MARVELGOLD

ABN 77 610 319 769

ANNUAL REPORT - 31 December 2021

Corporate Information

ABN 77 610 319 769

Directors
Mr Stephen Dennis (Non-Executive Chairman)
Mr Phil Hoskins (Non-Executive Director)
Mr Andrew Pardey (Non-Executive Director)
Mr Chris van Wijk (Managing Director)

Company Secretary
Mr Stuart McKenzie

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ASX Code
Shares are listed on the Australian Securities Exchange (**ASX**) under stock code MVL.

Contents

Chairman’s report	3
Directors' report	4
Corporate governance statement	22
Auditor’s independence declaration	23
Consolidated statement of profit or loss and other comprehensive income	24
Consolidated statement of financial position	25
Consolidated statement of changes in equity	26
Consolidated statement of cash flows	28
Notes to the consolidated financial statements	29
Directors' declaration	59
Independent auditor’s report	60
ASX additional information	64

Chairman's report

Dear Shareholders

On behalf of the Directors, I am pleased to introduce the 2021 Annual Report for Marvel Gold Limited. You are receiving this annual report as a result of Marvel changing its financial year end to 31 December, in order to align with our Mali subsidiary companies where our gold exploration interests are located.

The past six months has been a formative period for Marvel. In 2020, we repositioned the Company as a Mali focused gold explorer and the completion of the spin-out of the Chilalo Graphite Project (**Chilalo**) and initial public offering (**IPO**) of Evolution Energy Minerals Limited (**Evolution**) (**Spin-Out and IPO**) during the period has essentially finalised that process.

In exchange for selling Chilalo to Evolution, Marvel received 50 million Evolution shares and $2 million cash from the proceeds of the IPO. The IPO raised $22 million, of which, in addition to the $2 million received by Marvel, $9.5 million was utilised to repay in full a debt owed to Castlelake LP that was secured against Chilalo. To receive such significant consideration and discharge the debt owed to Castlelake is testament to the quality of Chilalo and the work put in by former managing director Phil Hoskins and his team to complete the Spin-Out and IPO.

We continue to investigate an in-specie distribution as a way of realising the value of these Evolution Shares for Marvel Shareholders. Conducting an in-specie distribution will require a waiver from ASX and while our strong desire is to complete an in-specie distribution, there can be no assurance that the ASX waiver will be granted.

We were pleased to report an increase in the Tabakorole mineral resource, which now exceeds one million ounces. With 70% of the resource in the top 150m and high metallurgical recoveries averaging 97%, Tabakorole has the potential to meet the criteria for development. While this is encouraging, we are firmly focused on making additional discoveries and we believe that there are existing opportunities to grow the resource with follow up of encouraging intersections at the north-west zone which remains open along strike and the central zone.

To support our primary objective of growing the Tabakorole resource, we have undertaken a series of strategic tenement acquisitions surrounding the Tabakorole mineral resource, which has increased our landholding to over 800 km^2. This is a sizeable tenement package, and we plan to undertake a program of systematic exploration to maximise the potential for additional gold discoveries.

Earlier this year, Phil was appointed as managing director of Evolution. Given Phil's long-standing involvement with Chilalo and in depth understanding of the project and the graphite industry more broadly, this was a move that made sense. While disappointed to lose Phil, we were pleased to appoint Chris van Wijk as his replacement. Chris was our Executive Director Exploration and has led the work that has delivered the Tabakorole mineral resource. He brings extensive geological experience in gold exploration in Africa, Europe, the Americas and Australia as well as joint venture management and project evaluation for major mining companies including BHP, IAMGOLD, First Quantum Minerals and Fortescue Metals Group.

While the existing resource at Tabkorole is a strong base from which to advance Marvel's prospects, we recognise that shareholder value will be driven by exploration success in Mali, in particular around our Tabakorole project. We believe that over the past six months, we have put together a high-quality tenement package in a geologically significant location that gives us the best possible opportunity of making a meaningful discovery.

Finally, the Board and I would like to thank all shareholders for your continued support and look forward to keeping you updated as we continue our progress in Mali.

Yours faithfully

Stephen Dennis
Non-executive Chairman

Directors' report

Basis of preparation

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the **Group** or **Company**) consisting of Marvel Gold Limited (**Marvel**) and the entities it controlled at the end of, or during, six months ended 31 December 2021. Marvel is a company limited by shares that is incorporated and domiciled in Australia.

Change in financial year end

The Company has changed its financial year end from 30 June to 31 December. The current period figures relate to six months from 1 July 2021 to 31 December 2021. The comparative amounts disclosed in the financial report and related notes are not comparable as the lengths of the periods differ by six months.

The accounting policies have been consistently applied, unless otherwise stated.

Directors and Company Secretary

The following persons were directors of Marvel (**Directors**) during the six months ended 31 December 2021 and up to the date of this report:

Mr Stephen Dennis (Non-Executive Chairman)
Mr Chris van Wijk (Managing Director) – appointed 24 January 2022 – formerly Non-Executive Director
Mr Phil Hoskins (Non-Executive Director) – appointed 24 January 2022 – formerly Managing Director
Mr Andrew Pardey (Non-Executive Director)

Directors were in office for the entire period unless otherwise stated.

The Company Secretary is Mr Stuart McKenzie.

Principal activities

During the period, the principal continuing activities of the Group related to the exploration and development of the Company's gold exploration tenements in Mali.

Dividends

During the period, no dividends were declared or paid.

Significant changes in the state of affairs

The Company's Chilalo Graphite Project in Tanzania has been deconsolidated as it was disposed of via a Spin-Out and IPO of the Company's wholly owned subsidiary Evolution Energy Minerals Limited (**Evolution**). During the six months, a share exchange agreement was executed between the Company and Evolution (**Share Exchange Agreement**) under which the Company agreed to sell the Chilalo Project to Evolution in exchange for 50 million Evolution shares (representing approximately 31% of Evolution on a post-ASX listing, undiluted basis) and cash of $2 million. All conditions of the Share Exchange Agreement have been met which resulted in the transfer of the Chilalo Project to Evolution and its subsequent IPO and listing on the ASX on 16 November 2021. Evolution and its subsidiaries were deconsolidated on 16 November 2021.

The Company has changed its financial year end from 30 June to 31 December.

Events since the end of the financial period

Subsequent to period end, the Company:

- Amended the joint venture with Altus Srategies plc (**Altus**) which included:
    - Increasing the Company's ownership in Tabakorole to 70%
    - By spending an additional $5 million the Company's interest will increase to 75%
    - Returning the Lakanfla license to Altus

Directors' report

    - Deferral of the date on which the Company is requires to proceed to a definitive feasibility study by two years from December 2021 to December 2023

- The Managing Director Mr Philip Hoskins moved to Non-Executive Director and Executive Director Technical Mr Chris van Wijk was appointed as Managing Director.

- The Company completed a non-renounceable entitlement offer to raise $4 million before costs. The Company mandated Euroz Hartleys to place the shortfall shares of $1.2 million which is expected to be completed by 6 April 2022.

Likely developments and expected results

In the opinion of the Directors, there is nothing else to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 31 December 2021.

Environmental regulation

The Group's exploration and development activities and those of its partners are subject to environmental regulations and guidelines applicable to the tenements on which such activities are carried out. Failure to meet environmental conditions attaching to the Group's exploration and mining tenements could lead to forfeiture of those tenements. The Group is committed to achieving a high standard of environmental performance. No environmental breaches have occurred or have been notified by any Government agencies during the period ended 31 December 2021 and up to the date of this report.

Review of operations

Results of operations

A summary of results for six months ended 31 December 2021 is as follows:

	6 months to 31 December 2021 $	12 month to 30 June 2021 $
Net profit/ (loss) after income tax	10,260,430	(8,997,070)
attributable to:		
Fair value gain on loan notes	488,023	1,307,349
Gain on demerger	16,938,342	-
Share of net losses of associate using the equity method	(1,394,666)	-
Corporate and administration costs	(665,827)	(1,285,607)
Employee benefits	(676,949)	(1,075,132)
Exploration and evaluation expenditure	(2,797,585)	(6,276,412)
Finance costs	(955,858)	(2,068,654)
Share based payments	(600,721)	(593,258)

Mali Gold Projects

The Company's activities focused primarily on the continued exploration and growth of the Tabakorole Gold Project, and consolidating a significant landholding of highly prospective exploration permits.

Tabakorole mineral resource now exceeds one million ounces

The Tabakorole Indicated and Inferred mineral resource estimate was updated to **26.5Mt @ 1.2g/t Au for 1.025 million ounces**, representing a 12% increase in ounces on the 2020 mineral resource estimate.[1]

[1] Refer to ASX announcement 5 October 2021 and the Annual Statement of Ore Reserves and Mineral Resources on page 15. In relation to the announcement of the Tabakorole Mineral Resource estimate on 5 October 2021, the Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the Mineral Resource in that announcement continue to apply and have not materially changed.

Directors' report

Exploration success that included the discovery of shallow, higher-grade zones located parallel to the pre-existing mineral resource has contributed significantly to the upgraded resource, and with 70% of the resource (715koz) situated within 150m of surface, is expected to support a low-strip, open-pit production scenario.

Diamond drilling at the Central Zone was successful in improving definition and identifying multiple shallow intercepts outside of the previously modelled Mineral Resource. Notable results included:

- **21m at 2.6 g/t gold** from 70m and 7m at 1.0 g/t gold from 119m in hole 21TBKDD014; and
- **9m at 1.3 g/t gold** from 8m and 8m at 1.9g/t gold from 80m in hole 21TBKDD013.

Following the completion of drilling at the Central Zone, the rig moved to the Northwest Zone, where drilling targeted extensions to mineralisation. Eight diamond drillholes totalling 1,296 metres were drilled in the Northwest Zone, where the best results included:

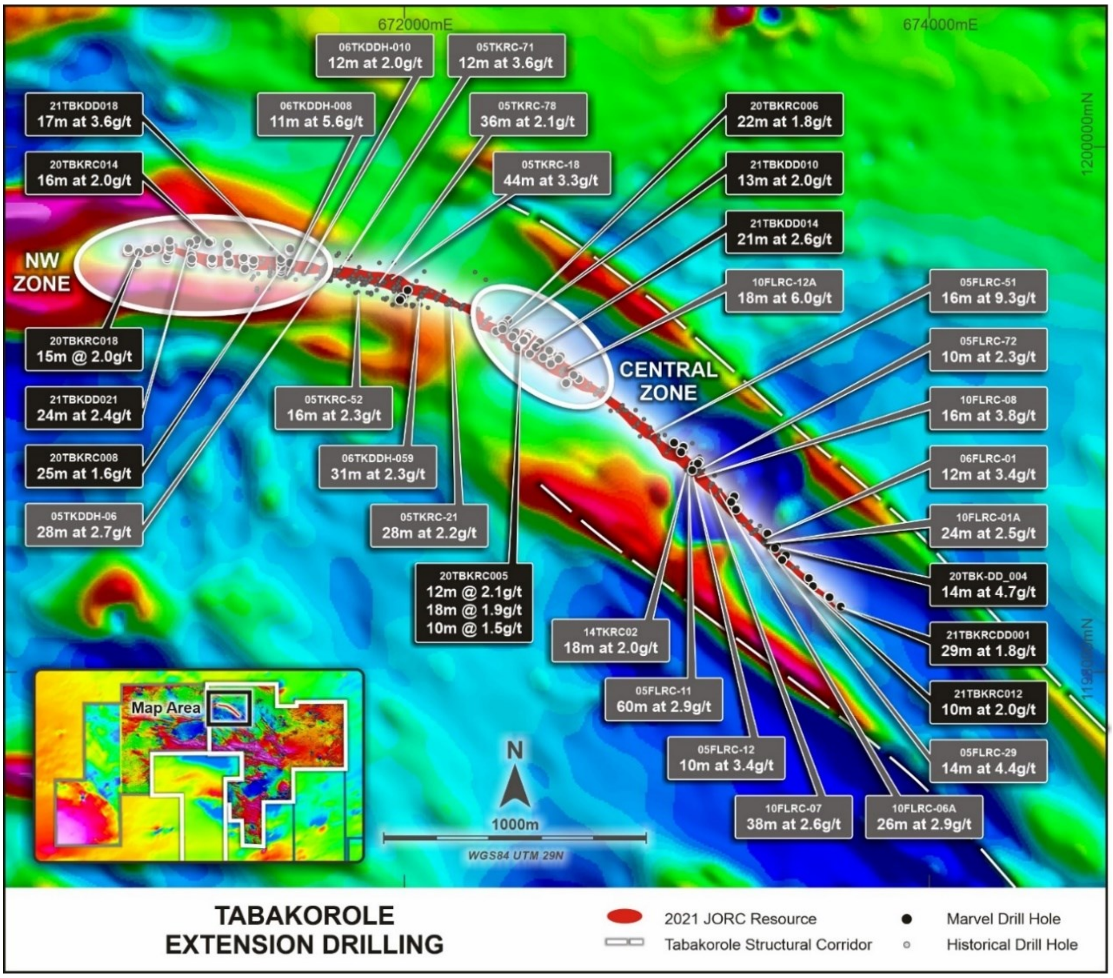
- **17m at 3.6g/t gold** from surface in hole 21TBKDD018;
- **24m at 2.4g/t gold** from 35m in hole 21TBKDD021; and
- **21m at 1.5g/t gold** from 26m in hole 21TBKDD020 which is up dip of previously reported intercept of 16m at 2.0 g/t gold from 75m in hole 20TBKRC014.

The drilling also confirmed a new, shallow parallel lode of higher-grade mineralisation over at least 120m of strike, with the new lode open along strike and at depth (currently drilled to only 90m).[2]

The Company is confident that there are opportunities for growth in these newly discovered zones, including the north-west zone, which has gaps of up to 200m that require infill drilling and has only been modelled to a vertical depth of 140m.

A plan view of the Tabakorole Mineral Resource estimate is shown below.

