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ASTRO RESOURCES NL

ABN 96 007 090 904

Consolidated Interim Financial Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



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Directors' Report

The Directors of Astro Resources NL ("**Astro**" or "**the Company**") present their report together with the consolidated financial statements for the six months ended 31 December 2022 ("**Half-Year 2022**").

Directors

The names of the Company's Directors in office during the Half Year and until the date of this report are as below.

Directors were in office for this entire period unless otherwise stated:

- Mr Anthony Leibowitz – Executive Chairperson (appointed 16 November 2022)
- Mr John Young – Non-Executive Director (appointed – 3 March 2023)
- Mr Jacob Khouri – Non-Executive Director
- Mr Vincent Fayad – Executive Director
- Mr Gregory Jones – Non-Executive Director (resigned 2 March 2023)

Review of Results and Operations

The Group reported a loss of \$1,982,091 Half-Year 2022 compared to a loss of \$790,442 for the Half Year period ended 31 December 2021.

Objectives

The Company's objective is to increase shareholder wealth through successful exploration activities and mining activities whilst providing a safe workplace and ensuring best practice in relation to its environmental obligations.

Operations

The principal activities of the Group during the half-year period were the exploration and development of mineral resources, principally in the areas of mineral sands, lithium, diamonds and gold.

There were no significant changes in the nature of the Group's principal activities during the half-year period.

Mineral Resources Operations Summary

During the half year, the following developments were made in the Company's projects:

Georgina Basin, IOCG Project

A key focus for the Company during the Half-Year 2022 was the acquisition and finalisation the Georgina Basin transaction. Located in the highly prospective East Tennant province in the Northern Territory, the Georgina Project comprises 10 granted Exploration Licences and 3 under application, for a combined total area of approximately 4,500km² (Figure 1).

Completion of the acquisition

In November 2022, the Company completed the 80% acquisition of the Georgina IOCG Exploration Project from Greenvale Energy Limited (formerly Greenvale Mining Limited) (ASX: GRV) ("**Greenvale**"). As a result of the acquisition, Astro now holds an 80% interest in Knox Resources Pty Ltd ("**Knox**"), the 100% owner of the Georgina Project tenements.

The keys terms of the acquisition from Greenvale has been summarised as follows:

- 46,000,000 fully paid Astro ordinary shares, representing approximately 17% of the existing share capital in the Company ("**Share Consideration**"). The Share Consideration is subject to the following escrow provisions:
 - 20% - no escrow;
 - 30% - one year escrow; and



- 50% two years escrow.
- Greenvale will be required to contribute to the funding of its share of Knox's future costs (20%);
- A 2% net smelter royalty (**Royalty**) for all IOCG product exploited in the future from the existing tenements owned by Knox;
- Astro has the right to acquire the remaining 20% of Knox shares for cash or shares (at the election of Astro) for a period of two years following the completion of the initial acquisition. The value of the acquisition is to be based on an independent valuation to be commissioned by Astro and Greenvale. Where the consideration is to be Astro shares, the number of shares to be issued is to be based on Astro's volume weighted average share price (**VWAP**);
- In addition to the above, Greenvale will grant to Astro an option to purchase the Royalty within a period of five years from the date of acquisition at an independent valuation for either cash or shares (at Astro's election). Again, to the extent that Astro shares are issued to satisfy the acquisition, the number of shares is to be based on the volume weighted average trading price, without a discount; and
- The approval of the acquisition of the remaining 20% and/or Royalty will be subject to future shareholder approval.

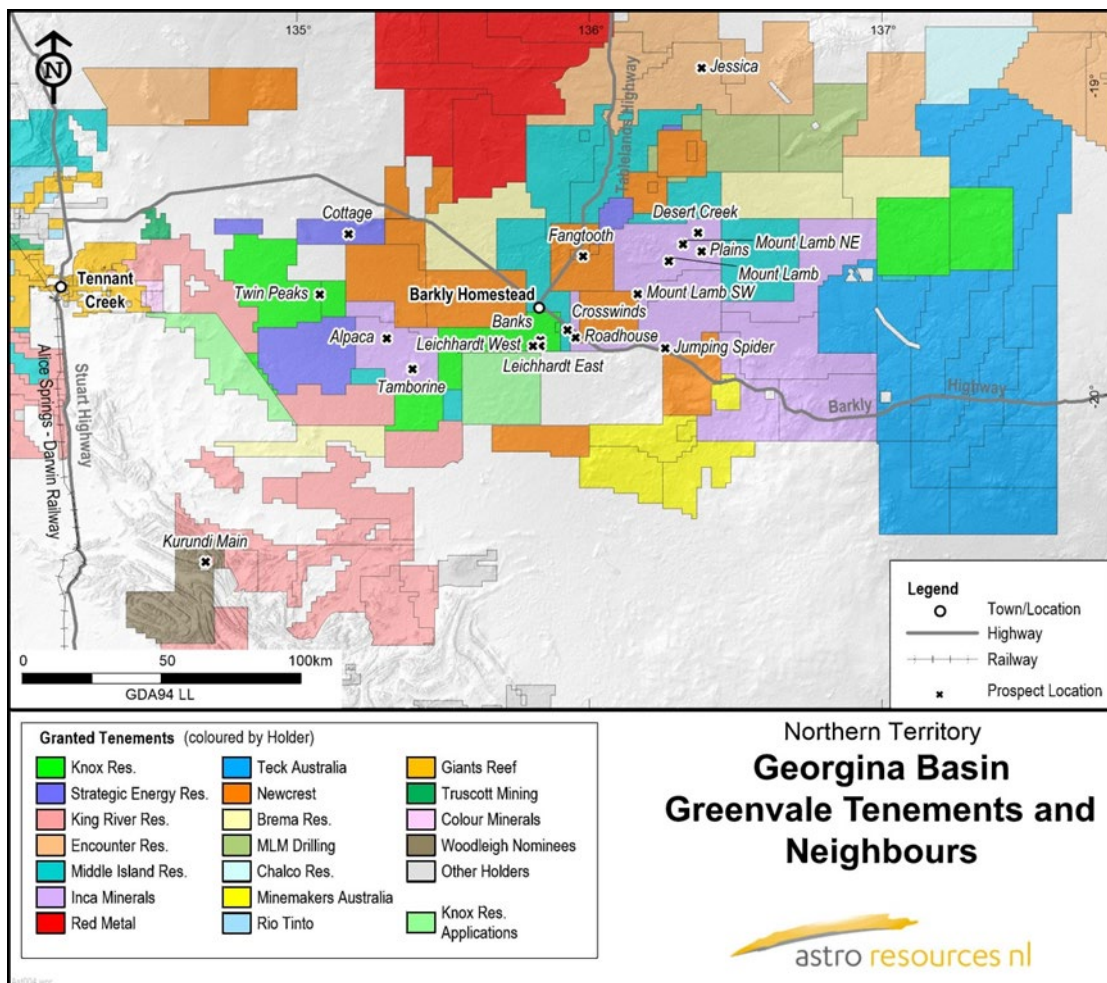


Figure 1. Georgina Basin IOCG Project location and key regional prospect areas.

