)	(456,794)
Repayment of borrowings	(22,825)	(30,000)
Net cash inflow from financing activities	2,327,175	7,864,206
Net increase/(decrease) in cash and cash equivalents	3,761,737	6,170,346
Cash and cash equivalents at the beginning of the period	204,836	214,554
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,966,573	6,384,900

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

AURUMIN LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

This consolidated interim financial report for the half-year reporting period ended 31 December 2021 has been prepared in accordance with the Accounting Standards 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This consolidated interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Aurumin Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies applied are the same as those applied by Aurumin Limited in its annual financial report for the year ended 30 June 2021.

New or Revised Standards and Interpretations that are First Effective in the Current Reporting Period

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period. All new or amended Accounting Standards have been adopted with no material impact on the Group's financial reporting.

New Accounting Standards for Application in Future Periods

There are no new and revised standards and amendments thereof and interpretations effective for future reporting periods issued during the current reporting period that are relevant to the Group.

2. TRADE AND OTHER RECEIVABLES

	December 2021 \$	June 2021 \$
Prepayments	12,545	567
GST Receivable	159,018	288,095
	<u>171,563</u>	<u>288,662</u>

3. EXPLORATION AND EVALUATION EXPENDITURE

	December 2021 \$	June 2021 \$
Balance at beginning of the period	1,492,933	1,446,954
Tenement acquisition costs	4,197	45,979
Balance at the end of the period	<u>1,497,130</u>	<u>1,492,933</u>

The balance carried forward represents projects in the exploration and evaluation phase. Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

AURUMIN LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

4. TRADE AND OTHER PAYABLES

	December 2021 \$	June 2021 \$
Trade creditors	555,061	254,004
Other liabilities	89,347	61,814
Balance at the end of the period	<u>644,408</u>	<u>315,818</u>

Trade creditors are non-interest bearing and are normally settled on 30-day terms.

5. CONTRIBUTED EQUITY

(a) Share Capital	December 2021 Shares	June 2021 Shares	December 2021 \$	June 2021 \$
Ordinary shares	99,240,423	86,740,423	17,000,009	14,650,009
	<u>99,240,423</u>	<u>86,740,423</u>	<u>17,000,009</u>	<u>14,650,009</u>

(b) Movements in ordinary shares to 31 December 2021

Date	Details	Note	Number of shares	Issue Price	\$
01/07/21	Opening		86,740,423		14,650,009
23/12/21	Share placement		12,500,000	\$0.20	2,500,000
	Capital Raising Costs				(150,000)
31/12/21	Closing		<u>99,240,423</u>		<u>17,000,009</u>

6. RESERVES

	December 2021 \$	June 2021 \$
Share based payment reserve	1,542,784	1,308,199
Balance at the end of the period	<u>1,542,784</u>	<u>1,308,199</u>

The share-based payments reserve is used to recognize the fair value of options issued to directors, employees and consultants but not exercised.

Share based payment reserve movement:

	December 2021 \$	June 2021 \$
Balance at the beginning of the period	1,308,199	-
Share based payments expense	262,951	1,094,199
Share based payments recognised as capital raising costs	-	214,000
Expiry or forfeiture of share based payments	(28,366)	-
Balance at the end of the period	<u>1,542,784</u>	<u>1,308,199</u>

Refer to Note 7 for further details of share based payments during the period.

AURUMIN LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

7. SHARE BASED PAYMENTS

During the period, the Company issued 2,325,000 options exercisable at \$0.40 expiring 31 July 2025 to employees under the Company's employee incentive scheme. Given the options vest immediately on issue, an expense of \$262,951 has been recorded in the current period.

Options have been valued using a Black & Scholes methodology given the value of the services provided could not be reliably measured. The key inputs for the valuation of the options are as follows:

	Employee Options	Employee Options
Number of options	1,005,556	1,319,444
Underlying share price (\$)	0.195	0.20
Grant date	6 July 2021	7 July 2021
Exercise price (\$)	0.40	0.40
Expected volatility	100%	100%
Life of the options (years)	4.1	4.1
Expected dividends	Nil	Nil
Risk free rate	0.42%	0.42%

8. SEGMENT INFORMATION

The Group is organised into one operating segment, being exploration in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operation Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

9. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Subsequent to the period end, the Company:

- Received shareholder approval for all resolutions sought under the Notice of Meeting dated 7 January 2022; and
- Completed a non-renounceable entitlement offer through the issue of 2,140,694 shares at an issue price of \$0.20 raising \$428,169. The offer is partially underwritten by Lazarus Corporate Finance Pty Ltd to \$2,000,000 pursuant to an underwriting agreement between Lazarus and the Company dated 15th December 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than noted above, there has been no additional matter or circumstance that has raised after balance date that significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future reporting periods.

AURUMIN LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

10. CONTINGENCIES AND COMMITMENTS

On 15 December 2021 the company executed a binding Share Purchase Agreement with Middle Island Resources Limited ("Middle Island") pursuant to which Aurumin agreed to acquire all of the issued capital of Middle Island's wholly owned subsidiary, Sandstone Operations Pty Ltd. The agreement was subject to conditions precedents all of which were satisfied or waived on 2 March 2022.

Consideration for the acquisition of Sandstone Operations Pty Ltd is A\$12M, comprising A\$6M in cash and A\$6M in Ordinary Aurumin shares.

Other than the above, there has been no material change to commitments or contingencies since 30 June 2021.

11. RELATED PARTY TRANSACTIONS

There has been no material changes in related party transactions since 30 June 2021.

AURUMIN LIMITED
DECLARATION BY THE DIRECTORS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

DECLARATION BY DIRECTORS

The Directors of the Group declare that:

1. The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - a) comply with 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 consolidated entity's financial position as at 31 December 2021 and of its performance as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Group 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:

Dated this 16th day of March 2022



Brad Valiukas
Managing Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Aurumin Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Aurumin Limited (the Company) and its subsidiaries (the Group), 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, 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 the Group does not comply 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 of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 the 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 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial 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.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

Jarrad Prue

Director

Perth, 16 March 2022

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