Tabakorole Mineral Resource Estimate plan view



Directors' report

Additional exploration

The Company completed a reconnaissance aircore drilling program that comprised 5,148m targeting Tabakorole extensions and three potential regional targets identified from historical geochemistry and ground magnetics. Gold mineralisation was identified approximately 3km to the south-east of the Tabakorole deposit with **4m at 1.3g/t gold** from 8m and **4m at 2.7g/t gold** from 20m and ending in mineralisation (within hole 21TBKAC0096)[2].

Nearby artisanal workings reinforce the potential prospectivity of this target. This new mineralisation was targeted in an area of moderate gold in soil anomalism due to a historical hole drilled in 2005 that intersected **12m at 1.2 g/t gold**[3] and was never adequately followed up. Reverse circulation drilling will further test this area in the first half of 2022.

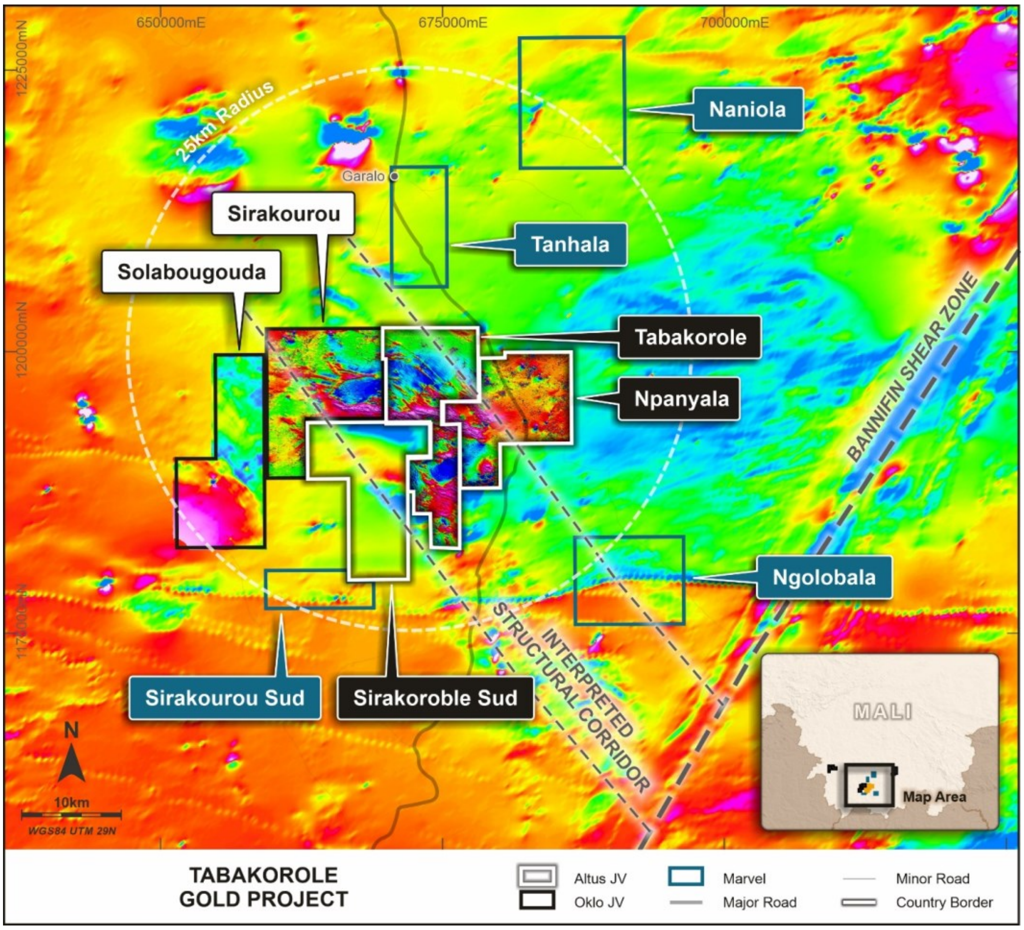
Increased landholding

The Company has committed significant effort to acquiring tenements surrounding and proximate to the Tabakorole mineral resource. This has resulted in multiple acquisitions that now sees the Company's landholding exceed 800km^2.

Post year-end, the Company reached agreement on amendments to the joint venture agreement over the Tabakorole Gold Project (Tabakorole JV) with Altus, which among other things saw Marvel's interest in the Tabakorole JV increase from 51% to 70%. Marvel can move to a 75% interest in the Tabakorole JV by completing US$5 million of exploration prior to 17 December 2023.

In addition to Marvel's increased Tabakorole JV interest, two additional exploration licences – Npanyala and Sirakoroble Sud – have been formally added to become part of the Tabakorole JV. Figure 2 below shows the Company's interests at Tabakorole.

Tabakorole Gold Project Tenement Map



[2] ASX announcement 8 July 2021
[3] ASX announcement 17 June 2020

Directors' report

Initial Public Offering of Evolution Energy Minerals Limited

During the period, the Company completed the Spin-Out of the Chilalo Graphite Project and initial IPO of Evolution. On completion of the Spin-Out and IPO, Marvel held 50 million Evolution shares (representing approximately 31% of Evolution's issued shares) and received $2 million in cash.

Information on Directors

Mr Stephen Dennis – Non-Executive Chairman – appointed 4 March 2016		
Experience and expertise	Stephen Dennis has been actively involved in the mining industry for over 30 years. He has held senior management positions at a number of Australian resources companies and was previously the Chief Executive Officer and Managing Director of CBH Resources Limited, the Australian subsidiary of Toho Zinc Co., Ltd of Japan.	
Other current directorships	Rox Resources Limited (Non-Executive Chairman) Burgundy Diamond Mines Ltd. (Non-Executive Chairman) Kalium Lakes Limited (Non-Executive Chairman)	
Former directorships in the last 3 years	LeadFx Inc. (Non-Executive Chairman) Heron Resources Limited (Non-Executive Chairman)	
Special responsibilities	Chairman	
Interests in shares and options	Ordinary shares	4,047,598
	Unlisted Options	5,300,000

Mr Andrew Pardey – Non-Executive Director – appointed 17 June 2020		
Experience and expertise	Mr. Pardey has over 30 years in the mining industry with experience in exploration, project development, construction and operations. Between February 2015 and December 2019, he was Chief Executive Officer of Centamin Plc which holds the Tier 1 Sukari Gold Mine. Andrew also served as General Manager Operations at Sukari before his previous appointment as Chief Operating Officer in May 2012. He was a major driving force in bringing Sukari into production, having joined during the mine's construction phase, and was instrumental in the successful transition of the operation through construction and into production. Andrew holds a BSc in Geology and has also previously held senior positions in Africa, Australia and other parts of the world including with Guinor Gold Corporation and Ashanti Goldfields, now AngloGold Ashanti.	
Other current directorships	Predictive Discovery Limited (Managing Director) Wia Gold Limited (Non-Executive Chairman)	
Former directorships in the last 3 years	Centamin PLC	
Special responsibilities	N/A	
Interests in shares and options	Ordinary shares	2,000,000
	Unlisted options	7,500,000

Mr Philip Hoskins – Non-Executive Director – appointed 2 February 2016		
Experience and expertise	Mr Hoskins commenced his career at a large international accounting firm and has since gained corporate experience with both Australian and international listed companies. He is a senior executive with over 15 years of broad finance and commercial experience across resources exploration, project development and production as well as large-scale property developments requiring debt and equity financing. He was the Chief Financial Officer of IMX Resources Limited from 2011 to 2014 and then Managing Director from 2014 to 2016. Mr Hoskins became the Managing Director of Graphex Mining Limited in June 2016 which became Marvel Gold Limited in June 2020. Mr Hoskins is the current Managing Director of Evolution Energy Minerals Limited.	
Other current directorships	Evolution Energy Minerals Limited (Managing Director)	
Former directorships in the last 3 years	N/A	
Special responsibilities	Nil	
Interests in shares and options	Ordinary shares	7,886,328
	Unlisted options	15,250,000

Directors' report

Mr Chris van Wijk – Executive Director - appointed 17 June 2020 – Managing Director – appointed 24 January 2022		
Experience and expertise	Mr Van Wijk is an experienced geologist, who specialises in project evaluation and generation. Chris brings a wealth of relevant experience including base metal and gold exploration in Africa, Europe, the Americas and Australia as well as joint venture management and project evaluation for major mining companies including BHP, IAMGOLD, First Quantum Minerals and Fortescue Metals Group. Chris has managed various successful exploration projects including the Scoping Study at Mont Nimba in Guinea for BHP Billiton and the resource drilling at First Quantum's Sentinel Project in Zambia.	
Other current directorships	Wia Gold Limited (Non-Executive Director)	
Former directorships in the last 3 years	Indiana Resources Limited (Managing Director)	
Special responsibilities	Nil	
Interests in shares and options	Ordinary shares	412,500
	Unlisted options	12,442,308

Information on Company Secretary

Stuart McKenzie LLB, Bec. (Hons.), AGIA, ACIS – Company secretary	
Experience and expertise	Mr McKenzie has over 30 years of experience in senior commercial roles. He was previously Company Secretary with Anvil Mining Limited for six years, prior to which he held senior positions with Ok Tedi Mining Limited, Ernst and Young and HSBC. Mr McKenzie is the current company secretary of Evolution Energy Minerals Limited and Wia Gold Limited.

Meetings of Directors

The number of meetings of the Company's Directors held during the six months ended 31 December 2021 and the number of meetings attended by each Director is shown below:

	Meetings of Directors	
	Held	Attended
S Dennis	6	6
A Pardey	6	6
P Hoskins	6	6
C van Wijk	6	6

As at the date of this report, there is no audit and risk committee or remuneration committee. The Board has determined that given the size and composition of the Board and the scale of the Company's activities, the functions of those committees ought to be performed by the Board. For further information, please see the Company's Corporate Governance Statement.

Directors' report

Remuneration report (audited)

(a) Key management personnel covered in this report

This Remuneration Report sets out information relating to the remuneration of the key management personnel (**KMP**) of the Group during the six months ended 31 December 2021. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company and Group, directly or indirectly. The KMP for the six months ended 31 December 2021 are as set out below.

Non-Executive and Executive Directors

Name	Position
S Dennis	Non-Executive Chairman
A Pardey	Non-Executive Director
P Hoskins	Non-Executive Director
C van Wijk	Managing Director

Other KMP

Name	Position
S McKenzie	Commercial Manager and Company Secretary
C Knee	Chief Financial Officer

(b) Statutory key performance measures

The Company aims to align executive remuneration to the strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's financial performance over the last five years as required by the Corporations Act 2001. These are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs, as outlined in (c) below. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

Company performance metric	6 months ended 31 December 2021	12 months ended 30 June 2021	2020	2019	2018
Company share price (ASX:MVL)	$0.062	$0.052	$0.039	$0.156	$0.149
Company profit / (loss) after tax	10,260,430	(8,997,070)	(7,486,841)	(8,049,751)	(4,106,569)
Company exploration expense	2,797,585	6,276,412	3,461,198	4,231,952	951,705

(c) Remuneration policy and link to performance

The Group's approach to remuneration is designed to attract and retain key executive talent, recognise the individual contributions of the Group's people, and motivate them to achieve strong performance aligned to the business strategy, whilst discouraging excessive risk taking.

In summary, the Group's approach to remuneration is to:

- Provide remuneration that is competitive and consistent with market standards;
- Align remuneration with the Company's overall strategy and shareholder interests;
- Reward superior performance within an objective and measurable incentive framework;
- Ensure that executives understand the link between individual reward and Group and individual performance;
- Be at a level acceptable to shareholders; and
- Apply sufficiently flexible remuneration practices that enable the Company to respond to changing circumstances.

Directors' report

Remuneration policy for the six months ended 31 December 2021

All Executive KMP remuneration was comprised of the following:

- Fixed (base remuneration):
    - Contractual salary; and
    - Legislated superannuation guarantee (10% of gross salary for 2021).
- At risk component:
    - Short term incentives (**STI**) – described further in the table below.
    - Long term incentives (**LTI**) – described further in the table below.

Element	Purpose	Performance metrics	Potential value
Base (fixed) remuneration	Provide a market competitive salary, including superannuation.	Nil	Within industry averages for the position's required skill and experience. Third party advice is sought periodically to ensure these are at or close to market median.
STI	Equity based reward for 12 month performance.	Achievement of key Company short term objectives such as growth through new discoveries and exploration success and total shareholder return against a group of peer companies.	Managing Director up to 50% of base remuneration, other KMP up to 40% of base remuneration.
LTI	Alignment with growth in long-term shareholder value over a three year period.	Achievement of key Company long term objectives, such as renewals, environmental approvals and total shareholder return against a group of peer companies.	Managing Director up to 50% and other KMP up to 40% of base remuneration on an annual basis.

Balancing short-term and long-term performance

The Company considers performance-based remuneration to be a critical component of the overall remuneration framework, by providing a remuneration structure that rewards personnel for achieving goals that are aligned to the Group's strategy and objectives. Both STIs and LTIs are issued under the Company's Option Plan (**Option Plan**).

Short-term incentives

The STI scheme operates to link performance and reward with key measurable financial and non-financial performance indicators to provide personnel with clear and understandable targets that are aligned with the Group's objectives.

STIs are in the form of zero exercise price options which vest on completion of the one-year period and specific KPI's being achieved. The number of options that vest is determined by assessment of the Group's performance against stated objectives to determine the percentage of objectives that has been achieved. This percentage is then applied to the options granted in order to determine the number of options that vest. The option holder then has two years in which to exercise the options for nil consideration. Each vested STI option represents a right to be issued one Marvel share.

The Board sets the objectives of the Managing Director and these are then cascaded down through the organisation to ensure alignment of objectives. The STI performance objectives are communicated to KMPs at the beginning of the twelve-month performance period, with the performance evaluations conducted by the Board following the end of the respective twelve month performance period. The next assessment of KPIs will be conducted on 30 June 2022.

The vesting criteria for STIs granted during the 6 months ended 31 December 2021 are:

- Growth via new discoveries, progressing new discoveries and continued resources growth; and
- Total shareholder return as measured against a set group of peer companies.

Directors' report

Long-term incentives

The KMP remuneration structure also seeks to drive performance and align with shareholder interests through LTI equity-based remuneration. This involves the issue of zero exercise price options to KMP as LTIs. Subject to performance against agreed vesting criteria, LTIs vest three years from the grant date and expire five years from the grant date. Each vested LTI option represents a right to be issued one Marvel share. KMPs are assessed against applicable KPIs on the third anniversary from the date of issue.

