

## Appendix 5B

### 1. Company Details

Name of entity:	Enova Mining Limited
ABN:	64 087 595 980
Reporting period:	For the half year ended 30 June 2021
Previous period:	For the half year ended 30 June 2020

### 2. Results for announcements to the market

		%		\$'000
Revenues from ordinary activities	down	100	to	-
Loss from ordinary activities after tax attributable to owners of Enova Mining Limited	up	67.80	to	(66)
Loss for the half year attributable to the owners of Enova Mining Limited	down	67.80	to	(66)

#### *Dividends*

No dividends are proposed, and no dividends were declared or paid during the current or prior year.

#### *Comments*

The loss for the consolidated entity after providing for income tax amounted to a loss of \$65,635 (30 June 2020: loss of \$203,864).

### 3. Net tangible assets

	Reporting period 30 June 2021	Previous period 30 June 2020
	Cents	Cents
Net tangible assets per ordinary security	0.0126	0.0043

### 4. Audit qualification or review

#### *Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

## 5. Attachments

*Details of attachments (if any):*

The Interim Report of Enova Mining Limited for the half year ended 30 June 2021 is attached.

---

## 6. Signed

Signed:  \_\_\_\_\_

Date: 7 September 2021

Mr. Eric Vesel  
Director  
Kuala Lumpur



# 2021 Enova Mining Limited Half-Year Financial Report



## Table of Contents

<i>Appendix 5B</i> .....	<b>1</b>
<i>Directors' Report</i> .....	<b>2</b>
<i>Auditor's Independence Declaration</i> .....	<b>8</b>
<i>Statement of Consolidated Profit or Loss and Other Comprehensive Income</i> .....	<b>9</b>
<i>Statement of Consolidated Financial Position</i> .....	<b>10</b>
<i>Statement of Consolidated Changes in Equity</i> .....	<b>11</b>
<i>Statement of Consolidated Cash Flows</i> .....	<b>12</b>
<i>Notes to the Consolidated Financial Statements</i> .....	<b>13</b>
Note 1. Corporate Information .....	<b>13</b>
Note 2. Basis of Preparation and Accounting Policies .....	<b>13</b>
Note 3. Deferred Exploration and Evaluation Expenditure .....	<b>14</b>
Note 4. Current Interest-Bearing Payable.....	<b>14</b>
Note 5. Provisions.....	<b>14</b>
Note 6. Equity – Issued Capital.....	<b>15</b>
Note 7. Contingent Assets & Liabilities .....	<b>15</b>
Note 8. Contractual Commitments .....	<b>15</b>
Note 9. Related Party Transactions .....	<b>15</b>
Note 10. Events After the Reporting Period.....	<b>15</b>
Note 11. Loss Per Share.....	<b>16</b>
<i>Directors' Declaration</i> .....	<b>17</b>
<i>Independent Auditor's Review Report</i> .....	<b>18</b>

## Directors' Report

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of Enova Mining Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the half year ended 30 June 2021. Any matters or circumstances, material to the Company, that have arisen following this date are reported, current to the date of signing.

### Directors

The name and position of the directors and company secretary of the Company during half year and up to the date of this report are:

Dato' Sia Hok Kiang	Non-Executive Chairman
Eric Vesel	Executive Director
Stanislaw (Stan) Wassylko	Non-Executive Director
Harun Halim Rasip	Non-Executive Director
Andrew Metcalfe	Company Secretary

### Principal Activities

The principal activities of the Consolidated Entity are the exploration for rare earth elements (REE) in the Northern Territory. There has been no change in the principal activities current as of date of signing.

### Review of Operations Corporate

#### Corporate

Enova Mining Limited ('Enova', 'the Company') remains focused on the development of the Charley Creek rare earth project located in central Northern Territory, Australia.

