



# BATTERY MINERALS

ABN 75 152 071 095

**Condensed Interim Financial Statements  
30 June 2021**

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These half-yearly financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, the half-yearly financial statements are to be read in conjunction with the 31 December 2020 annual report and any public announcements made by Battery Minerals Limited during the period from 1 January 2021 to the date of this report in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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## Directors' Report

Your Directors present their half-yearly report on the Group consisting of Battery Minerals Limited ("Battery Minerals" or "the Company") and the entities it controlled at the end of, or during, the period 1 January 2021 to 30 June 2021 ("the Group").

### Directors

The names of the Directors of Battery Minerals Limited during the interim reporting period of this report are as follows. All Directors were in office for the entire period unless otherwise stated:

		<b>Appointed</b>	<b>Resigned</b>
David Flanagan	Executive Chairman	25 March 2021	-
	Non-Executive Chairman	1 July 2019	25 March 2021
Jeff Dowling	Non-Executive Director	8 April 2019	-
Darryl Clark	Non-Executive Director	22 October 2020	-

### Review of Operations

The Group loss for the period of 1 January 2021 to 30 June 2021 was \$2,923,926 (30 June 2020: \$2,001,595).

The Group continues to manage the challenges of the COVID 19 pandemic and the associated impacts on the business, while responsibly managing expenditure. The Company has continued to carefully manage the operating cost base to ensure the most effective use of its available funding.

#### Agreement to Dispose of Mozambique Graphite Projects to Tirupati Graphite

Subsequent to the end of the reporting period, the Company announced that it had entered into agreements, together with its subsidiary Rovuma Resources Limited, to sell its Mozambique graphite assets, through the sale of all of the shares and debt in its subsidiary Suni Resources SA, to the London Stock Exchange listed company, Tirupati Graphite plc for a total aggregate consideration of \$12.5M. Cash consideration of \$1.5M and share consideration of \$11M will be received once all conditions precedent are met. The share consideration will be issued at £1.03 per share and will comprise 2,833,644 Tirupati shares at completion date and 2,833,644 Tirupati shares 8 months after the completion date, with these shares being escrowed for 8 months and 20 months respectively. The ultimate value of the share consideration received will be dependent upon the AUD/GBP exchange rate and the market value of the Tirupati shares upon the date of issue of the shares.

Completion of the transaction is subject to a number of conditions precedent including Mozambique government approvals and Battery Minerals shareholder approval. The conditions precedent must be satisfied prior to 29 April 2022. Further details in regard to the transaction are included in the ASX Announcement dated 17 August 2021.

## Directors' Report (continued)

### Acquisition of Russell Copper Project – Kimberley region, WA

In June 2021, Battery Minerals acquired the Russell Copper Project near Halls Creek in WA's Kimberley region via the purchase of TremJones Pty Ltd from the shareholder of that company, iCopper Pty Ltd, a syndicate in which Indigenous Kimberley residents are 47% shareholders.

Upon signing of the Sale Agreement, Battery paid \$100,000 in cash and issued \$1M in ordinary shares at an issue price of 10% discount to the five-day VWAP on the date of signing the Sale Agreement (61,553,992 shares). In order to retain the tenements, within 12 months of the completion date of 25 June 2021, Battery must pay another \$1.25M in cash or, subject to shareholder approval, issue \$1.25M in ordinary shares at an issue price of 10% discount to the five-day VWAP on the 12-month anniversary of the date of the Sale Agreement. The Company will issue an additional \$0.25M in ordinary shares on the grant and transfer of E80/5348 at an issue price of 10% discount to the five-day VWAP on the date of signing the Sale Agreement (15,388,498 shares).