The vesting criteria for LTIs granted during the 6 months ended 31 December 2021 are:

- Progression of Tabakorole feasibility study;
- Environmental approvals; and
- Total shareholder return as measured against a set group of peer companies.

(d) Contractual arrangements with executive KMPs

Component	Managing Director	Executive Director – Exploration	Other KMP - Senior executives
Fixed remuneration	$260,000 - $280,000 plus superannuation.	$240,000 plus superannuation.	$80,000 - $242,000 inclusive of superannuation. All other KMPs were subcontracted out to external companies to reduce Company costs until 31 September 2021. See shared services recovery column in the KMP remuneration table below. From 1 October they contracted to the company for an annual amount of $80,000 based on a third of their time being dedicated to the Company.
Contract duration	Ongoing contract	Services agreement	Ongoing contract / Services agreement
Notice by individual	3 months	3 months	3 months
Notice by Company	6 months	3 months	3 months
Termination of employment (with or without cause)	Unvested SBP options to be automatically forfeited unless the Board determines in its discretion to vest some or all of the options.		

(e) Non-Executive Director arrangements

Non-Executive Directors receive an annual fee, paid quarterly. No compensation other than the annual fee (including superannuation) was paid to Directors for the six months ended 31 December 2021. As the Company is not of sufficient size to have separate audit and remuneration committees, no additional fees are paid in connection with the provision of these services.

Non-Executive Director fees are reviewed annually by the Board taking into account comparable roles and market data. Directors' fees will next be reviewed in July 2022, with no changes made in the six months ended 31 December 2021. Annual Directors' fees were approved by shareholders on 25 February 2016 with a maximum pool of $250,000 per year available for Non-Executive Directors. Fees for the financial year are as follows:

- Non-Executive Chairman – $60,000 plus superannuation
- Non-Executive Directors – $40,000 plus superannuation

All Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment which summarises the key terms and conditions of the Non-Executive Director's appointment.

Directors' report

(f) Remuneration expenses for key management personnel

The following table shows details of the remuneration expense recognised for the Group's KMP for the current financial period measured in accordance with the requirements of the accounting standards:

For the 6 months ended 31 December 2021

Name	Fixed remuneration			Variable				
	Cash salary	Annual leave	Post-employment benefits	STI / LTI share based payment	Cash bonus	Shared services recovery	Performance based remuneration %	Total
Non-executive directors								
S Dennis	30,000	-	3,000	142,309	-	-	81%	175,309
A Pardey	20,000	-	-	142,309	-	-	88%	162,309
Executive directors								
P Hoskins	135,000	-	11,784	104,385	137,500[2]	-	62%	388,669
C van Wijk	96,218	-	-	77,084	-	-	44%	173,302
Other KMP								
S McKenzie	62,738	29,662	6,875	23,318	-	(76,496)[1]	51%	46,097
C Knee	60,238	13,288	5,167	23,318	-	(60,104)[1]	56%	41,907
Total executive and other KMP	**354,194**	**42,950**	**23,826**	**228,105**	**137,500**	**(136,600)**	-	**649,975**
Total NED remuneration	**50,000**	**-**	**3,000**	**284,618**	**-**	**-**	**-**	**337,618**
Total KMP remuneration expensed	**404,194**	**42,950**	**26,826**	**512,723**	**137,500**	**(136,600)**	**-**	**987,593**

[1] During the period, the Group was a party to a Shared Services Agreement with Evolution Energy Minerals Limited, Matador Mining Limited, Lotus Resources Limited, Wia Gold Limited, Cradle Resources Limited and Frontier Energy Limited under which the Company shared certain costs. During the period, Mr McKenzie and Mr Knee spent a portion of their time working for the above-mentioned companies, with this time recharged by the Group on an at cost basis. This is included in the table above as the shared services recovery.

[2] Mr Hoskins received a once off cash bonus in accordance with the Share Exchange Agreement for the successful spin-off and IPO of Evolution.

Directors' report

For the 12 months ended 30 June 2021

Name	Fixed remuneration			Variable			Performance based remuneration %	Total
	Cash salary	Annual leave	Post-employment benefits	STI / LTI share based payment[2]	Termination	Shared services recovery		
Non-executive directors								
S Dennis	60,000	-	5,700	37,798	-	-	-	103,498
A Pardey	40,000	-	-	73,952	-	-	-	113,952
Executive directors								
P Hoskins	260,000	83,267	21,694	168,446	-	-	-	533,407
C van Wijk	120,000	-	-	143,795	-	-	-	263,795
Other KMP								
S McKenzie	210,425	24,346	25,000	51,766	-	(186,059)[1]	-	125,478
C Knee	210,000	-	19,000	51,766	-	(175,330)[1]	-	105,436
Total executive and other KMP	**800,425**	**107,613**	**65,694**	**415,773**	**-**	**(361,389)**	-	**1,028,116**
Total NED remuneration	**100,000**	**-**	**5,700**	**111,750**	**-**	-	-	**217,450**
Total KMP remuneration expensed	**900,425**	**107,613**	**71,394**	**527,523**	**-**	**(361,389)**	-	**1,245,566**

[1] The Group was a party to a Shared Services Agreement with Matador Mining Limited, Lotus Resources Limited, Tanga Resources Limited, Cradle Resources Limited and Superior Lake Resources Limited under which the Company shared certain costs. During the year, Executives Mr McKenzie and Mr Knee spent a portion of their time working for the above-mentioned companies, with this time recharged by the Group on an at cost basis. This is included above as the Shared Services Recovery.

[2] Equity settled share-based payment.

(g) Other KMP transactions

During the period, Mr. Hoskins was a Non-Executive Director of Evolution, an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement, the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

Mr. Pardey and Mr. van Wijk are Non-Executive Chairman and Non-Executive Director respectively of Wia Gold Limited (**Wia**) an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

Mr. Knee was a Director of Frontier Energy Limited, formerly Superior Lake Resources Limited (**Frontier**) an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement the Company provided company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below. Mr. Knee resigned as a Director of Frontier on 1 December 2021.

Directors' report

	6 months to 31 December 2021	12 months to 30 June 2021
	$	$
Related party transactions		
Receipts from Evolution (ex-GST)	26,411	-
Receipts from Wia (ex-GST)	23,699	-
Receipts from Frontier (ex-GST)	24,609	102,955
Amounts outstanding to Evolution at period end	733	-
Amounts outstanding to Wia at period end	733	-
Amounts outstanding to Frontier at period end	733	5,574

(h) Additional statutory information

Relative proportions of fixed and variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense above:

	6 month ended 31 December 2021		12 months ended 30 June 2021	
Name	Fixed remuneration	At risk remuneration - STI / LTI	Fixed remuneration	At risk remuneration - STI / LTI
Managing Director				
P Hoskins	38%	62%	63%	11%
Other KMP				
C van Wijk	56%	44%	43%	57%
S McKenzie	49%	51%	82%	18%
C Knee	44%	56%	81%	19%

Performance based remuneration granted and forfeited

The remuneration of KMPs was approved by the Board in August 2021. As at 30 June 2021 KMP had 3,775,928 options with performance criteria relating to the development of the Chilalo Graphite Project. On 30 June 2021, the Board resolved that the performance criteria for these options was no longer capable of being satisfied and also inconsistent with the Company's longer term gold strategy. The options therefore lapsed.

Directors' report

Options

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Vesting date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested	Vesting criteria
27-Aug-21	1-Jul-22	27-Aug-24	Nil	$0.0560	-	-	Note 1
27-Aug-21	1-Jul-22	27-Aug-26	Nil	$0.0560	-	-	Note 2
25-Nov-21	25-Nov-21	25-Nov-24	$0.065	$0.0510	N/A	100%	-
25-Nov-21	1-Jul-22	25-Nov-24	Nil	$0.0690	-	-	Note 1
25-Nov-21	1-Jul-24	25-Nov-26	Nil	$0.0690	-	-	Note 2

[1] ***STI's – Vesting criteria***

- Exploration success defined as any of the following:
  - continued resource growth:
  - making new discoveries (aircore drilling); and
  - progressing new discoveries (reverse circulation and diamond drilling).
- Ensuring all prospecting licences are maintained in good standing and in compliance with applicable laws in Mali; and
- Total Shareholder Return outperformance against peer group average by 15% (base) and 30% (stretch).

[2] ***LTI's – Vesting criteria***

- A Tabakorole feasibility study, environmental approvals and any other work sufficient for grant of an exploitation permit (**ML**), or other type of renewal in December 2023 (must result in ML or other renewal); and
- Relative Total Shareholder Return (**TSR**) measure verses a peer group of companies. The options will vest in accordance with a ranking against the selected group as follows:

Marvels relative TSR	Portion of options that vest
Top 4	100%
5-8	75%
9-10	50%
11-16	0%

Directors' report

The number of options over ordinary shares in the Company provided as remuneration to KMP is shown below. The options carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company.

Reconciliation of options 2021	Balance at 1 July 2021		Granted as compensation	Exercise price	Vested		Exercised	Forfeited / expired		Balance at 31 December 2021	
Name and Grant dates	Vested and exercisable	Unvested			Number	%		Number	%	Vested and exercisable	Unvested
S Dennis											
20-Jul-20	1,150,000	-	-	$0.035	-	-	-	-	-	1,150,000	-
20-Jul-20	575,000	-	-	$0.060	-	-	-	-	-	575,000	-
20-Jul-20	575,000	-	-	$0.100	-	-	-	-	-	575,000	-
25-Nov-21	-	-	3,000,000	$0.065	3,000,000	100	-	-	-	3,000,000	
A Pardey											
20-Jul-20	2,250,000	-	-	$0.035	-	-	-	-	-	2,250,000	-
20-Jul-20	1,125,000	-	-	$0.060	-	-	-	-	-	1,125,000	-
20-Jul-20	1,125,000	-	-	$0.100	-	-	-	-	-	1,125,000	-
25-Nov-21	-	-	3,000,000	$0.065	3,000,000	100	-	-	-	3,000,000	
P Hoskins											
20-Jul-20	5,125,000	-	-	$0.035	-	-	-	-	-	5,125,000	-
20-Jul-20	2,562,500	-	-	$0.060	-	-	-	-	-	2,562,500	-
20-Jul-20	2,562,500	-	-	$0.100	-	-	-	-	-	2,562,500	-
25-Nov-21	-	-	2,500,000[1]	Nil	-	-	-	-	-	-	2,500,000
25-Nov-21	-	-	2,500,000[2]	Nil	-	-	-	-	-	-	2,500,000
C van Wijk											
20-Jul-20	4,375,000	-	-	$0.035	-	-	-	-	-	4,375,000	-
20-Jul-20	2,187,500	-	-	$0.060	-	-	-	-	-	2,187,500	-
20-Jul-20	2,187,500	-	-	$0.100	-	-	-	-	-	2,187,500	-
25-Nov-21	-	-	1,846,154[1]	Nil	-	-	-	-	-	-	1,846,154
25-Nov-21	-	-	1,846,154[2]	Nil	-	-	-	-	-	-	1,846,154
S McKenzie											
20-Jul-20	1,575,000	-	-	$0.035	-	-	-	-	-	1,575,000	-
20-Jul-20	787,500	-	-	$0.060	-	-	-	-	-	787,500	-
20-Jul-20	787,500	-	-	$0.100	-	-	-	-	-	787,500	-
27-Aug-21	-	-	558,462[1]	Nil	-	-	-	-	-	-	558,462
27-Aug-21	-	-	558,462[2]	Nil	-	-	-	-	-	-	558,462
C Knee											
20-Jul-20	1,575,000	-	-	$0.035	-	-	-	-	-	1,575,000	-

Directors' report

Reconciliation of options 2021	Balance at 1 July 2021		Granted as compensation	Exercise price	Vested		Exercised	Forfeited / expired		Balance at 31 December 2021	
Name and Grant dates	Vested and exercisable	Unvested			Number	%		Number	%	Vested and exercisable	Unvested
20-Jul-20	787,500	-	-	$0.060	-	-	-	-	-	787,500	-
20-Jul-20	787,500	-	-	$0.100	-	-	-	-	-	787,500	-
27-Aug-21	-	-	558,462[1]	Nil	-	-	-	-	-	-	558,462
27-Aug-21	-	-	558,462[2]	Nil	-	-	-	-	-	-	558,462

[1] Short term incentives
[2] Long term incentives

Directors' report

Shareholdings

Name	Balance at start of period	Received during the period on the exercise of options	Other changes during the period[1]	Balance at end of the period
S Dennis	4,047,598	-	-	4,047,598
P Hoskins	7,461,328	-	425,000	7,886,328
A Pardey	2,000,000	-	-	2,000,000
C van Wijk	412,500	-	-	412,500
S McKenzie	1,317,018	-	-	1,317,018
C Knee	453,644	-	-	453,644

[1] Shares purchased on market.

None of the shares in the above table are held nominally by the Directors or by any of the other KMP.

Loans to KMP

There were no loans made to Directors or KMP.

Reliance on external remuneration consultants

In performing its role, the Board may seek advice from independent remuneration consultants where appropriate, to make recommendations as to the nature and amount of remuneration payable to KMPs. Remuneration consultants are engaged by, and report directly to the Board. In the six months ended 31 December 2021, the Board did not engage an independent remuneration consultant to review the Company's remuneration structure. Having considered publicly available information on the remuneration practices of peer group companies, the Board believes that current remuneration arrangements are appropriate.

