



AND CONTROLLED ENTITIES  
ABN 15 074 728 019

# INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

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# CORPORATE DIRECTORY

## BOARD OF DIRECTORS

Mr David Wheeler  
Mr Simon Coxhell  
Mr Mathew Walker

Non-Executive Chairman  
Non-Executive Director  
Non-Executive Director

## COMPANY SECRETARY

Mr Sonu Cheema

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## REGISTERED OFFICE

Suite 9, 330 Churchill Avenue  
Subiaco WA 6008

## PRINCIPAL PLACE OF BUSINESS

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## EXCHANGE

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Perth WA 6000

ASX Code: BLZ

## AUDITORS

HLB Mann Judd  
Level 4  
130 Stirling Street  
Perth WA 6000

## LAWYERS

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

## SHARE REGISTRY

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# DIRECTORS' REPORT (CONTINUED)

The Directors of Blaze International Limited (**BLZ**) (**Company**) (**Blaze**) hereby submit the financial report of the Company, and its controlled entities (**Group**) for the six (6) months ended 31 December 2020 (**Report**)(**Period**). Members of the Company, and potential investors of the Company, should review all announcements made to the Australian Securities Exchange (**ASX**) prior to reading this Report.

## DIRECTORS

The names of the Directors in office at any time during, or since the end of the half-year and until the date of this report are:

Mr David Wheeler	Non-Executive Chairman
Mr Simon Coxhell	Non-Executive Director
Mr Mathew Walker	Non-Executive Director (appointed 22 July 2020)
Mr Maciej Rosiewicz	Non-Executive Director (retired 22 July 2020)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

## COMPANY SECRETARY

Mr Sonu Cheema (appointed on 20 October 2020)  
Mrs Loren King (resigned 20 October 2020)

## PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial period was mineral exploration within Australia.

No significant change in the nature of these activities occurred during the financial period.

## OPERATING RESULTS

The loss of the Group for the period after income tax amounted to \$705,113 (2019: \$346,766).

## REVIEW OF OPERATIONS

Blaze International Limited (**Company**) (**Blaze**) (ASX: **BLZ**) is pleased to present its review of operations for the six (6) months ended 31 December 2020 (**Period**).

Blaze is an exploration company with a current focus on gold and nickel exploration in Western Australia.

The Company holds a number of Nickel exploration projects in the South-West regional of Western Australia. These comprise the Binneridge Project, Jimberlana Project and Cojinup Creek Project.

The Company also holds gold exploration targets Murchison District of Western Australia. These include the Kirkalocka Project and the Leonora Project.

# DIRECTORS' REPORT (CONTINUED)

The Company has been exploring the southwest nickel projects for Ni-Cu-PGE mineralisation and has progressed the Binneridgie Project to grant and expects the Jimberlana Project to be granted within the March 2021 quarter.