The combined tenement package comprises 258km<sup>2</sup> of highly prospective geology. Historical exploration has mapped a copper-bearing trend over 8km. Recent surface rock chip samples have returned high copper and silver assays. The Russell Copper Project has seen limited historic drilling, with all 13 RC holes conducted solely at the Azura Prospect. Historic data indicates the presence of native copper in a basalt host, indicative of Michigan-Style copper prospectivity, while copper mineralisation mapped at Russell's Gossan is hosted in meta-sediments, giving rise to areas of untested sediment-hosted copper prospectivity. Given the limited drilling and the significant extent of the surface expression of copper, the Company believes significant areas of the project remain under-explored. As part of the agreement, Battery Minerals has also gained the benefit of pre-existing access agreements with Traditional Owners in support of active exploration.

During the June 2021 Quarter, the Company completed a detailed 100m line spaced VTEM survey over the central E80/4944 and E80/5116 tenements. Results of the VTEM survey from the raw data were processed for preliminary target generation for ground truthing planned in the September 2021 Quarter.

### Stavelly-Stawell Project – Western Victoria

The Company's exploration strategy at the Stavelly-Stawell Project in western Victoria has been evolving as new foundation data sets have been collected and integrated with historic geochemical and drilling data to generate targets for field reconnaissance and drill testing. During the period commercial land access agreements were obtained over key prospects for drilling and reconnaissance mapping and sampling programmes commenced.

An 8,000m drill programme was designed to test the distribution of gold mineralisation, map the basement structure where geophysics datasets are indicating structural complexity of the primary Moyston fault, as well as accompanying secondary structures that may represent potential splay mineralisation.

The Phase 1 Aircore drilling programme commenced in May 2021, with 80 holes for 3,525 metres completed during the June 2021 Quarter. The programme was hampered by availability of drilling crews and mechanical issues. June 2021 saw unseasonably heavy rain events with over 91mm of rainfall against an average of 60mm. The sustained rainfall saturated the paddocks, causing vehicles and equipment to be bogged. After consultation with landholders the decision was made to defer further drilling operations until after the winter months. Weather and ground conditions will continue to be monitored for a potential restart date, which is likely to be in September. Results from the initial phase of drilling are included within the ASX announcement dated 29 July 2021.

In June 2021, the Company announced it had executed a \$500,000 TARGET Grant Agreement with the Victorian State Government to support exploration on the Stavelly-Stawell Project over the 28 months ending 30 September 2023. Details of the grant include \$250,000 funding towards an airborne geophysical survey in Year 1, and \$150,000 and \$100,000 funding towards diamond drilling in Years 2 and 3 respectively.

## Directors' Report (continued)

### After Reporting Date Events

Subsequent to the end of the reporting period, the Company announced that it had entered into agreements, together with its subsidiary Rovuma Resources Limited, to sell its Mozambique graphite assets, through the sale of all of the shares and debt in its subsidiary Suni Resources SA, to the London Stock Exchange listed company, Tirupati Graphite plc for a total aggregate consideration of \$12.5M. Cash consideration of \$1.5M and share consideration of \$11M will be received once all conditions precedent are met. The share consideration will be issued at £1.03 per share and will comprise 2,833,644 Tirupati shares at completion date and 2,833,644 Tirupati shares 8 months after the completion date, with these shares being escrowed for 8 months and 20 months respectively. The ultimate value of the share consideration received will be dependent upon the AUD/GBP exchange rate and the market value of the Tirupati shares upon the date of issue of the shares.


Completion of the transaction is subject to a number of conditions precedent including Mozambique government approvals and Battery Minerals shareholder approval. The conditions precedent must be satisfied prior to 29 April 2022. Further details in regard to the transaction are included in the ASX Announcement dated 17 August 2021.

Other than the above, no other matters or circumstances have arisen after the end of the reporting period which significantly affected or may significantly affect the operations of the Group.

### Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 can be found on the following page.

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



David Flanagan  
Executive Chairman

Perth, Western Australia  
7 September 2021



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

To the Directors of Battery Minerals Limited

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

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG.

KPMG

A handwritten signature in blue ink, appearing to read 'R Gambitta'.

