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**MAMBA**

EXPLORATION LIMITED

**ABN 75 644 571 826**

**Consolidated Financial Report**

**for the Half Year**

**31 December 2022**

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**CORPORATE DIRECTORY**

**Directors**

Mr Justin Boylson  
Non-Executive Chairman

Mr Simon Andrew  
Non-Executive Director

Mr Michael Dunbar  
Managing Director

**Company Secretary**

Ms Amanda Burgess

**Registered Office**

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**Share Registry**

Automatic Registry Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth WA 6000

**Auditors**

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Level 9 Mia Yellagonga Tower 2  
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Perth, WA 6000

**Securities Exchange Listing**

ASX Limited  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000  
ASX Code:M24

**Country of Incorporation and Domicile**

Australia

The Directors present their report, together with the financial statements, of Mamba Exploration Limited (“the Group” or “Mamba”) for the half year ending 31 December 2022.

#### Directors

The following persons were directors of the Company during the whole of the financial period and up to the date of this report, unless otherwise stated:

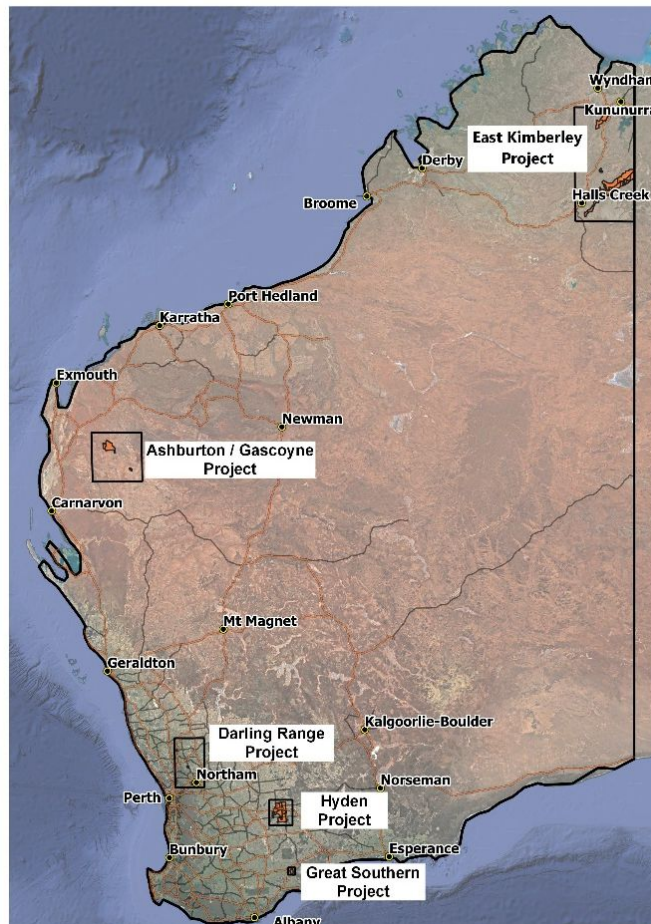
- Justin Boylson – Non-Executive Chairman
- Michael Dunbar – Managing Director
- Simon Andrew – Non-Executive Director

#### Principal activities and review of operations

During the period the Group continued exploration on the Kimberley, Ashburton, Darling Range and Calyerup Creek Projects, while also undertaking an evaluation of the Hyden REE Project, which the Company secured under option in November 2022.

#### Exploration Activities

Activities were undertaken on each of the Company’s Projects during the period, early in the period, the focus was on the northern Kimberley and Ashburton Projects, prior to moving to the Southern Projects (see Figure 1).



**Figure 1:** Location Mamba Exploration Projects

### Hyden REE Project

(Option to purchase 100% of the REE rights on E70/5003, 5756, 6040 & 6047 and 100% of all minerals on E70/6353, 6354, 6355, 6356 & 6357)

During the period the Company entered into an option agreement to purchase 100% of the REE rights to four exploration licences in the Hyden region of Western Australia (see Figure 2). In addition, the Company also applied for five new tenements in the region. See ASX Announcement dated 28th November 2022 titled “*High Grade Hyden REE Project Secured Under Option*” for full details.

Licograph Pty Ltd, the vendors of the property, had undertaken limited exploration in the area for graphite on the project over the last three years including drilling of 28 aircore holes for a total of 1,032 metres. A total of 280 samples were collected from the 660 metres of drilling completed in 2022. Analysis was undertaken for carbon on these samples, however full geochemical analysis including REE analysis has only been undertaken on three samples from the 2022 drilling. In addition to not analysing all the samples collected, Licograph did not fully sample the drill holes, with samples only collected where graphite was logged.

As a result the clay surrounding the exceptionally high grade REO analysis of **1m @ 46,716 TREO** from 12m in hole 22-018 was not sampled at all, and with the samples now destroyed (due to cropping of the area), redrilling of the area has been undertaken to understand the full extent of the high grade mineralisation. Significantly the heavy rare earth oxides (HREO) represent 37% of the TREO and the Nd<sub>2</sub>O<sub>3</sub> + Pr<sub>6</sub>O<sub>11</sub> (NdPr) represent 26% of the TREO in the one sample taken from hole 22-018.

In addition to the high-grade clay hosted TREO mineralisation identified in the very limited sampling completed, during the technical due diligence completed on the project so far, a regionally significant gravity anomaly (2.8km x 2.2km) has been identified from the regional gravity datasets (see Figure 3). The proximity of the gravity anomaly along and a magnetic unit that runs through the tenement, suggests that there is potential not only for clay hosted REE mineralisation, but also hard rock REE mineralisation within the project.

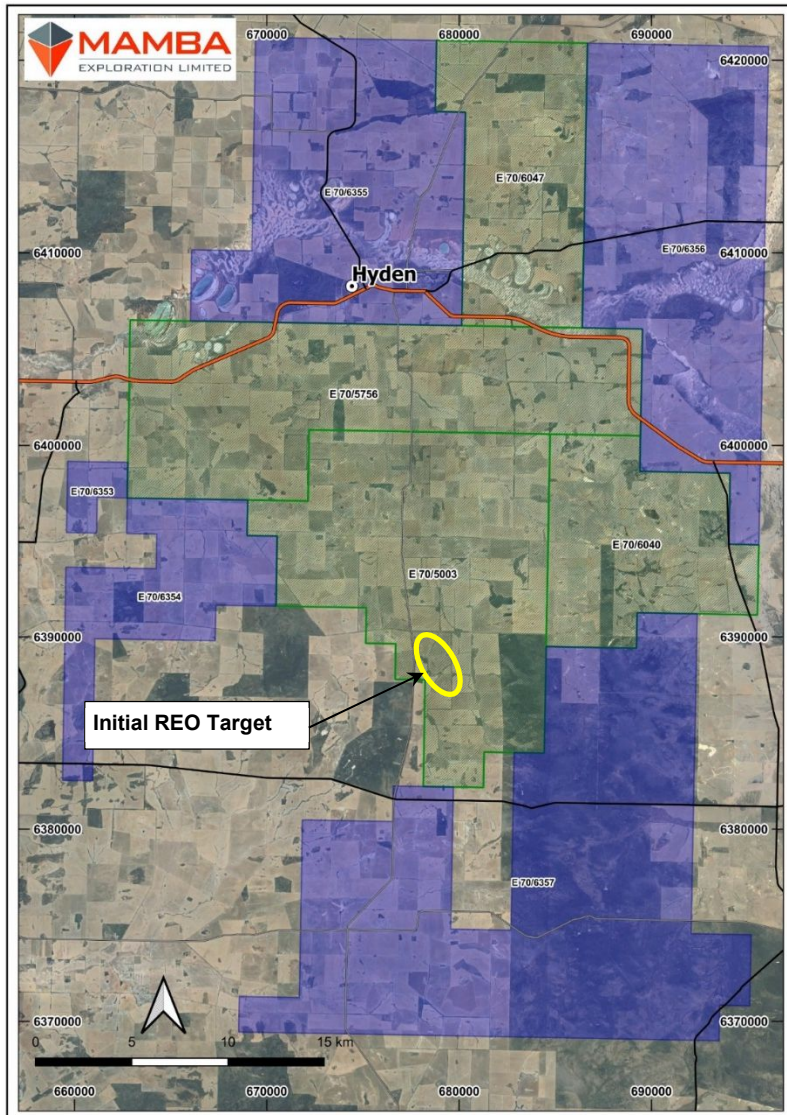
Subsequent to the end of the quarter, a 23-hole initial aircore drilling programme around the original clay mineralisation and a detailed gravity survey over the regional anomaly was completed.

