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GENMIN

Half-Year Report

for the half-year ended 30 June 2022

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Corporate Directory

Directors

Mr Michael Arnett, Non-Executive Chairman
Mr Giuseppe Ariti, Managing Director & CEO
Mr Brian van Rooyen, Non-Executive Director
Mr Salvatore Pietro Amico, Non-Executive Director
Mr John Hodder, Non-Executive Director

Company Secretary

Mr Leonard Math (appointed 8 April 2022)
Mrs Lucy Rowe (resigned 8 April 2022)

Auditor

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco, WA 6008
T: +61 8 9426 0666

Solicitors

Herbert Smith Freehills
QV.1 Building, 250 St Georges Terrace
Perth WA 6000
T: +61 8 9211 7777

Bank

National Australia Bank
100 St Georges Terrace
Perth, WA 6000

Registered Office & Business Address

London House, Suite 3, Level 8,
216 St Georges Terrace
PERTH WA 6000
T: +61 8 9200 5812
ABN: 81 141 425 292

Postal Address

PO Box 7405
Cloisters Square, WA 6850

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St George's Terrace
Perth WA 6000

Stock Exchange Listing

The Company's fully paid shares are listed and quoted on the Australian Securities Exchange (**ASX**).
ASX Code: **GEN**

Website

Genmin maintains a website at
www.genmingroup.com

Directors' Report

The Directors present the financial report of Genmin Limited (**Genmin** or the **Company**) and its subsidiaries (the **Group**) for the half-year ended 30 June 2022 (**Period**). In accordance with the provisions of the *Corporations Act 2001*, the Directors' Report is as follows.

Directors

The names of the Directors of Genmin during or since the end of the Period are listed below.

Name	Title	Change during the Period
Mr Michael Arnett	Non-Executive Chairman	None
Mr Giuseppe Ariti	Managing Director and CEO	None
Mr Salvatore Pietro Amico	Non-Executive Director	Re-elected on 26 May 2022
Mr Brian van Rooyen	Non-Executive Director	None
Mr John Hodder	Non-Executive Director	None

Review of Operations

The Period was transformative for Genmin, as the Company rapidly progressed its goal of pioneering iron ore production in Gabon by mid-2024.

Genmin's wholly owned subsidiary, Gabon Iron Ore Limited (**GIOL**) advanced during the Period (and announced after the Period), a royalty agreement relating to the Baniaka iron ore project (**Baniaka**) with Anglo American plc (**Anglo American**) (LSE: AAL; JSE: AGL). Anglo American is a global mining company with a portfolio of competitive, world class operations and a broad range of future development options.

Anglo American has paid US\$10 million to GIOL as part of this agreement and in consideration, GIOL has granted a royalty on sales revenue from the first 75 million tonnes (**Mt**) of iron ore products sold from Baniaka (**Royalty**). It is important to note that GIOL has carefully negotiated the option to buy the Royalty back from Anglo American at any time.

Following the release of the Baniaka Preliminary Feasibility Study (**PFS**) due at the end of September 2022, Anglo American will have a 120 calendar-day exclusivity period to conduct confirmatory due diligence, as well as to negotiate and agree binding terms for US\$75 million of funding for Baniaka, and an offtake agreement for up to 100% of iron ore products.

During the Period, the Company announced a 168% increase to the Mineral Resource estimate for Baniaka to 700Mt¹, making it the largest JORC Mineral Resource in Gabon for any commodity; notable, given the country's long established history as a producer of manganese.

Genmin reinforced its commitment to the pursuit of best practice environmental, social and governance (**ESG**) principles during the Period by selecting the Digbee ESG™ Platform (**Digbee ESG**), to transparently report across all operational and corporate activities. Digbee ESG is a UK-based disclosure platform, which has developed ESG rating and standardised disclosure aligned to key global standards for mining companies at all stages.

During the Period, Genmin signed a Memorandum of Understanding (**MoU**) with the operator of the Grand Poubara Hydropower Station (**Poubara**) for the supply of renewable hydroelectricity to Baniaka. The Poubara hydroelectric plant has total installed capacity of around 200MW and is located approximately 30km from Baniaka. The MoU provides for supply of 30MW for up to 20 years, which will provide all Baniaka's initial electricity requirements. This will negate the need to fund, construct and maintain an onsite power station, which positively impacts project economics and is consistent with Genmin's ESG values. By utilising clean hydropower, Genmin plans to deliver

¹ Refer ASX announcement dated 16 June 2022 for full JORC reporting.

greener, high-grade iron ore products to global markets, promoting reductions in Scope 1 and Scope 3 carbon emissions in iron making.