R Gambitta  
*Partner*

Perth

7 September 2021

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

For the half-year ended 30 June 2021

	Note	Consolidated 6 months ended 30 Jun 2021 \$	Consolidated 6 months ended 30 Jun 2020 \$
<b>Continuing operations</b>			
Other income		182	50,000
Net foreign exchange gain/ (loss)		19,324	(11,876)
Corporate and administrative costs		(384,225)	(366,921)
Personnel costs		(490,920)	(604,746)
Exploration and evaluation costs		(1,014,075)	-
Share based payment expense		(163,209)	(45,447)
Other expenses	2	(935,505)	(1,162,427)
<b>Operating Loss</b>		<b>(2,968,428)</b>	<b>(2,141,417)</b>
Interest income		44,502	139,822
<b>Loss before tax from continuing operations</b>		<b>(2,923,926)</b>	<b>(2,001,595)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(2,923,926)</b>	<b>(2,001,595)</b>
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		317,853	(296,305)
<b>Total comprehensive loss for the period</b>		<b>(2,606,073)</b>	<b>(2,297,900)</b>
<b>Loss for the period attributable to:</b>			
Owners of Battery Minerals Limited		<b>(2,923,926)</b>	<b>(2,001,595)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of Battery Minerals Limited		<b>(2,606,073)</b>	<b>(2,297,900)</b>
Basic loss per share (cents)		(0.14)	(0.15)

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

## Condensed Consolidated Statement of Financial Position

As at 30 June 2021

	Note	Consolidated 30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		4,615,552	7,303,942
Other receivables	4	171,844	170,171
<b>Total Current Assets</b>		<b>4,787,396</b>	<b>7,474,113</b>
<b>Non-Current Assets</b>			
Other receivables	4	1,459,633	1,209,805
Property, plant & equipment		191,446	157,372
Intangible assets		31,345	62,492
Right-of-use asset		197,062	-
Exploration and evaluation expenditure	5	14,799,160	12,242,754
<b>Total Non-Current Assets</b>		<b>16,678,646</b>	<b>13,672,423</b>
<b>TOTAL ASSETS</b>		<b>21,466,042</b>	<b>21,146,536</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		502,554	243,639
Provisions		92,737	113,321
Finance liability	6	1,193,090	-
Lease liability		66,948	-
<b>Total Current Liabilities</b>		<b>1,855,329</b>	<b>356,960</b>
<b>Non-Current Liabilities</b>			
Lease liability		131,955	-
<b>Total Non-Current Liabilities</b>		<b>131,955</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,987,284</b>	<b>356,960</b>
<b>NET ASSETS</b>		<b>19,478,758</b>	<b>20,789,576</b>
<b>EQUITY</b>			
Issued capital	7	97,297,024	96,164,978
Reserves	8	3,785,490	3,304,428
Accumulated losses		(81,603,756)	(78,679,830)
<b>TOTAL EQUITY</b>		<b>19,478,758</b>	<b>20,789,576</b>

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



## Condensed Consolidated Statement of Changes in Equity

### For the half year ended 30 June 2021

Consolidated 6 months ended 30 Jun 2020		Share Based	Foreign			
	Note	Issued Capital	Payment Reserve	Currency Translation Reserve	Accumulated Losses	Total
		\$	\$	\$	\$	\$
Balance at 1 January 2020		78,909,275	5,241,608	(1,113,323)	(72,132,995)	10,904,565
Loss for the period		-	-	-	(2,001,595)	(2,001,595)
Other comprehensive income		-	-	(296,305)	-	(296,305)
Total comprehensive loss for the period		-	-	(296,305)	(2,001,595)	(2,297,900)
Transactions with owners of Battery Minerals:						
Shares issued, net of transaction costs		-	-	-	-	-
Share based payments		-	45,447	-	-	45,447
Balance at 30 June 2020		78,909,275	5,287,055	(1,409,628)	(74,134,590)	8,652,112