Modelling of the detailed gravity survey has been completed and has identified an area of interest to the east of the initial high TREO results. The modelling highlighted a greenstone belt with a series of granite bodies to the east and west of the main target area. This is consistent with the geological mapping and the regional aerial magnetic interpretation of the area. The granite / greenstone contacts are visible in the magnetics and gravity data sets.

Modelling of the main area of interest shows significant magnetic alteration and disruption along with a modelled relative density low, which is not consistent with the granite signature to the east and west. The gravity anomaly appears to post-date a series of late-stage Proterozoic dykes that are visible in the magnetic data. This suggests that the gravity anomaly is a late-stage intrusive body, which is interpreted to represent a bedrock REE target (see Figure 4).

This interpretation is also strengthened by historical data that the Company has identified and interpreted over the target. This historical data includes 35 shallow drill holes that were drilled in the area (see WAMEX report A38783). Twelve of these holes reported phosphorus assay results including up to 9400ppm P, which when converted to an oxide (P<sub>2</sub>O<sub>5</sub>) equates to 2.15%. Other drill holes reported up to 2.06%, 1.88% and 1.56% P<sub>2</sub>O<sub>5</sub> and eight holes reported rare earth oxide results up to 1,295 ppm 2REO + Y<sub>2</sub>O<sub>3</sub> (see ASX Announcement dated 2<sup>nd</sup> March 2023, titled: “*Gravity Survey Identifies Bedrock Target at Hyden REE Project*”).

Results of the aircore drill were expected to have been received by now, however the Company has recently been informed that a number check assays need to be undertaken on some of the samples. As a result, the final assay results are still pending. Results will be released as soon as they are received from ALS.



**Figure 2:** Location of Hyden Project in Western Australia, tenements in green are granted tenements while blue tenements are new tenement applications

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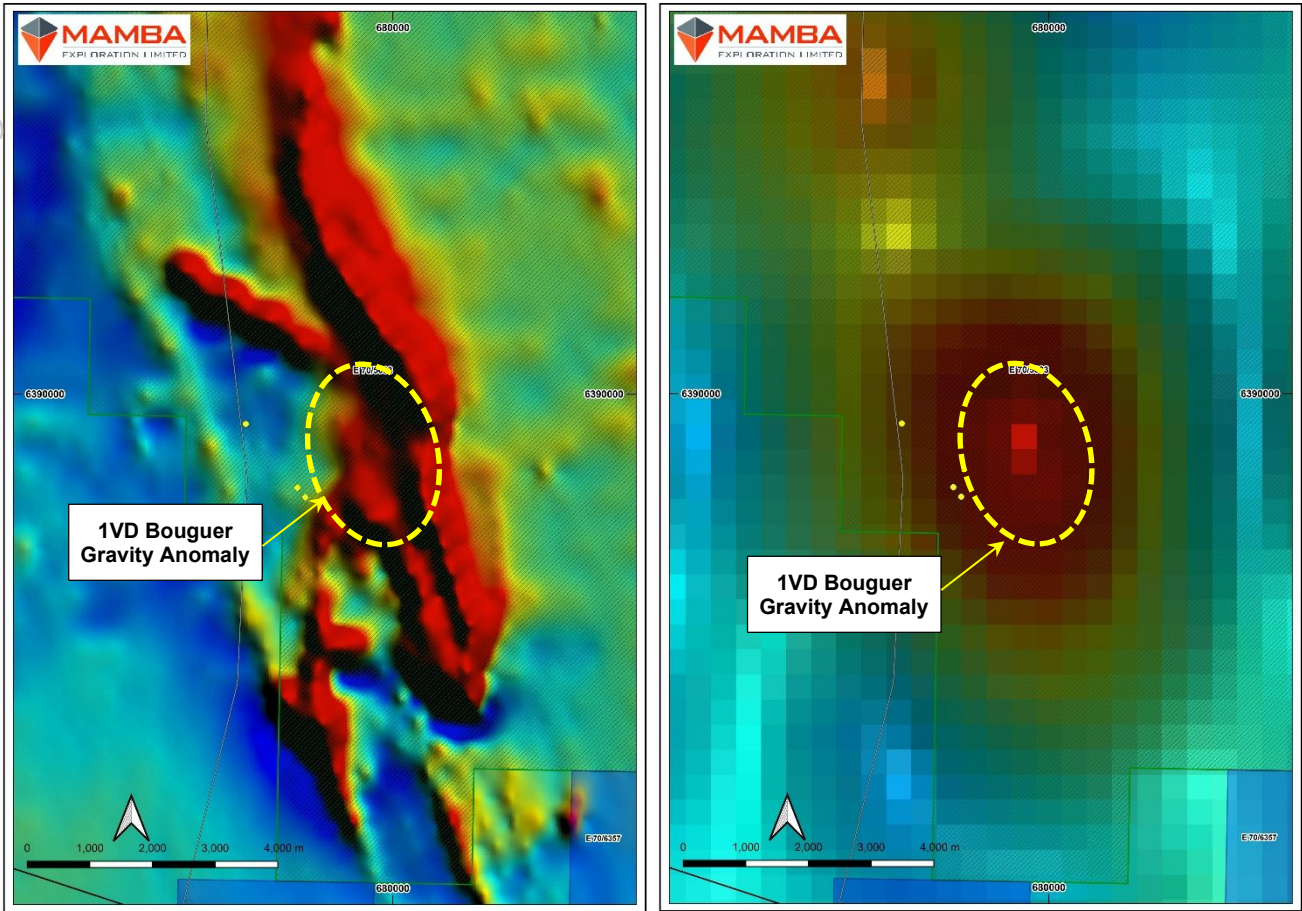


Figure 3: Regional Geophysical datasets LHS – Aeromagnetic total magnetic intensity (TMI) data, RHS first vertical derivative of Bouguer Gravity data. (yellow dots Licograph drilling with full REO analysis – one sample from each hole)

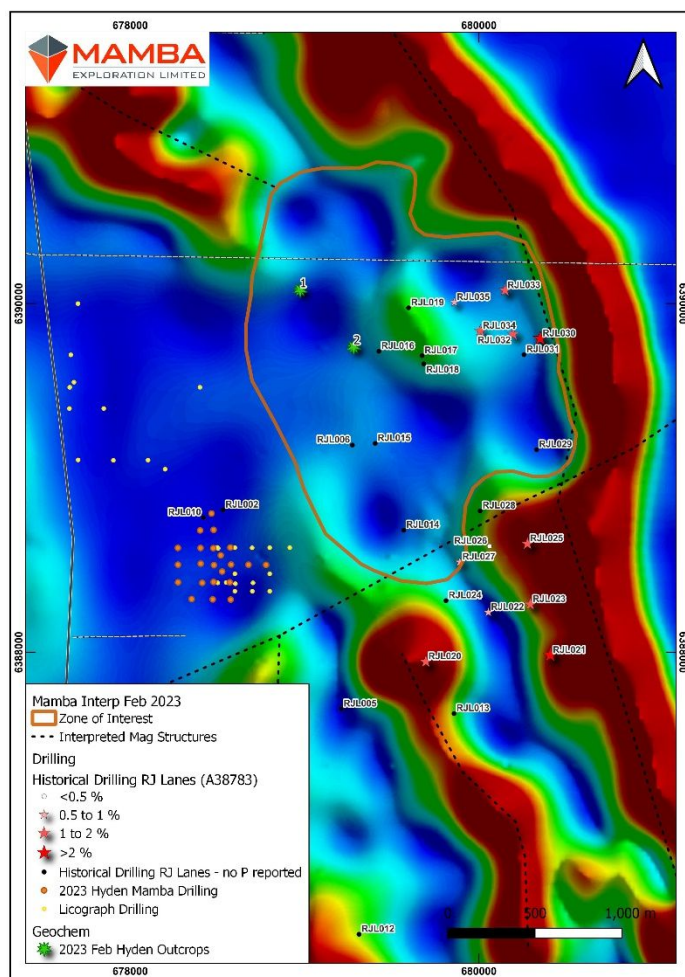


Figure 4: Hyden Gravity Target – Relative bedrock density from 3D Inversion Model, with historical and recent drilling

**Darling Range Nickel, Copper and PGE Project (100% Mamba)**  
(E70/5147, E70/5329, E70/5753 and E70/5203)

The Darling Range Project comprises of four granted exploration licences. The project covers approximately 100km<sup>2</sup> and is located between 100km and 120km north-east of Perth. The nearby towns include Northam, Toodyay, New Norcia, and Gingin (Figure 1).

**Black Hills Project Area:**

The Black Hills Project area is located approximately 30km east of Chalice Mining’s Julimar discovery (Figure 5 & 6), north-east of Perth, WA. This area is a priority for the Company.