Earlier in the Period, Genmin announced the signing of a MoU with Jianlong for 2Mtpa of iron ore products for two (2) years, the third in a series of non-binding offtake agreements with leading Chinese groups for iron ore from Baniaka. Jianlong, China's second largest privately owned iron and steel enterprise has commissioned the country's first hydrogen-based iron production facility, which uses hydrogen, rather than coking coal, to produce iron from iron ore. Including the Jianlong agreement, Genmin has signed three (3) non-binding offtake MoUs with Chinese counterparties for a total of 16Mt of iron ore products from Baniaka.

In late 2021, Genmin reported notable preliminary results from value-in-use (VIU) test work completed by globally recognised and highly regarded Central South University (CSU) in Changsha, Hunan, China, which conducts similar test work for Fortescue Metals Group Ltd, Vale, BHP and Rio Tinto.

The VIU results showed Baniaka Fines and Baniaka Lump have a potentially significant value with both products having high iron grade, low silica and alumina, with very low levels of other deleterious elements and alkali metals. Metallurgically, Baniaka Lump has excellent thermal stability and reducibility, while Baniaka Fines not only delivers high iron grades and low deleterious elements but improves Sintering efficiency with a 12.5% increase in productivity and 8.6% lower solid fuel consumption when substituting for some Australian Fines and Brazilian Fines currently used in Sinter feed blends.

Later in the Period, the Company reported CSU estimated Baniaka Lump would be priced in line with the market and Baniaka Fines should receive a 17% price premium. Fines is expected to be in the order of 60% of total product from Baniaka, and a premium of 17% will boost the project's revenue line, which will be captured in the PFS.

Genmin is currently working to complete the PFS and expects to inform the market on its findings at the end of September 2022.

During the Period, Genmin maintained its COVID-19 testing and isolation procedures at the Company's Libreville office and Tsengué Base Camp at Baniaka. Genmin's work programs were not materially disrupted as a result of COVID-19 infections, however, the Company did experience intermittent pandemic related delays in procurement and delivery of supplies and consumables in support of its operations.

Genmin strengthened and broadened its in-house skill set during the Period with additions to the management team. On 14 February 2022, Dr Karen Lloyd was appointed to Genmin's leadership group as Chief Strategy Officer. Dr Lloyd is responsible for identifying capital projects, joint ventures, potential M&A targets, and other strategic partnership opportunities, as well as overseeing the execution of business initiatives.

On 8 April 2022, Mr Leonard Math was appointed as Company Secretary, following the resignation of Mrs Lucy Rowe. Mr Math is a Chartered Accountant with more than 15 years' resources industry experience including ASX and ASIC compliance, corporate governance, statutory financial reporting and investor relations.

For the Period, the Group incurred a loss of US\$2.5 million (2021: US\$1.3 million), which was mostly corporate related expenses. In comparison to the half-year ended 30 June 2021 (**2021 Period**), the main difference was caused by an accounting adjustment for Performance Rights, which reduced the corporate expenses for the 2021 Period by US\$1.3 million, whereas for the Period there was no accounting adjustment for Performance Rights. During the Period, corporate expenses increased in support of the Group's growth, whereas the corporate expenses for the 2021 Period were mainly related to the IPO, and transfer of the Baniaka West Exploration Licence within the Group.

During the Period, the Group spent US\$7.7 million on the PFS, Social and Environmental Impact Assessment, and exploration related expenditures (2021: US\$1 million). The difference in expenditure between comparable half-years is caused by two (2) main factors:

1. The receipt of the IPO proceeds on 10 March 2021; and
2. PFS field activities not commencing until 30 June 2021.

At 30 June 2022, the Group had net assets of US\$38.3 million (2021: US\$40.8 million) with a cash balance of US\$2.8 million (2021: US\$12.7 million). At the time of this report, the Group had received US\$10 million in cash from entering into the agreement with Anglo American.

Events Arising Since the End of the Reporting Period

Royalty Agreement

On 7 July 2022, Genmin announced that its wholly owned subsidiary GIOL had entered into a royalty agreement with Anglo American.

Anglo American has paid US\$10 million to GIOL in consideration for the grant of a royalty on sales revenue (determined by reference to the Platts Iron Ore Index) received from the sale of the first 75Mt of iron ore products produced and sold from Baniaka. GIOL will have the option to buy back the royalty at any time at a price that delivers an agreed internal rate of return to Anglo American on the US\$10 million cash consideration.

Additionally, GIOL granted Anglo American an exclusivity period of 120 calendar-days from the delivery of the Baniaka PFS to conduct confirmatory due diligence, and negotiate and agree legally binding documentation for the provision of up to US\$75 million of funding for Baniaka, and offtake for up to 100% of iron ore products from Baniaka.

Baniaka and Bakoumba Exploration Licence Extensions

On 10 August 2022, the Company announced the extension of both the Baniaka Exploration Licence (G2-537, 774km²) and the Bakoumba Exploration Licence (G2-511, 1,029km²) for six years to 2028.