Drilling activities

> **Leichhardt East**

In December 2022, Astro completed its maiden drilling program at the Georgina IOCG Exploration Project (Figures 2 and 3).

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The drilling program comprised of one 699.80 metre diamond drill hole (KNXLE001RDD), targeting a prospect that contained the highest intensity of magnetic and gravity anomalies previously identified on the central tenement area, known as the Leichhardt East prospect.

The prospect was initially identified as a high-ranking target in an SRK Consulting Australia (**SRK**) IOCG prospectivity review undertaken by Greenvale in 2021.

Preliminary geological logging of the hole identified a number of occurrences of strong IOCG-style alteration, copper-bearing minerals and the presence of hematitic ironstone. The presence of ironstones in the hole is considered highly encouraging, as ironstones represent a geochemical depositional mechanism upon which gold and copper may precipitate from ore-forming fluids. Furthermore, the observed ironstone contains veinlets of sulfide minerals such as pyrite and chalcopyrite (a copper mineral), indicating a depositional process at work.

The drill core from the Leichhardt East drilling campaign is currently being prepared for assay and expected to be delivered for laboratory testing in February 2023.

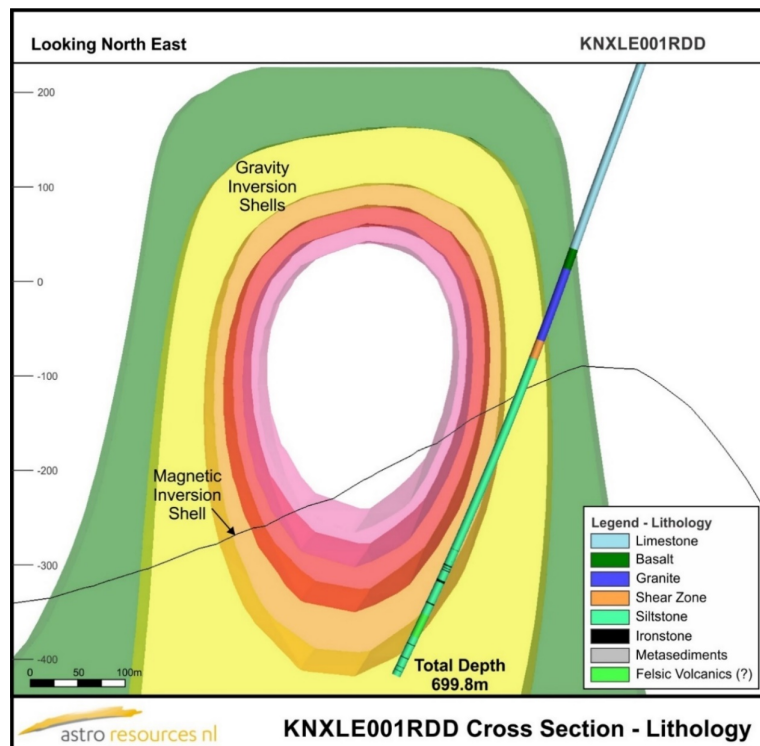


Figure 2. Leichhardt East cross-section with lithology and inverted geophysical isosurfaces.



Figure 3. Hematitic ironstone and pyrite (sulfide mineral) mineralisation (482.3m).

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> **Leichhardt West and Banks**

In view of SRK’s prospectivity review, Greenvale commissioned a two-diamond drill hole program at the Banks and Leichhardt West prospects in mid-2022 (Figure 4). Visual results reported by Greenvale of the core samples indicated that both holes intersected trace to minor chalcopyrite (copper mineral) mineralisation in prospective altered host-rocks.

Assay results from the Greenvale drill program were received by Astro in January 2023. Such results confirmed Greenvale’s visual observations of traces of copper and other elements associated with IOCG deposits. Further information concerning the results of the assay testing can be found under the ‘Events Subsequent to Balance Date’ section of this report.

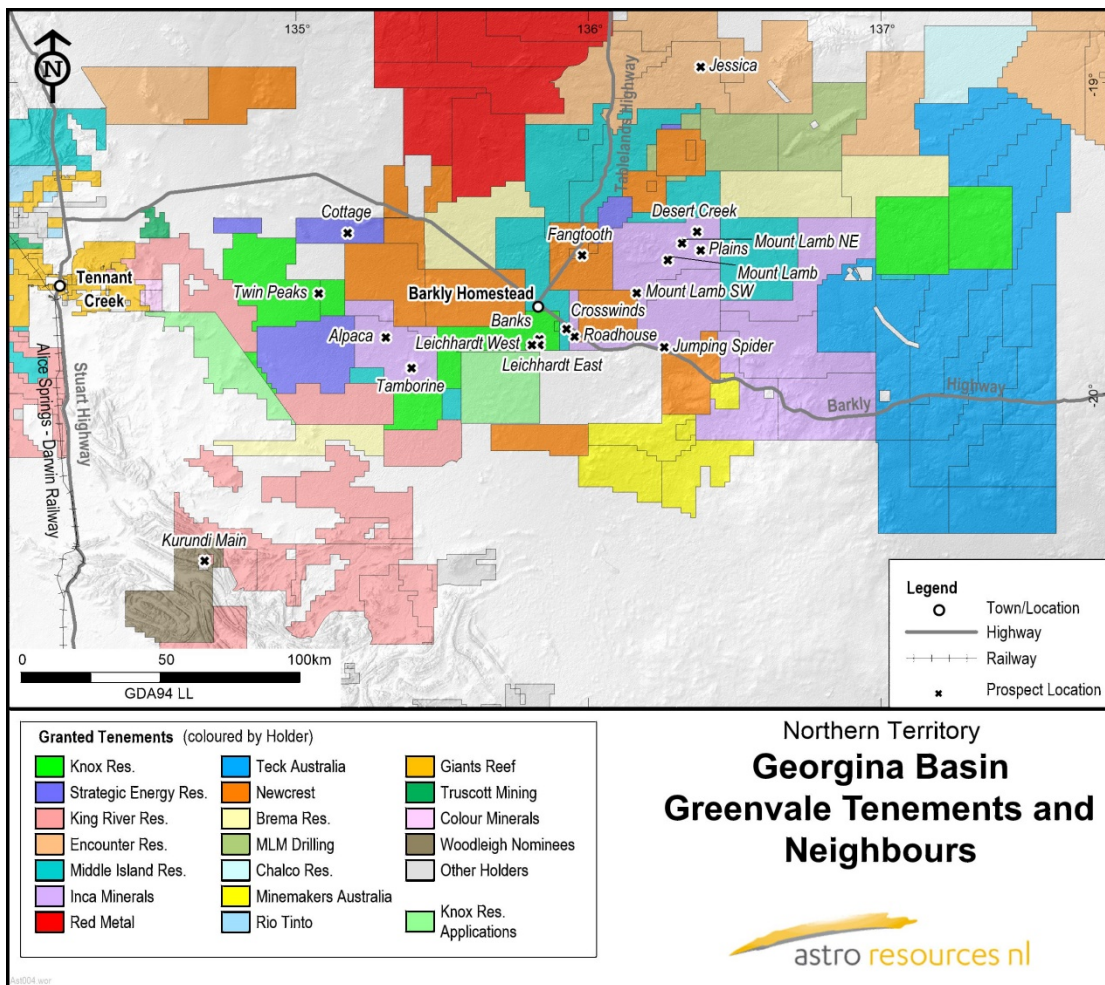


Figure 4. Astro’s tenement holding, showing neighbouring holders and key regional prospects.