During the half year Mamba completed land access negotiations with the key farmer in the Black Hills area as well as conducting a fixed loop EM survey. The survey identified three strong conductors (see Figure 7). Subsequent to the end of the period, all three conductors have been drilled. Massive and semi massive sulphides were identified at each of the targets, however the results from the first hole confirmed that the sulphides intersected (pyrrhotite and pyrite) contained only low level anomalism of metals of interest (see ASX announcement dated 24 February 2023 titled: *Further Sulphide Intersections at Black Hills*). Results from the second and third holes are pending.



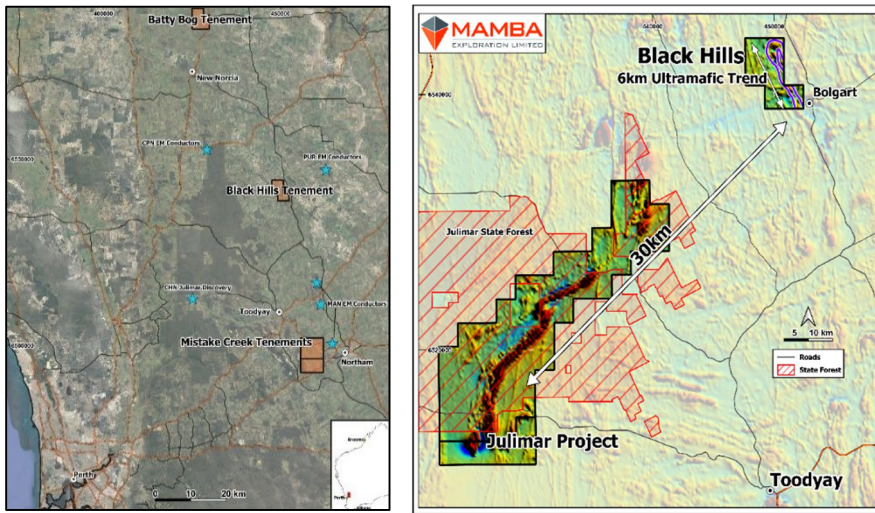


Figure 5: Location of Mamba Exploration's Darling Range Tenements (LHS) and the Black Hills Project area in relation to Chalice Mining's Julimar discovery (RHS).

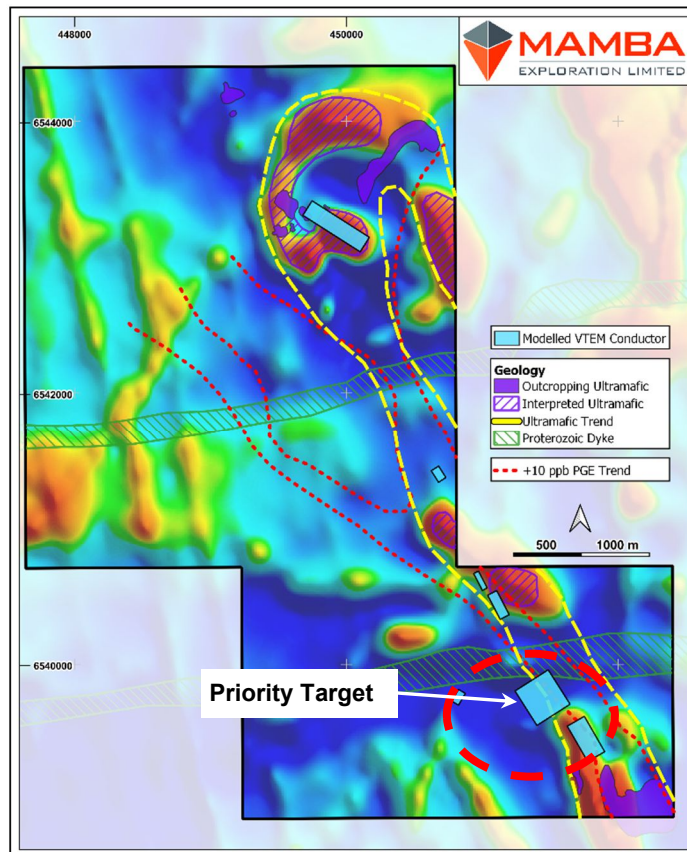
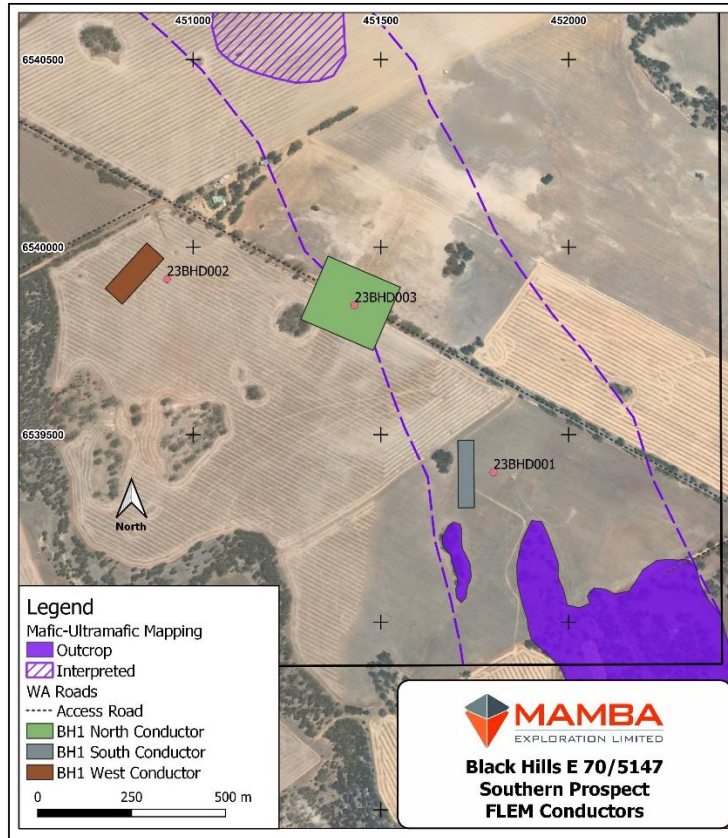


Figure 6: Mamba Exploration's Black Hills Area with AEM modelled conductors over Total Magnetic Intensity magnetic image.

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**Figure 7: Fixed Loop Conductors and Drill Hole Locations for the Priority Target at the Black Hills Tenement**

**Calyerup Creek Gold Project (100% Mamba)**  
(E70/4998 & E70/5707)

The Calyerup Creek Project which comprises of two exploration licences (E70/4998 and E70/5707) approximately 45km<sup>2</sup> in area. It is located approximately 12km east of Jerramungup township in the Great Southern region of Western Australia (see Figure 8).

The final approval for RC drilling at the Calyerup Creek Gold Project was received in December and a 25 RC hole programme completed at the Southern Prospect during the period. A total of 1,128 metres were drilled. Late winter rains cut the programme short, however the drilling completed tested the shallow strike extent of the mineralisation. The final results have been received and are currently being compiled.

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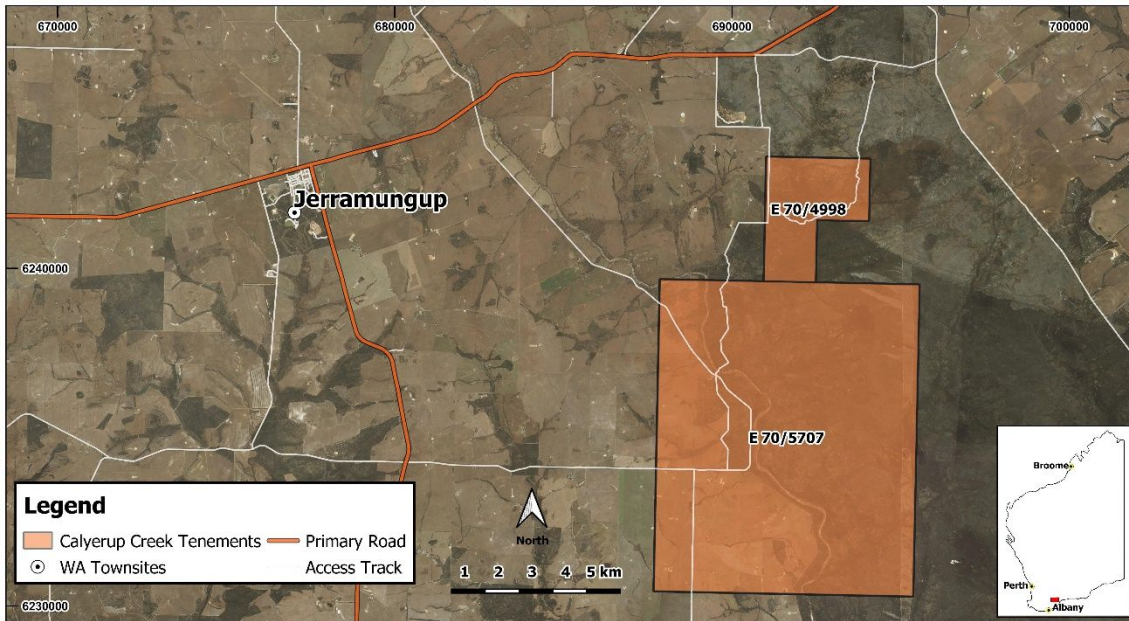


Figure 8: Calyerup Creek Project Location

#### Kimberley Copper, Silver, Nickel and Gold Projects

The Kimberley Project is comprised of 4 sub-projects in the Kimberley region of Western Australia. The Project includes Copper Flats, Ruby Plains, Spring Creek and Speewah East areas (Figure 9). The Copper Flats sub-project was the focus for the Kimberley exploration during the half year.