The Group's relevant interest and landholding at 10 August 2022 is summarised in the table below.

Project	Licence Name	Licence Number	Genmin Interest %	Area (km ²)	Date Granted	End Date Article 102 ¹	End Date Licence ¹	Endorsement
Baniaka	Baniaka ²	G2-537	100	774	26-Sep-12	25-Sep-27	06-Jul-28	Fe
	Baniaka West	G2-572	100	107	12-May-14	11-May-23	17-Dec-23	Fe
Bakoumba	Bakoumba ²	G2-511	100	1,029	26-Jan-12	25-Jan-27	20-Jun-28	Fe
	Mafoungui	G7-535	100	535	31-Dec-12	30-Dec-21	08-Mar-24	Fe, Ni, Au, PGE
Minvoul/ Bitam	Minvoul ³	G9-512	100	1,362	21-Jun-12	20-Jun-21	20-Jun-21	Fe
	Bitam	G9-590	100	1,463	04-Apr-16	03-Apr-25	08-Jun-25	Fe, Cu, Au
				Total	5,270			

Notes:

1. Ministerial Orders that grant or renew a Licence carry a provision that it is valid for three (3) years from the date of the Order. Article 102 of the 2019 Mining Code sets out a Licence is valid for three (3) years, renewable twice more for three (3) years. The Company considers the three (3) year terms are consecutive, with the Licence end date occurring nine (9) years after the date granted. Where significant time elapses for the approval of a renewal and/or an extension, a divergence occurs between the end date set out in the Licence and the 2019 Mining Code.
2. Article 111 of the 2019 Mining Code provides that the third term of validity of a Licence can be extended for up to six (6) years in certain circumstances. The third term of validity of Baniaka and Bakoumba has been extended for six (6) years.
3. An application for the extension of the third term of Minvoul was lodged on 19 March 2021 in accordance with Article 111 of the 2019 Mining Code. Pursuant to Article 32 of the 2019 Mining Code, a Licence's validity is automatically extended until the Mining Administration gives a decision in respect of the renewal or extension request.

Auditor's Independence Declaration

The Group's Auditor for the Period remains as Hall Chadwick WA Pty Ltd. The Auditor's Independence Declaration is included on page 7 of this report.

Rounding Off of Amounts

The Group is an entity of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016. Accordingly, amounts in this Directors' Report are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Arnett
Chairman of the Board

6 September 2022

Auditor's Independence Declaration

HALL CHADWICK 

To the Board of Directors

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

As lead audit Partner for the review of the financial statements of Genmin Limited for the half-year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully


HALL CHADWICK WA AUDIT PTY LTD


CHRIS NICOLOFF CA
Director

Dated this 6th day of September 2022
Perth, Western Australia

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Independent Auditor's Report

HALL CHADWICK 

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GENMIN LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Genmin Limited ("the Company") and Controlled Entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

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

- a. Giving a true and fair view of the Genmin Limited financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

The directors of Genmin Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD


CHRIS NICOLOFF CA
Director

Dated this 6th day of September 2022
Perth, Western Australia

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Directors' Declaration

The Directors of Genmin Limited declare that:

1. The consolidated financial statements and notes are in accordance with the *Corporations Act 2001*:
 - i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and
 - ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting, Corporate Regulations 2001* and other mandatory professional reporting requirements.
2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Arnett
Chairman of the Board

6 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 30 June 2022

	Note	30 June 2022 US\$000	30 June 2021 US\$000
Continuing operations			
Other income	3	3	19
Total Other income		3	19
Corporate expenses	4	(2,122)	(224)
Depreciation expense		(112)	(42)
Other expenses	5	(316)	(462)
Loss before income tax		(2,547)	(709)
Income Tax Expense		-	-
Loss after income tax for the half-year		(2,547)	(709)
Loss attributable to:			
Owners of Genmin Limited		(2,543)	(705)
Non-controlling interests		(4)	(4)
		(2,547)	(709)
Basic Earnings per share (cent)		(0.628)	(0.194)
Diluted Earnings per share (cent)		(0.628)	(0.194)
Other comprehensive income / (loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
- exchange differences on translating controlled entities		-	(631)
Other comprehensive income / (loss), net of income tax		(2,547)	(631)
Total comprehensive loss for the half-year		(2,547)	(1,340)
Total comprehensive loss for the half-year attributable to:			
Owners of Genmin Limited		(2,543)	(1,336)
Non-controlling interests		(4)	(4)
		(2,547)	(1,340)

