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FINANCIAL REPORT

THE HALF YEARENDED
31 DECEMBER 2022

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Directors' Report

The Directors of Power Minerals Limited (Power or the Company) present their report together with the consolidated financial report, on the Company and its subsidiaries (the Group) for the half year ended 31 December 2022.

Directors

The following persons were Directors of Power Minerals Limited during the whole of the half year and up to the date of this report, except as otherwise noted:

- Stephen Ross
- Mena Habib
- James Moses
- David Turvey

Review of Operations

Power has a portfolio of strategically located exploration projects in key, demand driven commodities including; the Salta Lithium Project in the lithium triangle in Argentina, the Musgrave Nickel-Copper-Cobalt-PGE Project in northern South Australia, the Eyre Peninsula Kaolin Halloysite Project on the Eyre Peninsula in South Australia and the Santa Ines Copper-Gold Project in Argentina.

Power completed an active field season and other project enhancing activities across its asset portfolio during the half year. The Company's core focus was the Salta Lithium Project in Argentina, where significant progress was achieved. At the Musgrave Nickel-Copper-Cobalt Project in South Australia, it continued to work to secure an Exploration Deed with the Anangu Pitjantjatjara Yankunytjatjara (APY) traditional owners for the priority Pink Slipper exploration target.

The company continues its focus on developing the flagship Salta Lithium Project in Argentina and delivering shareholder value.

Salta Lithium Brine Project, Argentina

The Salta Lithium Brine Project, 100% owned by Power, is located in the Salta province in northwest Argentina and is part of the Lithium Triangle, the world's leading lithium brine region. The Project consists of five salares (salt lakes) that sit within seven mining leases, covering a total area of 147.07 km².

During the period, Power initiated a Preliminary Economic Assessment (PEA), commencing at the Rincon salar, with the aim of conceptualising the production of a minimum of 2,000 tonnes per annum of lithium carbonate equivalent (LCE) through Direct Lithium Extraction (DLE) at the Rincon, Incahuasi, and Pocitos salares. The PEA at Rincon will be conducted to scoping study level and the results are expected by April 2023. PEAs are then planned for the Incahuasi and Pocitos salares.

In addition, Power started a major drilling campaign at the Salta Project during the period. Drilling commenced at the Incahuasi salar and was designed to be a two-hole program, and the two holes were successfully completed. Subsequent to the half year, the program was extended by up to three additional holes in order to maximise the Mineral Resource potential at Incahuasi. The drilling campaign will continue at the Rincon and Pocitos salares.

The Company also conducted a Vertical Electrical Sounding (VES) geophysical survey program to help in identifying new lithium and water resources in order to support its lithium brine Mineral Resource drilling campaign. The survey delivered positive results and confirmed the potential for identifying additional lithium brines and mineral resource potential at each salar. The VES surveys also provided valuable information on the potential for near-surface fresh or brackish water aquifers in the alluvial fans, which will be used in environmental studies, water management plans, and approvals for the proposed future development of the Salta Project.

Power reported that DLE industry leader, Sunresin New Materials Co. Ltd. (Sunresin), had completed a successful bulk-sample test of brines from the Salta Project. The test involved the extraction of 40 litres of brine from each of the Incahuasi, Rincon, and Pocitos salares, which were then sent to Sunresin's proprietary DLE processing facility in Shaanxi province, China. Sunresin has extensive experience in DLE and has nine commercial projects located in various regions, including South America, North America, Europe, and China, with capacities ranging from 3,000 tonnes per annum to 25,000 tonnes per annum.

Power continues to work with its partner Xiamen Xiangyu New Energy Co., Ltd with a view to executing binding off-take, funding, and logistic agreements for the project. Xiamen Xiangyu is part of Xiamen Xiangyu Co., Ltd, a diversified fortune-500, Shanghai Stock Exchange listed (SSE: 600057) supply chain and logistics company. Xiamen Xiangyu provides an

end-to-end supply chain for battery technology metals, sourcing supply of lithium, nickel, cobalt and other raw materials for processing plants and battery manufacturers and end-use by automobile manufacturers and other battery technology industries.