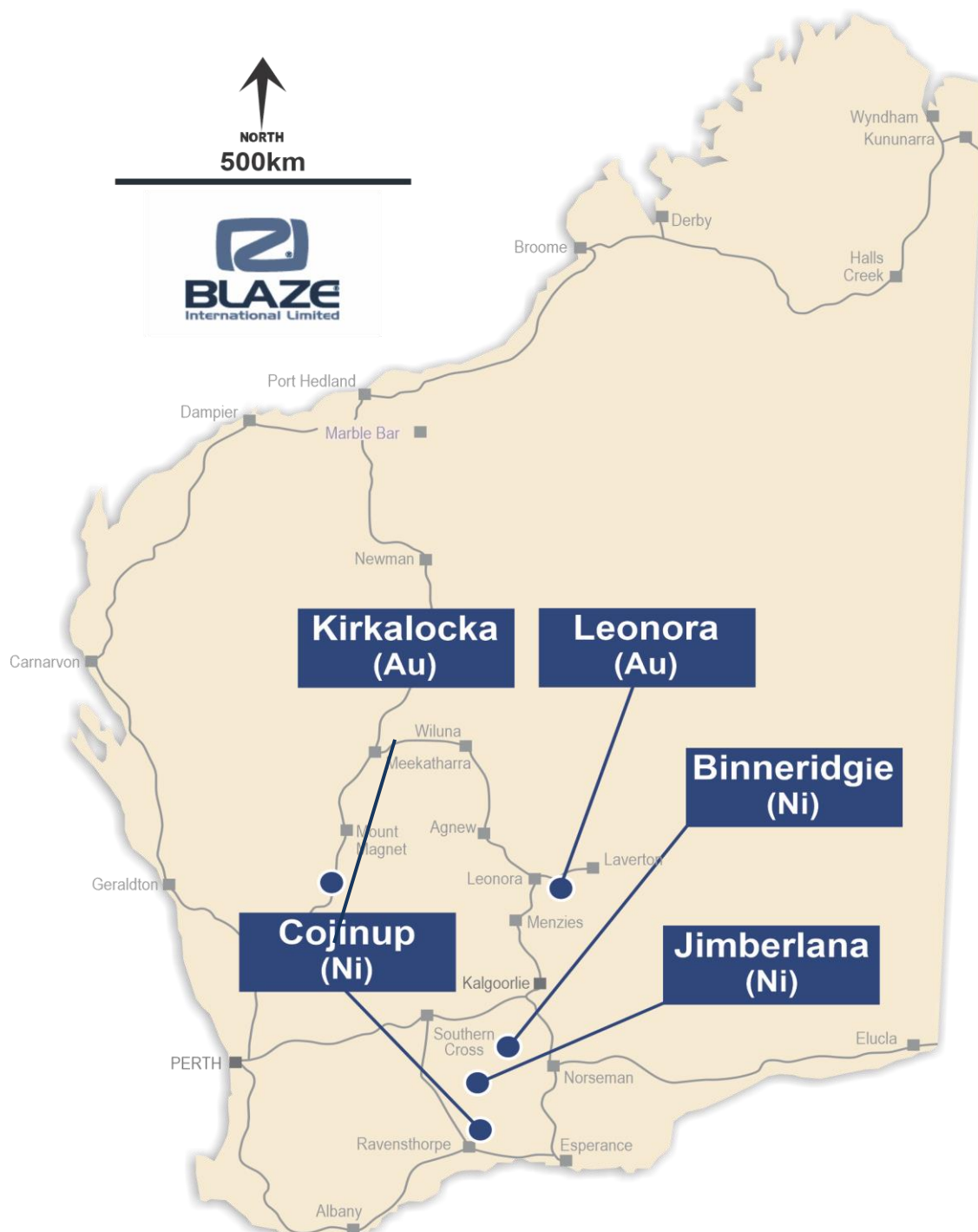


Figure 1. Location of the Company's gold and Nickel projects

## BINNERIDGIE DYKE PROJECT

The Binneridgie Dyke Project is comprised of three tenements (E09/2004, E15/1750 and E15/1751) overlying a 100 kilometre strike of the nickel prospective Binneridgie Dyke. Project generative work by Blaze's partner has identified the Binneridgie Dyke is sulphur

## DIRECTORS' REPORT (CONTINUED)

saturated and contains trace nickel sulphides, key indicators of prospectivity for nickel mineralisation.

Proterozoic intrusions of the Widgiemooltha Suite include the Jimberlana Norite, the Mt Alexander intrusive system (St George Mining Ltd) and the Binneridgie Dyke. These systems include a variety of lithologies, including voluminous granodiorite, diorite and gabbro intrusions which are intruded into the host structures alongside the nickel-prospective ultramafic rocks.

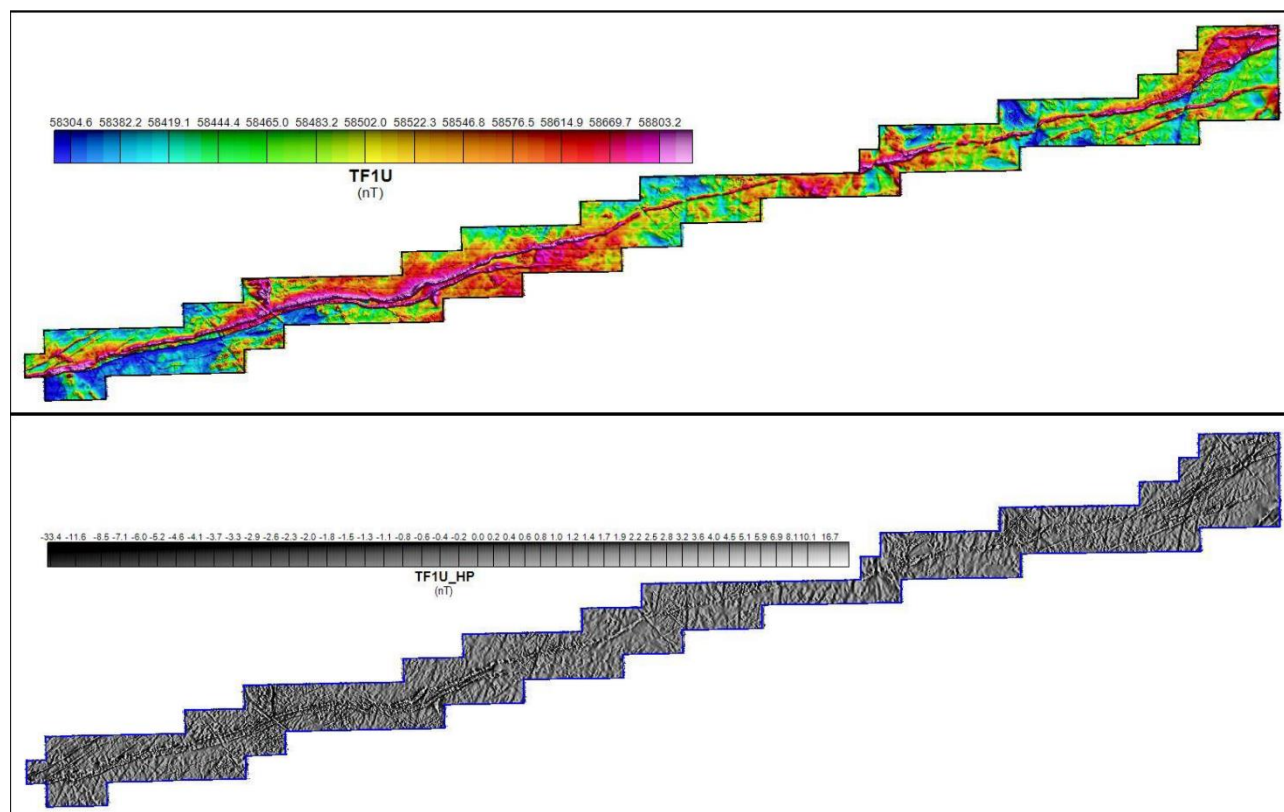
Blaze has previously released geochemical results of reconnaissance soil sampling on the project (refer to ASX release of 28 September 2020) which identified anomalous PGE concentrations in soil and laterite.