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

as at 30 June 2022

	Note	30 June 2022 US\$000	31 Dec 2021 US\$000
Assets			
Current			
Cash and cash equivalents	6	2,753	12,748
Trade and other receivables		137	128
Inventory		18	31
Prepayments		564	649
Total current assets		3,472	13,556
Non-current			
Restricted cash		92	-
Property, plant and equipment		886	464
Exploration and evaluation assets	7	35,349	27,965
Intangible Assets		395	395
Right of Use Asset		379	266
Total non-current assets		37,101	29,090
Total assets		40,573	42,646
Liabilities			
Current			
Trade and other payables		1,921	1,596
Lease Liabilities		206	105
Current liabilities		2,127	1,701
Non-Current			
Lease Liabilities		181	165
Non-Current liabilities		181	165
Total liabilities		2,308	1,866
Net assets		38,265	40,780
Equity			
Share capital	8.1	61,856	61,824
Reserves		(2,576)	(2,576)
Accumulated losses		(20,937)	(18,394)
Equity Attributable to Owners of the Company		38,343	40,854
Non-controlling interest		(78)	(74)
Total equity		38,265	40,780

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2022

	Share capital	Foreign currency translation reserve	Options reserve	Performance right reserve	Acquisition of NCI reserve	Accumulated losses	Non-Controlling interest	Total
	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
Balance as at 1 January 2021	37,131	(971)	-	2,058	(1,385)	(14,409)	(66)	22,358
Loss for the half-year	-	-	-	-	-	(705)	(4)	(709)
Other comprehensive income	-	(630)	-	-	-	-	(1)	(631)
Total comprehensive loss for the year	-	(630)	-	-	-	(705)	(5)	(1,340)
<i>Transactions with owners in their capacity as owners:</i>								
- issue of ordinary shares	26,377	-	-	-	-	-	-	26,377
- cost of issue of ordinary shares	(2,314)	-	-	-	-	-	-	(2,314)
- issue of options	-	-	904	-	-	-	-	904
- net movement performance rights	-	-	-	(1,375)	-	-	-	(1,375)
Sub-total	24,063	-	904	(1,375)	-	-	-	23,592
Balance as at 30 June 2021	61,194	(1,601)	904	683	(1,385)	(15,114)	(71)	44,610
Balance as at 1 January 2022	61,824	(2,327)	872	264	(1,385)	(18,394)	(74)	40,780
Loss for the half-year	-	-	-	-	-	(2,543)	(4)	(2,547)
Other comprehensive loss for the half-year	-	-	-	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	-	-	(2,543)	(4)	(2,547)
<i>Transactions with owners in their capacity as owners:</i>								
- issue of ordinary shares	32	-	-	-	-	-	-	32
Sub-total	32	-	-	-	-	-	-	32
Balance as at 30 June 2022	61,856	(2,327)	872	264	(1,385)	(20,937)	(78)	38,265

This statement should be read in conjunction with the notes to the financial statements

Consolidated Statement of Cash Flows

for the half year ended 30 June 2022

	Note	30 June 2022 US\$000	30 June 2021 US\$000
Cash flows from operating activities			
Payments to suppliers and employees		(2,947)	(2,231)
Interest received		3	4
Net cash used in operating activities		(2,944)	(2,227)
Cash flows from investing activities			
Purchase of property, plant and equipment		(306)	(99)
Payments for exploration and evaluation		(7,365)	(876)
Net cash used in investing activities		(7,671)	(975)
Cash flows from financing activities			
Proceeds from options exercised		32	21,639
Repayment of Principal on Leases		(91)	(32)
Net cash (used in) / provided by financing activities		(59)	21,607
Net change in cash and cash equivalents held		(10,674)	18,405
Cash and cash equivalents at 1 January		12,748	868
Effects of exchange rate changes on cash		679	(5)
Cash and cash equivalents at 30 June	6	2,753	19,268

This statement should be read in conjunction with the notes to the financial statement

Notes to the Consolidated Financial Statements

for the half year ended 30 June 2022

1. Basis of Preparation

These condensed interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the consolidated condensed interim financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 31 December 2021 and any public announcements made by Genmin and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 January 2022 disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards (IFRS).

The interim financial statements have been prepared on a historical cost basis, except for selected non-current assets, financial assets and financial liabilities. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The Company is domiciled in Australia and all amounts, unless otherwise noted, are presented in United States dollars, which is the Group's presentation currency.

During the Period, the Group aligned its functional currency to United States dollars, whereas previously, the Group's subsidiaries in Gabon and Republic of Congo used Central African CFA franc (XAF) as their functional currency.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

Statement of compliance

The interim financial report was authorised for issue on 6 September 2022.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with IFRS.

Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2021.

New and revised Standards and Interpretations

Standards and Interpretations

In the period ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 30 June 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Group accounting policies.