Lithium Interests, USA

During the Half-Year 2022, the Company increased its presence in the lithium battery minerals sector with several key acquisitions.

Acquisition – Kibby Basin Project

In August 2022, the Company successfully staked a number of highly prospective lithium brine and clay claims in the Kibby Basin, Nevada, USA (Figure 5). The Kibby Basin Project is located 60km north of Clayton Valley Basin, which hosts the majority of lithium projects in the state, including Albermarle’s Silver Peak lithium brine operation – the sole lithium producer in North America.

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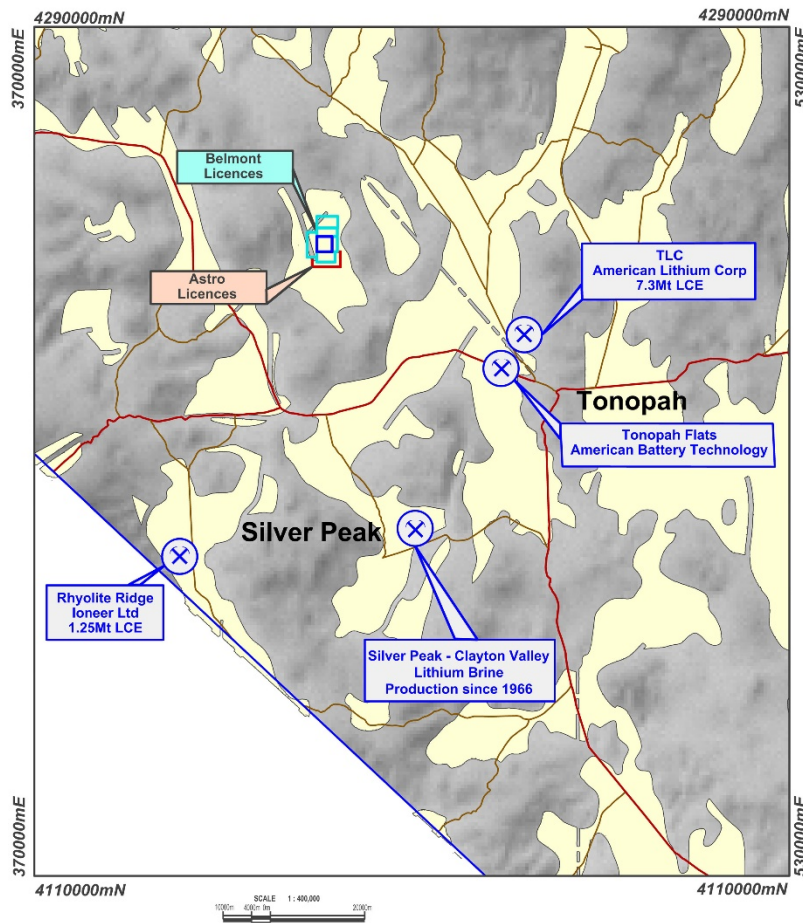


Figure 5. Location of Kibby Basin (Belmont & Astro Licences)

Geophysical surveying conducted by Belmont Resources (**Belmont**) has indicated the Kibby Basin to be a closed basin with a strong magnetotelluric conductor located beneath the playa (lake) bed, interpreted to represent the presence of a lithium-rich brine. Belmont's ASX-listed joint venture partner, Marquee Resources Ltd (ASX: MQR), completed a drilling program at the project during the December 2022 quarter.

The Company's claim position covers a prospective southern portion of the basin, abutting basement outcrop which may represent an upthrown horst along the margin of an east-west structure, a down-thrust block to the north that is currently filled with the Kibby playa lake. This structural setting would be similar to that shown for Silver Peak in the Clayton Valley.

During the 2022-Half Year, the Company initiated steps towards undertaking a field review to evaluate a possible exploration programme, including conducting a shallow initial air-core drilling program to confirm the presence of lithium-bearing clay mineralisation before advancing to a more comprehensive drilling campaign. The Company expects that this field review will be completed by March 2023.

Joint Venture – Galactic Lithium

> Joint Venture Portfolio

During the 2022 Half-Year, the Company entered a non-binding letter of intent (**LoI**) with an unlisted Canadian public company known as Luna Lithium (**Luna**). The purpose of the LoI was to form a joint venture entity to be called "Galactic Lithium LLC" (**Galactic**), which would source, identify and explore for lithium brine and lithium clay assets across the United States of America (USA) with an emphasis on Nevada and projects close to Kibby Basin.

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Since the Half-Year 2022, Luna requested that amendments be made to several of the key commercial terms agreed to under the Lol. As a result of Luna's proposed amendments, Astro has decided not proceed with the Galactic Lithium LLC joint venture in the manner and form previously announced. However, the Company will look to formulating on a case by case basis, some working relationship with Luna to the extent that is possible.

> **Columbus Basin Transaction**

During the 2022 Half-Year, the Company (through Galactic), entered into a non-binding heads of agreement (HoA) for the acquisition of the Columbus Basin Project (**Columbus**), a lithium brine project located in Nevada, USA. However, shortly after HoA had been signed, a dispute arose with the vendor on a number of transactional matters. A concerted effort was made by Galactic to resolve the dispute and achieve the outright acquisition of the Columbus Basin Project. Unfortunately, an agreement could not be reached between both parties, which was largely due to issues on confirmation of ownership of the project and as a consequence, Galactic withdrew from negotiations for the acquisition of the Columbus Basin Project.

Needles Project, USA

The Company's Needles Gold Project comprises of one hundred and thirty-seven (137) lode mining claims, located in Nevada, USA.

Drilling activities

Prior to the 2022 Half-Year, the Company completed its diamond drill program of the Needles Project which consisted of four 500m deep holes, which were designed to test a strong DC/IP chargeability anomaly outline during the geophysical surveys that were completed in January 2021.

All of the remaining assays from the drilling program were received during the 2022 Half-Year which concluded that the main DC/IP chargeability anomaly has defined pyrite mineralisation in the andesites and dacites, the pyrite does not carry significant gold or base metal mineralisation.

