

Monger Gold Limited

ABN 20 644 564 241

Interim Report - 30 June 2022

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Monger Gold Limited
Corporate directory
30 June 2022

Directors

Mr. Peretz Schapiro - Non-Executive Chairman
Mr. Andrew Graham - Non-Executive Director
Mr Benjamin Fogelgarn - Non-Executive Director

Company secretary

Mr. Ian Pamensky

Registered office

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Telephone:

(08) 6245 2490

Email:

info@mongergold.com.au

Website:

www.mongergold.com.au

Share register

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Perth WA 6000
Telephone: 1300 288 664
Facsimile: +61 2 9698 5414

Auditor

BDO Audit Pty Ltd
Level 18, 727 Collins Street
Melbourne VIC 3008

Stock exchange listing

Monger Gold Limited shares are listed on the Australian Securities Exchange (ASX code: MMG)

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Monger Gold Limited
Directors' report
30 June 2022

Directors

The following persons were directors of Monger Gold Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr. Peretz Schapiro – Non-Executive Chairman

Mr. Romy Hershman – Non-Executive Director (Resigned 16 May 2022)

Mr. Andrew Graham – Non-Executive Director

Mr. Yehoshua (Shuie) Gestetner - Non-Executive Director (Appointed 16 May 2022 , Resigned 11 July 2022)

Mr. Benjamin Fogelgarn - Non-Executive Director (Appointed 11 July 2022)

Principal activities

The principal activities of the group during the course of the during the financial half-year were the exploration and evaluation of mineral interests. There were no significant changes in the nature of those activities during the financial period.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Chairman's Report

Dear Fellow Shareholders,

It is with great pleasure that I present this Chairman's report following Monger Gold's first full year of activities as we build towards a bright and positive future that all shareholders can look forward to. I also take this opportunity to thank all our loyal shareholders who have joined the Company both at the IPO and for those who have invested since then.

I'm proud of the efforts of all of those in our on-ground and behind the scenes team, as we diligently executed on our strategy to systematically explore our Kalgoorlie projects. During our early exploration at Monger North we have received very encouraging results culminating in a Maiden Resource Estimate of 16,400 oz at the Providence Gold Deposit. We have also delineated a potential VHMS prospect at Monger South as well as a gold-in-soil anomaly south west of Coolgardie.

While excellent diligent work has brought success in our gold exploration efforts, we have also recently announced acquisition agreements to secure substantially prospective Lithium assets in North America. The Board of Monger sees this move as essential to the Company's plan to grow and to grasp the opportunity to be part of the increasing market for technology and EV battery commodities. In late May, we completed the acquisition of the Scotty Lithium Project, located in Nevada, just 70km from Albermarle Corp's Clayton Valley Lithium Mine – the only producing lithium mine in the USA and 330km from Tesla's Gigafactory. In August a second major Lithium asset was secured via an option agreement, being the Brisk Lithium Project, located in the prolific James Bay lithium region of west-central Quebec, Canada. Both acquisitions have the potential to be company-making projects.

In order to manage the lithium exploitation program, we have secured the services of Mr Adam Ritchie, appointed as Chief Executive Officer. Mr Ritchie has extensive experience in all aspects of lithium exploration, project development and production following his tenure at Pilbara Minerals where he held the role as Project Director for the world class Pilgangoora Lithium Project, and we are very pleased to welcome Adam to the team.

Since listing on ASX in July 2021, its safe to say our new and exciting resources company has achieved much early success and has been very active in executing on its strategy on behalf of all its shareholders. With this foundation of effort and success to date, I am very much looking forward to the year of activity ahead.

Yours Sincerely
Peretz Schapiro

CEO Report

Dear Fellow Shareholders,

It's a pleasure to join Monger Gold as Chief Executive Officer to steward the company forward with its vision to building a North American lithium business together with its highly prospective Western Australian gold and base metal projects.

To understand the true potential at Monger's lithium projects, it's important to consider the history and inception of the Lithium-ion battery. The technology was conceptualised in the 70's, however its impact was not realised until 1991 when Sony commercialised the technology to support popular consumer technologies such as the iconic Sony Walkman.

Today the lithium-ion battery is redefining the way we walk, talk and live, with 2 billion mobile phones manufactured yearly and a global transition to EV's unfolding before our eyes. But this is just the beginning - Energy grids need batteries to support renewable power technologies and major polluters such as air and sea travel are yet to commence their transition. It's clear the demand for the lithium-ion battery is strong and ongoing with competing battery technologies possibly a decade behind.

There is a bright future for Lithium, and for Monger the opportunity is compounded as the Lithium raw material supply chain is young and unoptimised. The power of strategic assets in North American Tier 1 jurisdictions that consider ESG and supply chain trends is yet to be realised. We believe there is a better way to explore and develop lithium assets and I look forward to creating shareholder value along this exciting journey.

Yours Sincerely
Adam Ritchie

Review of operations

Monger Gold Limited (**ASX: MMG, "Monger" or the "Company"**) is pleased to provide a Review of Operations for the six-month period ended 30 June 2022.