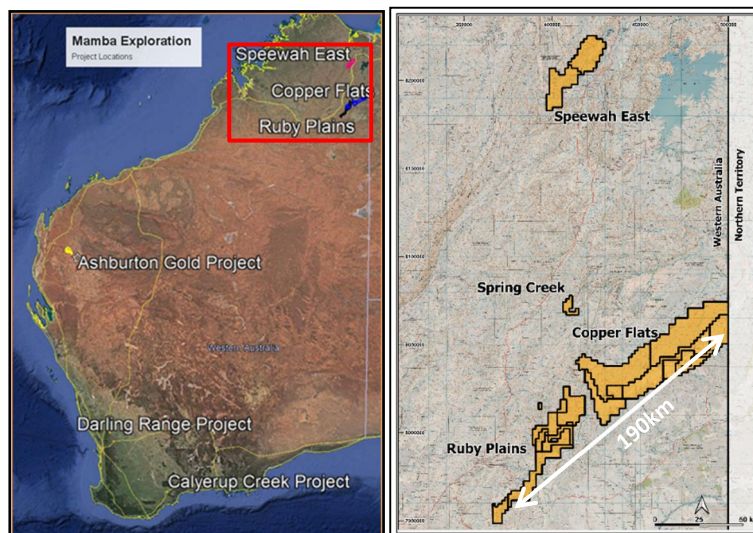


Figure 9: Kimberley Project – Locations

#### Copper Flats Area:

The Copper Flats Area is comprised of seven exploration licence applications (ELA 80/4569, 4586, 5247, 5280, 5281, 5708 & 5709) covering 715 blocks or approximately 2,320km<sup>2</sup> and is centred approximately 125km east-northeast of Halls Creek, and 215km south of Kununurra. The project area comprises Ord Basin sediments and volcanics within the Hardman Syncline (Figure 9). The Copper Flats area has been explored since the 1970s, with numerous reports of visible copper mineralisation in outcrop.

As reported on the 13th of September, Mamba confirmed the very high-grade copper and silver mineralisation at Area 4 (see Photo 1) and identified that the flow top breccia zone, that can be traced for over 50km, is prospective to copper mineralisation with variable mineralisation and alteration observed (see Figure 10).



**Photo 1:** Outcrop of Copper Mineralisation at Area 4

Field validation of several historical high-grade surface prospects was undertaken as part of the recent field trip. This included field validation of the high-grade Area 4 outcrop where previous explorers identified rock chip samples up to 30% Cu and 275 g/t Ag which have not been followed up (as reported on 13th of September 2022 see Photo 1 & Figure 10). The outcrop of the high-grade copper mineralisation at Area 4 was located and re-sampled with full assays pending. This outcrop and the field investigations of other high grade copper prospects has confirmed that the bulk of the surface mineralisation identified to date is located at or near the contact of the Antrim volcanics and the Headleys Limestone, where the flow top breccia and alteration (+/- mineralisation) can be traced for over 50km. This stratigraphic position is variably mineralised, with the zones of higher alteration and mineralisation being associated with the interpreted basin growth faults that can be traced through the eastern portion of the project.

**AEM Conductor Field Validation:**

Field validation of the airborne EM conductors identified from the reprocessing of the regional AEM datasets (see M24 ASX release titled "Airborne EM modelling Identifies Bedrock Conductors at Copper Flats" dated 29 July 2022) has been undertaken for the two northern regional lines, which test the eastern portion of the Copper Flats Project (see Figure 11).

A total of 6 AEM conductors were visited to try to explain the anomalies (see Figures 11 & 12). Only one of these anomalies (AEM 2) which is located on a range of small hills which trended NE – SW with substantial structural disruption had any geological or geomorphological feature that could explain the anomaly. In the area of AEM 2, there is an interpreted NE-SW basinal growth fault that is believed to be a key structural position for copper mineralisation in the region.

The other conductors visited are covered by Headleys Limestone with no features at surface that could explain the anomalies.

As a result of the modelling and the identification of the bedrock conductors and EM anomalies, a detailed TEMPEST AEM survey has been planned. The survey will cover approximately 1900 line kilometres over the eastern portion of the Copper Flats project with 200m lines spaced over the known geochemical anomalies and 400m spaced over the remaining portion of the survey area (see Figure 13).

A contract has been signed with Xcalibur Multiphysics for the survey. The survey was originally scheduled for late October 2022, however due to equipment availability the survey is now scheduled for April.

**Soil Sampling Programme:**

A 2,600-point soil sampling programme has been completed at the Ord Hill Prospect at Copper Flats. It was centred around the historical surface sampling which had identified an anomaly of approximately 2,000m by 500m.

The samples have been tested with the a portable hand held XRF (pXRF) analyser and have highlighted that the Ord Hill Prospect anomaly that extends for over 4,600m from the northeast to the southwest and 500m north south with results up to 752 ppm Cu (see Figure 14).