In view of the results received from the Needles drilling program, the Company continues to review the information gained from the drilling program and intends on integrating this into a final report with recommendation for future work on the project.

Governor Broome Heavy Minerals, WA

The Governor Broome Project is located on the Scott River Coastal Plain, 70km south of Busselton and 50km southwest of Nannup. The Governor Broome project consists of two parts:

- Retention Licence R70/53 which is held 100% by Astro ("Governor Broome"); and
- Retention Licence R70/58 which was previously subject to a Farm-in /Joint Venture arrangement with Iluka Resources Limited (Iluka) ("Jack Track"). The project was acquired from Iluka during the 2022 financial year.

Work undertaken – R70/53

No exploration work was undertaken on the Governor Broome area during the 2022 Half-Year.

Work undertaken – R70/58 "Jack Track"

No exploration work was undertaken on the Jack Track area during the 2022 Half-Year.

Resource Upgrade – R70/58 "Jack Track" and R70/53

During the 2022 Interim-Period, composite samples of the heavy mineral concentrate (**HMC**) from Astro's 314-hole drilling programme undertaken in April and May 2022 were processed by Allied Mineral Laboratories in Perth (**AML**). The composite samples were used to assess the heavy mineral (**HM**) assemblages of the Jack Track Deposit and of the in-fill-drilled portion of the Jack Track Southwest Deposit.

The updated Mineral Resources, which reflect in-fill drilling of a significant portion of the Jack Track Deposit during the June Quarter 2022, included:



- a maiden Indicated Resource of 22Mt @ 4.5% HM within the portion of the Jack Track Deposit that underwent in-fill drilling during Q2 of 2022;
- an updated Inferred Resource of 12Mt @ 3.5% HM within the eastern part of the Jack Track Deposit;
- an updated Indicated Resource of 8.0Mt @ 5.0% HM for the Governor Broome West Deposit; and
- a maiden Indicated Resource of 4Mt @ 3% HM within the portion of the Jack track Southwest Deposit that underwent in-fill drilling during Q 2 of 2022.

The updated Resource represents a 50% increase in the Governor Broome Project's global Indicated Resource to 78Mt @ 4.5% HM (up from 52Mt @ 4.6% HM), as well as a 21% increase in the Jack Track Deposit total Resource to 34Mt @ 4.2% HM (up from 28Mt @ 4.1% HM), compared with the previous Mineral Resource Estimates announced to the ASX on 8 November 2021.

The upgrade of the deposits to Indicated Resource status and the scheduled testwork will enable a Scoping Study to be carried out into the mining of both the Governor Broome deposits within R70/53 (total Indicated Resources of 52Mt @ 4.8% HM) and of the Jack Track deposits (Indicated Resources of 26Mt @ 4.0% HM). The Company considers this to be another important step towards confirming the commercial potential of its 100%-owned Governor Broome Mineral Sands Project in the south-west of Western Australia after receiving positive results from mineral assemblage testwork on two of the Project's key deposits, Jack Track and Jack Track Southwest located in the south-west of Western Australia on the Scott River Coastal Plain (see Figure 6).



Figure 6. Project Location of the Governor Broome Project

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East Kimberly Diamonds

The Company holds the Lower Smoke Creek (E80/4120) exploration licence that adjoins the Argyle and the former Bow River Diamond Mines within the East Kimberley region of Western Australia. Previous exploration for diamonds in the area has included limited bulk sampling, airborne magnetics, geochemical soil sampling, and drilling and the completion of 57 km ground penetrating radar (“GPR”) survey.

Drilling activities

No work was undertaken during the December Half Year 2022 for the East Kimberly Diamonds Project.

Diamond Spin-off

During the December Half Year 2022, the Company continued to work on the proposed spin-off of its East Kimberley Diamonds project. The structure of the spin-off will be in the form of an initial public offering (**IPO**) on the Australian Securities Exchange (**ASX**) is to comprise Astro’s East Kimberly project, together with a collection of other projects in Australia and potentially overseas.

On 12 December 2022, the Company was notified by one of the vendor parties who were to be a party to the IPO that they were not prepared to incur their project’s minimum expenditure costs, as required under the relevant mining legislation. Consequently, discussions with the relevant vendor were terminated. In view of the change in circumstances for Argyle, the Company is now re-assessing its strategy associated with the IPO.

Financial Results

Revenue

The Company derived interest income on its short-term interest-bearing deposits held during the Half-Year 2022.

Net expenses and impairment

The following points are noted in relation to expenses for the Half-Year 2022:

- > ongoing administration expenses increased from \$563,626 at December 2021 to \$687,833 at December 2022. Included in the Half-Year 2022 results was directors travel costs which related to management of the Company’s drilling program at the Needles gold project (“Needles”) in Nevada, United States of America and also to source new lithium opportunities for the Company in the region;
- > impact of an impairment against costs incurred by the Company for the aborted Galactic Lithium Joint Venture of \$173,200;
- > impact for the costs incurred for the proposed Argyle Resources Limited spin off, which have been provisioned in full due to the uncertainty in achieving a successful IPO; and
- > an impairment charge against the capitalised exploration expenditure incurred for the East Kimberley Diamonds project of \$870,072. This charge reflects the not only the Board’s decision not to proceed with the Argyle Resources Limited IPO) but more importantly, the intention to seek out strategic investors and likely partial realisation of the asset which is to result in a value less than that of the capitalised exploration costs.

The Directors have considered whether any further impairment for the Company’s tenements is required for the current period. They have formed the view that none is required.

Statement of financial position

During the 2022 Half-Year the following key items occurred:

- > cash increased from \$2,074,450 at 30 June 2022 to \$2,510,401 at 31 December 2022. This increase was primarily caused by the Company’s placements completed in September and December 2022. Under such placements, the Company raised \$392,309 and \$1,945,000 (after costs) respectively; and
- > trade and other payables decreased from \$356,840 at 30 June 2022 to \$134,633 at 31 December 2022, due to the payment of consulting and drilling fees related to the Governor Broome drilling campaign incurred on 30 June 2022.



Cash Flow

The Half-Year cash flow for the 2022 Half-Year of the Group included:

- > a decrease in exploration costs from \$919,813 in December 2021 to \$897,581 in December 2022. The main reason for the decrease was due to the commencement of the Company's drilling campaign at the Needles gold project during the December 2021 half year; and
- > a decrease in administrative costs from \$652,568 at December 2021 to \$599,863 at December 2022. The December 2022 Half Year administrative costs were largely comprised of payments for:
 - travel to Nevada, United States of America to manage the source new lithium-based opportunities for the Company; and
 - statutory costs incurred in relation to the compliance and listing requirements of the Company.

Corporate

Directors

> Appointments

On 16 November 2022, shareholders approved at the Company's General Meeting to appoint Mr Anthony Leibowitz as a director of the Company.