- Monger completes acquisition of American Consolidated Lithium which holds the rights to acquire the Scotty Lithium Project in Nevada, USA located just 70km from Albemarle Corp's Clayton Valley (Silver Peak) Lithium Mine – the only producing lithium mine in the USA and 330km from Tesla's Gigafactory, one of the largest globally; having produced in excess of 1 million EV battery packs since 2017.
- An auger soil geochemistry program commenced in late June 2022 at the Scotty Lithium Project in Nevada, USA, which will assist in defining targets to test in the maiden drilling program scheduled for H2 2022. The program was completed in August 2022 with results anticipated in September 2022.
- Monger increased the size of the Scotty Lithium Project by 37% to 19,280 acres (7,802 ha) with an additional 264 claims (covering 5,280 acres) to the south of the Scotty Lithium Project to cover the potential southern extension of the adjoining Bonnie Claire Lithium Deposit, which is one of North America's largest undeveloped Lithium resources. (JORC (2012) Inferred Resources of 3.4Bt @ 1,013ppm Li for 18.3 Mt of Li₂CO₃ equivalent (LCE))
- Final diamond drill results at the Providence Prospect Mt Monger North received best results of 1m @ 19.19 g/t from 99m, 8m @ 4.34 g/t (123m) incl. 21.30 g/t from 130m
- Providence Prospect identified as new Copper Gold System with Maiden JORC (2012) Mineral Resource Estimate 204,700 tonnes at 2.5g/t for 16,400 ounces gold.
- Copper Zinc mineralisation in rock chip samples found at Ben Nevis VHMS Prospect at Monger South
- Gibraltar soils sampling program completed over a 11.89km² area, targeting concealed deposits of gold, copper, nickel-cobalt and lithium.

Operations Update

The Scotty Lithium Project was acquired by Monger during the Company's acquisition of American Consolidated Lithium Pty Ltd, who held rights to the project in Nevada, USA.

An auger soil sampling program began in June 2022, covering the entire Scotty Lithium Project. Less than 3% of the total area of the project had been previously sampled. Previous sampling completed returned extremely strong and coherent anomalism, greater than 250ppm Li delineated over the entire sampled region.

Results from the soil sampling program will assist Monger in defining targets to test in the maiden drilling program, scheduled for H2 2022. Previous soil sample programs were effective in delineating the Bonnie Claire Lithium Deposit.

Monger Gold Limited
Directors' report
30 June 2022

During the quarter, Monger expanded the Scotty Lithium Project by 37% to 19,280 acres with an additional 264 claims covering 5,280 acres to the south of the Scotty Lithium Project to cover the potential southern extension of the adjoining Bonnie Claire Lithium Deposit.

These new claims cover the southern extension of a strong gravity “low” which indicates the potential for thick sequences of lithium-bearing sediments in the area.

The Company believes that there is a high probability that the new area contains extensions of high-grade lithium mineralisation, similar to mineralisation to that delineated at the Bonnie Claire Deposit.

A 3-dimensional model was built of the subsurface of the Scotty Lithium Project, based on publicly available information, to assist in the preliminary definition of drill target areas. This will be used in conjunction with the new auger soils data for drill targeting.

After the half year reporting period, in August, a Notice of Intent was submitted to the Bureau of Land Management, Nevada for drill program approval on the Scotty Lithium Project claims