Shares under option

Unissued ordinary shares

Shares under options that formed part of remuneration at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Options	Vested and exercisable
20-Jul-20	29-Jul-24	$0.035	18,050,000	18,050,000
20-Jul-20	29-Jul-24	$0.060	9,025,000	9,025,000
20-Jul-20	29-Jul-24	$0.100	9,025,000	9,025,000
27-Aug-21	27-Aug-24	$0.060	3,500,000	3,500,000
27-Aug-21	27-Aug-24	Nil	3,047,693	Nil
27-Aug-21	27-Aug-26	Nil	2,247,693	Nil
25-Nov-21	25-Nov-24	Nil	4,346,154	Nil
25-Nov-21	25-Nov-26	Nil	4,346,154	Nil
25-Nov-21	25-Nov-24	0.065	6,000,000	6,000,000
Total			**59,587,694**	**45,600,000**

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Voting of shareholders at last year's Annual General Meeting

The Group received 99.88% votes for its remuneration report for the 30 June 2021 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

END OF REMUNERATION REPORT (audited)

Directors' report

Insurance of officers and indemnities

Marvel's constitution allows the Company to indemnify each Director or officer of the Company, to the extent permitted by law, against liability incurred in or arising out of the conduct of the business of the Company or the discharge of the duties of the Directors or officers.

The Group has granted indemnities under deeds of indemnity with its current Directors and officers. In conformity with the constitution, each deed of indemnity indemnifies the relevant Director or officer to the full extent permitted by law. Where applicable, each deed of indemnity indemnifies the relevant Director, officer or employee to the fullest extent permitted by law for liabilities incurred whilst acting as a director, officer or employee of the Company, any of its related bodies corporate and any outside entity, where such an office is held at the request of the Company.

The Group has a policy that it will, as a general rule, support and hold harmless an employee who, while acting in good faith, incurs personal liability to others as a result of working for the Group.

No indemnity has been granted to an auditor of the Group in their capacity as auditors of the Group.

During the period, the Group paid insurance premiums (inclusive of fees and charges) in respect of directors' and officers' liability insurance of $160,765 (June 2021: $200,300) (ex goods and services tax (**GST**)).

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought, or intervened in, on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor (BDO Audit (WA) Pty Ltd) for audit and non-audit services provided during the period are set out in note 27.

The Board has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Directors' report

Auditor independence

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 23.

Annual Statement of Ore Reserves and Mineral Resources – Tabakorole Mineral Resource Estimate

	Indicated			Inferred			Total		
	Mt	Au (g/t)	koz (Au)	Mt	Au (g/t)	koz (Au)	Mt	Au (g/t)	koz (Au)
Oxide	1.4	1.2	50	1.3	1.3	55	2.7	1.3	110
Fresh	7.8	1.2	310	16.0	1.2	610	23.8	1.2	915
Total	**9.2**	**1.2**	**360**	**17.3**	**1.2**	**665**	**26.5**	**1.2**	**1,025**

Competent persons' statements

The information in the annual report that relates to the Mineral Resources at the Tabakorole Gold Project is based on information compiled by Mr Brian Wolfe, Principal Consultant of International Resource Solutions Pty Ltd which provides consulting services to the Company. Mr. Wolfe is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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 (JORC Code). An entity associated with Mr Wolfe has a minor shareholding in the company. Mr. Wolfe consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The information in this annual report that relates to exploration results at Tabakorole is based on information compiled by the Company and reviewed by Mr Chris van Wijk, in his capacity as an Executive Director - Exploration of Marvel Gold Limited. Mr. van Wijk is a Member of the AUSIMM 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 JORC Code. Mr. van Wijk consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears

Ore Reserves and Mineral Resources Governance

Marvel reviews its Mineral Resource and Ore Reserve estimates on an annual basis. The Annual Statement of Mineral Resources and Ore Reserves is prepared in accordance with the JORC Code 2012 and the ASX Listing Rules.

Competent Persons named by the Company are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined under the JORC Code 2012.

The Company engages external consultants and Competent Persons to prepare and calculate estimates of its Mineral Resources and Ore Reserves. These estimates and underlying assumptions are reviewed by the Directors and management for reasonableness and accuracy. The results of the Mineral Resource and Ore Reserve estimates are then reported in accordance with the JORC Code 2012 and the ASX Listing Rules. Where material changes occur to a project during the period, including the project's size, title, exploration results or other technical information, previous resource estimates and market disclosures are reviewed for completeness. The Company reviews its Mineral Resources and Ore Reserves as at each year end and where a material change has occurred in the assumptions or data used in previously reported Mineral Resources and Ore Reserves, a revised estimate will be prepared as part of the annual review process.

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

Stephen Dennis
Chairman of the Board
PERTH
On the 31st day of March 2022

Corporate governance statement

Marvel and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Marvel has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2021 corporate governance statement is dated as at 31 December 2021 and reflects the corporate governance practices in place throughout the 2021 financial year. The 2021 corporate governance statement was approved by the Board on 31 March 2022. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed on the Company's website at www.marvel gold.com.au/corporate-governance/.

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF MARVEL GOLD LIMITED

As lead auditor of Marvel Gold Limited for the period 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 31 March 2022

Consolidated statement of profit or loss and other comprehensive income

for the period ended 31 December 2021

	Notes	6 months ended 31 December 2021	12 months ended 30 June 2021
		$	$
Continuing operations			
Government incentives, rebates and grants		-	531,318
Other income	1(a)	448,709	800,568
Fair value gain on loan notes	11	488,023	1,307,349
Gain on demerger	18	16,938,342	-
Exploration and evaluation expenses		(2,797,585)	(6,276,412)
Corporate and administration expenses		(665,827)	(1,285,607)
Business development and marketing		(523,039)	(326,557)
Finance costs	1(c)	(955,858)	(2,068,654)
Employee benefits	1(b)	(676,949)	(1,075,132)
Share based payments	25	(600,721)	(593,258)
Other expenses		-	(10,686)
Share of net losses of associate using the equity method	19	(1,394,666)	
Profit / (loss) before income tax		**10,260,430**	**(8,997,070)**
Income tax expense	3	-	-
Profit / (loss) for the period		**10,260,430**	**(8,997,070)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		38,460	111,684
Total comprehensive profit / (loss) for the period		**10,298,890**	**(8,885,386)**
Net Profit / (loss) is attributable to:			
Owners of Marvel Gold Limited		10,260,430	(8,997,070)
Total comprehensive profit / (loss) is attributable to:			
Owners of Marvel Gold Limited		10,298,890	(8,885,386)
Earnings per share attributable to owners of the Company		**$**	**$**
Basis EPS	27	0.02	(0.02)
Diluted EPS	27	0.02	(0.02)

The above consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements.

Consolidated statement of financial position

as at 31 December 2021

	Notes	31 December 2021 $	30 June 2021 $
ASSETS			
Current assets			
Cash and cash equivalents	4	1,954,578	1,506,958
Trade and other receivables	5	1,360,538	650,914
Sub-total current assets		**3,315,116**	**2,157,872**
Assets held for sale	8	-	5,000,000
Total current assets		**3,315,116**	**7,157,872**
Non-current assets			
Property, plant and equipment	6	368,816	383,728
Investments accounted for using the equity method	19	8,605,334	-
Exploration and evaluation	7	3,186,689	2,657,685
Total non-current assets		**12,160,839**	**3,041,412**
Total assets		**15,475,955**	**10,199,284**
LIABILITIES			
Current liabilities			
Trade and other payables	9	(270,465)	(1,664,043)
Provisions	10	(150,327)	(68,160)
Sub-total current liabilities		**(420,792)**	**(1,732,203)**
Liabilities directly associated with assets held for sale	11	-	(8,730,035)
Total current liabilities		**(420,792)**	**(10,462,238)**
Non-current liabilities			
Provisions	10	-	(102,858)
Total non-current liabilities		**-**	**(102,858)**
Total liabilities		**(402,792)**	**(10,565,095)**
Net assets / (liabilities)		**15,055,163**	**(365,811)**
EQUITY			
Share capital	12	35,765,636	31,134,472
Non-controlling interest	20	322,698	-
Reserves	13	2,579,932	3,061,723
Retained earnings	14	(23,613,103)	(34,562,006)
Total equity/(deficiency)		**15,055,163**	**(365,811)**

The above consolidated statement of financial position is to be read in conjunction with the notes to the financial statements.

Consolidated statement of changes in equity

for the period ended 31 December 2021

	Notes	Contributed equity	Foreign currency translation reserve	Share based payment reserve	Retained earnings / (Accumulated losses)	Total equity
		$	$	$	$	$
Balance at 30 June 2020		**20,272,214**	**(23,724)**	**1,340,505**	**(25,564,936)**	**(3,975,941)**
Total comprehensive loss for the period:						
Loss for the period		-	-	-	(8,997,070)	(8,997,070)
Foreign exchange translation differences		-	111,684	-	-	111,684
Total comprehensive loss for the period		**-**	**111,684**	**-**	**(8,997,070)**	**(8,885,386)**
Transactions with owners in their capacity as owners:						
Issue of shares net of transaction costs		10,012,258	-	-	-	10,012,258
Shares issued to acquire project		700,000	-	-	-	700,000
Shares issued to financier		150,000	-	-	-	150,000
Deferred share consideration for asset acquisition		-	-	1,040,000	-	1,040,000
Employee share schemes - value of employee services		-	-	593,258	-	593,258
Balance at 30 June 2021		**31,134,472**	**87,960**	**2,973,763**	**(34,562,006)**	**(365,811)**

Consolidated statement of changes in equity
for the period ended 31 December 2021

	Notes	Contributed equity	Foreign currency translation reserve	Share based payment reserve	Non-controlling interest	Retained earnings / (Accumulated losses)	Total equity
Balance at 30 June 2021		**31,134,472**	**87,960**	**2,973,763**	**-**	**(34,562,006)**	**(365,811)**
Total comprehensive loss for the period:							
Loss for the period		-	-	-	-	10,260,430	10,260,430
Foreign exchange translation differences		-	38,460	-	-	-	38,460
Total comprehensive loss for the period		**-**	**38,460**	**-**	**-**	**10,260,430**	**10,298,890**
Transactions with owners in their capacity as owners:							
Issue of shares net of transaction costs		4,198,705	-	-	-	-	4,198,705
Transactions with non-controlling interest		-	-	-	322,698	-	322,697
Share issued as consideration under joint ventures		416,000	-	(416,000)	-	-	-
Employee share scheme - value of employee services		-	-	600,683	-	-	600,683
Employee options lapsed		-	-	(688,475)	-	688,475	-
Employee options exercised		16,459	-	(16,459)	-	-	-
Balance at 31 December 2021		**35,765,636**	**126,420**	**2,453,512**	**322,698**	**(23,613,103)**	**15,055,163**

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

Consolidated statement of cash flows

for the period ended 31 December 2021

	Notes	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,116,801)	(2,051,727)
Receipts / (payments) for business development and marketing		(319,342)	(497,413)
Payment of exploration expenditure		(3,538,229)	(5,366,183)
Receipts from government incentives, rebates and grants		-	531,318
Net cash (outflow) from operating activities	15	**(4,974,372)**	**(7,384,005)**
Cash flows from investing activities			
Payments for the acquisition of tenements		-	(862,379)
Proceeds from the demerger	18	1,000,000	-
Payment for property, plant and equipment		(40,810)	(409,229)
Net cash inflow / (outflow) from investing activities		**959,190**	**(1,271,608)**
Cash flows from financing activities			
Proceeds from the issue of ordinary shares		4,200,000	11,067,048
Share issue transaction costs		(1,295)	(795,096)
Net cash flow from financing activities		**4,198,705**	**10,271,952**
Net increase / (decrease) in cash and cash equivalents		**183,523**	**1,616,339**
Cash and cash equivalents at the beginning of the period		1,506,958	304,633
Effects of exchange rate changes on cash and cash equivalents		264,097	(414,014)
Cash and cash equivalents at the end of the period	4	**1,954,578**	**1,506,958**

The above consolidated statement of cash flows is to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. Income and expenses

(a) Other income

	6 months ended 31 December 2021	12 months ended 30 June 2021
	$	$
Recharges	136,600	423,184
Foreign exchange gain	301,932	376,318
Other income	10,177	1,066
	448,709	**800,568**

The Group was a party to a Shared Services Agreement with Evolution Energy Minerals Limited, Matador Mining Limited, Lotus Resources Limited, Wia Gold Limited, Cradle Resources Limited and Frontier Energy Limited under which the Company shared certain costs. During the year, Mr McKenzie and Mr Knee spent a portion of their time working for the above-mentioned companies, with this time recharged by the Group on an at cost basis.

(b) Employee benefits

	6 months ended 2021	12 months ended 2021
	$	$
Salaries	681,441	1,265,156
Salaries – Technical and exploration[1]	(229,812)	(272,335)
Salaries – Evolution[2]	169,167	-
Superannuation	26,420	73,890
Changes in leave provisions	29,733	8,420
	676,949	**1,075,132**

[1]Employee expenses above include all employee expenses of all departments in the Group. On the face of the Consolidated statement of profit or loss and other comprehensive income, technical and exploration staff wages of $229.812 (30 June 2021: $272,335) are included as exploration expenses. Employee benefits expense on the face of the statements therefore includes only corporate and administrative staff.
[2] During the period Evolution contracted the Executive Chairman and Executive Director prior to the IPO. The costs of these salaries are included above up to the date of the demerger being 16 November 2021.

(c) Finance costs

	6 months ended 2021	12 months ended 2021
	$	$
Interest expense	955,858	2,009,154
Other finance costs	-	59,500
	955,858	**2,068,654**

Notes to the financial statements

2. Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision makers, being the Directors. The Group's reportable segments in accordance with AASB 8 are as follows:

- Exploration – exploration carried out in Mali;
- Exploration – exploration carried out in Tanzania; and
- Corporate – management of corporate affairs.

The segments have applied the same accounting policies as applied to the Group and disclosed in note 28 of these financial statements.