Rock chip sampling undertaken during the period has identified gabbro, diorite and granodiorite, with moderate levels of Ni, Cu and Co. It is important to note that the Company has sampled less than 1 percent of the strike of the project.

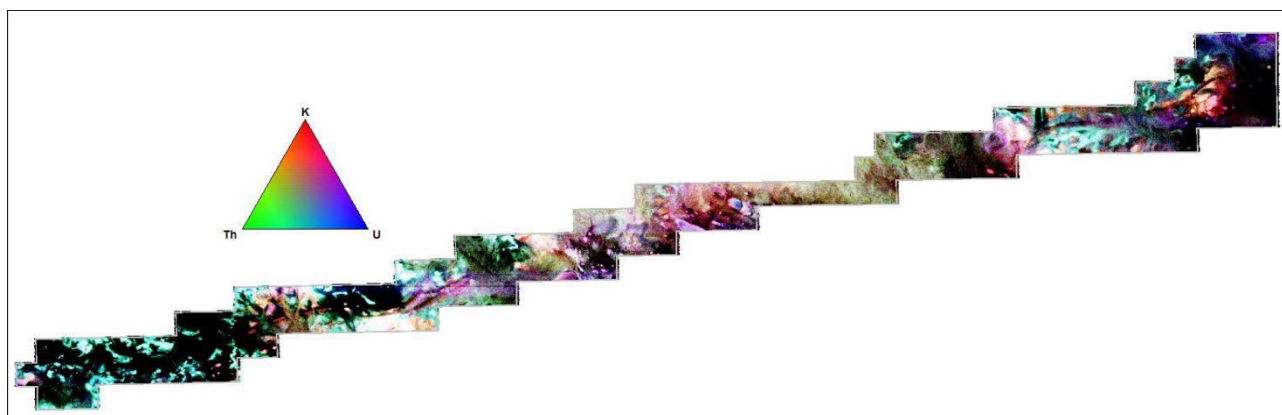
### MAGNETIC SURVEY

The Company has completed a 16,800 line kilometre airborne magnetic and radiometric survey undertaken in December 2020. The project was flown at 30m line spacing and 35m survey height, delivering ultra-detailed and accurate magnetic and radiometric surveying.

Preliminary imagery is depicted in Figure 2 with initial preliminary interpretation revealing the presence of multiple highly magnetic intrusive features along the one hundred kilometre length of the project.