2. Going Concern

The Interim Financial Report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the half-year of US\$2.5 million (30 June 2021: US\$0.7 million) and had a net operating cash outflow of US\$2.9 million (30 June 2021: US\$2.2 million).

The above is mitigated for the following reasons:

- Management has prepared a cash flow forecast, which indicates that the Company has sufficient funds to meet all commitments and working capital requirements for the next 12 months from the date of signing this interim financial report;
- Given the Company's history of raising capital, the Directors are reasonably confident of the Company's ability to raise additional funds as and when they are required; and
- During the month of July 2022, the Company received US\$10 million in cash as a result of entering into a royalty agreement with Anglo American.

3. Income

	Half-Year ended 30 June 2022	Half-Year ended 30 June 2021
	US\$000	US\$000
Interest received	3	13
Miscellaneous income	-	6
Total Other income	3	19

4. Corporate Expenses

	Note	Half-Year ended 30 June 2022	Half-Year ended 30 June 2021
		US\$000	US\$000
Accounting and audit fees		56	81
Consultancy fees		356	68
Travel and accommodation		129	6
Corporate governance		42	147
Director and employee expenses		1,178	562
Performance rights		-	(1,315)
Power supply guarantee		48	-
Legal fees		34	280
Interest expense		11	62
Insurance		55	25
Occupancy expense		33	10
Recruitment expense		22	66
Licence transfer cost		-	151
Other		157	81
Total Corporate expenses		2,122	224

5. Other Expenses

	Note	Half-Year ended 30 June 2022	Half-Year ended 30 June 2021
		US\$000	US\$000
Bad debt provision		-	(25)
Foreign exchange loss/(gain)		310	469
Embedded derivative		-	(33)
Convertible note establishment fee		-	26
Financial cost/(income)		6	4
Site maintenance		-	162
Loss on transfer of asset		-	160
Total Director and employee expenses		316	463

6. Cash and Cash Equivalents

	As at 30 June 2022	As at 31 December 2021
	US\$000	US\$000
United States Dollar (US\$)	8	7
Australian Dollar (AU\$)	1,906	12,276
Central African Franc (XAF)	838	465
Various others	1	-
Total Cash and cash equivalents	2,753	12,748

7. Exploration and evaluation assets

	As at 30 June 2022	As at 31 December 2021
	US\$000	US\$000
Opening Balance	27,965	24,911
Capitalised expenditure during the period	7,384	4,388
FX translation	-	(1,334)
Closing Balance	35,349	27,965

8. Issued capital, options and rights

8.1 Ordinary shares on issue

The share capital of Genmin consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital.

	Date	No. of shares	Value (US\$)
Opening balance	01-Jan-21	300,060,355	37,130,711
Issue of shares	10-Mar-21	100,488,399	26,302,164
Cost of IPO	10-Mar-21	-	(2,313,890)
Issue of Shares	16-Jun-21	2,410,077	75,370
Issue shares on conversion of Performance Rights	07-Jul-21	300,000	202,365
Issue shares on conversion of Performance Rights	03-Sep-21	1,450,000	427,386
Closing balance	31-Dec-21	404,708,831	61,824,106
Issue of shares	29-Apr-22	1,000,000	28,554
Issue of shares	23-May-22	124,403	3,538
Closing balance	30-Jun-22	405,833,234	61,856,198

8.2 Options

Options give the holder the right, but not the obligation, to subscribe for one fully paid ordinary share in the capital of the Company. These options are considered equity transactions and no value is placed on the early conversion or on the granting of the additional options.

	As at 30 June 2022 Number of options	As at 31 December 2021 Number of options
At the beginning of the reporting period	12,708,882	11,087,584
Issued during the year	-	5,000,000
Exercised during the year	(1,124,403)	(2,410,077)
Lapsed during the year	-	(968,625)
At reporting date	11,584,479	12,708,882

Options on issue as at 1 January 2022

Issue Date	Expiry Date	Exercise Price	Number of Options	Fair value on Issue Date
1-Sep-12	14-Aug-22	AU\$0.040	4,800,000	free attaching
1-Nov-12	14-Aug-22	AU\$0.040	1,000,000	free attaching
7-Jun-17	6-Jun-22	AU\$0.040	124,403	free attaching
31-Jul-18	31-Jan-23	US\$0.150	1,254,479	free attaching
5-Aug-19	31-Jul-24	US\$0.150	250,000	free attaching
27-Aug-19	31-Jul-24	US\$0.150	280,000	free attaching
8-Mar-21	7-Mar-26	AU\$0.442	5,000,000	US\$871,613 (total)
			12,708,882	

Options exercised during the half-year ended 30 June 2022

Issue Date	Expiry Date	Exercise Price	Exercise Date	Number of Options	Fair value on Issue Date	Share price on Exercise Date
1-Nov-12	14-Aug-22	AU\$0.040	29-Apr-22	1,000,000	free attaching	AU\$0.205
7-Jun-17	6-Jun-22	AU\$0.040	23-May-22	124,403	free attaching	AU\$0.200
				1,124,403		

Options lapsed during the half-year ended 30 June 2022

No options lapsed during the half-year ended 30 June 2022.