	6 months ended 31-Dec-21				12 months ended 30-Jun-21			
	Exploration Tanzania $	Exploration Mali $	Corporate $	Total $	Exploration Tanzania $	Exploration Mali $	Corporate $	Total $
Other income	-	-	448,709	**448,709**	-	-	800,568	**800,568**
Gain on demerger	-	-	16,938,342	**16,938,342**				
Fair value adjustment to loan	-	-	488,023	**488,023**	-	-	1,307,349	**1,307,349**
Research and development rebate	-	-	-	**-**	-	-	531,318	**531,318**
Total income	**-**	**-**	**17,875,074**	**17,875,074**	**-**	**-**	**2,639,235**	**2,639,235**
Depreciation and amortisation	(531)	-	(55,191)	**(55,722)**	(21,347)	-	(73,226)	**(94,573)**
Finance costs	-	-	(955,858)	**(955,858)**	-	-	(2,068,654)	**(2,068,654)**
Share based payments	-	-	(600,721)	**(600,721)**	-	-	(593,258)	**(593,258)**
Exploration expenses	(245,880)	(2,551,705)	-	**(2,797,585)**	(266,354)	(6,010,057)	-	**(6,276,411)**
Share of net losses of associate	-	-	(1,394,666)	**(1,394,666)**	-	-	-	**-**
Other expenses	(108,754)	(54,682)	(1,646,657)	**(1,810,093)**	(166,173)	(132,685)	(2,304,551)	**(2,603,409)**
Segment loss	**(355,165)**	**(2,606,387)**	**13,221,981**	**10,260,430**	**(453,874)**	**(6,142,742)**	**(2,400,454)**	**(8,997,070)**
Segment assets	**-**	**3,186,689**	**12,289,266**	**15,475,955**	**5,058,286**	**2,657,685**	**2,483,314**	**10,199,285**
Segment liabilities	**-**	**(4,768)**	**(416,024)**	**(420,792)**	**(78,500)**	**(4,774)**	**(11,721,822)**	**(11,805,096)**
Additions to PP&E	**-**	**34,608**	**9,441**	**44,049**	**-**	**367,119**	**45,212**	**412,331**

Notes to the financial statements

3. Income tax expense

The Company has total carried forward tax losses of $591,632 (June 2021: $17,152,826) available for offset against future assessable income of the Company. The net deferred tax asset attributable to the residual tax losses of $162,699 (June 2021: $4,717,027) has not been brought to account until convincing evidence exists that assessable income will be earned of a nature and amount to enable such benefit to be realised.

4. Cash and cash equivalents

	31 December 2021 $	30 June 2021 $
Cash at bank	1,954,578	1,506,958
	1,954,578	**1,506,958**

Refer to note 16 for the Group's exposure to interest rate and credit risk.

5. Trade and other receivables

	31 December 2021 $	30 June 2021 $
Accounts receivable	1,011,628	50,840
Other receivables	198,286	581,049
Prepayments	150,624	19,025
	1,360,538	**650,914**

During the period, the Company entered into the Share Exchange Agreement. Under this agreement, upon successful completion of the IPO, the Company was entitled to receive $2,000,000 from Evolution as consideration for sale of the Chilalo Graphite project, of which $1,000,000 was paid upon IPO, with the second $1,000,000 payable on successful reinstatement of prospecting license (PL) 11034/2017 on or prior to 31 December 2021. PL 11034/2017 was reinstated on 31 December 2021 therefore $1,000,000 is included in accounts receivable and has been received subsequent to period end.

6. Property, plant and equipment

Non-current	Plant and equipment $	Furniture and fittings $	Total $
At 31 December 2021			
Cost	407,473	148,101	555,574
Accumulated depreciation	(93,695)	(93,063)	(186,758)
Net book amount	**313,778**	**55,038**	**368,816**
Period ended 31 December 2021			
Opening net book amount	319,670	64,058	383,728
Net assets of subsidiaries deconsolidated (note 18)	-	(3,413)	(3,413)
Additions	34,608	9,441	44,049
Disposal	-	-	-
Foreign exchange movement	-	174	174
Depreciation charge	(40,500)	(15,222)	(55,722)
Closing net book amount	**313,778**	**55,038**	**368,816**

Notes to the financial statements

6. Property, plant and equipment (continued)

Non-current	Plant and equipment $	Furniture and fittings $	Total $
At 30 June 2021			
Cost	482,253	162,931	645,184
Accumulated depreciation	(162,583)	(98,873)	(261,456)
Net book amount	**319,670**	**64,058**	**383,728**
Period ended 30 June 2021			
Opening net book amount	23,856	45,217	69,073
Additions	367,119	45,212	412,331
Disposal	-	(9,098)	(9,098)
Foreign exchange movement	(9,065)	15,060	5,995
Depreciation charge	(62,240)	(32,333)	(94,573)
Closing net book amount	**319,670**	**64,058**	**383,728**

7. Exploration and evaluation expenditure

	31 December 2021 $	30 June 2021 $
(a) Reconciliation of exploration and evaluation expenditure		
Exploration and evaluation acquisition costs – Tanzania	-	5,000,000
Exploration and evaluation acquisition costs – Mali	1,696,884	1,490,577
Exploration and evaluation acquisition costs – Mali Oklo JV	1,489,805	1,167,108
Transferred to assets held for sale (see note 8)	-	(5,000,000)
Carrying amount at the end of the period	**3,186,689**	**2,657,685**

8. Assets held for sale

	31 December 2021 $	30 June 2021 $
Chilalo Graphite Project	-	5,000,000
	-	**5,000,000**

The Company executed the Share Exchange Agreement with Evolution under which the Company agreed to sell the Chilalo Project to Evolution in exchange for 50 million Evolution shares (representing approximately 31% of Evolution on a post-ASX listing, undiluted basis, and cash of $2 million. The IPO was completed and Evolution commenced trading on 16 November 2021. Therefore, the Chilalo Graphite Project has been disposed of by the group (see note 18).

Notes to the financial statements

9. Trade and other payables

	31 December 2021 $	30 June 2021 $
Creditors	80,410	1,127,195
Accruals	15,000	438,887
Other payables	175,055	97,961
	270,465	**1,664,043**

10. Provisions

	31 December 2021 $	30 June 2021 $
Current		
Provision for annual leave	33,587	68,160
Provision for long service leave	116,740	-
	150,327	**68,160**
Non-current		
Provision for long service leave	-	102,858
	-	**102,858**

Long service leave has moved to a current liability as all employees that have accrued long service leave have or will conclude their employment contracts with the Company and be paid out long service leave in the next 12 months.

11. Liabilities directly associated with assets classified as held for sale

	31 December 2021 $	30 June 2021 $
Current		
Interim Loan Notes drawn	(8,730,035)	(6,661,275)
Borrowing costs	-	(150,000)
Fair value gain on modification of terms	488,023	1,307,349
Effective interest capitalised	(955,858)	(4,010,260)
Foreign currency movement	(302,130)	784,151
Deconsolidation of subsidiary and loan	9,500,000	-
	-	**(8,730,035)**

On 27 April 2021, the Company entered into a deed of consent with the Company's financier (**Deed of Consent**) in relation to the Loan Notes. The Deed of Consent facilitated fixing the balance of the loan at $9.5 million, should the IPO of Evolution occur prior to 30 November 2021. The IPO concluded on 16 November 2021 in which Evolution was spun out including the loan which was repaid with the proceeds of the IPO.

Notes to the financial statements

11. Liabilities directly associated with assets classified as held for sale (continued)

Net debt reconciliation

	Loans and Borrowings $	Cash $	Net debt $
30 June 2020	-	-	-
Reclassification – liabilities directly associated with assets classified as held for sale from Loans and Borrowings	(8,846,588)	304,633	(8,541,955)
Cashflows	-	1,192,089	1,192,089
Fair value gain on the modification of terms	1,307,349	-	1,307,349
Capitalised interest	(2,009,154)	-	(2,009,154)
Borrowing costs	150,000	-	150,000
Foreign exchange differences	668,358	10,236	678,594
30 June 2021	**(8,730,035)**	**1,506,958**	**(7,223,077)**
Cashflows	-	418,439	418,439
Fair value gain on the modification of terms	488,926	-	488,926
Capitalised interest	(955,858)	-	(955,858)
Borrowing costs	-	-	-
Foreign exchange differences	(303,033)	-	(303,033)
Deconsolidation of subsidiary and loan	9,500,000	-	9,500,000
31 December 2021	**-**	**1,925,397**	**1,925,397**

12. Share capital

	31 December 2021 Shares	31 December 2021 $	30 June 2021 Shares	30 June 2021 $
(a) Issued and paid up capital				
Ordinary fully paid shares	**586,932,808**	**35,765,636**	**508,644,058**	**31,134,472**
(b) Movement in ordinary shares				
Opening balance	508,644,058	31,134,472	115,011,555	20,272,214
Issue of equities				
Shares issued as consideration for annual leave	-	-	2,851,717	57,034
Shares issued as consideration for project acquisition[1]	8,000,000	416,000	35,000,000	700,000
Shares issued to interim loan note holders	-	-	7,500,000	150,000
Employee exercise of options	288,750	16,459	-	-
Issue of shares	70,000,000	4,200,000	348,280,786	10,750,231
Less: Transaction costs arising on share issues	-	(1,295)	-	(795,007)
Movement for the period	78,288,750	4,631,164	393,632,503	10,862,258
Closing balance	**586,932,808**	**35,765,636**	**508,644,058**	**31,134,472**

[1] During the period the Company made two share issues to Oklo Resources Limited (**Oklo**) under a shareholders' agreement between Oklo and the Company. The shares were issued on successful renewals of prospecting licenses in Mali. On the 15 November 2021, 6 million shares were issued and on 24 November 2021, a further 2 million shares. These shares were recognised as deferred consideration when the acquisition occurred in the prior period at a fair value of $0.052 per share. The value of the shares was initially recognised in the share based payment reserve (see note 13) and have now been moved to share capital.

Notes to the financial statements

12. Share capital (continued)

(c) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of, and amounts paid on, shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote. Upon a poll, each fully paid share has one vote.

13. Reserves

The following table shows a breakdown of the statement of financial position line item 'reserves' and the movements in these reserves during the period. A description of the nature and purpose of each reserve is provided below.

	Share based payments	Foreign currency translation	Total reserves
	$	$	$
At 30 June 2020	**1,340,505**	**(23,724)**	**1,316,781**
Translation of foreign subsidiaries	-	111,684	111,684
Other comprehensive income	-	111,684	111,684
Transactions with owners in their capacity as owners			
Employee share based payments expense	593,258	-	593,258
Deferred share consideration for acquisition	1,040,000	-	1,040,000
At 30 June 2021	**2,973,763**	**87,960**	**3,061,723**
Translation of foreign subsidiaries	-	38,460	38,460
Other comprehensive income	-	38,460	38,460
Transactions with owners in their capacity as owners			
Shares issued as consideration for project acquisition	(416,000)	-	-
Employee share based payments expense	600,683	-	600,683
Employee options lapsed	(688,475)	-	(688,475)
Employee options exercised	(16,459)	-	(16,459)
At 31 December 2021	**2,453,512**	**126,420**	**2,579,932**

(a) Nature and purpose of reserves

(i) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of the Company's net investment in a foreign subsidiary.

(ii) Share based payment reserve

The share-based remuneration reserve is used to recognise the fair value of options issued.

14. Retained earnings

	31 December 2021	30 June 2021
	$	$
Opening balance	(34,562,006)	(25,564,936)
Employee options lapsed and transferred to retained earnings	688,475	-
Net gain / (loss) for the period	10,260,430	(8,997,070)
Closing balance	**(23,613,103)**	**(34,562,006)**

Notes to the financial statements

15. Cash flow information

	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
(a) Reconciliation of operating loss after income tax to the net cash flows from operating activities:		
Loss for the period	10,260,430	(8,997,070)
Adjustments for:		
Depreciation	55,722	94,573
Non-cash gain on demerger of subsidiaries	(16,938,342)	-
Non-cash fair value adjustment to loan	(488,928)	(1,307,349)
Non-cash employee options exercised	(16,498)	-
Non-cash employee benefits expense - share based payments	600,721	593,258
Non-cash share capital issued for exploration and evaluation	588,459	-
Non-cash costs of interim loan notes capitalised	955,858	2,068,654
Non-cash share of loss of associate	1,393,578	
Net exchange differences	(261,480)	(453,950)
Changes in operating assets and liabilities:		
Changes in trade and other receivables	290,376	(508,013)
Changes in provisions	(1,393,578)	(100,951)
Changes in trade and other payables	(20,690)	1,226,843
Net cash (outflow) from operating activities	**(4,974,372)**	**(7,384,005)**

(b) Non-cash investing and financing activities

There were no non-cash investing or financing activities for the six months ended 31 December 2021.

16. Financial risk management

The Company and Group's activities expose it to a variety of financial risks, including market, foreign currency, credit and liquidity risk. For the Group, market risk includes:

- Interest rate risk; and
- Foreign exchange risk.

Financial risk management is carried out by the Group's Managing Director and Chief Financial Officer, in close co-operation with the Board. The Group obtains independent external advice as required to assist it in understanding and managing its exposures and risks.

The Group held the following financial instruments at reporting date:

	Note	6 months ended 2021 $	12 months ended 2021 $
Financial Assets			
Cash and cash equivalents	4	1,954,578	1,506,958
Trade and other receivables	5	1,360,538	650,914
Total Financial Assets		**3,315,116**	**2,157,872**
Financial Liabilities			
Trade and other payables	9	(270,465)	(1,664,043)
Liabilities directly associated with assets classified as held for sale	11	-	(8,730,035)
Total Financial Liabilities		**(270,465)**	**(10,394,078)**

Notes to the financial statements

16. Financial risk management (continued)

(a) Market risk

(i) Interest rate risk

The Group and the Company are exposed to interest rate volatility on deposits and loans. Deposits and loans at variable rates expose the Group and the Company to cash flow interest rate risk. Deposits and loans at fixed rates expose the Group to fair value interest rate risk.

	Effective Average Interest Rate (%)	Variable Interest Rate $	Fixed Interest Rate $	Non-Interest Bearing $	Total $
31 December 2021 (consolidated)					
Financial Assets					
Cash and cash equivalents	0.09%	1,767,790	-	186,788	1,954,578
Trade and other receivables	0.00%	-	-	-	-
		1,767,790	**-**	**186,788**	**1,954,578**
Financial Liability					
Trade and other payables	0.00%	-	-	(270,465)	(270,465)
		-	**-**	**(270,465)**	**(270,465)**
30 June 2021 (consolidated)					
Financial Assets					
Cash and cash equivalents	0.01%	1,170,411	-	336,547	1,506,958
Trade and other receivables	0.00%	-	-	650,914	650,914
		1,170,411	**-**	**987,461**	**2,157,872**
Financial Liability					
Trade and other payables	0.00%	-	-	(1,664,043)	(1,664,043)
Liabilities directly associated with assets classified as held for sale	24.70%	-	(8,730,035)	-	(8,730,035)
		-	**(8,730,035)**	**(1,664,043)**	**(10,394,078)**

Sensitivity Analysis

The following tables summarise the sensitivity of the Group's financial assets to interest rate risk. Had the relevant variables, as illustrated in the tables, moved with all other variables held constant, post-tax loss and equity would have been affected as shown below.