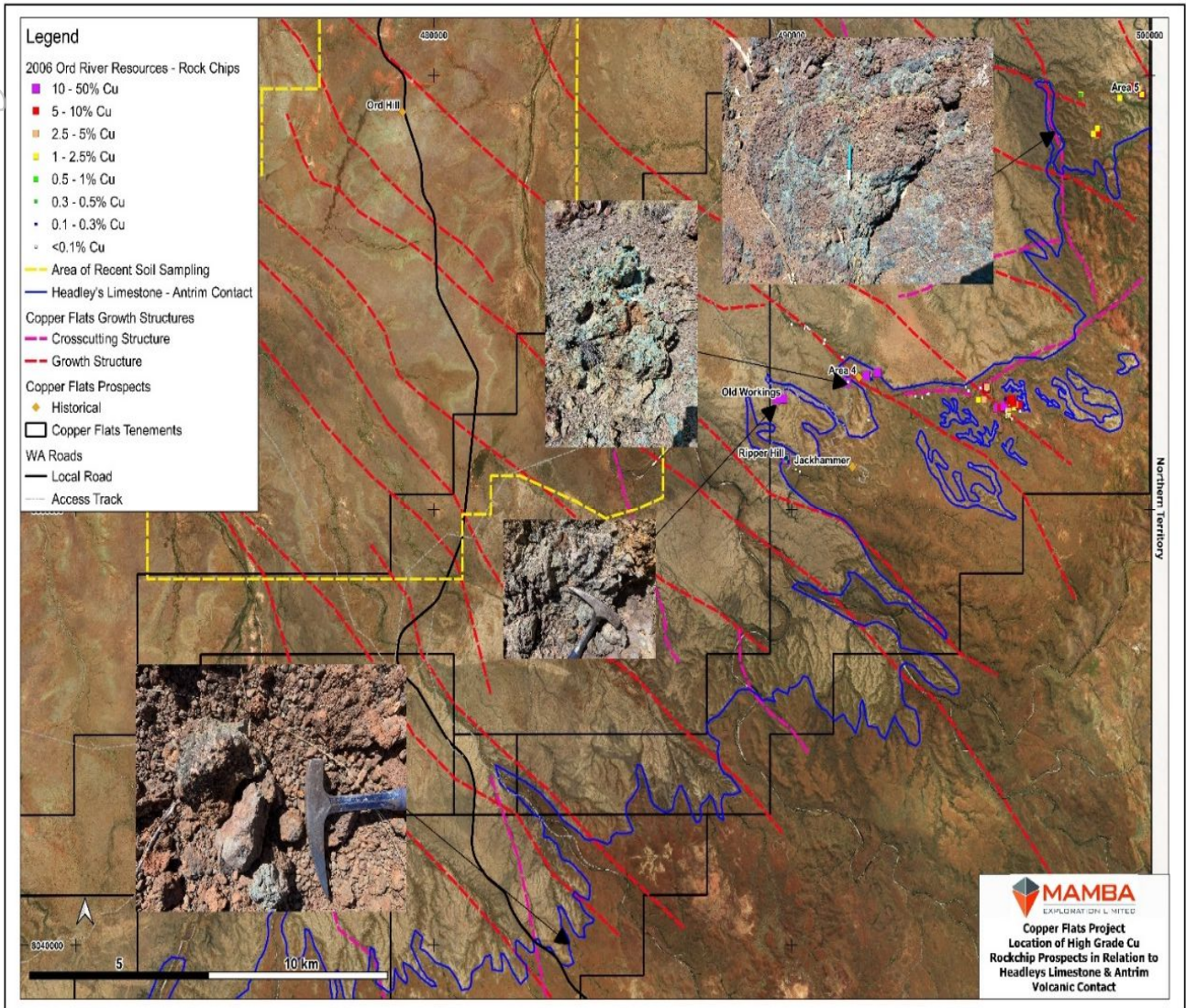


Figure 10: Copper Flats Project – Historical High Grade Copper Prospects and Location of Prospective Flow Top Breccia Contact Zone

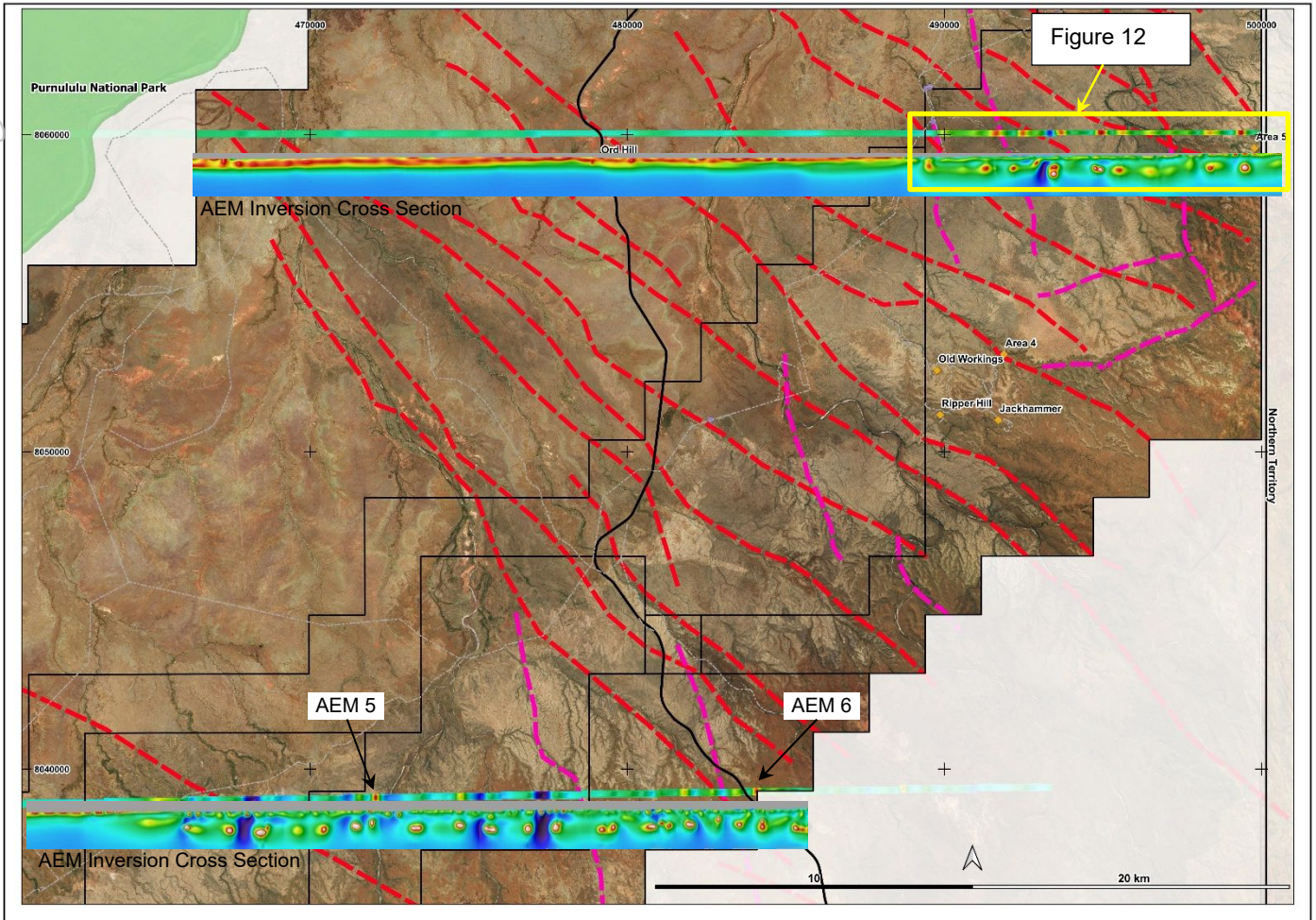


Figure 11: 2D Inversion modelling at Copper Flats – Eastern Area

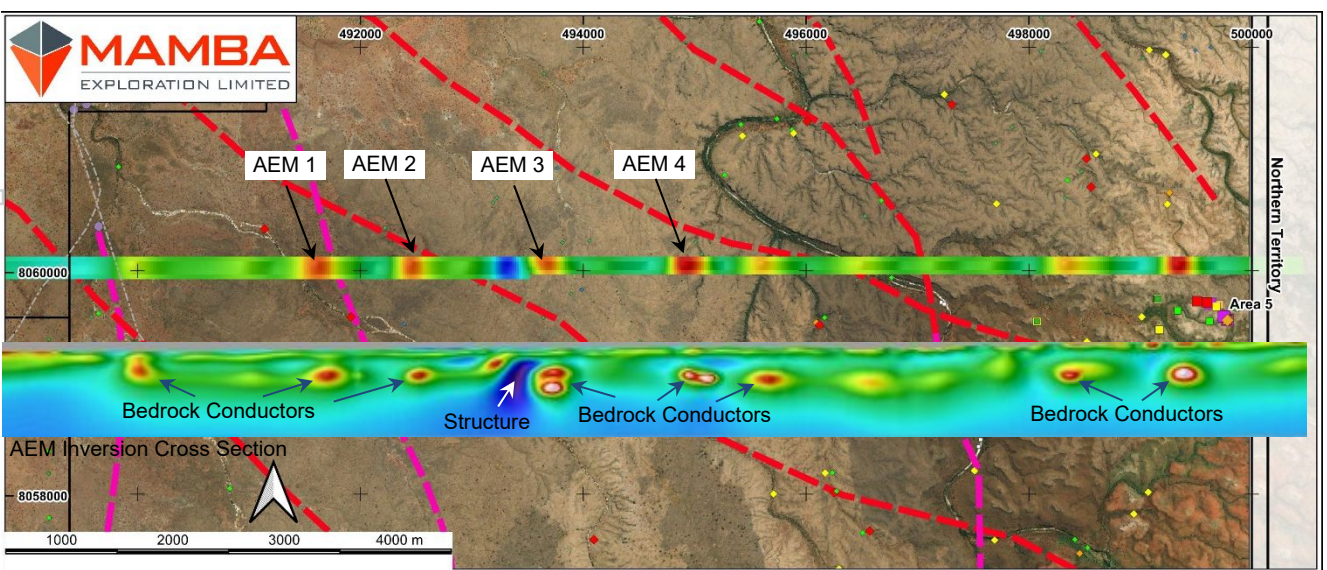


Figure 12: 2D Inversion modelling on Northern EM line at Copper Flats – Eastern Section  
(red & magenta lines are interpreted basin growth faults)