Figure 1. Scotty Lithium Project

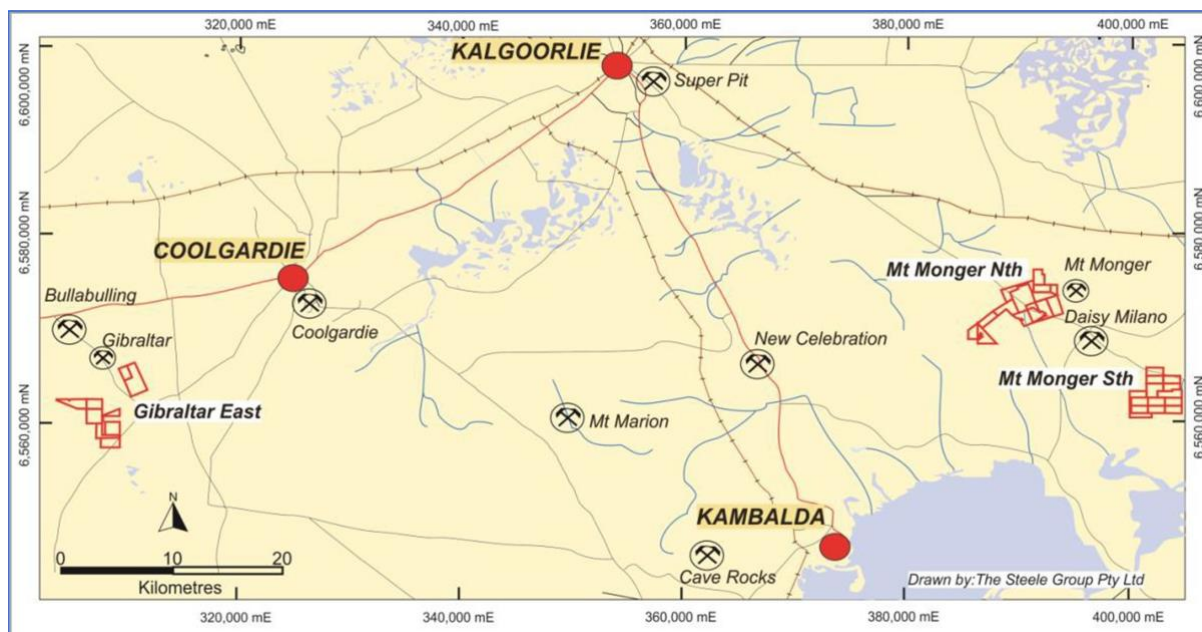


Figure 2: Monger Gold Kalgoorlie Project area locations at Gibraltar in the west, Mt Monger North and South in the east. Silver Lake's Daisy Milano Mine Complex is between Mt Monger North and South Projects

Mt Monger South

Rock chip sample assay results from the Ben Nevis Prospect, Mt Monger South include:

- Copper assays to a maximum 3,870 ppm
- Zinc assays to a maximum of 3,742ppm

The rock chip sampling campaign was targeted along a single stratigraphic horizon within a gossanous sediment adjacent to a basalt. A total of 24 additional samples were taken from the same horizon along strike, extending the anomaly to over 150m strike with one additional anomalous sample a further 180m west.

The anomaly now totals over 230m strike with a broader prospective zone of 5km of continuous strike. An increase in zinc was found towards the west and increase in trace element silver to the east. This newly defined anomaly discovered by MMG, is interpreted as a potential zone of copper and zinc VMS style mineralisation such as the Jaguar Deposits which are within the same terrane to the NNW. A FLEM geophysics survey is scheduled to begin in August 2022 to search for metal sulphide signatures.

Mt Monger Nth

Assay results from both RC and diamond drilling at the Providence Prospect Mt Monger North returned significant assay results. Assay results from the prospect show that there is both high-grade copper and high-grade gold. This indicates that the prospect is now a copper-gold system. Intervals included:

- 1m @ 19.19 g/t gold from 99m;
- 8m @ 4.34 g/t gold from 123m including 21.30 g/t from 130m;
- 7m @ 2.15 g/t gold from 65m;
- 5m @ 2.11 g/t gold from 108m
- 2m @ 0.46% Copper from 130m including 1m @ 0.56% copper

Table 1: Significant RC Drill Intercepts >0.5ppm, 1m internal waste

Hole_Id	Interval metres	Au ppm	Depth From m	Depth To m
22MNRC012	NSR			
22MNRC013	1	1.76	114	115
22MNRC014	NSR			
22MNRC015	1	1.75	64	65
22MNRC015	1	0.50	76	77
22MNRC016	2	0.81	54	56
22MNRC016	1	1.49	60	61
22MNRC016	1	1.90	68	69
22MNRC016	3	1.35	72	75
22MNRC016	4	1.26	123	127
22MNRC017	10	2.69	89	99
including	1	10.69	93	94
22MNRC017	3	2.49	103	106
22MNRC017	3	3.22	127	130
22MNRC018	2	1.63	22	24
22MNRC018	2	1.71	46	48
22MNRC019	1	1.04	57	58
22MNRC019	1	0.67	59	60
22MNRC019	1	1.35	77	78
22MNRC019	1	2.89	83	84
22MNRC020	3	3.06	51	54
22MNRC021	NSR			
22MNRC022	2	4.83	62	64
22MNRC022	2	1.13	88	90
22MNRC022	3	11.19	106	109
including	1	31.76	106	107
22MNRC023	1	6.49	104	105
22MNRC023	4	2.06	114	118
22MNRC037	1	5.65	97	98
22MNRC037	1	0.92	117	118
22MNRC038	2	2.07	107	109
22MNRC038	3	1.05	115	118
22MNRC038	2	4.90	121	123
NSR = no significant results				
All assayed 1 metre samples				