Mr Leibowitz's appointment as a director was conditional upon Astro's 80% acquisition of the Georgina Basin, IOCG Project from Greenvale Energy Ltd (ASX: GRV) and shareholder approval for both the acquisition and Mr Leibowitz's appointment was obtained on the 16th November 2022. Mr Leibowitz resigned as a director of Greenvale on 31 December 2022 and accordingly, he is no longer considered to a nominee of Greenvale.

> Loan Funded Share Plan

During the Half Year, the Company issued a further 2,875,000 (post Share Consolidation – see below) Loan Funded Performance Shares to Mr Leibowitz, under the Company's Loan Funded Share Plan (**Plan**).

The purpose of the Plan is to align the interests of participants to that of shareholders and to retain/properly compensate participants. Participants will include current and future members of the Company or its subsidiaries.

Future details concerning the Company's Plan can be found within its ASX announcement dated 29 September 2021.

Management

As part of the commercial terms of the Georgina Basin, IOCG Project acquisition, certain key technical employees of the project employed by Greenvale were transferred to Astro.

The team is led by the Company's current General Manager for Exploration – Mr Matthew Healy. Mr Healy's role at Astro is to not only continue his work on the Georgina Basin, IOCG Project, but to also provide expertise on the other projects held by the Company – such as gold and lithium.

Share Consolidation

On 16 November 2022, shareholders approved at the Company's General Meeting to consolidate:

- 25 ordinary shares held in the Company into 1 post consolidated ordinary share; and
- 25 performance shares held in the Company into 1 post consolidated performance share.

As a result of the Company's share consolidation, the Company's ordinary share capital reduced from 6,737,513,905 ordinary shares to 269,500,556 ordinary shares. Normal trading of the Company's post consolidation shares commenced on 28 November 2022.



COVID-19 Impact

The operations of the Company have been impacted by Covid-19 conditions, particularly around supply chain and increased costs associated with exploration activities.

Events Subsequent to Balance Date

Since balance date, the following matters have arisen:

- > On 3 March 2023, the Company announced that it had expanded its lithium landholding, with the staking of two new prospective lithium clay projects in Nevada USA – referred to as the ‘Polaris’ and ‘Altair’ Projects. Combined, the two new lithium projects cover an area of approximately 42 km² and contain 509 unpatented mining claims;
- > In light of the Company’s increasing footprint in claystone hosted lithium deposits as part of its lithium growth strategy, industry veterans Mr Anthony Leibowitz and Mr John Young were appointed as Executive Chairperson and a non-executive director of the Company, respectively – Mr Young being appointed on the 3 March 2023;
- > Assay results from the Georgina Basin ‘Banks’ and ‘Leichhardt West’ prospects were received from Greenvale Energy Ltd’s two diamond drill hole program completed in June 2022. The assay results returned confirmed the presence of copper, as well as revealing anomalous levels of other elements commonly associated with IOCG deposits (e.g. bismuth which is commonly associated with Tennant Creek style IOCG deposits);
- > Luna Lithium (**Luna**), being the corresponding party to the proposed Galactic Lithium Joint Venture, provided notice that they would not be entering into the joint venture announced. The Company will look to securing some other alternative arrangements with Luna, to the extent that this may be possible going forward;
- > Due to the current market conditions, the Board determined in March 2023 that an IPO of its East Kimberly Diamond Project was no longer in the Company’s best interests. The Board is currently considering alternative options for the diamonds project and is in advance discussions for a potential joint venture for the project; and
- > Mr Gregory Jones resigned as a non-executive director of the Company on 2 March 2023.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Competent Persons Statement

The information in this report that relates to:

- > The information in this report that relates to Kibby Basin claims is based on information compiled by Mr Richard Newport, principal partner of Richard Newport & Associates – Consultant Geoscientists. Mr Newport is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Newport consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.
- > The information in this report that relates to Exploration Results associated with the NT Georgina project is based on information compiled by Mr Matthew Healy, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member number 303597). Mr Healy is a full-time employee of Astro Resources NL. Mr Healy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration

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Results, Mineral Resources and Ore Reserves'. Mr Healy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- > Exploration Results for the Needles Property other than drill logging, sample selection and delivery to the certified laboratory in the USA is based on information compiled by Richard Newport, principal partner of Richard Newport & Associates – Consultant Geoscientists. Mr. Newport is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Newport consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

For drill logging, sample selection and delivery to the certified laboratory in the USA is based on information compiled by Elliott Crist. Mr. Crist is a member of the American Institute of Professional Geologist (AIPG) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Crist consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

- > The information in this report as it relates to Mineral Resources and Exploration Results for the Governor Broome Project is based on information compiled by John Doepel, a Director of Continental Resource Management Pty Ltd (CRM), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Doepel has sufficient experience in mineral resource estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Doepel consents to the inclusion in this announcement of the information in the form and context in which it appears.

Auditor's Independence Declaration

The auditor's independence declaration for the Half-Year ended 31 December 2022 has been received and can be found on page 14 of the financial report.

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

Anthony Leibowitz
Chairperson
13 March 2023

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Astro Resources NL Limited for the half year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



C J Hume
Partner

Sydney, NSW
Dated: 13 March 2023



Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2022

	Note	31 December 2022 \$	31 December 2021 \$
Continuing Operations			
Revenue	5	14,325	362
Acquisition and due diligence expenses		(436,672)	-
Administration expenses		(687,833)	(563,626)
Impairment of exploration and evaluation assets	6	(870,071)	-
Share-based compensation expense	10(b)	(4,533)	(227,178)
Loss from continuing operations before income tax		(1,984,784)	(790,442)
Income tax expense		-	-
Loss from continuing operations after tax		(1,984,784)	(790,442)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net gain on revaluation of financial assets available for sale		100	880
Total comprehensive loss for the period		(1,984,684)	(789,562)
Loss attributable to:			
- Members of Astro Resources NL		(1,982,091)	(790,442)
- Non-controlling interest		(2,693)	-
		(1,984,784)	(790,442)
Total comprehensive loss attributable to:			
- Members of Astro Resources NL		(1,981,991)	(789,562)
- Non-controlling interest		(2,693)	-
		(1,984,684)	(789,562)
Earnings per share (cents per share)			
- basic; for loss for the Half-Year		(0.99)	(0.53)
- diluted; for loss for the Half-Year		(0.99)	(0.53)

The accompanying notes form part of these Financial Statements.