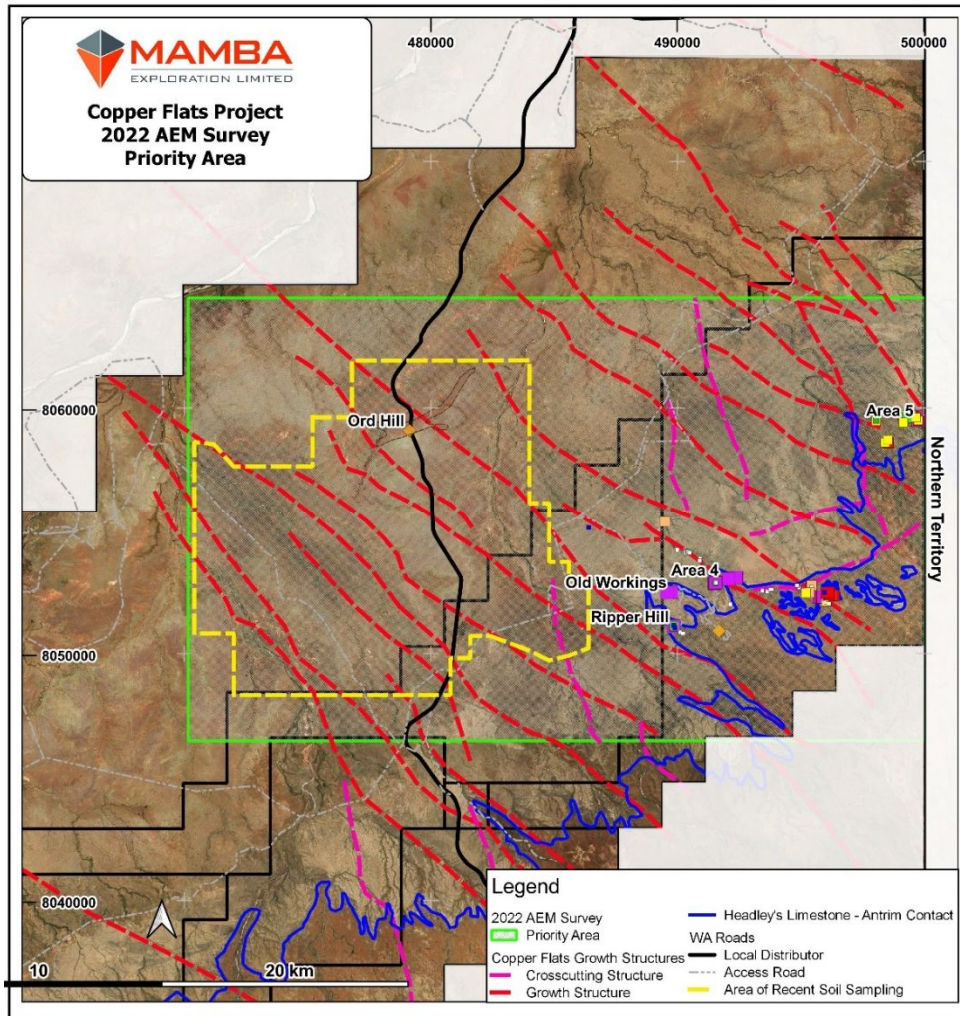


Figure 13: Planned Copper Flats Project AEM Survey Areas to be Flown in April

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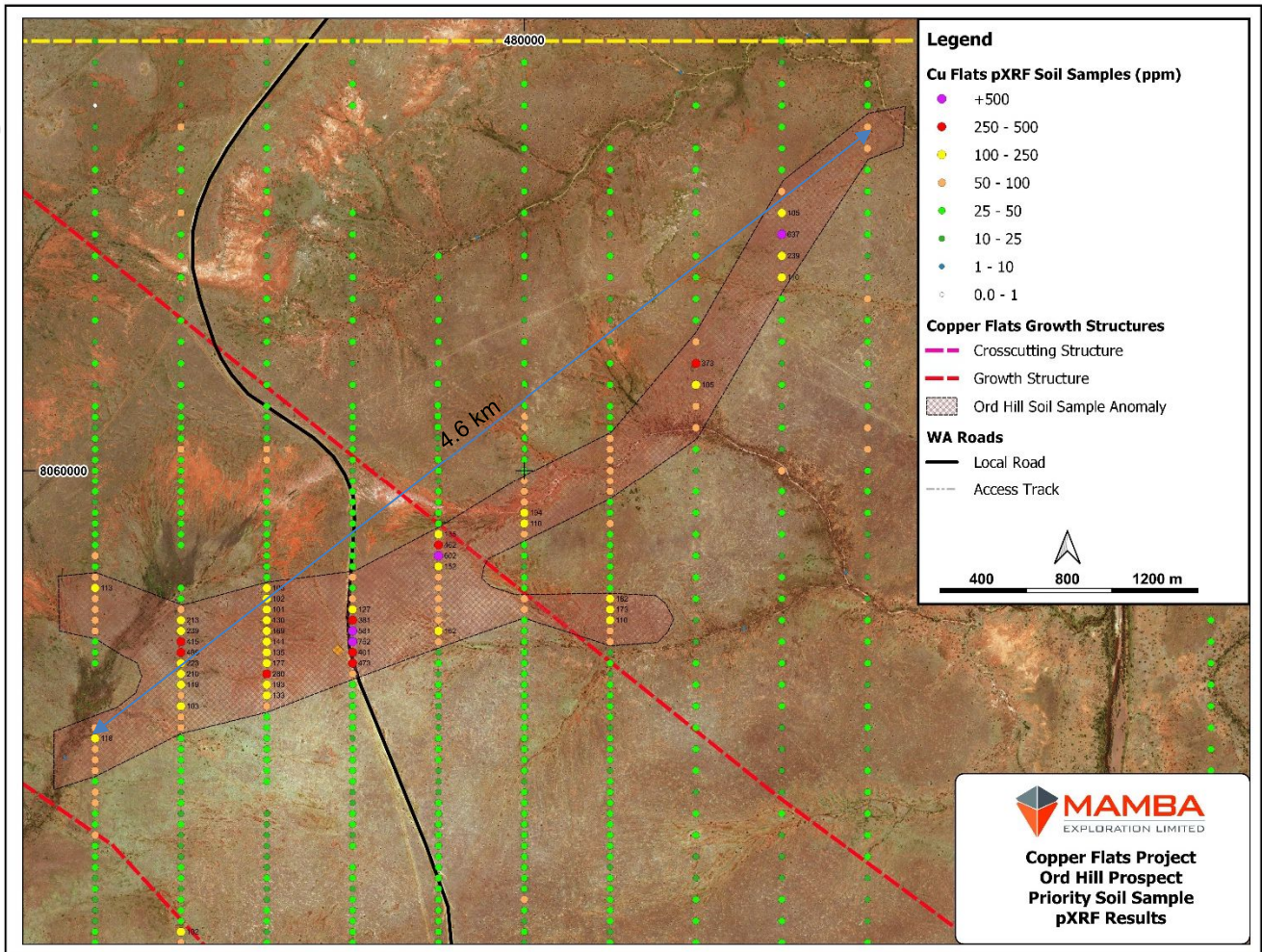


Figure 14: Ord Hill Prospect Priority pXRF Soil Sample Results

### Ashburton Gold Project

(E08/2913, E09/2332 and E09/3343)

The Ashburton Project is comprised of three granted exploration licences, covering 204 blocks or approximately 610km<sup>2</sup> of the established mineralogical terrain in the eastern part of the Gascoyne Mining District of Western Australia. The project is approximately 190km south of Onslow, 240km west of Paraburdoo and 220km north-east of Carnarvon (see Figure 15).

Recent exploration activities and REE discoveries made in the region by others (including Dreadnought Resources (ASX DRE) and Kingfisher Mining (ASX KFM)) has highlighted the potential of the region for multiple styles of mineralisation including REE mineralisation.

A review of the radiometric data over these discoveries has identified an associated radiometric (thorium) signature. As a result, the Company reprocessed and rebalanced the regional data over the region. This highlighted at least eight discrete anomalies (see Figure 16) within our tenements which have been visited and rock chip sampled.

A field trip has also been planned for the second quarter of 2023 to better define the targets within each of the tenements and, in light of the previously unknown mineral potential of the region, XRF analysis of the auger samples originally collected and assays for gold only in 2022 is underway.