		Interest Rate Risk -100 basis points (-1%)		Interest Rate Risk +100 basis points (+1%)	
	Carrying Amount $	Net Profit / (Loss) $	Equity $	Net Profit / (Loss) $	Equity $
31 December 2021 (consolidated)					
Financial Assets					
Cash and cash equivalents	1,767,790	(17,678)	(17,678)	17,678	17,678
	1,767,790	**(17,678)**	**(17,678)**	**17,678**	**17,678**
30 June 2021 (consolidated)					
Financial Assets					
Cash and cash equivalents	1,170,411	(11,704)	(11,704)	11,704	11,704
	1,170,411	**(11,704)**	**(11,704)**	**11,704**	**11,704**

Notes to the financial statements

16. Financial risk management (continued)

(ii) Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from costs incurred in currencies other than the functional currency of the Company and Group entities.

The Group operates internationally and is primarily exposed to foreign exchange risk arising from currency exposures to the United States dollar, the Tanzanian shilling and the CFA franc.

The Group has a Treasury Policy that stipulates foreign currency risk management measures. It provides that the Company shall hold one month's forward looking foreign currency cash requirement. Management should not exercise discretion in the timing of purchases such that it is seen to be speculating on foreign currency movements. Should the exchange rate be favourable to the budgeted exchange rate, the Company can hold up to three months of forecast foreign cash requirements. The Group monitors foreign currency expenditure in light of exchange rate movements.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars was as follows.

Foreign currency balances	31 December 2021		30 June 2021		
	US Dollar	CFA Franc	USD	Tanzanian Shilling	CFA Franc
Cash at bank	-	148,785	119,249	5,133	180,621
Trade receivables	-	-	-	27,198	-
Trade payables	-	43	(62,963)	(13,146)	-
Liabilities directly associated with assets classified as held for sale	-	-	(8,730,035)	-	-

During the period, the Company disposed of its Tanzanian subsidiary. Therefore, as outlined in the table above there is no further foreign currency risk associate with the Tanzanian Shilling. The Company generally holds some USD in cash and USD creditors on the balance sheet however at period end there were none.

Sensitivity analysis	10% Strengthening to the AUD		10% Weakening to the AUD	
	Equity $	Net Profit / (Loss) $	Equity $	Net Profit / (Loss) $
31 December 2021 (Consolidated)				
USD (10% movement)	-	-	-	-
XOF (10% movement)	-	13,526	-	(16,532
30 June 2021 (Consolidated)				
USD (10% movement)	(13,250)	(881,590)	10,841	1,077,499
TZS (10% movement)	1,277	467	(1,561)	(570)
XOF (10% movement)	-	16,420	-	(20,069)

(b) Liquidity risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner.

The Group's treasury function continually reviews the Group's liquidity position, including cash flow forecasts, to determine the forecast liquidity position and maintain appropriate liquidity levels.

Notes to the financial statements

16. Financial risk management (continued)

Contractual maturities of financial liabilities	Less than 1 year $	Between 1 and 2 years $	Total contractual cash flows $	Carrying amount $
31 December 2021 (Consolidated)				
Trade and other payables	270,465	-	270,465	270,465
	270,465	**-**	**270,465**	**270,465**
30 June 2021 (Consolidated)				
Trade and other payables	1,664,043	-	1,664,043	1,664,043
Liabilities directly associated with assets classified as held for sale	8,730,035	-	8,730,035	8,730,035
	10,394,078	**-**	**10,394,078**	**10,394,078**

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

(i) Cash at bank

The Group manages its credit risk on financial instruments, including cash, by only dealing with banks licensed to operate in Australia and a credit rating of AA or higher.

(ii) Trade and other receivables

The group operates in the mining exploration sector and does not have trade receivables from customer. It does however have credit risk arising from other receivables.

(iii) Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	31 December 2021 $	30 June 2021 $
Financial Assets			
Cash and cash equivalents	4	1,954,578	1,506,958
Trade and other receivables	5	1,360,538	650,914
Total Financial Assets		**3,315,116**	**2,157,872**

(d) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) (level 2); and

(c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying amounts and estimated fair values of all the Group's financial instruments recognised in the financial statements are materially the same.

Notes to the financial statements

17. Capital management

(a) Risk management

The Group's policy is to maintain a strong capital base so as to ensure investor, creditor and market confidence and to sustain future development of the business.

The Company has welcomed equity investment from major stakeholders so that goals are aligned and there is a vested interest in the Group's success. Current stakeholders that are also shareholders include major suppliers for exploration, project management and feasibility studies advisors, corporate advisors, Directors, executives and employees.

The Company monitors its total shares on issue, market capitalisation and enterprise value on a regular basis so as to maintain a critical balance between having its strategy fully funded and minimising existing shareholder dilution.

As disclosed in note 11, the Company incurred a debt during 2018 in the form of the Interim Loan Notes to help fund development of the Chilalo Project. The financier made a decision to not proceed with the senior funding arrangement. The Company had chosen to take on this debt as opposed to issuing additional shares so as to avoid excessive shareholder dilution at the Company's current market capitalisation. The Company was aiming to fund ongoing project development at a gearing ratio of 50%.

	31 December 2021 $	30 June 2021 $
Net debt	-	(7,873,517)
Share capital	31,134,472	31,134,472
Net debt to equity ratio	**0%**	**25%**

(b) Dividends

Up until the date of this report, no dividend has been declared or paid by the Company.

18. Deconsolidation of subsidiaries

On 15 March 2021, Evolution was incorporated as a wholly owned subsidiary of the Company. On 11 May 2021 the Company announced its intention to spin out and IPO its Tanzania graphite project Chilalo. As part of the spin out the Company's subsidiary Graphex Mining UK No.1 Limited (**GUK**) and its subsidiary Ngwena Tanzania Limited (**NTL**) were sold to Evolution whilst under common control. On 16 November 2021, the Company completed the divestment of the Chilalo Project and IPO of Evolution to facilitate the listing of Evolution on the Australian Securities Exchange. On this date, the disposal and loss of control occurred. A total of $2 million cash was paid to marvel and 50 million Evolution shares issued to Marvel, as consideration for the sale of GUK, NTL and the Chilalo Project.

The fair value of the 50 million shares issued to the Company was calculated by reference to the IPO price of Evolution being $0.20 per share. This gives a fair value of consideration received of $12 million being $2 million in cash and $10 million in share capital of Evolution.

Notes to the financial statements

18. Deconsolidation of subsidiaries (continued)

Assets and liabilities of Evolution on the date of demerger	16 November 2021
Assets	
Cash	2,081,387
Other receivables	64,874
Fixed assets	3,413
Exploration and evaluation	3,000,000
Total Assets	**5,149,674**
Liabilities	
Trade and other payables	588,016
Loans and borrowings	9,500,000
Total Liabilities	**10,088,016**
Net liabilities disposed	**(4,938,342)**
Consideration	
Cash	2,000,000[1]
Shares in Evolution	10,000,000
Total consideration	**12,000,000**
Net liabilities disposed	4,938,342
Gain on demerger	**16,938,342**

[1] As at 31 December 2021 $1 million had been received with a further $1 million received subsequent to period end.

19. Investments accounted for using the equity method – associate

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

		Ownership interest	
	Principal place of business / country of incorporation	**31 December 2021**	**30 June 2021**
Name of associate		**%**	**%**
Evolution Energy Minerals Limited	Australia	31%	-

Notes to the financial statements

19. Investments accounted for using the equity method – associate (continued)

Summary statement of financial position	31 December 2021
Current assets	10,960,720
Non-current assets	5,005,289
Total assets	**15,966,009**
Current liabilities	1,321,366
Non-current liabilities	-
Total liabilities	**1,321,366**
Net assets	**14,644,643**
Summary statement of profit and loss and other comprehensive income	
Income	489,928
Expenses	(4,975,734)
Profit after income tax	**(4,486,724)**
Other comprehensive income	(28,506)
Total comprehensive income	**(4,515,230)**

Commitments of associate

There were no material commitments.

Contingent liabilities of associate

As at 31 December 2021, Evolution is a party to a net sales return royalty deed. Under the terms of this deed the Company must pay ARCH SRF a royalty of 1.7% of future sales from the Chilalo graphite project less allowable deductions. Allowable deductions include the costs of processing, freight, handling, marketing, and administration costs. The royalty is uncapped and is for the life of the project.

Reconciliation of carrying value	31 December 2021 $	30 June 2021 $
Opening balance – net assets on date of acquisition – 16 November 2021	19,159,873	-
Loss for the period	(4,515,230)	-
Closing net assets	**14,644,643**	
Groups share in %	31%	-
Groups share in $	4,539,839	-
Fair value uplift on acquisition	4,065,495	-
Carrying amount	**8,605,334**	**-**

As at period end the Company held 50 million shares in Evolution (ASX ticker: EV1). For the details of the sale and deconsolidation of Evolution, including the fair value of the consideration refer to note 18. The Company accounts for its shares in Evolution as an associate as it fails the recognition criteria of control, however retains significant influence as defined in *AASB 128 Investments in Associates and Joint Ventures*. The Company has significant influence over Evolution by virtue of its 31% shareholding and holding one Board seat on the current Board of four.

Notes to the financial statements

20. Interests in other entities

The Group's principal subsidiaries as at 31 December 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of incorporation	Class of shares	Equity Holding 31 December 2021 %	Equity Holding 30 June 2021 %
Marvel Gold Australia Pty Ltd	Australia	Ordinary	100	100
Evolution Energy Minerals Limited	Australia	Ordinary	-[1]	100
Evolution Energy Holdings Pty Ltd	Australia	Ordinary	-[1]	100
Graphex Mining UK No.1 Limited	United Kingdom	Ordinary	-[1]	100
Oklo South Mali Limited	United Kingdom	Ordinary	80	80
Ngwena Tanzania Limited	Tanzania	Ordinary	-[1]	100
Kolon Mining SARL	Mali	Ordinary	80	80
Sola Mining SARL	Mali	Ordinary	80	80
Yanfo SARL	Mali	Ordinary	80	80
South East Mali Gold	Mali	Ordinary	100	100
South Mali Gold	Mali	Ordinary	100	100
Marvel Gold Exploration SARL	Mali	Ordinary	100	100

[1] Refer to note 18.

Non-controlling interest

The company recognises a non-controlling interest on its balance sheet for the 20% shareholding held by Oklo Resources Limited in Oklo South Mali Limited. Oklo South Mail Limited owns 100% of the share capital of Kolon Mining SARL, Sola Mining SARL and Yanfo SARL.

	31 December 2021
Summary statement of financial position for the consolidated entities	
Current assets	30,279
Non-current assets	1,589,166
Total assets	**1,619,445**
Current liabilities	5,960
Non-current liabilities	-
Total liabilities	**5,960**
Net assets	**1,613,485**
Summary statement of profit and loss and other comprehensive income	
Income	-
Expenses	(103,199)
Loss after income tax	**(103,199)**
Other comprehensive income	-
Total comprehensive loss	**(103,199)**

Notes to the financial statements

20. Interests in other entities (continued)

Commitments

There were no material commitments.

21. Contingent liabilities

(a) Deferred share consideration

The Group had the following contingent liabilities as at 31 December 2021. As part of the Company's joint venture with Oklo, the Company has three deferred consideration milestones which are:

The Company will issue 12,000,000 shares on the successful renewal of all joint venture tenements that are yet to be renewed. Eight million shares have been issued to Oklo as at 31 December 2021, with the issue of a further 12,000,000 shares contingent on further tenement renewals.

The Company will issue 10,000,000 shares within 5 business days of Marvel announcing:

- a JORC 2012 Mineral Resource at the Yanfolila or Kolondieba projects of any resource category of not less than 500,000 oz of gold or gold equivalent at a minimum grade of 1 g/t; or
- a JORC 2012 Mineral Resource at the Sirakourou, Solabougouda and Solabougouda South licences (now part of the Tabakorole project) of any resource category of not less than 350,000 oz of gold or gold equivalent at a minimum grade of 1 g/t.

The Company will issue a further 10,000,000 Marvel shares to Oklo within 5 business days of Marvel announcing:

- a JORC 2012 Mineral Resource at the Yanfolila and Kolondieba projects of any resource category of not less than 1,000,000 oz of gold or gold equivalent at a minimum grade of 1 g/t; or
- a JORC 2012 Mineral Resource at the Sirakourou, Solabougouda and Solabougouda South (now part of the Tabakorole project) licences of any resource category of not less than 700,000 oz of gold or gold equivalent estimated at a minimum grade of 1 g/t.

(b) Royalty

On 17 June 2020, the Company entered into a royalty agreement with its joint venture partner Altus over the tenements Tabakorole and Lakanfla in Mali (**Royalty Agreement**). The Royalty Agreement requires that where either project is bought into production, a 2.5% royalty is payable to Altus on gross revenue less allowable deductions. Allowable deductions include the costs of smelting, refining, freight, sale, marketing and taxation costs. The royalty is therefore contingent on future production at Tabakorole and Lakanfla.

22. Commitments

(a) Exploration commitments

The Company is required to meet certain minimum expenditure commitments on the mineral exploration assets in which it has an interest. The minimum expenditure commitment is set out in the Prospecting Licences held by the Group. Outstanding exploration commitments are as follows:

	31 December 2021 $	30 June 2021 $
- not later than one year	508,842	1,860,266
- beyond one year	2,905,527	-
	3,414,369	**1,860,266**

Notes to the financial statements

22. Commitments (continued)

(b) Prospecting and mining licence rentals

	31 December 2021 $	30 June 2021 $
- not later than one year	216,291	287,495
- beyond one year	-	-
	216,291	**287,495**

The Company pays an annual lease amount for the tenements it holds. The leases can be relinquished on or before the anniversary date, therefore there are no contractual commitments beyond one year. The Company has no current plans to drop any existing tenements.