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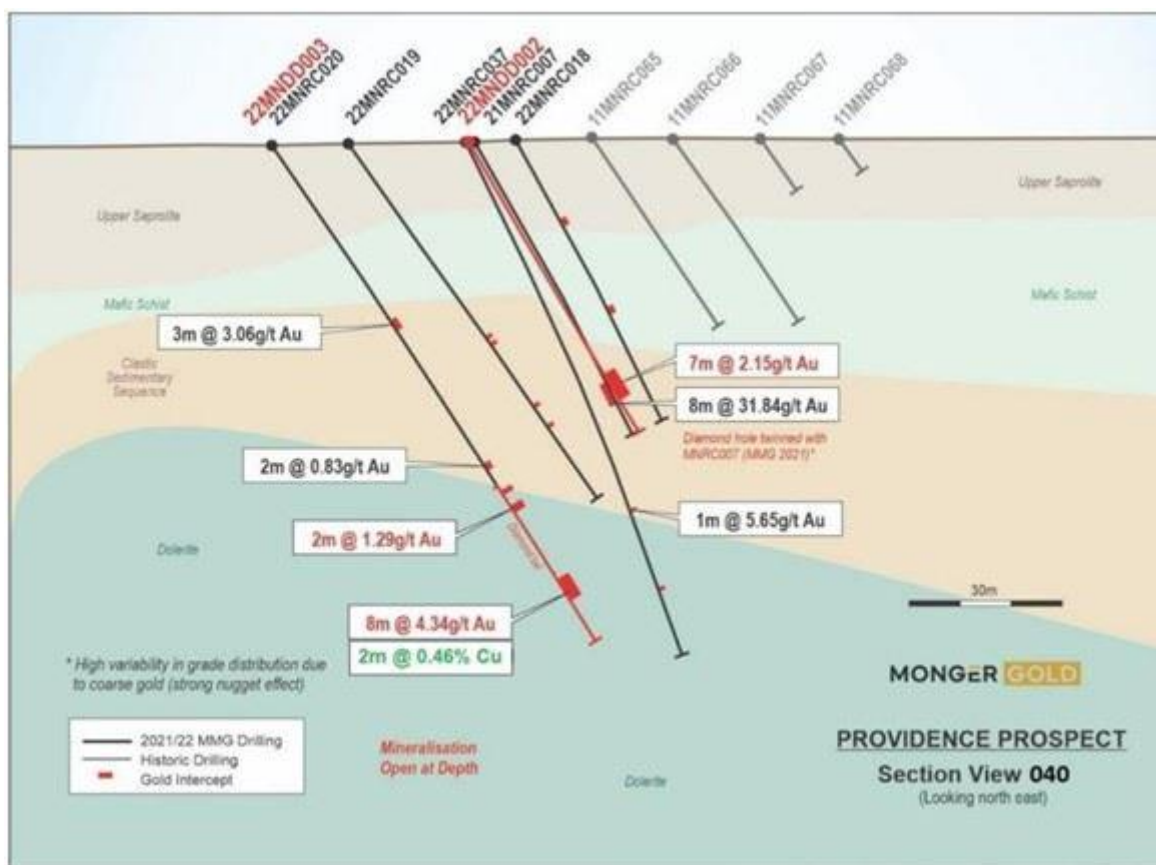


Figure 2: Cross section from Providence Prospect at Mt Monger North showing copper/gold intercepts

Providence (Mt Monger North) Maiden JORC Mineral Resource Estimate

Monger reported a Maiden JORC (2012) Inferred Mineral Resource Estimate for Providence of 204,700 tonnes @ 2.5g/t for 16,400 ounces gold. The Resource at Providence is at open pit extractable depths and sits within a prolific gold district south east of Kalgoorlie, Western Australia. The Resource remains open along strike and at depth and Monger will seek to continue to grow the resource through systematic exploration. This delivered MRE illustrates the success achieved by Monger from the decision to drill deeper below historic lower grade oxide drill intercepts

The discovery of high copper with gold adds value to the Providence Prospect if enough of this type of mineralisation can be discovered. The copper-gold system in the prospect remains open along strike in the SW direction and at depth in the NW direction.

Copper was identified as being associated with gold in rock chip samples at the Hoffmann Prospect 5km NE of Providence, so there is an exploration target for a copper resource base at the project.

Table 2: MRE Summary Table – Providence Gold Prospect

Oxidation	JORC classification	Tonnage	Density	Au Grade	Metal Au
		(t)		(ppm)	(ounces)
Gold mineralisation (Cut-off grade Au 0.41 ppm)					
Oxide	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	31 403	2.11	2.06	2 084
	Total	31 403	2.11	2.06	2 084
Transition	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	31 688	2.27	1.56	1 587
	Total	31 688	2.27	1.56	1 587
Fresh	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	141 595	2.82	2.80	12 734
	Total	141 595	2.82	2.80	12 734
TOTAL	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	204 687	2.59	2.49	16 405
	Total	204 687	2.59	2.49	16 405



Figure 3. Monger North Project tenement plan showing location of Providence Prospect MRE in south west along SSW line nearby to existing gold mines

Gibraltar

A total of 469 Ultrafine soil samples were taken on seventeen 400m spaced traverses, both 50m and 100m apart, on the Gibraltar Project south tenements. Samples were taken at closer spacings to target more prospective areas. The area has deep transported cover and basement weathering which has the potential to conceal gold, lithium, nickel-cobalt and copper deposits. The sample results from Lab West will automatically be shared with CSIRO to analyse for deposits beneath transported cover.

Corporate

Acquisition of the Scotty Lithium Project

On 3 May 2022, the Company acquired 80% of American Consolidated Lithium Pty Ltd, which holds the rights to the Scotty Lithium Project in Nevada, USA. Monger has the rights to acquire up to 100% of the American Consolidated Lithium. The Lithium Project is immediately adjoined and surrounds the Bonnie Claire Project which is host to one of North America's largest lithium resources.