## DIRECTORS' REPORT (CONTINUED)

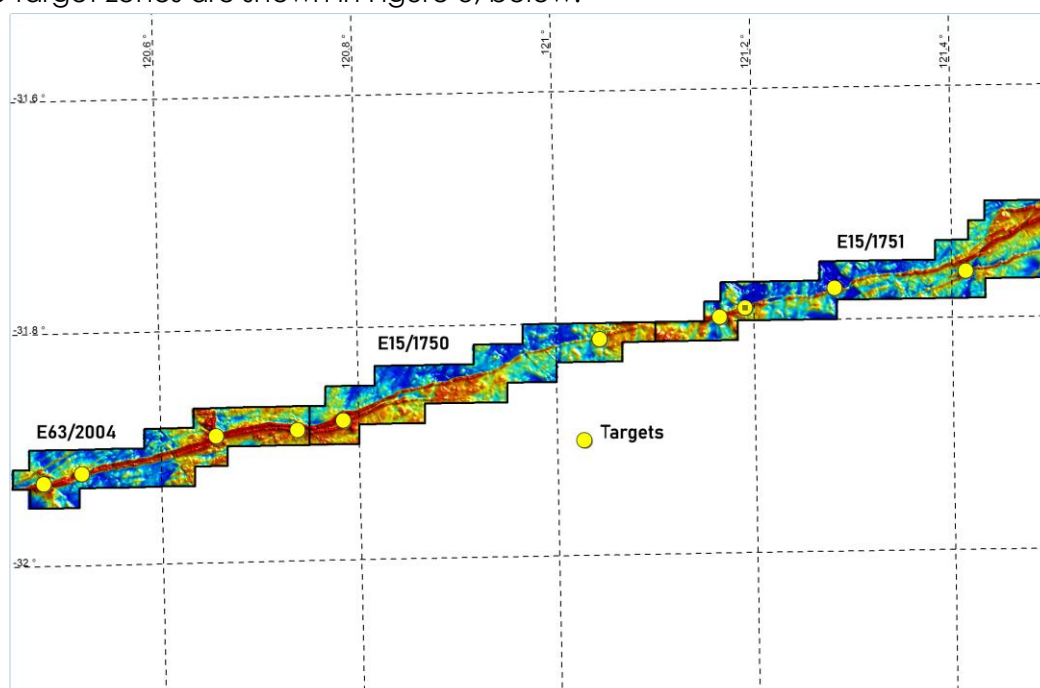


**Figure 2:** Preliminary imagery, Binneridge Aeromagnetic Survey, illustrating the 100km strike of intrusions in the Project. Total Magnetic Intensity (top), 1st Vertical Derivative (middle), Ternary Radiometrics (bottom).

Initial interpretations have identified several features indicative of potential mineralising processes, including;

- Potential feeder zones within faults
- Marginal magnetic sequences and internal low-magnetic core sequences identical to the arrangement of rocks within the Jimberlana Norite
- Several 'blow-out' zones where the Binneridge Intrusion thickens along strike, possibly representing feeder conduits, ultramafic plugs or chonoliths
- Marginal low-magnetic sequences, possibly representing ultramafic dyke margins
- Detached magnetic features within the Archaean wall rocks, potentially representing lobes or pipes of mafic-ultramafic intrusions

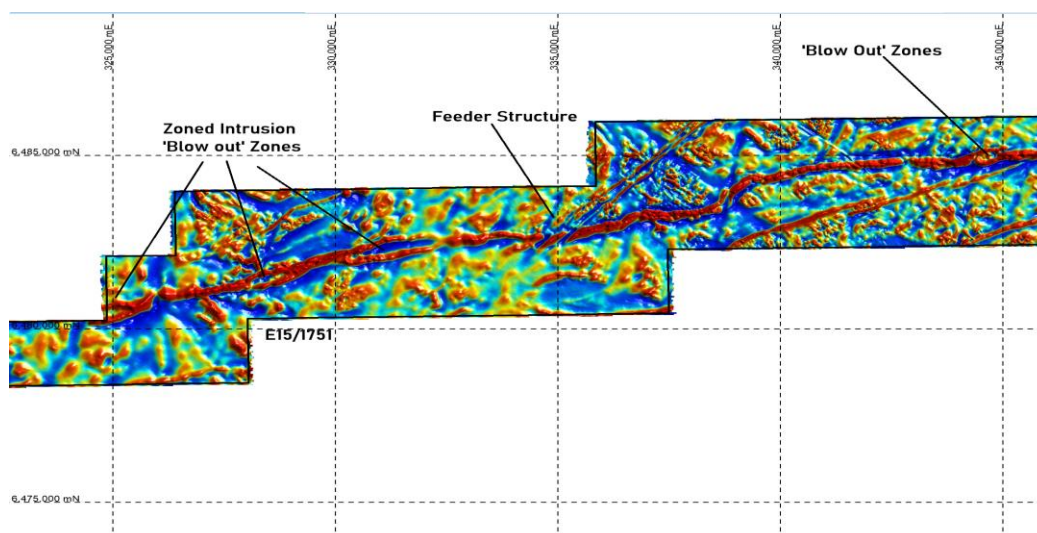
These target zones are shown in Figure 3, below.