#### Finance

To date the total loans committed to by Enova are tabulated below:

Date of Original Loan	Principal AUD\$	Flat Interest Rate per annum	Interest on Maturity AUD\$	Due Date/Maturity
9 Oct 2020	50,000	15%	10,701.95	8 Feb 2022
19 Oct 2020	50,000	15%	10,701.95	19 Feb 2022
12 Apr 2021	100,000	15%	7,520.55	12 Oct 2021
26 Jul 2021	100,000	15%	7,561.64	26 Jan 2022

Enova Director, Mr Harun Halim Rasip, is a Director and Shareholder of EMMCO Mining Sdn. Bhd. (a Malaysian incorporated company) ('EMMCO').

EMMCO has given assurance that Enova will be able to roll-over the loan and will not call for settlement until Enova is in a stronger financial position.

The Company continues to investigate all available finance options, mindful of ASX and ASIC requirements. The Company will access short-term loans, as available, to reduce the impact of share dilution during this stage of project development. The Company is also actively in discussions with investors in anticipation of future short-term funding by way of private placements.

The Board continue to closely monitor and manage its treasury to ensure adequate funds for metallurgical test work and other expense commitments are in place.

## Directors' Report (continued)

### Project Development Strategy

Our immediate strategy is to identify and assess hydrometallurgical leach processes to concentrate and recover REE and Sc from higher-grade weathered material below the alluvium horizons by laboratory testing. This first step will provide information required as the basis for a process plant design concept, which can then be economically assessed. This work shall enhance the existing gravity process plant project or spawn a new project concept. An added leach plant operation will benefit the project by generating additional resources and mineral value only recoverable by leach processing.

The Company is progressing with the following work programme, in order of priority:

1. Complete metallurgical tests.  
Over the last 12-months, Enova's leach test work is incrementally improving its in-house chemical extraction techniques for the recovery of valuable minerals (REE and Sc) and to reduce acid consumption. Tests are honing a combination of process techniques, with consideration of practical scalability. Test work must be of a confidence level that confirm 'reasonable' expectations for a selected treatment process to be a commercial success;
2. Based on the results from the metallurgical tests above, independent consultants will be engaged to peer-review on-going test work. Following this, engineers will determine the conceptual plant design case and provide recommendations for further work. With sufficient confidence from our metallurgical tests, we expect to finalise our conceptual process flowsheet and estimate key project parameters and costs. Enova will then be able to assess the viability of this process and ascribe economic cut-off grade(s) to resource data, all necessary supporting work for resource reporting. Enova has identified process engineering consultants to review metallurgical test work to assist process design;
3. Using samples from 34 infill holes, selected drill intervals are currently being used for metallurgical tests. Assays of this material will be used to enhance our drill database. This data combined with the existing database will be used to update the resource block model;
4. Continue independent technical development of the existing resource grade model using updated drill information, focusing on mineralized zones that support the project concept;
5. With the above technical work complete, Enova can report 'significant drilling' intercept results and a technical summary of metallurgical work with a work schedule and budget estimate;
6. Pending further funding, Enova will recommence finalizing the resource model and thereafter undertake economic pit optimization and mine planning work,
7. Finalise JORC 2012 RPEEE (Reasonable Prospects of Eventual Economic Extraction test) requirements and complete the resource estimate for publication;
8. Secure funding to proceed with the scoping study.

Dependent on funding, Enova expects to publish significant results from the 2019 drilling programme and the metallurgical results from leach test work in late 2021. A resource statement announcement is expected by early 2022.

Enova is actively seeking interest and support from 'Sophisticated Investors'. Failing this, the Company will seek funding from shareholder or by preparing an Information Memorandum and engaging an advisor to assist in raising funds publicly.

### Project Activity

#### Background

In 2019, air-core drilling at Cattle Creek was completed for both resource estimation and for metallurgical testing. The program explored new mineralised zones below alluvium/sediments at depth (up to 60 metres in depth). The core program consisted of 105 vertical NQ air-holes drilled to bedrock on a regular 15 (east-west) x 7 (north-south) grid, with nominal dimensions of 200m x 400m between each hole, respectively. A further 34 holes were drilled as infill and re-drill holes for check purposes in the same program. This provides added drill density in the areas of interest. Assays for these holes were put on hold due to budget reasons.