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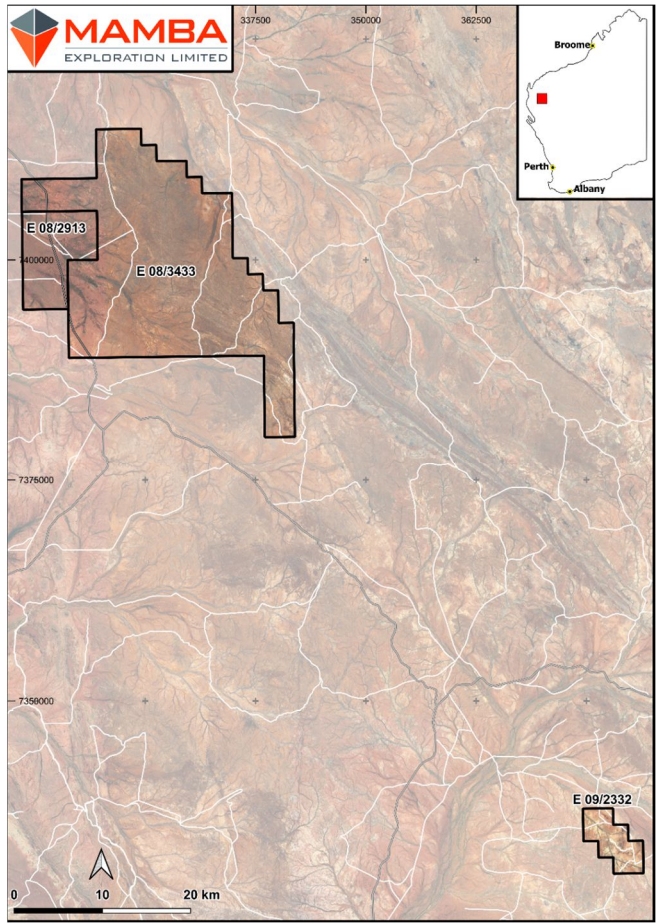


Figure 15: Location of Mamba Exploration’s Ashburton / Gascoyne Project.

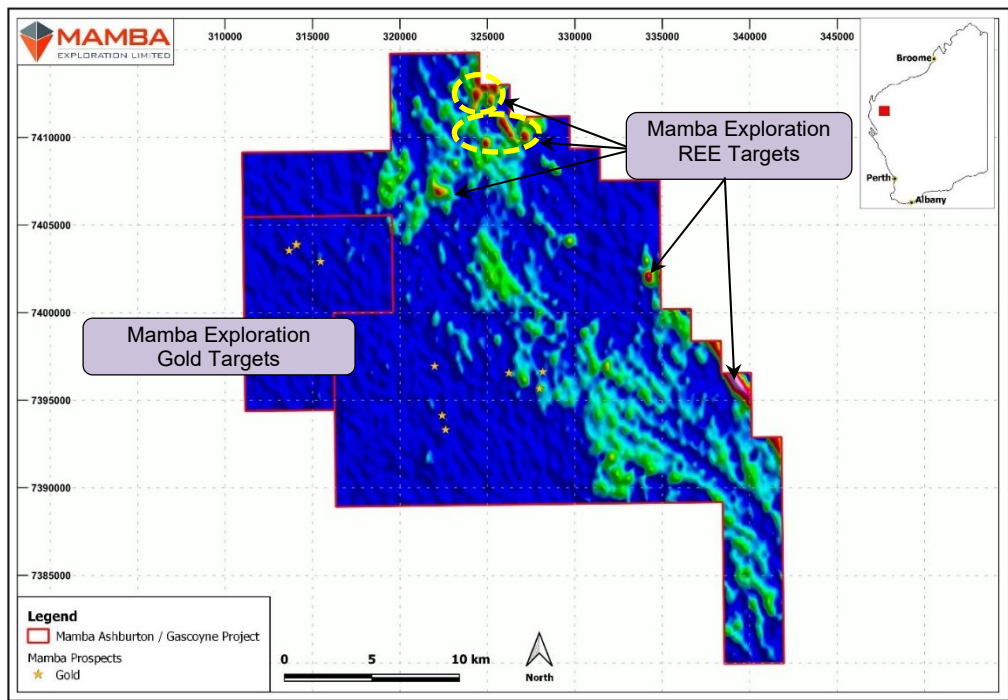


Figure 16: Reprocessed radiometric Image (Thorium) highlighting Thorium anomalies and historical gold targets.

### **Operating results**

The net loss after income tax for the period was \$809,415 (2021 \$647,647).

### **Dividends**

No dividends were paid during the period and no dividend has been declared for the half year ended 31 December 2022.

### **Significant changes in the state of affairs**

There have been no significant changes in the state of affairs of the Company during the half year.

### **Matters subsequent to the end of the financial period**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

### **Environmental Regulation**

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

### **Indemnity and insurance of auditor**

The Company has not, during or since the end of the half year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the half year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### **Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

The lead auditor's independence declaration is set out on the next page and forms part of the Directors' Report for the half year ended 31 December 2022.

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



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**Mike Dunbar**  
**Managing Director**

15 March 2023

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF MAMBA EXPLORATION LIMITED

As lead auditor for the review of Mamba Exploration 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 Mamba Exploration Limited and the entities it controlled during the period.



Jarrad Prue  
Director

BDO Audit (WA) Pty Ltd  
Perth, WA  
15 March 2023

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	Notes	Consolidated 31 December 2022 \$	Consolidated 30 December 2021 \$
Interest Income		14,390	13,996
Other Income		5,500	-
Corporate Expenses	3	(191,162)	(243,040)
Salary and Wages		(288,962)	(317,000)
Exploration and evaluation expenses		(128,308)	(12,071)
Share Based Expenses	8	(182,568)	(50,643)
Depreciation		(36,645)	(25,951)
Other Expenses		(1,660)	(12,938)
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		<b>(809,415)</b>	<b>(647,647)</b>
Income tax expense		-	-
<b>LOSS FROM CONTINUING OPERATIONS FOR THE PERIOD</b>		<b>(809,415)</b>	<b>(647,647)</b>
Other comprehensive income, net of tax		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(809,415)</b>	<b>(647,647)</b>
<b>Loss per share for the period attributable to the members of Mamba Exploration Ltd (cents per share)</b>		<b>(1.30)</b>	<b>(1.06)</b>
<b>Diluted Loss per share for the period attributable to the members of Mamba Exploration Ltd (cents per share)</b>		<b>(1.30)</b>	<b>(1.06)</b>

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	Notes	Consolidated 31 December 2022 \$	Consolidated 30 June 2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,207,178	3,413,195
Trade and other receivables	4	121,204	95,424
Other assets		2,235	2,235
<b>TOTAL CURRENT ASSETS</b>		<b>2,330,617</b>	<b>3,510,854</b>
<b>NON-CURRENT ASSETS</b>			
Right-Of-Use Assets		88,638	54,929
Property, plant and equipment		119,563	136,242
Exploration and evaluation asset	11	5,268,282	4,603,992
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,512,871</b>	<b>4,795,163</b>
<b>TOTAL ASSETS</b>		<b>7,807,101</b>	<b>8,306,017</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	279,737	164,812
Lease liabilities- Current		35,810	55,457
Other liabilities		6,095	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>321,642</b>	<b>220,269</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities – Non-Current		53,492	26,937
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>53,492</b>	<b>26,937</b>
<b>TOTAL LIABILITIES</b>		<b>375,134</b>	<b>247,206</b>
<b>NET ASSETS</b>		<b>7,431,964</b>	<b>8,058,811</b>
<b>EQUITY</b>			
Issued capital	7	10,043,709	10,043,709
Share based payments reserve		638,839	456,271
Accumulated losses		(3,250,584)	(2,441,169)
<b>TOTAL EQUITY</b>		<b>7,431,964</b>	<b>8,058,811</b>

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**

	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
<b>Balance as at 1 July 2022</b>	<b>10,043,709</b>	<b>456,271</b>	<b>(2,441,169)</b>	<b>8,058,811</b>
Profit/(Loss) for the Period	-	-	(809,415)	(809,415)
Other comprehensive loss	-	-	-	-
<b>Total Comprehensive Loss for the Period</b>	<b>-</b>	<b>-</b>	<b>(809,415)</b>	<b>(809,415)</b>
<b>Transactions with owners in their capacity as owners</b>				
Shares Issued during the period	-	-	-	-
Share based payments	-	182,568	-	182,568
<b>BALANCE AT 31 December 2022</b>	<b>10,043,709</b>	<b>638,839</b>	<b>(3,250,584)</b>	<b>7,431,964</b>
	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
<b>Balance as at 1 July 2021</b>	<b>10,043,709</b>	<b>456,271</b>	<b>(860,252)</b>	<b>9,639,728</b>
Profit/(Loss) for the Period	-	-	(647,647)	(647,647)
Other comprehensive loss	-	-	-	-
<b>Total Comprehensive Loss for the Period</b>	<b>-</b>	<b>-</b>	<b>(647,647)</b>	<b>(647,647)</b>
<b>Transactions with owners in their capacity as owners</b>				
Shares Issued during the period	-	-	-	-
Share based payments	-	50,643	-	50,643
<b>BALANCE AT 31 December 2021</b>	<b>10,043,709</b>	<b>506,914</b>	<b>(1,507,899)</b>	<b>9,042,724</b>

The above consolidated statement 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**

Notes	Consolidated 31 December 2022 \$	Consolidated 31 December 2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(559,808)	(588,825)
Interest Received	20,898	6,342
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(538,910)</b>	<b>(582,483)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for Exploration and Evaluation	(664,290)	(555,031)
Payments for Plant and Equipment	(2,817)	(90,802)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(667,107)</b>	<b>(645,833)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net proceeds from issue of shares	-	-
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD</b>	<b>(1,206,017)</b>	<b>(1,228,316)</b>
Cash and cash equivalents at beginning of financial period	3,413,195	5,684,338
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>2,207,178</b>	<b>4,456,022</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION & STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Corporate Information

The financial report of Mamba Exploration Limited for the half year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 15 March 2022.