**Figure 3:** Preliminary Interpretation Target Zones, Binneridge Project



## DIRECTORS' REPORT (CONTINUED)



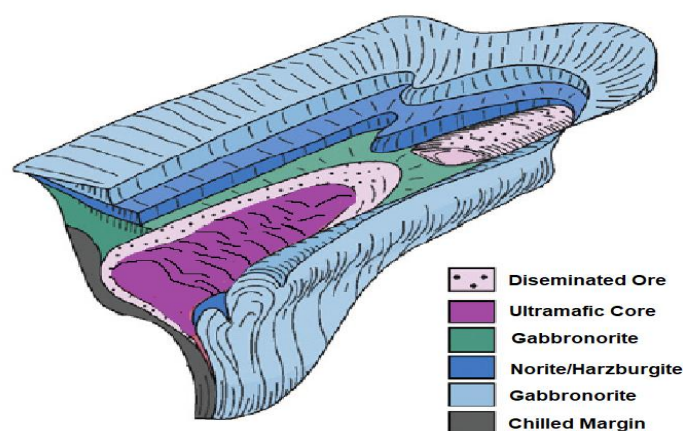
**Figure 4:** 'Blow Out' Zones and Potential Feeder Structure, E15/1751, Binneridge Project

The Company will undertake a thorough interpretation of the magnetic, radiometric and remote sensing data to select prospective intrusive units for initial sampling, mapping and ground-truthing. This will require construction of access tracks in a remote area, lodgement of Programme of Works and vegetation clearing permits, as well as aboriginal heritage monitoring work.

### JIMBERLANA PROJECT

The Jimberlana Project E63/2009 covers 18 kilometres of strike of the nickel prospective Jimberlana Norite intrusion, a mafic-ultramafic intrusion of the Widgiemooltha Dyke Suite which is known to contain significant Ni, Cu and PGE anomalism along ~300km of strike.

The Company is exploring the Jimberlana tenement for large tonnage, disseminated style mineralisation within marginal gabbro-norite portions of the intrusion. This is based on a model of a blade or boat shaped, zoned intrusion similar to Kalatongke, where disseminated mineralisation may exist in marginal gabbro and norite phases. A schematic model of the target is presented below (modified after Barnes et al. 2016).



**Jimberlana Norite Mineralisation Model (after Barnes et al, 2016)**



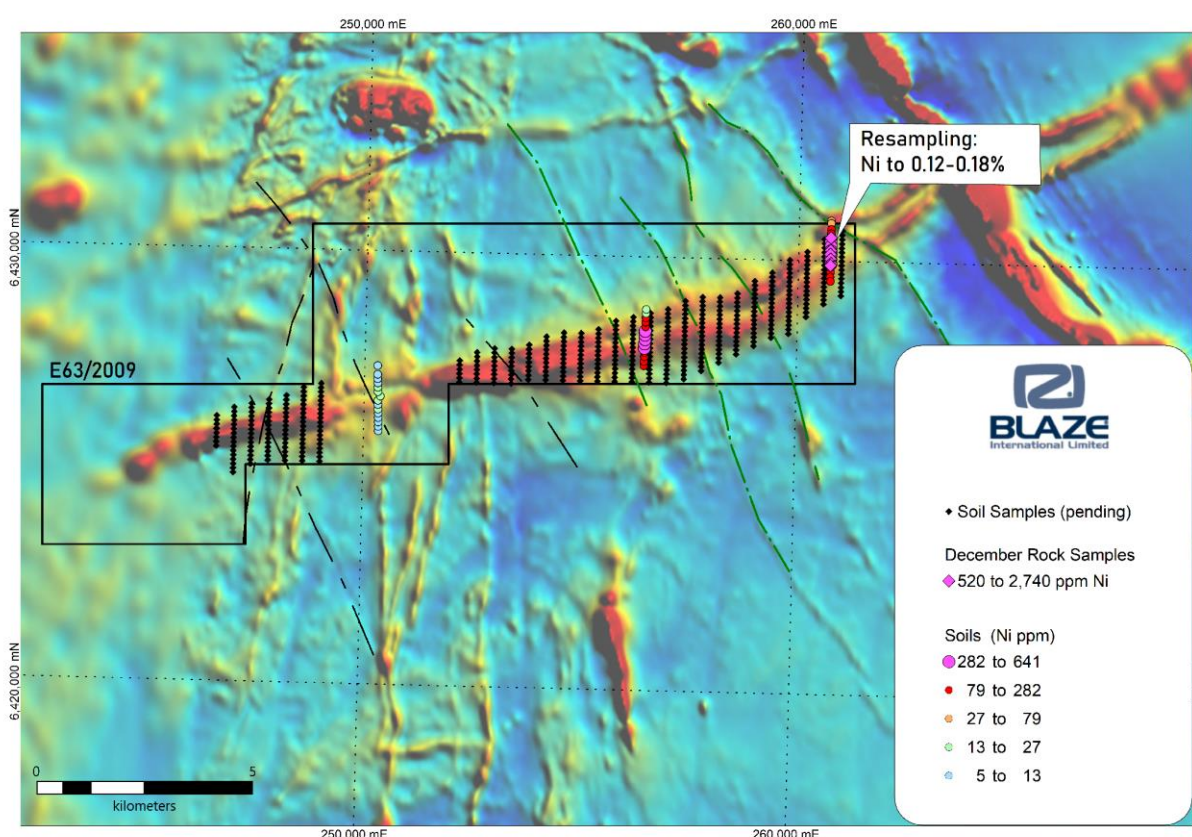
## DIRECTORS' REPORT (CONTINUED)

The Jimberlana intrusion within the tenement is known to be composed of a marginal dolerite, gabbro and gabbro-norite shell with an ultramafic (harzburgite-lherzolite) core. Previous explorers have sought massive sulphides on the base of the core sequence. Recent understanding of magmatic systems (Barnes et al., 2016) suggests that the ultramafic core may not necessarily be the most fertile magma, with the initial sulphur-rich magma in the marginal sequence forming a target for lower grade, but much larger, disseminated sulphide bodies.