Below the alluvium/sediments, elevated grades of rare earth elements (REE) and scandium (Sc) occur at the northern extent of Cattle Creek. The respective lithologic sequence beyond the alluvium, with increasing depth, are weathered meta-sediments, saprolite and weathered bedrock horizons.

## Directors' Report (continued)

Enriched clay zones appear within the saprolite, which can be highly enriched in REE and Sc.

### *Metallurgical Test-work*

In April 2020, the Company commenced preliminary leach tests ('sighter tests') using the services of Brisbane Metallurgical Laboratories (BML), Brisbane. During the latter half of 2020, BML assisted Enova to investigate the particle size distribution and contained metals within the various rock type samples. The Company has accumulated data regarding the natural particle sizing and metal department for each major rock type, to target certain size fractions for pre-concentration of metals prior to gravity or leaching processes. Three batches of leaching tests, seven (7) in total, were completed in the first half of 2021. Each batch tested different leach conditions and rock types. Testing focuses on leaching REE and Sc from saprolite rock types. The testing process has been slowed by COVID restrictions and a backlog of assays at commercial laboratories.

Metallurgical samples are taken from drill sample intervals selected from 34 infill and redrill/twinned holes yet to be assayed. These samples are made up from drill hole intervals passing through the enriched grade saprolite and puggy clay zones. Enova is investigating the sizing and leach character of specific rock types within the mineralized zone, such as weathered meta-sediments, weathered saprolite variants (ferruginous, mottled, pallid), clays and weathered bedrock. The saprolite horizon and puggy clay zones are of primary economic interest due to significant localized zones of high-grade REE and Sc.

Encouraging results were received from leach tests in April 2021. Two additional test results were received in May and June, respectively. Based on these results, three leach tests are planned for July 2021; reducing acid dosage, shortening leach times and changing the timing of acid dosage(s). Puggy clay (PC) will be leached in this trial for the first time. PC is identified to contain higher grade Sc and REE. Enova seeks to complete this stage of leaching test work in Q4, 2021 which should provide some long-awaited project direction.

It is important to note that test work is slow due to COVID restrictions and the recent boom in the resource sector has slowed assay turnaround. The time taken is exacerbated by repeat tests and the need to adapt tests based on results.

The next phase of test work will be to isolate valuable metals in solution, targeting the isolation of REE and Sc in solution.

### *Likely Developments and Expected Results of Operations*

The Company cannot predict the outcome of current metallurgical testing of assay samples and the impact that this will have on current and future operations.

### *Environmental Regulations*

The Company's operations are subject to environmental regulations under the law of the Commonwealth and Northern Territory of Australia.

### *Resource Modelling*

No resource grade modelling work was undertaken during 2021. Enova has arranged for a further 70 samples, from the infill drilling programme, to be assayed. This will allow Enova to identify metallurgical samples of representative grade and at the same time provide added assay information to the drilling database. This database will ultimately be used for grade modelling later this year.

Work on updating the resource model is expected in late 2021.

## Directors' Report (continued)

### Tenements

Enova's tenement holdings remain unchanged since 2020.