Historical soil sampling returned grades of up to 300ppm Li, which is a similar grade to sampling across the world class Albermarle's Clayton Valley Mine, only 70km towards the northwest of the Scotty Project.

Monger acquired the Project at a cost of A\$2.0 million payable in MMG shares. The acquisition and exploration program is fully funded with A\$4.75 million in cash, with the company raising A\$1.76 million at \$0.25c per share to fund work programs at the lithium project.

The project covers approximately 14,000 acres in Nye County, southern Nevada. The Scotty Lithium Project's exploration target is a JORC (2012) Resource between 250Mt to 500Mt at a grade of at least 1,000ppm Li (see ASX Announcement 3 May 2022).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

The following events have occurred subsequent to the period end:

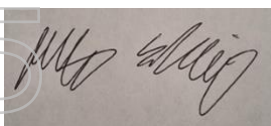
No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Peretz Schapiro
Non-executive Director

13 September 2022

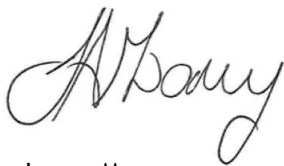
DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF MONGER GOLD LIMITED

As lead auditor for the review of Monger Gold Limited for the half-year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

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

BDO Audit Pty Ltd



James Mooney
Director

Melbourne, 13 September 2022

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Monger Gold Limited
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30 June 2022

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General information

The financial statements cover Monger Gold Limited as a consolidated entity consisting of Monger Gold Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Monger Gold Limited's functional and presentation currency.

Monger Gold Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 602, 566 St Kilda Road, Melbourne VIC 3004

Principal place of business

Suite 602, 566 St Kilda Road, Melbourne VIC 3004

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 September 2022.

Monger Gold Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2022

	Note	Consolidated 30 Jun 2022 \$	30 Jun 2021 \$
Other Income			
Interest income		142	-
Expenses			
Employee benefits expense		(153,720)	-
Depreciation and amortisation expense	3	(4,225)	(2,334)
Professional fees		(229,022)	(181,733)
Administration costs		(84,604)	(161,984)
Finance costs	3	(207)	(12,502)
Loss before income tax expense		(471,636)	(358,553)
Income tax expense		-	-
Loss after income tax expense for the half-year		(471,636)	(358,553)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		16,532	-
Other comprehensive income for the half-year, net of tax		16,532	-
Total comprehensive income for the half-year		(455,104)	(358,553)
Loss for the half-year is attributable to:			
Non-controlling interest		(6)	-
Owners of Monger Gold Limited		(471,630)	(358,553)
		(471,636)	(358,553)
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		3,250	-
Owners of Monger Gold Limited		(458,354)	(358,553)
		(455,104)	(358,553)
		Cents	Cents
Basic earnings per share	18	(2.89)	-
Diluted earnings per share	18	(2.89)	-

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

Monger Gold Limited
Consolidated statement of financial position
As at 30 June 2022

	Note	Consolidated 30 Jun 2022 \$	31 Dec 2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	3,967,842	3,640,881
Trade and other receivables	5	58,376	58,660
Total current assets		<u>4,026,218</u>	<u>3,699,541</u>
Non-current assets			
Property, plant and equipment	6	23,226	27,451
Exploration and evaluation	7	5,991,285	1,230,497
Total non-current assets		<u>6,014,511</u>	<u>1,257,948</u>
Total assets		<u>10,040,729</u>	<u>4,957,489</u>
Liabilities			
Current liabilities			
Trade and other payables	8	142,803	64,291
Total current liabilities		<u>142,803</u>	<u>64,291</u>
Total liabilities		<u>142,803</u>	<u>64,291</u>
Net assets		<u>9,897,926</u>	<u>4,893,198</u>
Equity			
Issued capital	9	8,437,341	4,372,509
Foreign currency reserves		13,276	-
Share based-payments reserves	10	2,335,600	1,683,600
Accumulated losses		<u>(1,634,541)</u>	<u>(1,162,911)</u>
Equity attributable to the owners of Monger Gold Limited		9,151,676	4,893,198
Non-controlling interest	11	746,250	-
Total equity		<u>9,897,926</u>	<u>4,893,198</u>

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

Monger Gold Limited
Consolidated statement of changes in equity
For the half-year ended 30 June 2022

Consolidated	Issued capital \$	Share-based payments reserves \$	Foreign currency reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 January 2021	1	-	-	(75,577)	(75,576)
Loss after income tax expense for the half-year	-	-	-	(358,553)	(358,553)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	(358,553)	(358,553)
Balance at 30 June 2021	<u>1</u>	<u>-</u>	<u>-</u>	<u>(434,130)</u>	<u>(434,129)</u>