Consolidated Statement of Financial Position

As at 31 December 2022

	31 December 2022	30 June 2022
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,510,401	2,074,450
Trade and other receivables	254,296	125,424
Inventories	4,000	4,000
Other current assets	426,047	284,538
TOTAL CURRENT ASSETS	3,194,744	2,488,412
NON-CURRENT ASSETS		
Trade and other receivables	-	266,204
Available-for-sale investments	920	820
Plant and equipment	906,223	290,165
Exploration expenditure	12,647,408	8,869,329
TOTAL NON-CURRENT ASSETS	13,554,551	9,426,518
TOTAL ASSETS	16,749,295	11,914,930
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	134,633	356,840
Borrowings	271,334	-
Lease liabilities	10,996	-
Other liabilities	-	400,000
TOTAL CURRENT LIABILITIES	416,963	756,840
NON-CURRENT LIABILITIES		
Lease liabilities	27,866	-
TOTAL NON-CURRENT LIABILITIES	27,866	-
TOTAL LIABILITIES	444,829	756,840
NET ASSETS	16,304,466	11,158,090
EQUITY		
Issued capital	33,850,651	27,663,242
Reserves	278,453	273,820
Non-controlling interest	936,425	-
Accumulated losses	(18,761,063)	(16,778,972)
TOTAL EQUITY	16,304,466	11,158,090

The accompanying notes form part of these Financial Statements.



Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2022

	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Interest and other income received	3,603	362
Payments to suppliers and employees	<u>(599,863)</u>	<u>(652,568)</u>
Net cash used in operating activities	<u>(596,260)</u>	<u>(652,206)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for exploration expenditure	(897,581)	(919,813)
Payments for plant and equipment	(101,843)	-
Payments for acquiring terminated projects	(305,674)	-
Acquisition of tenement	-	<u>(837,068)</u>
Net cash used in investing activities	<u>(1,305,098)</u>	<u>(1,756,881)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from placement	<u>2,337,309</u>	-
Net cash provided by financing activities	<u>2,337,309</u>	-
Net (decrease)/increase in cash and cash equivalents held	435,951	(2,409,087)
Cash and cash equivalents at beginning of year	<u>2,074,450</u>	<u>3,279,002</u>
Cash and cash equivalents at end of the Half-Year	<u>2,510,401</u>	<u>869,915</u>

The accompanying notes form part of these Financial Statements.

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Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2022

	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2022	27,663,242	273,820	(16,778,972)	-	11,158,090
Loss for the period attributable to members of the parent entity	-	-	(1,984,784)	-	(1,984,784)
Non-controlling interest	-	-	2,693	(2,693)	-
Other comprehensive income	-	100	-	-	100
Acquisition of Knox Resources Pty Ltd	-	-	-	939,118	939,118
Share Placement (September 2022)	654,669	-	-	-	654,669
Share Placement (December 2022)	2,082,740	-	-	-	2,082,740
Shares Issued in satisfaction of Knox Resources transaction	3,450,000	-	-	-	3,450,000
Share based payments	-	4,533	-	-	4,533
Balance at 31 December 2022	33,850,651	278,453	(18,761,063)	936,425	16,304,466
Balance at 1 July 2021	23,830,145	300,000	(15,548,853)	-	8,581,292
Loss for the period attributable to members of the parent entity	-	-	(790,442)	-	(790,442)
Other comprehensive income	-	880	-	-	880
Capital raising costs (November 2020 raise)	(21,552)	-	-	-	(21,552)
Share based payments	-	227,178	-	-	227,178
Balance at 31 December 2021	23,808,593	528,058	(16,339,295)	-	7,997,356

The accompanying notes form part of these Financial Statements.



Condensed Notes to the Consolidated Financial Statements

For the Half-Year Ended 31 December 2022

1 CORPORATE INFORMATION

The financial report of Astro Resources NL (“the Company”) for the Half-Year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 13 March 2023. The financial report comprises of the activities for the Company and its subsidiaries (together referred to as “the Group”), which is primarily involved in mineral exploration.

The Company is incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2022 are available upon request from the Company’s registered office at Suite 6, Level 5, 189 Kent Street, Sydney NSW 2000, or <https://www.aro.com.au>

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Half-Year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The Half-Year financial report should be read in conjunction with the Annual Financial Report of Astro Resources NL as at 30 June 2022. It is also recommended that the Half-Year financial report be considered together with any public announcements made by Astro Resources NL and its controlled entities during the Half-Year ended 31 December 2022 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of Preparation

The Half-Year consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001 and Australian Accounting Standards, including AASB 134 “Interim Financial Reporting”. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

For the purpose of preparing the Half-Year financial report, the Half-Year has been treated as a discrete reporting period.

(b) Basis of consolidation

The Half-Year consolidated financial statements comprise the financial statements of Astro Resources NL and its controlled subsidiaries (the “Group”).

(c) New Accounting Standards and Interpretations

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding AASB134(16A)(a) interim reporting period, unless otherwise stated.

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.

(d) Going concern

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

As disclosed in the financial statements, the company incurred a loss after tax of \$1,984,684 and had net cash outflows from operating and investing activities of \$1,901,358 for the half year ended 31 December 2022.

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(d) **Going concern (continued)**

The Directors believe that there are reasonable grounds to believe that Astro Resources will be able to continue as a going concern, after consideration of the following factors:

- the company has cash at bank of \$2,510,401;
- the company has net current assets \$2,777,781 and net assets of \$16,304,466 at period end; and
- if required, the company has the ability to continue to raise additional funds on a timely basis pursuant to the Corporations Act 2001.

3 FINANCIAL RISK MANAGEMENT

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2022.

4 SEGMENT INFORMATION

Identification of reportable segments

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the "chief operating decision maker". The "chief operating decision maker", which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segment results are regularly reviewed by the Group's Board of Directors to make decisions about resources allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments are identified and segment information disclosed on the basis of internal reports that are provided to, or revised by, the Company's chief operating decision maker which, for the Company, is the Board of Directors. The operating segments are identified by management based on the type of exploration being conducted by the Group. Discrete financial information about each of these operating businesses is reported to the Board of Directors on at least a quarterly basis.

The Group operates as an explorer in five operating segments being:

- heavy minerals, located in Australia;
- lithium exploration, located in the United States of America;
- diamonds, located in Australia;
- iron ore copper gold (IOCG), located in Australia; and
- gold exploration industries located in the United States of America.

Types of Products and Services

Heavy mineral exploration

The Company is currently conducting exploration upon tenements considered prospective for heavy minerals. No income has been derived from the recovery of mineral sands in period ending 31 December 2022 (2021: Nil).

Lithium exploration

The Company is currently conducting exploration upon tenements considered prospective for lithium, notably the Kibby Basin Project. Since the date of acquisition, no income has been derived from lithium projects in the period ending 31 December 2022 (2021: Nil).

Diamond exploration

The Company is currently conducting exploration upon tenements considered prospective for diamonds. No income has been derived from the recovery of diamonds in the period ending 31 December 2022 (2021: Nil).

Iron Ore Copper Gold (IOCG) exploration

The Company is currently conducting exploration upon tenements considered prospective for Iron Ore Copper Gold (IOCG) deposits. No income has been derived from the recovery of IOCG deposits in the period ending 31 December 2022 (2021: Nil).