#### enova mining limited

##### Tenement Holdings for period ending June 2021

Tenement	Name / Location	Group	Owner	Granted Date	Renewal Date	AREA (Sub-blocks)	AREA (Km2)
EL 24281	Charley Creek	GR086 Charley Creek 1	CNPL 100%	7/02/2005	6/02/2022	37	116.60
EL 25230	Cockroach Dam	GR086 Charley Creek 1	CNPL 100%	9/11/2006	8/11/2021	102	289.00
EL 27358	Hamilton Downs	GR086 Charley Creek 1	CNPL 100%	17/11/2009	16/11/2021	8	25.17
EL 31947	Cloughs Dam	GR086 Charley Creek 1	CNPL 100%	29/01/2019	28/01/2025	20	59.57
		<b>Charley Creek 1</b>				<b>167</b>	<b>490.34</b>
EL 28434	Hamilton Homestead	GR339 Charley Creek 2	CNPL 56.28% / EMR 43.72%	28/07/2011	27/07/2021	4	12.08
EL 29789	Mulga Bore	GR339 Charley Creek 2	CNPL 56.28% / EMR 43.72%	25/07/2013	24/07/2021	4	12.61
		<b>Charley Creek 2</b>				<b>8</b>	<b>24.69</b>
		<b>TOTAL OF ALL TENEMENTS</b>				<b>175</b>	<b>515.03</b>

Crossland Nickel Pty Ltd (CNPL) - Wholly owned by enova  
Essential Mining Resources Pty. Ltd. (EMR) - Wholly owned by enova

No further tenement reductions are planned for this year. Enova is focused on the Charley Creek project tenements to conserve finances.

Further information about the Company is available at our website [www.enovamining.com](http://www.enovamining.com).

The market will be kept apprised of developments, as required under ASX Listing Rules and in accord with continuous disclosure requirements.

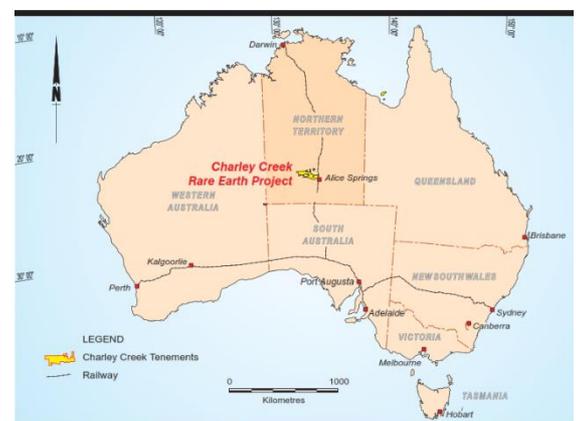
#### Matters Subsequent to the End of the Financial Year

Whilst the impact of the Coronavirus (COVID-19) pandemic is ongoing and the Company has not been impacted in regard to ongoing operations in the Northern Territory, should the situation not worsen from amongst other things the appearance of more aggressive strains of the virus, the potential impact, positive or negative, after the reporting date is not expected to increase. Should more aggressive strains appear, the impact will be dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Apart from the potential impact of COVID-19, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the Company's state of affairs in future financial years.

#### About the Charley Creek Project

The Charley Creek rare earth project is located 110 km W-NW of Alice Springs in the central Northern Territory, Australia (see map below, Figure 1). The operation will involve free-dig mining of sand/silt mineralisation extending from the surface to varying depths (10 to 80m) with little to no overburden. Enova Mining Limited, with 100% project equity, is working to re-establish a resource statement and scoping study. The project is well positioned to be a low environmental impact mine with few encumbrances. The Company is currently reviewing its resource model and the mineral processing flowsheet. Metallurgical laboratory test-work is in-progress to increase the rare earth mineral process recovery. The target final products are high purity rare earth oxide/hydroxide/carbonates, suitable for export to downstream high-purity product refiners, with potential industrial mineral by-products.



## Directors' Report (continued)

### Disclaimer

This ASX announcement (Announcement) has been prepared by Enova Mining Limited ("Enova" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Enova, its subsidiaries, and their activities, which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Enova.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Enova's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are many risks, both specific to Enova and of a general nature which may affect the future operating and financial performance of Enova and the value of an investment in Enova including but not limited to economic conditions, stock market fluctuations, commodity price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Enova and its projects, are forward-looking statements that: may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Enova, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Enova disclaims any intent or obligation to update publicly any forward-looking statements, whether because of new information, future events, or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. No verification: although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

---

### Financial Review

The results of the operation of the Company and the Consolidated Entity during the half year ended 30 June 2021 are as follows:

	<b>Consolidated</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Net loss after income tax</b>	<b>(66)</b>	<b>(204)</b>

There was no significant change in the state of affairs of the Consolidated Entity or the Company other than that referred to in the financial statements or notes thereto.