23. Events occurring after reporting date

Subsequent to period end, the Company:

- Amended the joint venture with Altus Srategies plc (**Altus**) which included:
    - Increasing the Company's ownership in Tabakorole to 70%
    - By spending an additional $5 million the Company's interest will increase to 75%
    - Returning the Lakanfla license to Altus
    - Deferral of the date on which the Company is requires to proceed to a definitive feasibility study by two years from December 2021 to December 2023
- The Managing Director Mr Philip Hoskins moved to Non-Executive Director and Executive Director Technical Mr Chris van Wijk was appointed as Managing Director.
- The Company completed a non-renounceable entitlement offer to raise $4 million before costs. The Company mandated Euroz Hartleys to place the shortfall shares of $1.2 million which is expected to be completed by 6 April 2022.

24. Related party transactions

(a) Parent entity

Marvel Gold Limited is the ultimate Australian parent entity of the Group. Marvel Gold Limited is a company limited by shares that is incorporated and domiciled in Australia.

(b) Subsidiaries

Interests in subsidiaries are set out in note 20.

(c) Group transactions

Controlled entities made payments and received funds on behalf of the Company and other controlled entities by way of inter-company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand, however demand for repayment is not expected in the next twelve months.

Notes to the financial statements

24. Related party transactions (continued)

(d) Key management personnel compensation

	6 months to 31 December 2021 $	12 months to June 2021 $
Short-term employee benefits	404,194	900,426
Post-employment benefits	26,826	71,394
Annual and long service leave	42,950	107,613
Share-based payments	512,723	527,523
Cash bonuses	137,500	-
Shared Services Recovery[1]	(136,600)	(361,390)
	987,593	**1,245,566**

[1] The Group was a party to a Shared Services Agreement with Evolution, Matador Mining Limited, Lotus Resources Limited, Wia Gold Limited, Cradle Resources Limited and Frontier Energy Limited under which the Company shared certain costs. During the year, Executives Mr McKenzie and Mr Knee spent a portion of their time working for the above-mentioned companies, with this time recharged by the Group on an at cost basis. This is included above as the Shared Services Recovery.

Detailed remuneration disclosures are provided in the Remuneration Report.

(e) Other KMP transactions

Mr. Hoskins is a Non-Executive Director of Evolution Energy Limited (**Evolution**) (and transitioned to Managing Director subsequent to period end) an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

Mr. Pardey and Mr. van Wijk are Non-Executive Chairman and Non-Executive Director respectively of Wia Gold Limited an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below.

Mr. Knee was a Director of Frontier Energy Limited (**Frontier**), formerly Superior Lake Resources Limited an ASX listed Company that has a Shared Services Agreement with the Company. Under this arrangement the Company provides company secretarial, accounting and administration services. Payments made under these arrangements for the period are set out below. Mr. Knee resigned as a Director of Frontier on 1 December 2021.

	6 months to 31 December 2021 $	12 months to 30 June 2021 $
Related party transactions		
Receipts from Evolution (ex-GST)	26,411	-
Receipts from Wia (ex-GST)	23,699	-
Receipts from Frontier (ex-GST)	24,609	102,955
Amounts outstanding to Evolution at period end	733	-
Amounts outstanding to Wia at period end	733	-
Amounts outstanding to Frontier at period end	733	5,574

Notes to the financial statements

24. Related party transactions (continued)

During the six months ended 31 December 2021 the Company issued the following options to Directors and KMP.

Date options granted	Expiry date	Exercise price	Number under option
25-Nov-21	25-Nov-24	Nil	4,346,154
25-Nov-21	25-Nov-26	Nil	4,346,154
27-Aug-21	27-Aug-24	Nil	1,116,924
27-Aug-21	27-Aug-26	Nil	1,116,924
25-Nov-21	25-Nov-24	$0.065	6,000,000
			16,926,156

Further details of the options issued included the inputs used to determine the fair value of the share based payments are included in note 25 below.

25. Share-based payments

(a) Employee option plan

Information on the Company's Option Plan (**Plan**) was set out in the Company's Replacement Prospectus lodged on 14 November 2019. Given the disclosure of the Plan in the Replacement Prospectus, the issue of shares under the Plan rules does not count towards the Company's share issuance capacity under ASX listing Rules 7.1 and 7.1A. The Plan is designed to:

a) assist and reward the retention and motivation of employees;
b) link employee reward to shareholder value creation; and
c) align the interests of employees with shareholders by providing an opportunity for employees to receive an equity interest in the Company in the form of Options.

Under the Plan, participants are granted options which vest when issued. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

The Employee may exercise the option at any time after issue. To exercise an option, an employee must deliver a signed notice of exercise and, subject to a cashless exercise of options, pay the option exercise price prior to the expiry date. An option may specify that at the time of exercise, the employee may elect not to be required to provide payment of the option exercise price. Alternatively, the Company will transfer or issue to the employee that number of shares equal in value to the positive difference between the market value of the shares at the time of exercise and the option exercise price that would otherwise be payable to exercise those options.

The Board has determined that STI awards and LTI awards will be equity settled to ensure alignment with shareholders' interests and to preserve cash.

Options are granted under the Plan for no cash consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share subject to the payment of any applicable exercise price.

	31 December 2021		30 June 2021	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
As at 1 July	$0.058	36,100,000	Nil	5,622,000
Granted during the period [1]	$0.026	23,487,694	$0.058	36,100,000
Exercised during the period	Nil	Nil	Nil	(384,000)
Forfeited or lapsed during the period	Nil	Nil	Nil	(5,238,000)
As at 31 December / 30 June	**$0.045**	**59,587,694**	**$0.058**	**36,100,000**

[1] Of the options issued 7,393,847 options were STI's and 6,593,847 were LTI's.

Notes to the financial statements

25. Share-based payments (continued)

Options outstanding at the end of the period have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Options	Vested and exercisable
20-Jul-20	29-Jul-24	$0.035	18,050,000	18,050,000
20-Jul-20	29-Jul-24	$0.060	9,025,000	9,025,000
20-Jul-20	29-Jul-24	$0.100	9,025,000	9,025,000
27-Aug-21	27-Aug-24	$0.060	3,500,000	3,500,000
27-Aug-21	27-Aug-24	Nil	3,047,693[1]	Nil
27-Aug-21	27-Aug-26	Nil	2,247,693[2]	Nil
25-Nov-21	25-Nov-24	Nil	4,346,154[1]	Nil
25-Nov-21	25-Nov-26	Nil	4,346,154[2]	Nil
25-Nov-21	25-Nov-24	0.065	6,000,000	6,000,000
Total			**59,587,694**	**45,600,000**

[1] STI's
[2] LTI's

Weighted average remaining contractual life of options outstanding at period end is 3.08 years (2021: 3.08 years).

Fair value of options granted

The fair value of services received in return for the share options granted is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology for all options with an exercise price. The zero-exercise price options in the form of STIs and LTIs both have KPIs relating to total shareholder return. Where this market-based condition exists, a hybrid share options pricing model has been used to value the options.

The assumptions used for the options valuation are as follows:

	ESS options	ESS options STI's	ESS options LTI's	Director options STI's	Director options LTI's	Director options
Underlying value of the security	$0.057	$0.057	$0.057	$0.069	$0.069	$0.069
Period issued	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21
Valuation method	Black-Scholes options pricing model	Hybrid share options pricing model	Hybrid share options pricing model	Hybrid share options pricing model	Hybrid share options pricing model	Black-Scholes options pricing model
Market based conditions	No	Yes	Yes	Yes	Yes	No
Exercise price	$0.06	Nil	Nil	Nil	Nil	$0.065
Valuation date	27/08/21	27/08/21	27/08/21	25/11/21	25/11/21	25/11/21
Vesting date	27/08/21	01/07/22	01/07/24	01/07/22	01/07/24	25/11/21
Expiry date	27/08/24	27/08/24	27/08/26	25/11/24	25/11/26	25/11/24
Risk free rate	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Volatility	136%	136%	136%	136%	136%	136%
Life of Options in years	3.00	3.00	5.00	3.00	5.00	3.00
Number of Options	3,500,000	3,047,693	2,247,693	4,346,154	4,346,154	6,000,000
Valuation per Option	$0.043	$0.047	$0.065	$0.055	$0.055	$0.047
Amount expensed during the year	$51,314	$67,786	$15,534	$133,575	$47,894	$284,618

Notes to the financial statements

25. Share-based payments (continued)

(b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions during the period were as follows:

	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Options issued under the Plan	600,721	593,258
	600,721	**593,258**

At the end of each reporting period, the Company applies a probability to options with non-market based vesting criteria to reflect the likely number of options that will vest at the end of the vesting period taking into consideration all the vesting criteria.

(c) Other share-based payments

The Group had the following contingent liabilities as at 30 June 2021. As part of the Company's joint venture with Oklo, the Company has three deferred consideration milestones which are:

The Company will issue 12,000,000 shares on the successful renewal of all joint venture tenements that are yet to be renewed. Eight million shares have been issued to Oklo as at 31 December 2021 with 12,000,000 contingent on further renewals.

The Company will issue 10,000,000 shares within 5 business days of Marvel announcing:

- a JORC 2012 Mineral Resource at the Yanfolila or Kolondieba projects of any resource category of not less than 500,000 oz of gold or gold equivalent at a minimum grade of 1 g/t; or
- a JORC 2012 Mineral Resource at the Sirakourou, Solabougouda and Solabougouda South licences (now part of the Tabakorole project) of any resource category of not less than 350,000 oz of gold or gold equivalent at a minimum grade of 1 g/t.

The Company will issue a further 10,000,000 shares within 5 business days of Marvel announcing:

- a JORC 2012 Mineral Resource at the Yanfolila and Kolondieba projects of any resource category of not less than 1,000,000 oz of gold or gold equivalent at a minimum grade of 1 g/t; or
- a JORC 2012 Mineral Resource at the Sirakourou, Solabougouda and Solabougouda South (now part of the Tabakorole project) licences of any resource category of not less than 700,000 oz of gold or gold equivalent estimated at a minimum grade of 1 g/t.

26. Remuneration of auditors

During the period, the following fees were paid and payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) BDO Audit (WA) Pty Ltd

	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
(i) Audit and assurance services		
Audit and review of financial statements	33,000	35,500
Other assurance services	-	-
Total audit and assurance remuneration	**33,000**	**35,500**

(b) PricewaterhouseCoopers (Tanzania component auditor)

(i) Audit and assurance services		
Audit of financial statements	-	15,743
Total audit and assurance remuneration	**-**	**15,743**

Notes to the financial statements

27. Earnings per share

	6 months ended 31 December 2021 $	12 months to 30 June 2021 $
(a) Basic earnings / (loss) per share		
From continuing operations attributable to ordinary equity holders	0.02	(0.02)

The weighted average number of shares used to calculate both the basic and diluted earnings per share is 537,136,887 (30 June 2021: 442,550,279).

(b) Fully diluted earnings / (loss) per share		
From continuing operations attributable to ordinary equity holders	0.02	(0.02)

(c) Information concerning the classification of securities

Options granted to employees under the Plan and those issued to contractors are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share with the assumption all such options will vest, and to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 24.

28. Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

(a) Summary of financial information

	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Statement of financial position		
Current assets	3,290,893	1,552,858
Total assets	14,118,117	3,423,392
Current liabilities	(416,024)	(10,963,455)
Total liabilities	(416,024)	(11,066,312)
Shareholders' equity		
Issued capital	35,765,636	31,134,472
Non-controlling interest	322,697	
Reserves	1,413,512	1,933,763
Retained earnings	(23,799,752)	(40,711,155)
Total shareholders' equity	13,702,093	(7,642,920)
Profit / (Loss) for the period	**16,911,403**	**(10,213,644)**
Total comprehensive profit / (loss)	**16,911,403**	**(10,213,644)**

(b) Guarantees

Marvel, as the parent company, has provided no guarantees during the period.

(c) Commitments

The Company has no leases or commitments .

(d) Contingencies

Al contingencies outlined in note 20 are the contingent liabilities of the Company.

Notes to the financial statements

29. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. The financial statements are for the Group consisting of Marvel and its subsidiaries disclosed in note 19.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

(i) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(ii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 29.

(iii) New or amended Accounting Standards and Interpretations adopted

The accounting standards and interpretations relevant to the operations of the Group are consistent with those of the previous financial year. There are some amendments and interpretations effective for the first time from 1 July 2020, though they did not have any impact on the current period or any prior period and is not likely to affect future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(iv) Change in financial year end

The Company has changed its financial year end from 30 June to 31 December. The current period figures relate to six months from 1 July 2021 to 31 December 2021. The comparative amounts disclosed in the financial report and related notes are not comparable as the lengths of the periods differ by six months.

The following is a summary of the material accounting policies adopted by the consolidated Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.
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.

(v) Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group generated a gain of $10,260,430 (June 2021: 8,885,386 loss) and had net cash outflows from operating activities of $4,974,372 (June 2021: $7,384,005) for the period ended 31 December 2021. As at that date, the Group had current assets of $2,894,324 (June 2021: $3,304,366 net liability). The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising capital from equity markets and managing cash flows in line with available funds.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report.

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:

- As disclosed in note 22 subsequent to period end the Company issued 115.56 million shares at a price of $0.045 per share to raise gross proceeds before costs of $5.2 million.
- The Group has the ability to issue additional equity securities under the Corporations Act 2001 to raise further working capital; and
- The Group has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

The ability of the Group to continue as a going concern and to fund its operational activities is dependent on the above assumptions.

Notes to the financial statements

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. The financial statements do 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.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Investments in subsidiaries are accounted for at cost in the parent entity information disclosures of Marvel.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset and costs directly attributable to bringing the asset to a working condition for their intended use.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation of plant and equipment is calculated on a straight-line basis so as to write off the net costs of each asset over the expected useful life. The rates vary between 2% and 50% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

(d) Impairment

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(e) Exploration and evaluation costs

Costs arising from the acquisition of exploration and evaluation activities are carried forward where these activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ongoing exploration activities are expensed as incurred.