Options Granted during the half-year ended 30 June 2022

No options were granted during the half-year ended 30 June 2022.

Options on issue as at 30 June 2022

Issue Date	Expiry Date	Exercise Price	Number of Options
1-Sep-12	14-Aug-22	AU\$0.040	4,800,000
31-Jul-18	31-Jan-23	US\$0.150	1,254,479
5-Aug-19	31-Jul-24	US\$0.150	250,000
27-Aug-19	31-Jul-24	US\$0.150	280,000
8-Mar-21	7-Mar-26	AU\$0.442	5,000,000
			11,584,479

8.3 Rights

	As at 30 June 2022	As at 31 December 2021
	US\$000	US\$000
At the beginning of the reporting period	264	2,058
Issued during the year	-	264
Exercised during the year	-	(868)
Lapsed during the year	-	(104)
Probability adjustment	-	(1,086)
At reporting date	264	264

For the half-year ended 30 June 2022
Key Management Personnel

Name	Options Granted	Vesting Conditions	Changes during the half-year
Giuseppe Ariti	683,750	Completion of a Feasibility Study for the Baniaka Iron Ore Project with a positive net present value by 31 December 2022.	Granted
	683,750	Execution of agreements to access rail and port infrastructure for the Baniaka Iron Ore Project by 31 December 2022.	Granted
	683,750	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023.	Granted
	683,750	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024.	Granted
Salvatore Pietro Amico	360,000	Grant of a Mining Permit and entering into the Mining Convention for the Baniaka Iron Ore Project by 30 June 2023.	
	360,000	Assisting in achieving either: a project financing outcome once the Mining Permit is granted; or an exit at an amount in excess of US\$300 million for shareholders of the Company before 31 December 2023.	
	240,000	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024.	Granted
	240,000	Execution of an agreement to access rail infrastructure for the Baniaka Iron Ore Project by 31 December 2022.	Granted
Michael Arnett	400,000	The Company achieving a 30-day VWAP of at least \$0.70 per Share.	
	400,000	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023.	
	400,000	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024.	
	400,000	Asset growth through the acquisition of key regional projects resulting in a significant value uplift (as determined by an independent party).	
Brian van Rooyen	300,000	The Company achieving a 30-day VWAP of at least \$0.70 per Share.	
	300,000	Completion of a positive Bankable Feasibility Study for the Baniaka Iron Ore Project by 31 December 2022.	
	300,000	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023.	
	300,000	Commencement of production at the Baniaka Iron Ore Project by 30 June 2024.	
Zaiqian Zhang	250,000	Selection and implementation of a fit-for-purpose Enterprise Resource Planning (ERP) system by 31 March 2022.	Vested
	250,000	Completion of debt and equity financing for the Baniaka Iron Ore Project by 30 June 2023.	

Name	Options Granted	Vesting Conditions	Changes during the half-year
	250,000	Develop, document and implement finance, accounting, IT and tax policies for Libreville office by 30 June 2022.	Lapsed*
	250,000	Building further relationships and connections amongst Chinese steel mills to position the Company's assets as African, products as premium and identify potential sources of Chinese development finance. Success measured by the signing of three (3) Letters of Intent / MoUs for product sale, by 31 March 2022.	Vested

Non-Key Management Personnel

Options Granted	Vesting Conditions	Changes during the half-year
250,000	Declaration of a maiden Inferred Mineral Resource at the Bakoumba iron ore project, for prospects subject to Auger drilling by 31 December 2022.	Revised
250,000	Completion of the approved Baniaka diamond, RC and Auger drilling programs, sample logging and preparation for geochemical analysis and despatch to nominated analytical laboratory(ies) by 31 March 2022.	Lapsed*
500,000	Completion of the Baniaka Preliminary Feasibility Study by 30 June 2022.	Lapsed*
250,000	Development of a geo-metallurgical model that can be used in resource block modelling to assign value criteria (yield, Fe grade, quality), for use in subsequent mine planning by 31 March 2022.	Vested
250,000	Declaration of a Maiden Inferred Mineral Resource at the Bakoumba Iron Ore Project for prospects subject to Auger drilling by 31 December 2022.	Revised
250,000	Successful and cost-effective exit from the current corporate office in West Perth, and successful and cost-effective entry into a new CBD corporate office by 31 October 2021.	Vested
250,000	Expose and connect Genmin to potential retail and green focused institutional shareholders through digital investor relations, and green repositioning by 31 December 2022.	Revised
250,000	In conjunction with the CEO, develop, and then implement, ESG data collection across the organisation, and reporting externally to shareholders, potential shareholders and stakeholders.	
250,000	Completion of a positive Bankable Feasibility Study for the Baniaka Iron Ore Project by 31 December 2022.	
250,000	Completion of negotiations and drafting of a substantive rail and port infrastructure agreement for the Baniaka Iron Ore Project by 31 December 2022.	Revised