Musgrave Nickel-Copper-Cobalt Project, South Australia

The Musgrave Project comprises two Exploration Licences and eight Exploration Licence Applications (ELAs) held by wholly-owned Power subsidiary, NiCul Minerals Ltd. The Project covers 14,003km² within the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, in the Musgrave Province of north-west South Australia.

The priority target at the Project is the Pink Slipper geophysical anomaly, which is part of a Farm-in and Joint Venture Agreement (FJVA) with Rio Tinto Exploration Pty Ltd (a wholly owned subsidiary of Rio Tinto Ltd) covering four ELAs. Pursuant to the FJVA with Rio Tinto Exploration, Power has the right to earn a 51% equity in the four FJVA ELAs by progressing the Pink Slipper ELA to grant and meeting certain farm-in expenditure obligations.

The Company is currently negotiating an Exploration Deed with the traditional owners of the APY lands. After the traditional summer hiatus, preparations have commenced for informational meetings to be held with the traditional owners to ensure all opinions are heard and respected. The traditional owners input and agreement is the final major stage in completing the Exploration Deed. Progress towards an Exploration Deed is ongoing under the leadership of Power's Land Access General Manager, Mr Damien Barnes.

Power announced on 28 February 2023 (ASX Announcement) that it proposed to drill on EL5220 and EL5735 in the Musgrave Project once requisite approvals and heritage clearances have been secured. The Company is now undertaking a detailed multi-element re-sampling program of previous drill samples to help define targets for a next phase of drilling. Drillhole samples are the subject of pXRF analysis by Power, and to date in excess of 1,000 pXRF analyses have been completed using a full element matrix.

Power has also entered into a collaborative research project with Emeritus Professor John Foden of the University of Adelaide to apply an advanced technical analysis to examine existing samples from the Mt Caroline Intrusion within the Musgrave Project area.

Eyre Peninsula Kaolin-Halloysite Project, South Australia

The Eyre Peninsula Kaolin-Halloysite Project consists of three Exploration Licences (EL6677, EL6681 and EL6689) covering a total area of 1,413km². It is strategically located adjacent to Andromeda Metals' (ASX: ADN) Kaolin-Halloysite projects on the western side of the Eyre Peninsula.

A maiden drilling program was completed at the Project in May 2022, and results were reported in the half year period. Laboratory analysis results from drilling at the Dickson Well prospect on the Cungena licence (EL6681) confirmed the discovery of significant concentrations of Rare Earth Elements (REE). Results from 96 clay-rich samples showed three distinct areas of REE intersections, and thick zones of elevated REE concentrations were identified in multiple drillholes. Results from drillholes PKD22-119 and PKD22-120 at the Dickson Well prospect showed high-grade REE.

Assay results of composite samples from the Kapinnie licence (EL6689) confirmed significant intersections of white kaolin mineralisation with a 24-metre interval (at 45% yield) of 90.6% kaolin at 79.4 ISO-B brightness. The results also showed low and constant iron content.

Highly positive halloysite results were also reported from drillhole PKD22-001 at the Kapinnie Kaolin Deposit within EL6689, with 14 metres of 17.8% halloysite within 26 metres of 77.1% kaolin. The average halloysite particle size of 25 microns compared to larger kaolinite particles at 80 microns may have positive implications for processing to increase halloysite content in kaolin products. Halloysite has potential applications in traditional markets such as high-quality porcelain ceramics, and emerging advanced nanotechnology and ion exchange markets.

Santa Ines Copper-Gold Project, Argentina

The Santa Ines Project consists of four mining leases covering 61.4km², in north-western Argentina. Power conducted a first-pass drilling program of five diamond core holes (651.4 metres) and reported positive results, including a broad zone of near-surface copper mineralisation, of 26 metres at 0.60% copper.