Consolidated 6 months ended 30 Jun 2021		Share Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	Note	Issued Capital			
		\$	\$	\$	\$
Balance at 1 January 2021		96,164,978	5,310,133	(2,005,705)	(78,679,830)
Loss for the period		-	-	-	(2,923,926)
Other comprehensive income		-	-	317,853	-
Total comprehensive loss for the period		-	-	317,853	(2,923,926)
Transactions with owners of Battery Minerals:					
Shares issued, net of transaction costs	7	1,132,046	-	-	-
Share based payments	8	-	163,209	-	-
Balance at 30 June 2021		97,297,024	5,473,342	(1,687,852)	(81,603,756)
					19,478,758

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

## Condensed Consolidated Statement of Cash Flows

For the half year ended 30 June 2021

	Consolidated 6 months ended 30 Jun 2021 \$	Consolidated 6 months ended 30 Jun 2020 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(1,085,145)	(1,615,356)
Exploration and evaluation expenditure	(950,200)	-
Interest received	44,502	139,822
<b>Net cash (outflow) from operating activities</b>	<b>(1,990,843)</b>	<b>(1,475,534)</b>
<b>Cash flows from investing activities</b>		
Payments made for property, plant and equipment	(59,270)	-
Payments to acquire entity (including costs)	(121,445)	-
Payment for security deposit	(10,000)	-
Payments for exploration and evaluation expenditure	(10,233)	(10,957)
Payments for mine development expenditure	(569,624)	(420,443)
Proceeds from release of mine performance guarantee	-	2,062,618
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(770,572)</b>	<b>1,631,218</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue	-	-
Capital raising (costs)/adjustments	20,083	-
<b>Net cash inflow from financing activities</b>	<b>20,083</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents	(2,741,332)	155,684
Cash and cash equivalents at 1 January	7,303,942	4,119,160
Effect of exchange rate fluctuations on cash held	52,942	(299,171)
<b>Cash and cash equivalents at 30 June</b>	<b>4,615,552</b>	<b>3,975,673</b>

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

## Notes to the Condensed Consolidated Financial Statements

### 1. a) Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2021 have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 December 2020 and any public announcements made by Battery Minerals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

The Group has adopted all new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

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

### b) Going Concern

The financial report is prepared on a going concern basis which reflects the Directors' opinion that there are reasonable grounds to believe that the Group will be able to realise its assets and settle its obligations as and when they become due and payable, for a period of at least 12 months from the date the financial report was authorised for issue.

The Group incurred a net loss of \$2,923,926 during the 6 months ended 30 June 2021 which included impairment of \$580,035 relating to the Montepuez Graphite Project ("Montepuez Project") and \$10,223 relating to the Balama Central Project ("Balama Project") and exploration expenditure incurred at the Company's Victorian and WA based projects of \$1,014,075. During the half year period the Group had cash outflows from operating activities of \$1,990,843 and cash outflows from investing activities of \$770,572.

The Group's ability to continue as a going concern depends upon the availability of future equity finance to continue to advance its projects and to meet expenditure commitments for its Victorian and WA based exploration projects and support its current level of corporate overheads.

In assessing the Group's ability to continue as a going concern the directors considered the following available information:

- The cash at bank balance as at 30 June 2021 of \$4,615,552.
- Cash inflow of \$1.5 million expected from the agreement to dispose of the Mozambique graphite projects to Tirupati Graphite plc.
- The Group's ability to raise equity capital in prior periods as required.

Based on the cash flow forecasts, and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. Given the Company's history of raising capital to date, the Directors are confident of the Company's ability to raise additional funds as and when they are required, should the need arise. However, the completion of any potential capital raise will be dependent on investor support, shareholder participation and prevailing capital market volatility whether caused by COVID-19 or otherwise.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 2. Other Expenses

	Consolidated 30 June 2021 \$	Consolidated 30 June 2020 \$
Office costs	54,458	103,156
Depreciation	93,148	84,534
IT consultants and website	57,671	41,940
Bank charges	16,562	29,885
Insurance	53,614	46,949
Subscriptions	36,078	36,628
Administrative expenses	33,716	120,369
Impairment of mine development	590,258	431,400
Loan write-off	-	117,438
Provision for VAT receivable	-	150,128
<b>Total other expenses</b>	<b>935,505</b>	<b>1,162,427</b>

### 3. Segment Information

#### Operating Segments

The Group has determined its operating segments based on the reports reviewed by the Chief Operating Decision Makers (CODM) that are used to make strategic decisions regarding the Group's operations. The Group's primary reports are prepared to show the performance and financial position of different business segments which can be distinguished by their risks and rates of return.