Consolidated	Issued capital \$	Share-based payments reserves \$	Foreign currency reserves \$	Accumulated losses \$	Non Controlling Interest \$	Total equity \$
Balance at 1 January 2022	4,372,509	1,683,600	-	(1,162,911)	-	4,893,198
Loss after income tax expense for the half-year	-	-	-	(471,630)	(6)	(471,636)
Other comprehensive income for the half-year, net of tax	-	-	13,276	-	3,256	16,532
Total comprehensive income for the half-year	-	-	13,276	(471,630)	3,250	(455,104)
Acquisition of American Consolidated Lithium Pty Ltd (note 15)	-	-	-	-	743,000	743,000
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payments (note 19)	-	652,000	-	-	-	652,000
Issue of share for cash (note 9)	1,760,000	-	-	-	-	1,760,000
Issue of shares for acquisition of American Consolidated Lithium Pty Ltd (note 9)	2,320,000	-	-	-	-	2,320,000
Share issue expense	(15,168)	-	-	-	-	(15,168)
Balance at 30 June 2022	<u>8,437,341</u>	<u>2,335,600</u>	<u>13,276</u>	<u>(1,634,541)</u>	<u>746,250</u>	<u>9,897,926</u>

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

Monger Gold Limited
Consolidated statement of cash flows
For the half-year ended 30 June 2022

	Consolidated	
	30 Jun 2022	30 Jun 2021
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(392,536)	-
Finance charges	(207)	(66)
Interest received	142	-
	<hr/>	<hr/>
Net cash used in operating activities	(392,601)	(66)
Cash flows from investing activities		
Payments for exploration activities	(759,685)	-
Loan received from related party	-	50
Payments in relation to acquisition on American Consolidated Lithium Pty Ltd	(272,001)	-
	<hr/>	<hr/>
Net cash from/(used in) investing activities	(1,031,686)	50
Cash flows from financing activities		
Proceeds from issue of shares	1,760,000	-
Share issue transaction costs	(16,278)	-
Cash acquired on acquisition of subsidiary	7,526	-
	<hr/>	<hr/>
Net cash from financing activities	1,751,248	-
Net increase/(decrease) in cash and cash equivalents	326,961	(16)
Cash and cash equivalents at the beginning of the financial half-year	3,640,881	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial half-year	<u>3,967,842</u>	<u>(16)</u>

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

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern

For the financial period ended 30 June 2022, the Group incurred a net loss before tax of \$471,636. Its cash outflows used in operating and investing activities were \$392,601 and \$1,031,686 respectively. The consolidated entity's ability to continue as a going concern is dependent upon it being able to successfully raise further funding in the next 12 months from the date of the half year financial report.

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 the amounts stated in the financial report.

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

- As at the date of the half year financial report, the entity had cash and cash equivalents of approximately \$3.15 million.
- The Board have prepared budget which indicates significant expenditure to advance the entity's exploration projects.
- The Board are confident of raising further capital through equity raising when deemed necessary.
- Management have prepared budgets which demonstrates that, based on the above factors the consolidated entity has sufficient funds available to meet its commitments for at least twelve months from the date of the half year financial report.

Accordingly, the Directors believe that the company and Group will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concerns.

Note 2. Operating segments

Identification of reportable operating segments

Operating segment information is disclosed on the same basis as information used for internal reporting purposes by the Board of Directors.

At regular intervals, the board is provided management information for the Company's cash position, the carrying values of exploration permits and Company cash forecast for the next twelve months of operation. On this basis, the board considers the consolidated entity operates in one segment being exploration of minerals and two geographical areas, being Australia and United States.

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 2. Operating segments (continued)

	Interest Income 30 June 2022	Interest Income 30 June 2021	Geographical non-current assets 30 June 2022	Geographical non-current assets 31 December 2021
Geographical information				
Australia	142	-	1,856,029	1,257,948
United States	-	-	4,158,382	-
	<u>142</u>	<u>-</u>	<u>6,014,411</u>	<u>1,257,948</u>

Note 3. Expenses

	Consolidated 30 Jun 2022 \$	Consolidated 30 Jun 2021 \$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	<u>4,225</u>	<u>2,334</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	<u>207</u>	<u>12,502</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>16,871</u>	<u>-</u>
<i>Employee benefits expense excluding superannuation</i>		
Employee benefits expense excluding superannuation	<u>136,849</u>	<u>-</u>

Note 4. Cash and cash equivalents

	Consolidated 30 Jun 2022 \$	Consolidated 31 Dec 2021 \$
Cash at bank	<u>3,967,842</u>	<u>3,640,881</u>

Note 5. Trade and other receivables

	Consolidated 30 Jun 2022 \$	Consolidated 31 Dec 2021 \$
Goods & Service Tax Prepayments	<u>14,086</u> <u>44,290</u>	<u>58,660</u> <u>-</u>
	<u>58,376</u>	<u>58,660</u>

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 6. Property, plant and equipment

	Consolidated	Consolidated
	30 Jun 2022	31 Dec 2021
	\$	\$
Property, plant and equipment	34,080	34,080
Less: Accumulated depreciation	<u>(10,854)</u>	<u>(6,629)</u>
	<u><u>23,226</u></u>	<u><u>27,451</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	\$	Total
		\$
Balance at 1 January 2022	27,451	27,451
Depreciation expense	<u>(4,225)</u>	<u>(4,225)</u>
Balance at 30 June 2022	<u><u>23,226</u></u>	<u><u>23,226</u></u>