Gold and silver exploration

The Company is currently conducting exploration upon tenements considered prospective for gold. Since the date of acquisition, no income has been derived from gold projects in the period ending 31 December 2022 (2021: Nil).

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Half-Year Financial Report 2022
Astro Resources NL and Its Controlled Entities



4 SEGMENT INFORMATION

(a) Segment Information 31 December 2022

	Diamond	Heavy minerals	Lithium	IOCG	Gold	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$
Six months ended 31 December 2022							
Revenue							
Other revenue	-	-	-	10,821	-	3,504	14,325
Total segment revenue	-	-	-	10,821	-	3,504	14,325
Segment result	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)
(Loss) before income tax and non-controlling interests	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)
Income tax expense	-	-	-	-	-	-	-
Net (loss) for the six months as Statement of Comprehensive Income	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)
Assets and Liabilities							
Segment assets							
- Exploration Expenditure	100,000	3,903,742	-	4,198,126	4,445,540	-	12,647,408
- Plant and Equipment	274,852	-	-	529,527	101,844	-	906,223
- Inventories	4,000	-	-	-	-	-	4,000
	378,852	3,903,742	-	4,727,653	4,547,384	-	13,557,631
Unallocated assets							
- Available for sale assets	-	-	-	-	-	920	920
- Cash and cash equivalents	462	104,648	-	50,545	-	2,354,746	2,510,401
- Trade and other receivables	-	45,104	-	66,221	-	142,971	254,296
- Other assets	9,540	55,170	-	198,774	110,838	51,725	426,047
	10,002	204,922	-	315,540	110,838	2,550,362	3,191,664
Total assets as per the Statement of Financial Position	388,854	4,108,664	-	5,043,193	4,658,222	2,550,362	16,749,295
Segment and unallocated liabilities							
- Trade and other payables	-	-	-	10,041	-	124,592	134,633
- Lease liabilities	-	-	-	38,862	-	-	38,862
- Borrowings	-	-	-	271,334	-	-	271,334
Total liabilities as per the Statement of Financial Position	-	-	-	320,237	-	124,592	444,829

Half-Year Financial Report 2022
Astro Resources NL and Its Controlled Entities



4 SEGMENT INFORMATION

(b) Segment Information 31 December 2021

	Diamond	Heavy minerals	Lithium	IOCG	Gold	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$
Six months ended 31 December 2021							
Revenue							
Other revenue from external customers	-	-	-	-	-	362	362
Total segment revenue	-	-	-	-	-	362	362
Segment result	(276)	-	-	-	(1,201)	(789,327)	(790,804)
(Loss) before income tax and non-controlling interests	(276)	-	-	-	(1,201)	(788,965)	(790,442)
Income tax expense	-	-	-	-	-	-	-
Net (loss) for the six months as Statement of Comprehensive Income	(276)	-	-	-	(1,201)	(788,965)	(790,442)
Assets and Liabilities							
Segment assets							
- Exploration Expenditure	774,925	3,360,727	-	-	2,440,052	-	6,575,704
- Plant and Equipment	297,097	-	-	-	-	-	297,097
- Inventories	4,000	-	-	-	-	-	4,000
	1,076,022	3,360,727	-	-	2,440,052	-	6,876,801
Unallocated assets							
- Available for sale assets	-	-	-	-	-	1,920	1,920
- Cash and cash equivalents	462	21,570	-	-	-	847,883	869,915
- Trade and other receivables	-	80,470	-	-	-	175,193	255,663
- Other assets	9,085	41,133	-	-	91,765	15,155	157,138
	9,547	143,173	-	-	91,765	1,040,151	1,284,636
Total assets as per the Statement of Financial Position	1,085,569	3,503,900	-	-	2,531,817	1,040,151	8,161,437
Segment and unallocated liabilities							
- Trade and other payables	-	-	-	-	-	164,081	164,081
- Borrowings	-	-	-	-	-	-	-
Total liabilities as per the Statement of Financial Position	-	-	-	-	-	164,081	164,081



5 REVENUE, INCOME AND EXPENSES FROM CONTINUING OPERATIONS

	31 December 2022 \$	31 December 2021 \$
Income		
Interest income	3,504	362
Other income	10,821	-
	14,325	362

6 EXPLORATION EXPENDITURE

The carrying cost of exploration expenditure is as follows:

	31 December 2022 \$	30 June 2022 \$
Exploration Expenditure (at cost)	15,205,300	10,557,150
Less: Impairment	(c) (2,557,892)	(1,687,821)
Total	(a) 12,647,408	8,869,329

(a) Carrying amount of Exploration Expenditure

	31 December 2022 \$	30 June 2022 \$
Carrying amount at the beginning of the year	8,869,329	4,997,883
Add: Expenditure capitalised during the period	450,023	3,871,446
Add: Transfer of interest in Knox Resources Pty Ltd project	(d) 4,198,127	-
Less: Impairment recognised during the period	(b) (870,071)	-
Total	12,647,408	8,869,329

(b) Impairment – East Kimberley Diamonds Project

At each reporting date, the Company undertakes an assessment of the carrying amount of its exploration and evaluation assets. Where an indication of impairment exists, and impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying value.

During the period the Company identified indicators of impairment on certain exploration and evaluation assets under AASB 6 *Exploration and Evaluation of Mineral Resources*. As a result of this review, a total impairment loss of \$870,071 has been recognised or loss in relation to the East Kimberley Diamonds (**Diamonds**) project during the 31 December 2022 Half Year.

The basis for recognising an impairment adjustment for the Diamonds project was due to changing market conditions, notably the termination of the proposed Initial Public Offering (IPO) spin off via the Argyle Resources Limited entity.

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6 EXPLORATION EXPENDITURE (continued)

(c) Impairment – Governor Broome Sands

Included in the capitalised exploration costs are to the Heavy Mineral Sands exploration project:

- the Governor Broome Sands (that is, heavy minerals project), tenement number E70/2372, now known as Retention Licence R70/53 which is not subject to any minimum expenditure commitments; and
- the Iluka Joint Venture – see below.

The Board has previously formed a view that a provision for impairment of \$1.687 million was required. The Board considers that this provision is still adequate having regard to the following:

- future outlook of mineral sands prices;
- the level of resources, as recently determined by the competent person; and
- potential range of operating costs for the exploitation of the resources and capital expenditure.

The Board has formed the view that other key capitalised exploration asset namely, the diamond and gold projects do not require impairment and continue to actively pursue this exploration asset.

(d) Information on Knox Resources Pty Ltd Exploration Expenditure

On 28 November 2022, the Company acquired an 80% interest in Knox Resources Pty Ltd, the 100% owner of the Georgina Basin IOCG Project.

As at the date of joining the Astro Resources NL consolidated financial group, exploration expenditures incurred on the Georgina Basin portfolio were approximately \$4.20 million. Such an amount has been included within the total exploration expenditures (at cost) amount.