Importantly, lower grade disseminated mineralisation at ~0.4% Ni may not be conductive from historical EM surveys conducted over the tenement. The Company's exploration efforts have therefore focused on identifying a geochemically enriched portion of the marginal series to target a forthcoming 3D IP survey on. This will hopefully detect a large conductive body at depth for drilling.

Initial reconnaissance sampling by the Company involved taking three traverses of soil samples across the prospective intrusive rocks with the aim of detecting broad enrichments of platinum group elements (PGE's) in the soils. The company has completed a further 600 sample soil program over portions of the tenement at a 400m x 100m nominal grid in areas not covered by aeolian sands and alluvium. Samples have been submitted to the laboratory and results are expected in February.

During the period, the company undertook limited resampling of RAB and RC drill spoils from historic drilling (figure 5). The resampling of drill spoils has shown that the more ultramafic rocks (harzburgite-lherzolite) are lower in nickel than the more mafic gabbro-norite phases of the intrusion.



**Figure 5:** E63/2009 Jimberlana Geochemistry Progress

## DIRECTORS' REPORT (CONTINUED)

This is encouraging given that drilling of the ultramafic phases has thus far failed to discover significant mineralisation, whereas the mafic portions contain nickel to ~0.12-0.18%, which is significantly in excess of the nickel content expected for norite (~200-400ppm) and indicative of the potential for disseminated nickel sulphide mineralisation.

Pending the receipt of the soil results, the Company will review all work in order to identify targets for induced polarisation surveys, which are the geophysical method most likely to detect large, low-grade disseminated intrusive nickel mineralisation.

### COJINUP CREEK PROJECT

The Cojinup Creek Project consists of four exploration license applications (EL74/658, E74/659, E74/660, E74/661) covering a 738km<sup>2</sup> area north east of Ravensthorpe, in the southeast of Western Australia. The Company continues to work toward grant of this tenure in the near future.

During the period, rock chip assays were received from reconnaissance traversing through the project. The results of this work have identified that ultramafic cumulate rocks, notionally peridotite, are present within the dykes and intrusions of the Marnda Moorn Suite, based on a MgO content of 38.75% received from sample CR0013. This sample contained 0.27% nickel, which is within the range of silicate-bound olivine.

Whilst nickel was not anomalous in the samples, copper contents were moderately elevated within the mafic intrusive rocks (~100-200ppm). This suggests potential for accumulation of copper-rich sulphides in gabbros, and the samples have been submitted for PGE analysis to confirm if these elements are enriched.

The Company is encouraged by these results, particularly the identification of highly MgO rich cumulate ultramafic dykes. The presence of anomalous copper within mafic lithologies is yet to be fully understood, but these may represent remobilisation of nearby nickel-copper-PGE sulphides during the complex, multi-phase intrusive event.

# DIRECTORS' REPORT (CONTINUED)

## CORPORATE UPDATE

During the period, the Company completed the allotment of 52,500,000 ordinary fully paid shares to sophisticated, professional and other exempt investors at \$0.025 per share to raise \$1,312,500 (before costs).

The Company appointed Mr Mathew Walker as a Non-Executive Director of the Company effective from 22 July 2020. Mr Walker was appointed to replace Mr Maciej Rosiewicz who chose to leave the Board to pursue other commercial interests.

The Company appointed Mr Sonu Cheema as Company Secretary in place of Mrs Loren King, who resigned effective 20 October 2020.

## AUDITOR'S DECLARATION OF INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 11 and forms part of this Directors' Report for the half-year ended 31 December 2020.

Signed in accordance with a resolution of the Directors.



**David Wheeler**

**Non-Executive Chairman**

Dated this 3<sup>rd</sup> day of March 2021

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Blaze International Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia  
3 March 2021



**M R Ohm**  
Partner

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**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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# DIRECTORS' DECLARATION

1. In the opinion of the Directors of Blaze International Limited (the 'Company'):
  - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
    - i. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year then ended; and
    - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
  - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
  - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2020.

This declaration is signed in accordance with a resolution of the board of Directors.



**David Wheeler**  
**Non-Executive Chairman**  
Dated this 3<sup>rd</sup> day of March 2021

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Blaze International Limited

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

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Blaze International Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed 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, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Blaze International Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2020 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*.