#### Basis of Preparation

The general purpose financial statements for the half year period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the company during the half year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The following are the accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### *New and amended standards adopted by the Company*

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the half year ended 31 December 2022.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

#### a) Going concern

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

The company incurred a loss for the period of \$809,415 (2021: \$647,647) and net cash operating outflows of \$1,206,017 (2021: \$1,228,316).

As at 31 December 2022, the company has a working capital surplus of \$2,008,975 (June 2022 \$3,290,585).

Based on the cashflow forecasts prepared and other factors referred to above the directors are satisfied the Company can continue to pay its debts as and when they fall due for at least the next twelve months



## NOTES TO THE FINANCIAL STATEMENTS

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

- c) Exploration and evaluation asset  
Exploration and evaluation expenditure are assessed and carried forward where right to tenure of the area of interest (i.e. tenement) is current and is expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to the area of interest. The carrying value of any capitalised expenditure is assessed by the Directors each period to determine if any provision should be made for the impairment of the carrying value. The appropriateness of the Group's ability to recover these capitalised costs has been assessed at period end and the Directors are satisfied that the value is recoverable. The carrying value of exploration and evaluation expenditure assets are assessed for impairment at an overall level whenever facts and circumstances suggest that the carrying amount of the assets may exceed recoverable amount. An impairment exists when the carrying amount of the assets exceed the estimated recoverable amount. The assets are then written down to their recoverable amount. Any impairment losses are recognised in the income statement.

- d) Contributed equity  
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown as a deduction from the equity proceeds.

- e) Goods and Services Tax (GST)  
Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

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

- f) Income tax  
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

## NOTES TO THE FINANCIAL STATEMENTS

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets and liabilities are reassessed at each statement of financial position date and reduced to the extent that it is no longer probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

g) Fair value estimation

The nominal value less estimated credit loss adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

h) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

*Share based payments*

Share-based compensation payments are made available to Directors and employees.

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

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option. A discount is applied, where appropriate, to reflect the non-marketability and non-transferability of unlisted options, as the Black-Scholes option pricing model does not incorporate these factors into its valuation.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. SEGMENT REPORTING

The consolidated group has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors has considered the business from both a geographic and business segment perspective and the following are reportable segments under AASB 8.

### 3. EXPENSES

	31 December 2022	31 December 2021
	\$	\$
<b>Corporate Expenses</b>		
Accounting Expenses	60,600	61,620
ASX Fees	20,263	34,841
Audit Fee	16,233	17,541
Professional Fees	13,300	-
Legal Fees	17,426	1,852
Office Expenses	15,925	33,809
Marketing Expenses	36,603	51,091
Other	10,812	42,286
	<b>191,162</b>	<b>243,040</b>

### 4. TRADE AND OTHER RECEIVABLES

	31 December 2022	30 June 2022
	\$	\$
Trade Receivables	8,884	-
GST Receivables	51,627	29,592
Security Deposit	36,387	30,000
Interest Receivable	-	6,508
Insurance Prepayments	24,306	29,324
	<b>121,204</b>	<b>95,424</b>

### 5. PROJECT EXPENDITURE COMMITMENTS

	31 December 2022	31 December 2021
	\$	\$
Planned project expenditure commitments contracted for:		
Exploration Permits	2,736,403	1,889,132
Payable:		
- not later than 12 months	741,778	525,699
- between 12 months and 5 periods	1,994,625	1,336,433
- more than 5 periods	-	-
	<b>2,736,403</b>	<b>1,889,132</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 6. TRADE AND OTHER PAYABLES

	31 December 2022	30 June 2022
	\$	\$
Trade Creditors	282,037	125,881
Accrued Expenses	18,500	25,000
Other Creditors	14,123	13,931
	<b>314,660</b>	<b>164,812</b>

### 7. ISSUED CAPITAL

SHARE CAPITAL	31 December 2022	
	Number	\$
Fully paid ordinary shares	60,983,338	\$10,043,709
<b>Balance as at 31 December 2022</b>	<b>60,983,338</b>	<b>\$10,043,709</b>
SHARE CAPITAL	30 June 2022	
	Number	\$
Fully paid ordinary shares	60,983,338	\$10,043,709
<b>Balance as at 30 June 2022</b>	<b>60,983,338</b>	<b>\$10,043,709</b>

### 8. SHARE BASED PAYMENTS

On 25 November 2022 the Company issued 3,300,000 options over unissued shares with an exercise price of \$0.25 to employees and directors and all with an expiry date of 24 November 2025, all issued under the employee incentive plan adopted on 30 November 2020.

800,000 options were issued to employees and contained vesting condition:

- 400,000 options vests on issue
- 200,000 options vests on 1 year of service
- 200,000 options vests on 2 years of service

The remaining 2,500,000 were issued to related parties and had no vesting conditions attached.

Also issued on 25 November 2022 to a related party was 1,000,000 Performance rights with the following vesting condition

- 500,000 performance rights vests on 1 year of service
- 500,000 performance rights vests on 2 years of service

#### Valuation Assumptions

The fair value of unlisted securities issued has been determined using a Black-Scholes option pricing model (for options) that takes into account the exercise price, the term of the options, the impact of dilution, the non-tradeable nature of the options, the share price at grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk-free interest rate for the term of the options. The following table illustrates the inputs used to calculate the fair value of the unlisted share options and performance rights issued during the half year period and their resulting valuations:.

## NOTES TO THE FINANCIAL STATEMENTS

### 8. SHAREBASED PAYMENTS (CONTINUED)

Date Granted	Number issued	Exercise Price	Expiry Date	Risk Free Interest Rate	Volatility	Underlying share price	Value of Options/ Performance Rights	Expense for Half year ended 31 December 2022
	Options							
25 November 2022	3,300,000	\$0.25	24/11/2025	2.60%	100%	\$0.11	\$168,300	\$155,445
	Performance rights							
25 November 2022	1,000,000	N/A	N/A	N/A	N/A	\$0.11	\$110,000	\$27,123

The total number of unquoted options on issue as at half year reporting date was 13,300,000.

### 9. CONTINGENT LIABILITIES

There have been no additional contingent liabilities or contingent assets recognised since the end of the previous annual reporting period, 30 June 2022.

### 10. DIVIDENDS

No dividends were paid or proposed during the period. The Company has no franking credits available as at 31 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS**

**11. EXPLORATION AND EVALUATION ASSETS**

	31 December 2022 \$	30 June 2022 \$
A reconciliation of the carrying amount or exploration and evaluation expenditure is set out below:		
Carrying amount at the beginning of the period	4,603,993	4,127,732
Acquisition costs incurred during the period	-	-
Exploration Expenditure Capitalised	664,290	845,452
Impairment of Exploration Expenditure	-	(369,191)
Carrying Value at the end of the period	<b>5,268,282</b>	<b>4,603,993</b>

**12. CONTROLLED ENTITIES**

The consolidated financial statements incorporate the assets, liabilities, and the results of the following subsidiary in accordance with the accounting policy described in note 1:

Controlled Entities	Country of Origin	Percentage owned 31 December 2022	Percentage owned 30 June 2022
Worthy Exploration Pty Ltd	Australia	100%	100%
Kimberly Infrastructure Pty Ltd	Australia	100%	100%

## NOTES TO THE FINANCIAL STATEMENTS

### 13. RELATED PARTIES

**(a) Parent entity**

The ultimate parent entity within the Group is Mamba Exploration Limited.

**(b) Subsidiaries**

Interests in subsidiaries are set out in note 12.

#### Transactions with related parties

Other than those stated in note 11 above there were no Key Management Personnel related party transactions during the current financial year.

### 14. EVENTS AFTER BALANCE DATE

Subsequent to balance date no matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

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## **DIRECTORS' DECLARATION**

The Directors of the Group declare that:

1. The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
  - a) comply with AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b) give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance as represented by the results of its operations, changes in equity and its cash flows, for the period ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Dated this 15th day of March 2023.



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**Mike Dunbar**  
**Managing Director**



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mamba Exploration Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Mamba Exploration 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.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

Jarrad Prue

Director

Perth, WA

15 March 2023

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