The results confirmed the potential for a significant copper-gold system within the project area. Power plans to review its geological interpretation and regional geophysical datasets to identify additional iron-oxide-copper-gold (IOCG) targets and may follow up with geophysical surveys for a potential second phase of drilling.

Further information relating to the Group's projects and future directions have been made publicly available on the Company's website at www.powerminerals.com.au.

Dividends

No dividends have been paid, recommended or declared during the current or previous reporting periods.

No further dividends have been declared up to the date of this Report.

Financial position and performance

The loss for the consolidated entity for the 6 months to 31 December 2022, after providing for income tax, amounted to \$806,038 (31 December 2021: \$755,435).

The financial position of the consolidated entity is strong with excellent liquidity and a large asset base, which is being fully utilised. The consolidated entity continued to undertake exploration and evaluation activities on its tenements located in South Australia, Australia and the Salta Province, Argentina.

Changes in capital structure

On 14 September 2022 the Company announced a placement raising approximately \$5.5 million from sophisticated, professional and institutional investors. The placement consisted of up to 10,576,924 ordinary fully paid shares at an issue price of \$0.52 per share. The shares were issued on 21 September 2022.

On 16 December 2022 Power announced (ASX Announcement) 86,539 shares at an issue price of \$0.52 per share were issued to Directors after approval by shareholders at the 2022 AGM. Furthermore, during the half year 64,495 options were exercised which raised \$19,001.

Significant changes in state of affairs

There was no significant change in the state of affairs of the Group during the financial year, other than what has been reported in other parts of this Report.

Matters subsequent to the end of the period

Matters subsequent to the end of the financial year are disclosed in Note 12 to the financial statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on page 4 of the half-year financial report and forms part of this Directors' Report.

Resolution of Directors

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

On behalf of the Directors



Mena Habib
Managing Director
9 March 2023

DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF POWER MINERALS LIMITED

As lead auditor for the review of Power Minerals Limited for the half-year ended 31 December 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 Power Minerals Limited and the entities it controlled during the period.



Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 9 March 2023

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**Consolidated statement of profit or loss and other comprehensive income
for the half year ended 31 December 2022**

	Note	Consolidated	
		31 December 2022 \$	31 December 2021 \$
Revenue from Continuing Operations	3	28,236	23,257
Other Income	3	487,084	-
Foreign currency gain/(loss)	3	(140,001)	29,458
Expenses			
Depreciation and amortisation		(14,154)	(345)
Employment and contractor costs		(322,135)	(219,455)
Termination benefits		-	(91,324)
Investor relations		(37,022)	-
Compliance and regulatory expenses		(115,841)	(103,780)
Consulting fees		(53,280)	-
Operating expenses		(176,744)	(155,626)
Share based payments expense		(224,500)	-
Legal Fees		(110,561)	(168,674)
Interest expense		(2,258)	-
Impairment for credit losses		(35,193)	-
Total expenses		(1,091,688)	(739,204)
Loss before tax		(716,369)	(686,489)
Income tax benefit/(expense)		(89,669)	(68,946)
Loss for the half year		(806,038)	(755,435)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation	9	35,957	-
Total other comprehensive income		35,957	-
Total comprehensive Loss for the half year		(770,081)	(755,435)
Attributable to:			
Members of Power Minerals Limited		(770,081)	(755,435)
		(770,081)	(755,435)
Earnings per share for loss attributable to the ordinary equity holders of the company:			
Basic loss (cents per share)		(1.2)	(1.6)
Diluted loss (cents per share)		(1.2)	(1.6)

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

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Consolidated statement of financial position as at 31 December 2022