#### *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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Responsibility of the directors for the financial report*

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

#### *Auditor's responsibility for the review of the financial report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 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*.

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

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*.

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**3 March 2021**



**M R Ohm**  
**Partner**



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 31 December 2020

		Half-year ended 31 Dec 2020	Half-year ended 31 Dec 2019
	Note	\$	\$
<b>Continuing operations</b>			
Other income		8	50
Accounting and audit fees		(20,055)	(21,957)
Administration expenses		(1,819)	(5,989)
Corporate compliance costs		(36,237)	(53,140)
Consultants fees		(54,000)	(142,885)
Depreciation		(2,405)	(3,782)
Director fees, salaries and superannuation		(57,667)	(64,279)
Exploration expenditure expensed		(137,093)	(1,380)
Legal fees		(16,675)	(9,655)
Other expenses from ordinary activities		(49,170)	(36,505)
Share based payment expense	9	(330,000)	-
Loss on sale of equity investments		-	(7,244)
<b>Loss before income tax expense</b>		<b>(705,113)</b>	<b>(346,766)</b>
Income tax (benefit)/expense		-	-
<b>Loss for the period from continuing operations</b>		<b>(705,113)</b>	<b>(346,766)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(705,113)</b>	<b>(346,766)</b>
<b>Earnings/(loss) per share</b>			
Basic loss per share (cents per share)		(0.27)	(0.17)
Diluted loss per share (cents per share)		(0.27)	(0.17)

*The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.*

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Note	31 Dec 2020 \$	30 Jun 2020 \$
<b>Current assets</b>			
Cash and cash equivalents		1,881,952	1,197,380
Trade and other receivables		34,755	43,140
Total current assets		1,916,707	1,240,520
<b>Non-current assets</b>			
Plant and equipment		7,470	9,875
Deferred exploration and evaluation expenditure	4	3,720,686	3,566,713
Total non-current assets		3,728,156	3,576,588
<b>Total assets</b>		<b>5,644,863</b>	<b>4,817,108</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		29,301	53,501
Total current liabilities		29,301	53,501
<b>Total liabilities</b>		<b>29,301</b>	<b>53,501</b>
<b>Net assets</b>		<b>5,615,562</b>	<b>4,763,607</b>
<b>Equity</b>			
Issued capital	5	43,038,532	41,811,464
Reserves		3,035,183	2,705,183
Accumulated losses		(40,458,153)	(39,753,040)
<b>Total equity</b>		<b>5,615,562</b>	<b>4,763,607</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2020

	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total \$
<b>Balance at 1 July 2019</b>	41,823,329	2,695,944	(38,996,877)	5,522,396
Loss for the period	-	-	(346,766)	(346,766)
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	<b>(346,766)</b>	<b>(346,766)</b>
Shares issued during the period	-	9,239	-	9,239
Issue costs	(11,865)	-	-	(11,865)
<b>Balance at 31 December 2019</b>	<b>41,811,464</b>	<b>2,705,183</b>	<b>(39,343,643)</b>	<b>5,173,004</b>
<b>Balance at 1 July 2020</b>	41,811,464	2,705,183	(39,753,040)	4,763,607
Loss for the period	-	-	(705,113)	(705,113)
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	<b>(705,113)</b>	<b>(705,113)</b>
Shares issued during the period	1,312,500	-	-	1,312,500
Options issued during the period	-	330,000	-	330,000
Issue costs	(85,432)	-	-	(85,432)
<b>Balance at 31 December 2020</b>	<b>43,038,532</b>	<b>3,035,183</b>	<b>(40,548,153)</b>	<b>5,615,562</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.*

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2020

	Half-year ended 31 Dec 2020 \$	Half-year ended 31 Dec 2019 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(388,531)	(330,175)
Other receipts from customers	6	-
Interest received	2	50
Income tax paid	-	(208,459)
Net cash used in operating activities	(388,523)	(538,584)
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(153,973)	(288,622)
Proceeds from sale of financial asset	-	73,956
Net cash used in investing activities	(153,973)	(214,666)
<b>Cash flows from financing activities</b>		
Proceeds from issue of securities	1,312,500	9,239
Payment for issue costs	(85,432)	(11,865)
Net cash generated / (used) in financing activities	1,227,068	(2,626)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>684,572</b>	<b>(755,876)</b>
Cash and cash equivalents at the beginning of the half year	1,197,380	2,284,085
<b>Cash and cash equivalents at the end of the half-year</b>	<b>1,881,952</b>	<b>1,528,209</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.*

# CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

## 1. BASIS OF PREPARATION

### 1.1. BASIS OF PREPARATION

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by Blaze International Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

### 1.2. STATEMENT OF COMPLIANCE

The interim financial statements were authorised for issue on 3 March 2021.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (**AIFRS**). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (**IFRS**).