## Directors' Report (continued)

### ***Rounding of Amounts***

The Company is of the kind referred to the Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commissions, in relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in some cases, the nearest dollar.

---

### ***Auditor's Independence Declaration***

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

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

On behalf of the Directors



---

Mr. Eric Vesel  
Director

---

### ***General Information***

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

Enova Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is as follows:

#### ***Registered Office:***

Level 26, 360 Collins Street  
Melbourne, VIC. 3000, Australia

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issued, in accordance with a resolution of Directors, on the 7th day of September 2021.

## Auditor's Independence Declaration

*John Shute*  
*Chartered Accountant*

### AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

---

To the Directors of Enova Mining Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Enova Mining Limited for the half year ended 30 June 2021 there has been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



---

John F Shute  
*Chartered Accountant*

Dated this 7<sup>th</sup> September 2021

## Statement of Consolidated Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2021

		Consolidated	
	Note	30 Jun 2021 \$'000	30 Jun 2020 \$'000
<b>Revenue from continuing operations</b>		-	-
<b>Expenses</b>			
Administration expenses		(43)	(59)
Borrowing costs		(1)	(137)
Depreciation and amortisation expense		(1)	(2)
Employee benefit expenses		(2)	-
Other expenses		(18)	(6)
<b>Loss before income tax expense</b>		<b>(66)</b>	<b>(204)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the period</b>		<b>(66)</b>	<b>(204)</b>
<b>Total comprehensive income for the period</b>		<b>(66)</b>	<b>(204)</b>
Total comprehensive loss attributable to members of Enova Mining Limited		<b>(66)</b>	<b>(204)</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	11	<b>(0.00019)</b>	(0.00012)
Diluted earnings per share	11	<b>(0.00019)</b>	(0.00012)

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

## Statement of Consolidated Financial Position

As at 30 June 2021

	Note	Consolidated	
		30 Jun 2021 \$'000	31 Dec 2020 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		36	49
Trade and other receivables		44	45
Other current assets		9	9
<b>Total current assets</b>		<b>89</b>	<b>104</b>
<b>Non-current Assets</b>			
Trade and other receivables		28	28
Property, plant and equipment		12	14
Exploration expenditure	3	4,381	4,336
<b>Total non-current assets</b>		<b>4,420</b>	<b>4,378</b>
<b>Total Assets</b>		<b>4,510</b>	<b>4,482</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		24	43
Interest bearing liabilities	4	213	100
<b>Total current liabilities</b>		<b>237</b>	<b>143</b>
<b>Non-current Liabilities</b>			
Provisions	5	20	20
<b>Total Non-current Liabilities</b>		<b>20</b>	<b>20</b>
<b>Total Liabilities</b>		<b>257</b>	<b>163</b>
<b>Net Assets</b>		<b>4,253</b>	<b>4,319</b>
<b>Equity</b>			
Share capital	6	26,343	26,343
Reserves		160	160
Accumulated losses		(22,250)	(22,184)
<b>Total Equity</b>		<b>4,253</b>	<b>4,319</b>

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

## Statement of Consolidated Changes in Equity

For the period ended 30 June 2021

	Share Capital \$'000	Other Reserve \$'000	Accumulated Losses \$'000	Total Equity \$'000
<b>Consolidated</b>				
Balance 1 January 2021	26,343	160	(22,184)	4,319
Loss after income tax expense for the period	-	-	(66)	(66)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	26,343	160	(22,250)	4,253
<i>Transactions with owners in the capacity as owners:</i>				
Share-based payments	-	-	-	-
Shares issued during the period	-	-	-	-
Transferred of expired options	-	-	-	-
Balance at 30 June 2021	26,343	160	(22,250)	4,253