		Consolidated	
	Note	31 December 2022 \$	30 June 2022 \$
Current assets			
Cash and cash equivalents		6,477,090	3,588,298
Trade and other receivables		127,013	95,138
Total current assets		6,604,103	3,683,436
Non-current assets			
Trade and other receivables		171,169	113,595
Exploration and evaluation expenditure	4	25,412,463	23,522,356
Intangible Assets	5	-	-
Right of Use asset		22,213	8,404
Property, plant and equipment		101,559	112,655
Total non-current assets		25,707,404	23,757,010
Total assets		32,311,507	27,440,446
Current liabilities			
Trade and other payables		286,036	221,447
Lease liabilities		22,381	6,790
Employee benefits		89,658	51,142
Total current liabilities		398,075	279,379
Non-Current liabilities			
Employee benefits		6,779	3,830
Total Non-current liabilities		6,779	3,830
Total liabilities		404,854	283,209
Net assets		31,906,653	27,157,237
Equity			
Issued capital	8	45,574,689	40,951,692
Reserves	9	3,627,603	2,695,146
Retained earnings		(17,295,639)	(16,489,601)
Total Equity attributable to equity holders of the Company		31,906,653	27,157,237

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

Consolidated statement of changes in equity for the half year ended 31 December 2022

Consolidated	Issued Capital \$	Reserves \$	Retained Earnings \$	Total equity \$
Balance at 1 July 2022	40,951,692	2,695,146	(16,489,601)	27,157,237
Profit / (Loss) after income tax expense	-	-	(806,038)	(806,038)
Other comprehensive income, net of tax	-	35,957	-	35,957
Total comprehensive (loss)/income	-	35,957	(806,038)	(770,081)
Issue of shares, net of transaction costs and tax	5,294,997	-	-	5,294,997
Share based payments	(672,000)	896,500	-	224,500
Balance at 31 December 2022	45,574,689	3,627,603	(17,295,639)	31,906,653

Consolidated	Issued Capital \$	Reserves \$	Retained Earnings \$	Total equity \$
Balance at 1 July 2021	35,779,326	3,292,770	(15,443,081)	23,629,015
Profit / (Loss) after income tax expense	-	-	(755,435)	(755,435)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive (loss)/income	-	-	(755,435)	(755,435)
Issue of shares, net of transaction costs and tax	4,019,204	-	-	4,019,204
Share based payments	1,417,500	(1,417,500)	-	-
Balance at 31 December 2021	41,216,030	1,875,270	(16,198,516)	26,892,784

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

Consolidated statement of cash flows
for the half year ended 31 December 2022

	Consolidated		
	Note	31 December 2022 \$	30 December 2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,688	22,216
Payments to suppliers and employees (inclusive of GST)		(970,679)	(679,542)
Net cash from operating activities		(961,991)	(657,326)
Cash flows from investing activities			
Interest received		10,287	1,041
Receipts from blue chip swap transactions		487,084	-
Payments for exploration and evaluation activities		(1,838,476)	(766,102)
Payments for property, plant and equipment		(2,426)	(54,787)
Net cash from investing activities		(1,343,531)	(819,848)
Cash flows from financing activities			
Proceeds from issues of equity securities		5,564,002	3,950,257
Costs of issuing shares		(358,674)	-
Repayment of lease liabilities		(11,065)	(6,680)
Net cash from financing activities		5,194,263	3,943,577
Net increase / (decrease) in cash and cash equivalents		2,888,742	2,466,403
Cash and cash equivalents at the beginning of the reporting period		3,588,298	2,979,869
Effects of exchange rate changes on cash and cash equivalents		50	-
Cash and cash equivalents at the end of the end of the reporting period		6,477,090	5,446,272

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

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Notes to the Consolidated Financial Statements for the half year ended 31 December 2022

Basis of Preparation

Note 1 Reporting Entity

This financial report covers the consolidated financial statements for the consolidated entity consisting of Power Minerals Limited (the "Company" or "Parent") and its controlled entities (the "Group" or the "consolidated entity").

The Company's registered office and its principal place of business is Level 1, 6/68 North Terrace KENT TOWN SA 5067.

Power Minerals Limited was incorporated in Australia and is domiciled in Australia.