7 TRADE AND OTHER PAYABLES

	31 December 2022	30 June 2022
	\$	\$
Trade payables	72,025	299,840
Other payables	62,608	57,000
Total	134,633	356,840

8 BORROWINGS

	31 December 2022	30 June 2022
	\$	\$
CURRENT		
Loan – Greenvale Energy Limited	(a) 271,334	-
Total	271,334	-

(a) Key terms of the loan facility to Greenvale Energy Limited is as follows:

Security	Unsecured
Facility Limit	\$600,000
Interest Rate	Nil% per annum
Facility Term	Two years from the Commencement Date
Purpose	To provide funding to Knox Resources Pty Ltd for the purpose of general working capital and exploration activities at the Georgina Basin Project.

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9 COMMITMENTS AND CONTINGENCIES

EXPLORATION

The Company has to perform minimum exploration work and expend minimum amounts of money on its tenements. The overall expenditure requirement tends to be limited in the normal course of the Company's tenement portfolio management through expenditure exemption approvals, and expenditure reductions through relinquishment of parts of the whole of tenements deemed non-prospective. Should the Company wish to preserve interests in its current tenements the amount which may be required to be expended as follows:

	31 December 2022	30 June 2022
	\$	\$
No later than one year	269,727	269,727
Between one to five years	1,078,908	1,078,908
	1,348,635	1,348,635

The contingent liabilities in relation to minimum expenditure on tenements held by the group for no longer than one year are:

	31 December 2022	30 June 2022
	\$	\$
East Kimberley Diamond Corporation Pty Ltd	431,765	431,765
Governor Broome Sands Pty Ltd	716,870	716,870
Needles Holdings Inc	200,000	200,000
	1,348,635	1,348,635

10 CONTRIBUTED EQUITY

	31 December 2022	30 June 2022
	\$	\$
Ordinary shares	(a) 33,850,651	27,663,242
	33,850,651	27,663,242

(a) Ordinary shares

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	No.	No.
Opening Balance	4,705,241,266	3,764,193,013
Payment of services rendered (Needles Gold Project driller)	-	102,739,726
Shares issued under offer 2022	-	838,308,527
Shares issued under offer 2022 (September 2022)	188,025,688	-
Share consolidation (25:1)	(4,697,536,276)	-
Shares issued under offer 2022 (December 2022)	27,769,878	-
Shares issued in consideration for Knox Resources Pty Ltd	46,000,000	-
Number of ordinary shares on issue	269,500,556	4,705,241,266

11 RESERVES

	31 December 2022	30 June 2022
	\$	\$
Share based payments reserve	(b) 298,533	294,000
Revaluation reserve	(20,080)	(20,180)
	278,453	273,820



11 RESERVES (continued)

(a) Movement in reserves

	31 December 2022	30 June 2022
	\$	\$
Opening balance	273,820	300,000
Current year share-based payment expense	4,533	294,000
Lapse of current year options	-	(320,000)
Loss on revaluation of investment	100	(180)
	278,453	273,820

(b) Share based payments reserve

During the 2022 Half-Year, directors were granted 2,875,000 options under a Loan Funded Share Plan (“LFSP”). The following factors and assumptions were used in determining the fair value of the options under the Monte Carlo option valuation model (“MC model”).

	31 December 2022	30 June 2022
	\$	\$
<i>Expense recognised for consulting services received during the year:</i>		
Share-based compensation related to options granted to directors	4,533	182,000
Share-based compensation related to options granted to consultants	-	112,000
	4,533	294,000
	(i), (ii)	

(i) Factor/assumptions pertaining to share based payments

	Value
Grant date	16/11/2022
Option life	36 months
Fair value per option (MC model)	\$0.038
Exercise price	(iii) \$0.125, \$0.25
Price of shares on grant date	\$0.075
Expected volatility	85.00%
Risk-free interest rate	3.25%

(ii) Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to directors and consultants.

Equity-settled transactions are awards of shares, or options over shares, that are provided to directors and consultants in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

(iii) Exercise price

As per the terms of the loan funded share plan, there will be two exercise prices based on performance hurdles:

- 50% at a hurdle price of \$0.125; and
- 50% at a hurdle price of \$0.25.



12 CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)
Parent Entity:		
Astro Resources NL		
Subsidiaries:		
HM Sands Pty Limited	Australia	100
Boldhill Holdings Pty Limited	Australia	100
East Kimberley Diamond Corporation Pty Limited	Australia	100
Governor Broome Sands Pty Limited	Australia	100
MacPhee Resources Pty Limited	Australia	100
Needles Holdings Inc	United States	100
North Doolgunna Metals Pty Limited	Australia	100
Knox Resources Pty Ltd	Australia	80
Argyle Resources Limited	Australia	100

13 EVENTS AFTER THE BALANCE SHEET DATE

Since balance date, the following matters have arisen:

- > On 3 March 2023, the Company announced that it had expanded its lithium landholding, with the staking of two new prospective lithium clay projects in Nevada USA – referred to as the ‘Polaris’ and ‘Altair’ Projects. Combined, the two new lithium projects cover an area of approximately 42 km² and contain 509 unpatented mining claims;
- > In light of the Company’s increasing footprint in claystone hosted lithium deposits as part of its lithium growth strategy, industry veterans Mr Anthony Leibowitz and Mr John Young were appointed as Executive Chairperson and a non-executive director of the Company, respectively;
- > Assay results from the Georgina Basin ‘Banks’ and ‘Leichhardt West’ prospects were received from Greenvale Energy Ltd’s two diamond drill hole program completed in June 2022. The assay results returned confirmed the presence of copper, as well as revealing anomalous levels of other elements commonly associated with IOCG deposits (e.g. bismuth which is commonly associated with Tennant Creek style IOCG deposits);
- > Luna Lithium (**Luna**), being the corresponding party to the proposed Galactic Lithium Joint Venture, provided notice that they would not be entering into the joint venture announced. The Company will look to securing some other alternative arrangements with Luna, to the extent that this may be possible going forward;
- > Due to the current market conditions, the Board determined in March 2023 that an IPO of its East Kimberly Diamond Project was no longer in the Company’s best interests. The Board is currently considering alternative options for the diamonds project and is in advance discussions for a potential joint venture for the project; and
- > Mr Gregory Jones resigned as a non-executive director of the Company on 2 March 2023.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

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Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 14 to 27 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2022 and of its performance for the Half-Year ended on that date.
2. In the Directors' opinion, 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 the Board of Directors.

Anthony Leibowitz
Chairperson
13 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF****ASTRO RESOURCES NL****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Astro Resources NL which comprises the consolidated statement of financial position as at 31 December 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year 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 control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of Astro Resources NL*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 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*. As the auditor of Astro Resources NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Astro Resources NL, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

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 Astro Resources NL is not in accordance with the *Corporations Act 2001* including:

- (a) 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
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



C J Hume
Partner

Sydney, NSW
Dated: 13 March 2023

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