The Directors believe that this policy results in the carrying value of exploration expenditure more appropriately reflecting the definition of an asset, being future benefits controlled by the Group. All costs carried forward are in respect of areas of interest in the exploration and evaluation phases and accordingly, production has not commenced.

Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, in particular when exploration for and evaluation of mineral resources

Notes to the financial statements

in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area.

Where tenements or part of an area of interest are disposed of, the proceeds of this partial disposal will reduce the value of the asset by the fair value of those proceeds. This recognises that part of the future economic benefit of the asset has effectively been disposed.

(f) Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable of the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax exposures

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made. The Company and its wholly owned Australian tax resident entities (Graphex UK No. 1 Limited) are part of a tax consolidated group.

(g) Other taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (**GST**) or value added tax (**VAT**), unless the GST / VAT incurred is not recoverable from taxation authorities. In this case it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST / VAT receivable or payable. The net amount of GST / VAT recoverable from, or payable to, taxation authorities is included with other receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows inclusive of GST / VAT. The GST / VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, taxation authorities are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST / VAT recoverable from, or payable to taxation authorities. The net of GST / VAT payable and receivable is remitted to the appropriate tax body in accordance with legislative requirements.

(h) Foreign currency translation

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Foreign currency transactions

Transactions in foreign currencies are translated to the respective financial currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional

Notes to the financial statements

currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities that are measured in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss, However, foreign currency differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the presentation currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(i) Accounts payable

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost when the Group becomes obliged to make payments resulting from the purchase of goods and services. The amounts are non-interest-bearing, unsecured and are usually paid within 30 days of recognition.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(k) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid, inclusive of on costs, when the liabilities are settled. The expense for non-accumulating sick leave is recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long-term employee benefits

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payment transactions

The fair value of options previously granted under the Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the Directors, employees or contractors become unconditionally entitled to the options.

The fair value of the options at grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Notes to the financial statements

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the consolidated statement of comprehensive income with a corresponding adjustment to equity.

The fair value of these equity instruments does not necessarily relate to the actual value that may be received in future by the recipients. The Company accounts for share based payments issued to non-employees in accordance with the share based payments standard.

(l) Revenue recognition

Interest revenue is recognised as it accrues in profit or loss, using the effective interest method.

(m) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. The Company uses an 'expected credit loss' (ECL) model to recognise an allowance if not collectable.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(n) Earnings per share (EPS)

Basic earnings per share

Basic EPS is calculated as the profit / (loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial period, adjusted for any bonus elements in ordinary shares issued during the period.

Diluted earnings per share

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(o) Cash and cash equivalents

For Consolidated Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Consolidated Statement of financial position.

(p) Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Notes to the financial statements

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and in the case of assets classified as held-to-maturity investments, re-evaluates this designation at each reporting date.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables (see notes 4 and 5).

When an investment is derecognised, the cumulative gain or loss in equity is transferred to the consolidated statement of comprehensive income. Fair value is determined by reference to the quoted price at the reporting date.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits with original maturities of three months or less.

(ii) Non-derivative financial liabilities

All financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or have expired.

The Group classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans from related parties and trade and other payables.

(iii) Loans and Borrowings

The Company entered into a Loan Note Subscription Agreement with funds managed by Castlelake L.P. to raise US$5 million from the issue of secured Interim Loan Notes. At the end of the period, the Company has drawn the US$5 million Interim Loan Notes available. Full details of the Interim Loan Notes are outlined in note 11.

The Loan Notes are valued at amortised cost using the effective interest method over the life of the loan. During the year the Company entered into the Deed of Consent with the financier that effectively fixed the loan balance at $9.5 million immediately prior to deconsolidating Evolution the Company's subsidiary which held the debt.

(q) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(r) Segment reporting

Segment results that are reported to the Group's Managing Director (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

(s) Parent entity information

The financial information for the parent entity, Marvel Gold Limited, disclosed in note 27 has been prepared on the same basis as the consolidated financial statements.

(t) Rounding

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument.

Notes to the financial statements

(u) Comparatives and restatements of prior year balances

Comparatives have been reclassified where appropriate to enhance comparability.

(v) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting (see note 28(w) below), after initially being recognised at cost.

(w) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the Group's policy described in line with note 28(d).

30. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Asset acquisition

The Group has determined that the acquisition of the Oklo Projects is deemed to be an asset acquisition not a business combination. In assessing the requirements of AASB 3 Business Combinations, the Group has determined that the assets acquired do not constitute a business. The assets acquired consists of mineral exploration tenements. When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in the purchase transaction and no deferred tax will arise in relation to the acquired asset as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition.

Exploration and evaluation

Exploration and evaluation acquisition costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the recoverability of the value of the asset. The Company assesses whether any impairment indicators may exist over the area of interest to assess recoverability each year.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Notes to the financial statements

Classification of loss of control
From completion of the spin out and IPO of Evolution, by virtue of the contractual rights contained in the Share Exchange Agreement, the retention of 31% of the ordinary share capital and the right to hold one Board seat on the current Board of four the Company has lost control of Evolution. This occurred on the date of IPO and resulted in the deconsolidation of Evolution and the subsequent recognition of an investment in an associate.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates.

As outlined in the events since the end of the financial year note in the Directors Report and note 10, as a result of the economic uncertainty caused by COVID-19, the Company's financier decided not to proceed with the previously announced financing of the development of the Company's Chilalo Graphite Project. The economic impact of COVID-19 and the subsequent market fallout resulted in a sharp decline in the Company's market capitalisation, and as such any project finance solution under terms previously agreed was likely to result in unacceptable dilution for the Company's shareholders. Subsequent to year end, the Company formalised revision of the terms of the terms Loan Note Subscription Agreement to defer repayment to 29 October 2022 and confining the Financier's security to Chilalo Project related assets and removing the Financier's legal recourse to the Company.

Other than as addressed in specific notes, there does not currently appear to be any other significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Directors declaration

In the opinion of the Directors:

(a) the consolidated financial statements and notes set out on pages 24 to 58 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   (ii) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial year ended on that date, and

(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; and

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Stephen Dennis
Chairman
PERTH
On this 31st day of March 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Marvel Gold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Marvel Gold 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 period then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the period ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO

Material uncertainty related to going concern

We draw attention to Note 29a(v) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for the demerger of Evolution Energy Minerals Limited ("EV1")

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 18, EV1 held the Group's Chilalo Project and during the period, EV1 was demerged from the Group, with the Group retaining a 31% interest. Demergers of this nature are not common transactions for the Group, the accounting is complex and resulted in a net gain within profit or loss and the recognition of an investment in associate in the statement of financial position as disclosed in Notes 18 and 19 in the Financial Report.	Our procedures included, but were not limited to: • Reviewing the relevant Agreements associated with the demerger; • Assessing the determination of fair value of consideration received; • Agreeing the completeness and accuracy of the EV1 assets and liabilities deconsolidated; • Testing the mathematical accuracy of the calculation of the net gain on demerger; • Evaluating management's determination of EV1 as an investment in associate in accordance with the relevant Accounting Standard; and • Assessing the appropriateness of the related disclosures in Note 18 and 19 in the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the period ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 19 of the directors' report for the period ended 31 December 2021.

In our opinion, the Remuneration Report of Marvel Gold Limited, for the period ended 31 December 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 31 March 2022

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 17 March 2022.

(a) DISTRIBUTION OF EQUITY SECURITIES

Ordinary Shares

			Number of holders	Number of shares
1	-	5,000	226	179,637
5,001	-	10,000	168	1,431,456
10,001	-	100,000	693	26,907,371
100,001		and over	370	558,414,344
			1,317	586,932,808
Number of holders holding less than a marketable parcel of shares			428	1,966,389

Unlisted Options

			Number of holders	Number of Unlisted Options
1	-	10,000	-	-
10,001	-	100,000	1	75,000
100,001		and over	13	59,512,694
			14	55,587,694

(b) TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of quoted shares as at 17 March 2022 are:

Rank	Name	Number of shares	% of shares
1.	CAPITAL DI LIMITED	80,000,000	13.63
2.	DEUTSCHE BALATON AKTIENGESELLSCHAFT	41,666,667	7.10
3.	CITICORP NOMINEES PTY LIMITED	31,362,925	5.34
4.	DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	25,679,488	4.38
5.	BPM CAPITAL LIMITED	25,000,000	4.26
6.	QUINTERO GROUP LIMITED	12,000,000	2.04
7.	MR MARTYN ROGER BROWN	11,000,000	1.87
8.	BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	10,712,686	1.83
9.	LONE JET PTY LTD	9,600,000	1.64
10.	MONTANA REALTY PTY LTD	8,500,000	1.45
11.	CLARKSON'S BOATHOUSE PTY LTD <CLARKSON SUPER FUND A/C>	8,079,330	1.38
12.	OKLO RESOURCES LIMITED	8,000,000	1.36
13.	2INVEST AG	7,945,492	1.35
14.	MR PHILIP HOSKINS	7,886,328	1.34
15.	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	7,266,667	1.24
16.	MR ANDREW CLAYTON <THE KING CAREY A/C>	7,000,000	1.19
16.	ZERRIN INVESTMENTS PTY LTD	7,000,000	1.19
18.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	6,854,308	1.17
19.	SUPER SECRET PTY LIMITED <TKOCZ SF A/C>	5,600,000	0.95
20.	MR BRIAN MCCUBBING <B MCCUBBING SUPER FUND A/C>	5,556,840	0.95
Total Top 20 holders of ORDINARY FULLY PAID SHARES		**326,710,731**	**55.66**
Total Remaining Holders Balance		**260,222,077**	**44.34**

ASX Additional Information

(c) TWENTY LARGEST HOLDERS OF UNLISTED OPTIONS

Rank	Name	Number of unlisted options	% of unlisted options
1.	MR PHILIP HOSKINS	15,250,000	25.59
2.	MR CHRISTOPHER PHILIP VAN WIJK	12,442,308	20.88
3.	MR ANDREW PARDEY	7,500,000	12.59
4.	MR RICHARD HENRY TOMLINSON	6,261,538	10.51
5.	MR STEPHEN BRUCE DENNIS + MRS ALISON JILL DENNIS <DENNIS SUPER FUND A/C>	5,300,000	8.89
6.	MR CHRISTOPHER BRUCE KNEE	4,266,924	7.16
6.	MRS RUTH MARY MCKENZIE + MR STUART ANDREW MCKENZIE	4,266,924	7.16
8.	MR ILIAS KEITA	2,700,000	4.53
9.	MR SIDI HAIDARA	1,200,000	2.01
10.	MR KAREL DONDERS	200,000	0.34
11.	MS JESSICA JANETH CABALLERO GONGORA	125,000	0.21
12.	MS TAMARA MCKAY	75,000	0.13

The options listed in the table above excludes all options issued to KMP under the employee share scheme up to 31 December 2021. These options will or have lapsed unexercised owing to a failure to meet applicable vesting criteria.

(d) SUBSTANTIAL SHAREHOLDERS

Capital DI Limited: 13.63%
Deutsche Baloton Aktiengesellschaft: 7.10%

(e) VOTING RIGHTS

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. Options have no voting tights until such time as they are exercised and shares have been issued.

(f) UNQUOTED SECURITIES >20% HOLDERS

Class	Holder	Number
Options exercisable @ $0.035, expiring 29/07/24	Phil Hoskins	5,125,000
	Chris van Wijk	4,375,000
Options exercisable @ $0.06, expiring 29/07/24	Phil Hoskins	2,562,500
	Chris van Wijk	2,187,500
Options exercisable @ $0.10, expiring 29/07/24	Phil Hoskins	2,562,500
	Chris van Wijk	2,187,500
Options exercisable at $0.06, expiring 27/08/2024	Richard Tomlinson	2,000,000
	Sidi Haidara	1,000,000
Options exercisable at $0.00, expiring 27/08/2024	Richard Tomlinson	1,130,769
Options exercisable at $0.00, expiring 27/08/2026	Richard Tomlinson	1,130,769

ASX Additional Information

Class	Holder	Number
	Christopher Knee	558,462
	Stuart McKenzie	558,462
Options exercisable at $0.065, expiring 25/11/2024	Stephen Dennis	3,000,000
	Andrew Pardey	3,000,000
Options exercisable at $0.00, expiring 25/11/2024	Phil Hoskins	2,500,000
	Chris van Wijk	1,846,154
Options exercisable at $0.00, expiring 25/11/2026	Phil Hoskins	2,500,000
	Chris van Wijk	1,846,154

(g) UNQUOTED SECURITIES

Class	Number of Holders	Number of Securities
Unlisted options, exercisable at $0.00, expiring 27/08/2024	8	3,047,692
Unlisted options, exercisable at $0.00, expiring 27/08/2026	3	2,247,692
Unlisted options, exercisable at $0.06, expiring 27/08/2024	3	3,500,000
Unlisted options, exercisable at $0.035, expiring 29/07/2024	8	18,050,000
Unlisted options, exercisable at $0.060, expiring 29/07/2024	8	9,025,000
Unlisted options, exercisable at $0.100, expiring 29/07/2024	8	9,025,000
Unlisted options, exercisable at $0.065, expiring 25/11/2024	2	6,000,000
Unlisted options, exercisable at $0.00, expiring 25/11/2024	2	4,346,154
Unlisted options, exercisable at $0.00, expiring 25/11/2026	2	4,346,154

(h) TENEMENT SCHEDULE

Tenement	Ownership	Project	Location
PR 15/758 - Tabakorole	70%	Tabakorole	Mali
PR 16/387 - Sirakourou	80%	Tabakorole	Mali
PR 19/1057 - Solabougouda	80%	Tabakorole	Mali
PR 17/879	80%	Kolondieba	Mali
PR 16/803	80%	Kolondieba North	Mali
PR 17/875	80%	Yanfolila	Mali
PR 16/802	80%	Yanfolila East	Mali
Npanyala	70%	Tabakorole	Mali
Sirakoroble South	70%	Tabakorole	Mali
Sirakourou South	100%	Tabakorole	Mali
Ngolobala	100%	Tabakorole	Mali
Tanhala	100%	Tabakorole	Mali
Naniola	100%	Tabakorole	Mali