Note 2 Basis of preparation

i Statement of Compliance

The half year financial report for the six months ended 31 December 2022 is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting (AASB 134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half year financial report is intended to provide users with an update on the latest annual financial statements of the Group and as such they do not include full disclosures of the type normally included in the annual report. It is recommended that they be read in conjunction with the 2022 Annual Report and any public announcements made by Power during the half year reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules.

ii Significant Accounting Policies

The half year financial report has been prepared in accordance with the accounting policies adopted in the 2022 Annual Report and have been consistently applied by the entities in the Group except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 July 2022. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year. These have not had a significant or immediate impact on the Group's half year financial report.

There are no standards issued but not yet effective that are expected to have a material impact on the entity in future reporting periods or on foreseeable future transactions.

iii Critical accounting estimates and judgements

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

In preparing this half year financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2022.

The Business Performance

Note 3 Revenue and other income

The Group's revenue for the half year is as follows:

	Consolidated	
	Half year ended 31 December 2022 \$	Half year ended 31 December 2021 \$
Revenue from continuing operations		
Interest	19,536	1,041
Revenue from customers	8,700	22,216
Total	28,236	23,257
Other income		
Gain on blue chip swap transactions	487,084	-
Total	487,084	-
Foreign currency gain/(loss)		
Foreign currency gain/(loss) on exchange movements	(140,001)	29,458
Total	(140,001)	29,458

Exchange controls instituted by the Argentine government restricts the purchase of foreign currencies. As a result of these exchange controls, the Group use a legal trading mechanism commonly known as the Blue Chip Swap in which the foreign operation in Argentina buys Argentinian securities in USD, then sells the securities in Argentina for Argentinian Pesos on the same day. This is to enable the Group to fund working capital in its Argentinian operations. The Blue Chip Swap rate has diverged significantly from Argentina's official exchange rate resulting in the Group recognising a gain from Blue Chip Swap transactions.

The Blue Chip Swaps are financial instruments where the gain or loss associated with the trading of these financial instruments are treated as other income or other expenses. The Group holds no Blue Chip Swaps at 31 December 2022 (31 December 2021: nil) and never holds Blue Chip Swaps overnight.

Note 4 Exploration and evaluation expenditure

	Consolidated	
	Half year ended 31 December 2022 \$	Year ended 30 June 2022 \$
Movements in exploration and evaluation asset		
Balance at beginning of period	23,522,356	18,577,983
Additions	1,838,521	2,369,080
Reclassification of intangible asset	-	2,293,428
Foreign currency movement	51,586	281,865
Balance at end of period	25,412,463	23,522,356

Note 5 Intangible assets

Intangible assets – license applications

Balance at beginning of period

Reclassification to exploration and evaluation assets

Balance at end of period

Consolidated	
Half year ended 31 December 2022 \$	Year ended 30 June 2022 \$
-	2,293,428
-	(2,293,428)
-	-

In April 2021, the Group acquired 100% of Hillside Minerals Pty Ltd (Hillside). Hillside was acquired for the following consideration, valued at a total of \$2,293,428:

- 1,200,000 options, valued at \$324,677
- 6,250,000 ordinary shares, valued at \$1,968,751

On acquisition, Hillside held two exploration licence applications for tenements on the Eyre Peninsula in South Australia. As at 30 June 2021, the licenses remained in the application phase, and as such the value was not capitalised to exploration and evaluation assets because no active right to tenure was present. Rather, the value was recorded as an intangible asset. In November 2021, the licenses were formally approved and an active right to tenure was established. Accordingly, the value has been reclassified to exploration and evaluation assets for the year ended 30 June 2022.

Note 6 Segment information

The chief operating decision-makers have been identified as the board of Directors consisting of executive and non-executive Directors. The operating segments are identified by management based on the nature of the commodity to be sold. Discrete financial information about operating businesses is reported to Executive Management, on at least a monthly basis. The Group operates in one segment, being mineral exploration and development.