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**Options
Granted**

Vesting Conditions

**Changes during the
half-year**

Options Granted	Vesting Conditions	Changes during the half-year
250,000	Completion of the Baniaka Iron Ore Project Social and Environmental Impact Assessment by 31 December 2022.	

Subsequent to the end of the Period, 1 million Performance Rights lapsed (refer ASX announcement dated 9 August 2022). Consequently, no accounting adjustment is shown in this half-year report.

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Numbers of the Rights
For the half-year ended 30 June 2022

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Rights at the start of the half-year	Granted during the half-year	Exercised-equity settled during the half-year	Exercised-cash settled during the half-year	Lapsed during the half-year	Balance at the half-year end	Vested at the end of the half-year
12-Sep-18	31-Dec-22	Nil	\$0.30	250,000	-	-	-	-	250,000	-
23-Jun-20	22-Jun-24	Nil	\$0.62	360,000	-	-	-	-	360,000	-
23-Jun-20	22-Jun-24	Nil	\$0.62	360,000	-	-	-	-	360,000	-
27-May-21	26-May-25	Nil	\$0.15	700,000	-	-	-	-	700,000	-
27-May-21	26-May-25	Nil	\$0.22	2,100,000	-	-	-	-	2,100,000	-
17-Dec-21	16-Dec-24	Nil	\$0.21	3,750,000	-	-	-	-	3,750,000	-
26-May-22	25-May-25	Nil	\$0.21	-	3,215,000	-	-	-	3,215,000	-
				7,520,000	3,215,000	-	-	-	10,735,000	-

For the year ended 31 December 2021

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Rights at the start of the year	Granted during the year	Exercised-equity settled during the year	Exercised-cash settled during the year	Lapsed during the year	Balance at the year end	Vested at the end of the year
26-Aug-18	25-Aug-21	Nil	\$0.28	4,800,000	-	(1,200,000)	-	(3,600,000)	-	-
12-Sep-18	11-Sep-21	Nil	\$0.30	250,000	-	(250,000)	-	-	-	-
12-Sep-18	31-Dec-22	Nil	\$0.30	250,000	-	-	-	-	250,000	-
31-Dec-19	30-Dec-22	Nil	\$0.63	1,035,000	-	(300,000)	(350,000)	(385,000)	-	-
23-Jun-20	22-Jun-23	Nil	\$0.62	480,000	-	-	-	(480,000)	-	-
23-Jun-20	22-Jun-24	Nil	\$0.62	360,000	-	-	-	-	360,000	-
23-Jun-20	22-Jun-24	Nil	\$0.62	360,000	-	-	-	-	360,000	-
27-May-21	26-May-25	Nil	\$0.15	-	700,000	-	-	-	700,000	-
27-May-21	26-May-25	Nil	\$0.22	-	2,100,000	-	-	-	2,100,000	-
17-Dec-21	16-Dec-24	Nil	\$0.21	-	3,750,000	-	-	-	3,750,000	-
				7,535,000	6,550,000	(1,750,000)	(350,000)	(4,465,000)	7,520,000	-

Value of the Rights Reserved
For the half-year ended 30 June 2022

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Rights at the start of the year US\$	Granted during the year US\$	Exercised-equity settled during the year US\$	Exercised-cash settled during the year US\$	Lapsed during the year US\$	Probability adjustment US\$	Balance at the year end US\$
27-May-21	26-May-25	Nil	\$0.15	66,952	-	-	-	-	-	66,952
17-Dec-21	16-Dec-24	Nil	\$0.21	197,154	-	-	-	-	-	197,154
				264,106	-	-	-	-	-	264,106

For the year ended 31 December 2021

Grant Date	Expiry Date	Average Exercise Price	Fair Value at Grant date US\$	Rights at the start of the year US\$	Granted during the year US\$	Exercised-equity settled during the year US\$	Exercised-cash settled during the year US\$	Lapsed during the year US\$	Probability adjustment US\$	Balance at the year end US\$
26-Aug-18	25-Aug-21	Nil	\$0.28	813,906	-	(361,464)	-	-	(452,442)	-
12-Sep-18	31-Dec-22	Nil	\$0.30	139,020	-	(75,305)	-	-	(63,715)	-
31-Dec-19	30-Dec-22	Nil	\$0.63	526,150	-	(203,324)	(227,723)	(104,051)	8,948	-
23-Jun-20	22-Jun-23	Nil	\$0.62	579,168	-	-	-	-	(579,168)	-
27-May-21	26-May-25	Nil	\$0.15	-	66,952	-	-	-	-	66,952
27-May-21	26-May-25	Nil	\$0.22	-	-	-	-	-	-	-
17-Dec-21	16-Dec-24	Nil	\$0.21	-	197,154	-	-	-	-	197,154
				2,058,244	264,106	(640,093)	(227,723)	(104,051)	(1,086,377)	264,106