Note 7. Exploration and evaluation

	Consolidated	Consolidated
	30 Jun 2022	31 Dec 2021
	\$	\$
Exploration and evaluation Monger Gold Tenements	<u>1,832,804</u>	<u>1,230,497</u>
Cost of project acquisition - American Consolidated Lithium Pty Ltd	<u>3,977,967</u>	<u>-</u>
Exploration Expenditure - American Consolidated Lithium Pty Ltd	<u>180,514</u>	<u>-</u>
	<u><u>5,991,285</u></u>	<u><u>1,230,497</u></u>

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 January 2022	1,230,497
Additions through business combinations ^(note 15)	3,977,967
Expenditure during the half-year	<u>782,821</u>
Balance at 30 June 2022	<u><u>5,991,285</u></u>

Note 8. Trade and other payables

	Consolidated	Consolidated
	30 Jun 2022	31 Dec 2021
	\$	\$
Trade payables	117,255	47,590
Accruals	22,000	-
Other payables	<u>3,548</u>	<u>16,701</u>
	<u><u>142,803</u></u>	<u><u>64,291</u></u>

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 9. Issued capital

	Consolidated			
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	43,040,001	28,000,001	9,680,001	5,600,001
Capital Raising Costs	-	-	(1,242,660)	(1,227,492)
	<u>43,040,001</u>	<u>28,000,001</u>	<u>8,437,341</u>	<u>4,372,509</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 January 2022	28,000,001		5,600,001
Acquisition of American Consolidated Lithium Pty Ltd	7 June 2022	8,000,000	\$0.29	2,320,000
Private Placement	9 June 2022	<u>7,040,000</u>	\$0.25	<u>1,760,000</u>
Balance	30 June 2022	<u>43,040,001</u>		<u>9,680,001</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 10. Share based-payments reserves

	Consolidated	
	30 Jun 2022	31 Dec 2021
	\$	\$
Share based payments reserves	<u>2,335,600</u>	<u>1,683,600</u>

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	\$
Balance at 1 January 2022	1,683,600
4,000,000 exercise price 0.30c - issued to vendors of American Consolidated Lithium Pty Ltd (refer to note 19)	<u>652,000</u>
Balance at 30 June 2022	<u>2,335,600</u>

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 11. Non-controlling interest

	Consolidated	
	30 Jun 2022	31 Dec 2021
	\$	\$
Issued capital	743,000	-
Reserves	3,256	-
Accumulated losses	(6)	-
	<u>746,250</u>	<u>-</u>

Note 12. Contingent liabilities

There are no contingent liabilities that the consolidated entity has become aware of as at 30 June 2022

Note 13. Commitments

There are no commitments at 30 June 2022.

Note 14. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 Jun 2022	30 Jun 2021
	\$	\$
Loss after income tax	<u>(471,605)</u>	-
Other comprehensive income for the half-year, net of tax	<u>-</u>	-
Total comprehensive income	<u>(471,605)</u>	-

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 14. Parent entity information (continued)

Statement of financial position

	Parent	
	30 Jun 2022	31 Dec 2021
	\$	\$
Total current assets	4,017,215	3,699,541
Total non-current assets	4,828,030	1,257,948
Total assets	8,845,245	4,957,489
Total current liabilities	(293,431)	64,291
Total non-current liabilities	-	-
Total liabilities	(293,431)	64,291
Net assets	<u>9,138,676</u>	<u>4,893,198</u>
Equity		
Issued capital	8,437,341	4,372,509
Foreign currency reserves	251	-
Share based payments reserves	2,335,600	1,683,600
Accumulated losses	(1,634,516)	(1,162,911)
Total equity	<u>9,138,676</u>	<u>4,893,198</u>

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 31 December 2021.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2022 and 31 December 2021.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 31 December 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 15. Acquisition of exploration projects

Projects Acquired

On 7th June 2022, Monger Gold Limited acquired 80% of American Consolidated Lithium Pty Ltd ("ACL"). ACL holds the rights to acquire a 100% interest in 700 unpatented placer mining claims covering approximately 14,000 acres in Nye County, southern Nevada, USA, known as the Scotty Lithium Project. Under the agreement, 8,000,000 Shares and 4,000,000 in the capital of options (exercisable at \$0.30 and expiring on 6 July 2024) were issued to the vendors as consideration for the Projects.

As the assets acquired do not meet the definition of a business under Australian Accounting Standard AASB 3 *Business Combinations*, the transaction has been accounted for as an asset acquisition.