Non-current operating assets

Australia

Argentina

Total

Consolidated	
Half year ended 31 December 2022 \$	Year ended 30 June 2022 \$
15,875,432	15,480,530
9,537,031	8,041,826
25,412,463	23,522,356

Capital

Note 7 Dividends

No dividends have been paid for the half year ended 31 December 2022 or the year ended 30 June 2022.

No further dividends have been declared up to the date of this Report.

Note 8 Issued Capital

Fully paid ordinary shares and fully paid options

	6 months to 31 December 2022		12 months to 30 June 2022	
	No.	\$	No.	\$
Balance at beginning of the reporting period	61,516,865	40,951,692	44,828,674	35,779,326
Issue of shares	10,663,463	5,545,001	14,236,843	5,423,500
Issue of shares on the exercise of options	64,495	19,001	2,451,348	690,901
Share issue costs	-	(1,030,674)	-	(1,004,713)
Tax effect on issue costs	-	89,669	-	62,678
Balance at end of the reporting period	72,244,823	45,574,689	61,516,865	40,951,692

On 14 September 2022 the Company announced (ASX Announcement) a placement raising approximately \$5.5 million from sophisticated, professional and institutional investors. The placement consisted of up to 10,576,924 ordinary fully paid shares at an issue price of \$0.52 per share. The shares were issued on 21 September 2022 (ASX Announcement). On 16 December 2022 Power announced (ASX Announcement) 86,539 shares at an issue price of \$0.52 per share were issued to Directors after approval by shareholders at the 2022 AGM.

During the half year 64,495 options were exercised which raised \$19,001.

Note 9 Reserves

Movements in reserves

Consolidated	Prepaid share reserve	Equity settled employee benefits reserve	Share based payments reserve	Foreign currency translation reserve	Total reserves
	\$	\$	\$	\$	\$
Balance at 1 July 2022	-	620,277	1,728,826	346,043	2,695,146
Translation of foreign operations	-	-	-	35,957	35,957
Total comprehensive (loss)/income	-	-	-	35,957	35,957
Transfer to issued capital	-	-	-	-	-
Share based payments	-	224,500	672,000	-	896,500
Balance at 31 December 2022	-	844,777	2,400,826	382,000	3,627,603

Consolidated	Prepaid share reserve	Equity settled employee benefits reserve	Share based payments reserve	Foreign currency translation reserve	Total reserves
	\$	\$	\$	\$	\$
Balance at 1 July 2021	306,000	594,444	2,392,326	-	3,292,770
Translation of foreign operations	-	-	-	346,043	346,043
Total comprehensive (loss)/income	-	-	-	346,043	346,043
Transfer to issued capital	(306,000)	-	(1,417,500)	-	(1,723,500)
Share based payments	-	25,833	754,000	-	779,833
Balance at 30 June 2022	-	620,277	1,728,826	346,043	2,695,146

The Company entered into an agreement with GBA Capital Pty Ltd as the Lead Manager Engagement for the brokerage and underwriting services for the share placement announced on 14 September 2022. This included the issue of 1,500,000 unquoted options, at an exercise price of \$1.04, expiring on or before 31 December 2024, with a fair value of \$672,000.

Other Information

Note 10 Related party information

There were no significant related party transactions during the half year ended 31 December 2022.

Note 11 Contingent liabilities and contingent assets

There have been no changes in contingent liabilities and contingent assets since 30 June 2022.

Note 12 Subsequent events

There has not been in the period since 31 December 2022 and up to the date of this Report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Directors' declaration

In the Directors' opinion:

- The half year financial report and notes set out on pages 5-13 are in accordance with the *Corporations Act 2001*, including:
 - i Giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its 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*.
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Mena Habib
Managing Director
Melbourne, 9 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF POWER MINERALS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Power Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 31 December 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.

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.

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Auditor's responsibility for the review of the financial report

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

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Paul Gosnold'.

Paul Gosnold
Director

Adelaide, 10 March 2023

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