### 1.3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact (if any) of the new and revised standards effective 1 July 2020 as outlined in section 1.5. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

# CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2020

## 1.4. SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY ESTIMATES

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

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2020.

## 1.5. NEW AND REVISED ACCOUNTING STANDARDS

### 1.5.1. NEW STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE HALF YEAR ENDED 31 DECEMBER 2020

In the period ended 31 December 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

### 1.5.2. STANDARDS AND INTERPRETATIONS IN ISSUE NOT YET ADOPTED

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2020. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

## 1.6. GOING CONCERN

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

## 2. SEGMENT REPORTING

The Group has adopted AASB 8 'Operating Segments' which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Group reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports.

During the period, the Group operated predominantly in one segment being the mineral exploration sector in Western Australia. Accordingly, under the 'management approach' outlined above only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

# CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2020

## 3. LOSS PER SHARE

### 3.1. BASIC AND DILUTED LOSS PER SHARE

#### From continuing operations

Basic loss per share (cents per share)  
Diluted loss per share (cents per share)

CONSOLIDATED	
HALF-YEAR ENDED 31 DEC 2020 No.	HALF-YEAR ENDED 31 DEC 2019 No.
(0.27)	(0.17)
(0.27)	(0.17)

### 3.2. EARNINGS

Loss from continued operations used in the calculation of basic earnings per share

CONSOLIDATED	
HALF-YEAR ENDED 31 DEC 2020 \$	HALF-YEAR ENDED 31 DEC 2019 \$
(705,113)	(346,766)

### 3.3. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

The weighted average number of shares used in the calculation of basic loss per share is as follows:

Weighted average number of ordinary shares for the purpose of basic loss per share

CONSOLIDATED	
AS AT 31 DEC 2020 \$	AS AT 31 DEC 2019 \$
256,793,478	210,000,000

## 4. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Expenditure brought forward  
Expenditure incurred during the period  
Expenditure written off during period  
Expenditure carried forward

CONSOLIDATED	
HALF-YEAR ENDED 31 DEC 2020 \$	YEAR ENDED 30 JUN 2020 \$
3,566,713	3,372,187
153,973	419,081
-	(224,555)
3,720,686	3,566,713

The ultimate recoupment of the mining tenements, exploration and evaluation expenditure carried forward is dependent upon the successful development and commercial exploitation and/or sale of the relevant areas of interest, at amounts at least equal to book value.



# CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2020

## 5. ISSUED CAPITAL

262,500,000 fully paid ordinary shares  
(30 June 2020: 210,000,000)

CONSOLIDATED	
AS AT 31 DEC 2020 \$	AS AT 30 JUN 2020 \$
43,038,532	41,811,464

### 5.1. FULLY PAID ORDINARY SHARES

	CONSOLIDATED			
	HALF-YEAR ENDED 31 DEC 2020		YEAR ENDED 30 JUN 2020	
	No.	\$	No.	\$
Balance at beginning of year	210,000,000	41,811,464	210,000,000	41,823,329
Shares issued on placement	52,500,000	1,312,500	-	-
Share issue costs	-	(85,432)	-	(11,865) <sup>(ii)</sup>
Balance at end of period	262,500,000	43,038,532	210,000,000	41,811,464

(ii) Relates to Options Placement that was closed fully subscribed on 3 July 2019.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

## 6. CONTINGENCIES

There were no contingent liabilities or contingent assets as at 31 December 2020.

## 7. EVENTS AFTER BALANCE DATE

There have been no material events after balance date.

## 8. FINANCIAL INSTRUMENTS

The Group has a number of financial instruments which are not measured at fair value on a recurring basis. The carrying amount of these financial instruments approximates their fair value.

# CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2020

## 9. SHARE BASED PAYMENTS

Share based payments made during the half-year are summarised below.

### SHARE BASED PAYMENT EXPENSES

#### LISTED OPTIONS

Options issued to directors <sup>(i)</sup>

Options issued to adviser and consultant

HALF-YEAR ENDED 31 DEC 2020 \$	HALF-YEAR ENDED 31 DEC 2019 \$
144,000	-
186,000	-
330,000	-

On 20 October 2020 the Company issued 12,000,000 Options to Directors, following shareholder approval on 15 October 2020.

Number of Options Issued	Grant Date	Fair Value at Grant Date	Total Value \$	Recipient
12,000,000	15 Oct 2020	\$0.012	144,000	Directors <sup>(i)</sup>
15,500,000	15 Oct 2020	\$0.012	186,000	Adviser and consultant
27,500,000			330,000	

The options have an exercise price of \$0.05 per share and expired unexercised 31 March 2022. There was no alteration of the terms and conditions of the above share based payment arrangements since grant date. The fair value of options at grant date was determined using the closing market price.