The fair value of the assets and liabilities acquired on the date of acquisition are as follows:

	Fair value \$
Acquisition-date fair value of the exploration projects	3,977,967
Cash and cash equivalents	7,526
Other assets	1,508
Liabilities assumed	(272,001)
Less 20% non-controlling interest	<u>(743,000)</u>
Acquisition-date fair value of the total consideration transferred	<u><u>2,972,000</u></u>
Representing:	
8,000,000 shares issued to vendors of American Consolidated Lithium value at \$0.29 each (note 9)	2,320,000
4,000,000 unlisted options issued to the vendors of American Consolidated Lithium exercisable at \$0.30 each (note 19)	<u>652,000</u>
	<u><u>2,972,000</u></u>

Subject to the satisfaction of certain performance milestones, the Company has agreed to purchase the remaining shares and options in the issued capital in American Consolidated Lithium Pty Ltd in two stages:

- A further 10%, so that the Company will hold 90% of the issued capital in ACL through the issue of 9,000,000 Shares and 4,500,000 Options (exercisable at \$0.50 and expiring 3 years from the date of issue) to the vendors; and
- A final 10%, so that the Company will hold 100% of the issued capital in ACL through the issue of 9,000,000 Shares and 4,500,000 Options (exercisable at \$0.70 and expiring 3 years from the date of issue) to the vendors.

Note 16. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 Jun 2022 %	31 Dec 2021 %
Mt Monger Projects Pty Ltd	Australia	100.00%	100.00%
Nevlith LLC ⁽¹⁾	USA	80.00%	-
American Consolidated Lithium Pty Ltd ⁽¹⁾	Australia	80.00%	-
Olsom Inc. ⁽¹⁾	USA	80.00%	-

1) On the 7th June 2022 Monger Gold Limited acquired 80% of American Consolidated Lithium which owns 100% of Olsom Inc. and Nevlith LLC.

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 17. Events after the reporting period

The following events have occurred subsequent to the period end:

- Subsequent to the end of the half year Monger announced that it had entered into an option agreement to acquire 100% of the Brisk Lithium Project located in the prolific James Bay district in west-central Quebec, Canada.
- The Brisk Lithium Project is host to several known pegmatite outcrops. The vendor of the Brisk Lithium Project is DG Resource Management Ltd., who also generated the potentially world-class Corvette Lithium Project owned by Patriot Battery Metals. Exploration will be managed by Dahrouge Geological, who are accredited with a multitude of significant discoveries across multiple commodities, including lithium, REE's, uranium and specialty metals.
- The option agreement includes a 45 day Option Period (as defined below) in which Monger intends to conduct a maiden field program, to confirm and test several of the targets for their potential to contain lithium.

Note 18. Earnings per share

	Consolidated	Consolidated
	30 Jun 2022	30 Jun 2021
	\$	\$
Loss after income tax	(471,636)	(358,553)
Non-controlling interest	6	-
	<u>(471,630)</u>	<u>(358,553)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>16,314,057</u>	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>16,314,057</u>	-
	Cents	Cents
Basic earnings per share	(2.89)	-
Diluted earnings per share	(2.89)	-

Note 19. Share-based payments

From time to time, the Group provides Incentive Options and Performance Rights to officers, employees, consultants, vendors and other key advisors as part of remuneration and incentive arrangements. The number of options or rights granted, and the terms of the options or rights granted are determined by the Board. Shareholder approval is sought where required. During the period the following share-based payments have been recognised:

Options granted

During the period, the following options have been granted:

	Consolidated
	30 June 2022
	\$
1. American Consolidated Lithium Pty Ltd vendor options ^(note 15)	<u>652,000</u>

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Monger Gold Limited
Notes to the consolidated financial statements
30 June 2022

Note 19. Share-based payments (continued)

1. Vendor options

Grant date	31-May-22
Issued date	7-Jun-22
Number of options issued	4,000,000
Expiry date	6-Jul-24
Vesting date	7-Jun-22
Share price at grant date	0.30
Exercise Price	0.30
Expected Volatility	100.0%
Risk-Free Interest Rate	2.60%
Underlying fair value at grant date	\$0.163
Fair Value	\$652,000

The vendor options have been recognised as the cost of exploration and evaluation expenditure in the half year period ^(note 7).

Set out below are summaries of options granted:

30 Jun 2022

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
02/05/2022	02/05/2024	\$0.45	-	500,000	-	-	500,000
07/06/2022	06/07/2024	\$0.30	-	4,000,000	-	-	4,000,000
			-	4,500,000	-	-	4,500,000

The weighted average year remaining contractual life

The weighted average remaining contractual life of options outstanding at the end of the period was 1.96 years.

The weighted average fair value

The weighted average fair value of options outstanding as of 30 June 2022 was \$0.135.

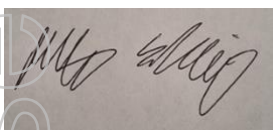
Monger Gold Limited
Directors' declaration
30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Peretz Schapiro
Non-executive Director

13 September 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Monger Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Monger Gold Limited (the Company) and its subsidiaries (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

We draw attention to Note 1 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 conclusion is not modified in respect of this matter.

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Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

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

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

BDO Audit Pty Ltd

A stylized, handwritten-style logo of the letters 'BDO' in black ink.A handwritten signature in black ink that reads 'James Mooney'.

James Mooney
Director

Melbourne, 13 September 2022