	Share Capital \$'000	Other Reserve \$'000	Accumulated Losses \$'000	Total Equity \$'000
<b>Consolidated</b>				
Balance 1 January 2020	22,972	160	(21,907)	1,225
Loss after income tax expense for the period	-	-	(204)	(204)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	22,972	160	(22,111)	1,021
<i>Transactions with owners in the capacity as owners:</i>				
Share-based payments	-	-	-	-
Shares issued during the year	3,371	-	-	3,371
Transaction costs	-	-	-	-
Balance at 30 June 2020	26,343	160	(22,111)	4,392

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

## Statement of Consolidated Cash Flows

For the period ending 30 June 2021

	Note	Consolidated 30 Jun 2021 \$'000	30 Jun 2020 \$'000
<b>Cash flows from operating activities</b>			
GST recovered from ATO		1	5
Payments to suppliers and employees		(81)	(121)
Interest and other finance costs paid		-	-
Net cash used in operating activities		<u>(80)</u>	<u>(116)</u>
<b>Cash flows from investing activities</b>			
Payments for exploration assets		(44)	(36)
Sales of non-financial assets		-	-
Net cash used in investing activities		<u>(44)</u>	<u>(36)</u>
<b>Cash flows from financing activities</b>			
Loans received from directors and related parties		111	196
Net cash from financing activities		<u>111</u>	<u>196</u>
Net increase/(decrease) in cash and cash equivalents		(13)	44
Cash and cash equivalents at the beginning of the financial period		49	23
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the financial period		<u>36</u>	<u>67</u>

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

## Notes to the Consolidated Financial Statements

### Note 1. Corporate Information

Enova Mining Limited is a company incorporated and domiciled in Australia. The condensed consolidated financial report of the Company as at half-year ended 30 June 2021 comprises the Company and the Consolidated Entity.

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

### Note 2. Basis of Preparation and Accounting Policies

#### Basis of preparation

The condensed consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporation Act 2001, applicable Accounting Standards including AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards AASB 134 Interim Financial Reporting.

The condensed consolidated interim financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full understanding of the financial performance financial position and financing and investing activities of the Consolidated Entity as the annual financial report.

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

#### 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 discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Consolidated Entity recorded a net loss of \$66,635 for the period ended 30 June 2021 and the Consolidated Entity's position as at 30 June 2021 was as follows:

- The Consolidated Entity had negative operating cash flows of \$80,668
- The Consolidated Entity has a negative working capital of \$147,449; and
- The Consolidated Entity's main activity is exploration and as such it does not have a source of income, rather it is reliant on debt and/or equity raisings to fund its activities.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of the business and at the amounts stated in the financial report.

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

- As at 30 June 2021 the Consolidated Entity owed \$214,194 to related parties. The directors of the related parties have agreed to defer settlement of repayment of their loan balance for at least a period of 12 months from the date of this report and have provided an undertaking that they will further support the Consolidated Entity's short-term working capital requirements;
- The Company will also consider additional capital raising activities through the issues of new share capital to supplement the advances received from related parties.

Accordingly, the Directors believe that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

## Notes to the Consolidated Financial Statements (continued)

### Going concern (continued)

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

### New or amended accounting standards and interpretation adopted

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

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

### Note 3. Deferred Exploration and Evaluation Expenditure

	Consolidated	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Deferred exploration expenditure	4,381	4,336
<b>Movement</b>		
Balance at 1 January 2021	4,336	4,233*
Additions	44	104
Amounts written off	-	-
Balance at 30 June 2021	<u>4,381</u>	<u>4,336</u>

\* Balance at 1 January 2020

### Note 4. Current Interest-Bearing Payable

	Consolidated	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Loans from associates of directors	214	-
Other payables	(1)	(5)
Balance at 30 June 2021	<u>213</u>	<u>(5)</u>