9. Operating Segments

For management purposes, Genmin is organised into business units based on its geographical location and the nature of activities. Genmin has two (2) business units and they are:

- Gabon Exploration; and
- Corporate.

	Corporate US\$000	Gabon Exploration US\$000	Total US\$000
30 June 2022			
Segment Revenue	3	-	3
Segment loss before income tax expense	(2,176)	(371)	(2,547)
30 June 2022			
Segment Assets	3,406	37,167	40,573
Segment Liabilities	543	1,765	2,308
	Corporate US\$000	Gabon Exploration US\$000	Total US\$000
30 June 2021			
Segment Revenue	19	-	19
Segment loss before income tax expense	(131)	(579)	(709)
31 December 2021			
Segment Assets	13,557	29,089	42,646
Segment Liabilities	540	1,326	1,866

10. Commitments and Contingencies

There has been no change in contingent liabilities since the last annual reporting date.

11. Financial Instruments

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position.

The Directors consider that the carrying amounts of current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair values.

12. Subsequent Events

Royalty Agreement

On 7 July 2022, Genmin announced that its wholly owned subsidiary GIOL had entered into a royalty agreement with Anglo American.

Anglo American has paid US\$10.0 million to GIOL in consideration for the grant of a royalty on sales revenue (determined by reference to the Platts Iron Ore Index) received from the sale of the first 75Mt of iron ore products produced and sold from Baniaka. GIOL will have the option to buy back the royalty at any time at a price that delivers an agreed internal rate of return to Anglo American on the US\$10.0 million cash consideration.

Additionally, GIOL granted Anglo American an exclusivity period of 120 calendar-day from the delivery of the Baniaka PFS to conduct confirmatory due diligence, and negotiate and agree legally binding documentation for the provision of up to US\$75.0 million of funding for Baniaka, and offtake for up to 100% of iron ore products from Baniaka.

Baniaka and Bakoumba Exploration Licence Extensions

On 10 August 2022, the Company announced that both the Baniaka Exploration Licence (G2-537, 774km²) and the Bakoumba Exploration Licence (G2-511, 1,029km²) have been extended for six years to 2028.

The Group's relevant interest and landholding as at 10 August 2022 is summarised as follows:

Project	Licence Name	Licence Number	Genmin Interest %	Area (km ²)	Date Granted	End Date Article 102 ¹	End Date Licence ¹	Endorsement
Baniaka	Baniaka ²	G2-537	100	774	26-Sep-12	25-Sep-27	06-Jul-28	Fe
	Baniaka West	G2-572	100	107	12-May-14	11-May-23	17-Dec-23	Fe
Bakoumba	Bakoumba ²	G2-511	100	1,029	26-Jan-12	25-Jan-27	20-Jun-28	Fe
	Mafoungui	G7-535	100	535	31-Dec-12	30-Dec-21	08-Mar-24	Fe, Ni, Au, PGE
Minvoul/ Bitam	Minvoul ³	G9-512	100	1,362	21-Jun-12	20-Jun-21	20-Jun-21	Fe
	Bitam	G9-590	100	1,463	04-Apr-16	03-Apr-25	08-Jun-25	Fe, Cu, Au
Total				5,270				

Notes:

1. Ministerial Orders that grant or renew a Licence carry a provision that it is valid for three (3) years from the date of the Order. Article 102 of the 2019 Mining Code sets out a Licence is valid for three (3) years, renewable twice more for three (3) years. The Company considers the three (3) year terms are consecutive, with the Licence end date occurring nine (9) years after the date granted. Where significant time elapses for the approval of a renewal and/or an extension, a divergence occurs between the end date set out in the Licence and the 2019 Mining Code.
2. Article 111 of the 2019 Mining Code provides that the third term of validity of a Licence can be extended for up to six (6) years in certain circumstances. The third term of validity of Baniaka and Bakoumba has been extended for six (6) years.
3. An application for the extension of the third term of Minvoul was lodged on 19 March 2021 in accordance with Article 111 of the 2019 Mining Code. Pursuant to Article 32 of the 2019 Mining Code, a Licence's validity is automatically extended until the Mining Administration gives a decision in respect of the renewal or extension request.

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End of the Half-Year Report