### Note 5. Provisions

	Consolidated	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
<b>Non-current provisions</b>		
Site restoration	20	20
	<u>20</u>	<u>20</u>

## Notes to the Consolidated Financial Statements (continued)

### Note 6. Equity – Issued Capital

	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
	Shares	Shares	\$'000	\$'000
Ordinary Shares – Fully Paid	338,658,844	338,658,844	26,343	26,343

#### *Movements in share capital*

	Date	Shares	Issued Price \$	\$,000
Balance at beginning of financial year		338,658,844	-	26,343
Balance at end of period		<b>338,658,844</b>	-	<b>26,343</b>

### Note 7. Contingent Assets & Liabilities

As at 30 June 2021, Enova Mining Limited had no contingent assets or liabilities.

### Note 8. Contractual Commitments

At 30 June 2021, Enova Mining Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment.

### Note 9. Related Party Transactions

#### a) Loans from related parties during the period

During the period the following transactions occurred between the Consolidated Entity and related parties:

	30 June 2021	30 June 2020
	\$	\$
<b>Atlas Offshore Services Pty Ltd</b>		
Interest Accrued	-	50,666
<b>EMMCO Mining Sdn Bhd</b>		
Interest Accrued	10,968	85,948
Total Interest Accrued	<b>10,968</b>	<b>136,614</b>

#### b) Loans from related parties – amounts outstanding 30 June 2021

The amounts outstanding in relation to the loans for related parties as at 30 June 2021 are:

	30 June 2021	30 June 2020
	\$	\$
Atlas Offshore Services Pty Ltd	-	-
EMMCO Mining Sdn Bhd	214,195	-
Total	<b>214,195</b>	-

### Note 10. Events After the Reporting Period

During August 2021, two loans of \$50,000 received from EMMCO Mining Sdn Bhn in October 2020 matured. With EMMCO's agreement, the loans maturity/settlement date has been reset to February 2022. On the 26<sup>th</sup> of July 2021 the Company received an additional \$100,000 loan from EMMCO Mining Sdn Bhn. These funds will be used the further support the test work on the Cattle Creek area. No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the result of those operations or the Consolidated Entity's state of affairs in future financial years.



## Directors' Declaration

In the Directors' opinion:

- The attached financial statements and notes comply with the Corporation Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- The attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its performance for the period ended on that date; and
- There are reasonable grounds to believe that the Company will be able to pay its debts when they become due and payable

The Directors have given the declarations required under Section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made to Section 295(5)(a) of the Corporations Act 2001.

On behalf of the Board of Directors



---

Harun Halim Rasip

Kuala Lumpur  
7 September 2021

## Independent Auditor's Review Report

### Independent Auditor's Review Report to the members of Enova Mining Limited

*John Shute*  
*Chartered Accountant*

#### Report on the Half-Year Financial Report

We have reviewed the accompanying condensed consolidated financial report of Enova Mining Limited for the half-year ended 30 June 2021, comprising of the statement of consolidated profit or loss and other comprehensive income, the statement of consolidated financial position, the statement of changes in equity and the statement of consolidated cash flows for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the consolidated entity as set out on pages 9 to 17.

#### *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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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 the Entity*, 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 half-year 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 30 June 2021 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 Enova Mining Limited, ASRE 2410 requires that we comply with the ethical requirements that are 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.

#### *Auditor's Independence Declaration*

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 Enova Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

*John Shute*  
*Chartered Accountant*

*Emphasis of Matter*

We draw attention to Note 2 *Going Concern* to the financial statements which describes the basis on which the financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of the liabilities in the normal course of business.

As stated in Note 2 the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

Our opinion is not modified in respect of this matter.

*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 Enova Mining Limited 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 30 June 2021 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



John F Shute  
*Chartered Accountant*

Dated this 7<sup>th</sup> September 2021