The CODM considers the business from functional and geographical perspectives and has identified that there are two reportable segments being:

- Australia – exploration and evaluation activities and investing and corporate management activities
- Mozambique - mineral exploration and evaluation and mine development activities

The following tables represent revenue and profit information for the Group's operating segments for the six months ended 30 June 2021 and 2020 respectively:

Six months ended 30 June 2021	Mozambique \$	Australia \$	Consolidated \$
Interest and other income	42,018	2,666	44,684
Net foreign exchange gain/(loss)	(391)	19,715	19,324
Corporate and administration overhead	(75,753)	(1,307,848)	(1,383,601)
Exploration and evaluation impairment	(10,223)	-	(10,223)
Mine development impairment	(580,035)	-	(580,035)
Exploration expenditure	-	(1,014,075)	(1,014,075)
	(666,011)	(2,321,923)	(2,987,934)
<b>Segment loss</b>	<b>(624,384)</b>	<b>(2,299,542)</b>	<b>(2,923,926)</b>

## Notes to the Condensed Consolidated Financial Statements (continued)

Six months ended 30 June 2020	Mozambique \$	Australia \$	Consolidated \$
Interest and other income	134,065	55,757	189,822
Net foreign exchange gain/(loss)	17,588	(29,464)	(11,876)
Corporate and administration overhead	(318,435)	(1,162,140)	(1,480,575)
Exploration and evaluation impairment	(10,957)	-	(10,957)
Mine development impairment	(420,443)	-	(420,443)
Provision for VAT receivable	(150,128)	-	(150,128)
Loan write-off	(117,438)	-	(117,438)
	(1,017,401)	(1,162,140)	(2,179,541)
<b>Segment loss</b>	<b>(865,748)</b>	<b>(1,135,847)</b>	<b>(2,001,595)</b>

The following tables represent assets and liabilities information for the Group's operating segments as at 30 June 2021 and 31 December 2020, respectively:

Segment Assets	Mozambique \$	Australia \$	Consolidated \$
<b>30 June 2021</b>	<b>1,721,322</b>	<b>19,744,720</b>	<b>21,466,042</b>
31 December 2020	1,970,463	19,176,073	21,146,536
<b>Segment Liabilities</b>			
<b>30 June 2021</b>	<b>(46,250)</b>	<b>(1,941,034)</b>	<b>(1,987,284)</b>
31 December 2020	(85,213)	(271,747)	(356,960)

### 4. Other Receivables

	Consolidated 30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
<b>Current</b>		
Prepaid expenses	28,096	62,989
GST receivable	43,401	32,126
Other receivables	100,347	75,056
<b>Total other receivables</b>	<b>171,844</b>	<b>170,171</b>
<b>Non-current</b>		
Other receivables	1,459,633	1,209,805

## Notes to the Condensed Consolidated Financial Statements (continued)

### 5. Exploration and Evaluation Expenditure

	Consolidated 30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
<b>Non-Current</b>		
Exploration and evaluation at cost	<b>14,799,160</b>	<b>12,242,754</b>
<b>Movement</b>		
Opening balance on 1 January	12,242,754	-
Acquisition costs capitalised during the year	2,556,406	12,242,754
Exploration expenditure capitalised during the period	10,223	20,087
Impairment	(10,223)	(20,087)
Foreign currency translation movement	-	-
<b>Exploration &amp; evaluation net carrying amount</b>	<b>14,799,160</b>	<b>12,242,754</b>

### 6. Finance liability

On 22 June 2021, Battery Minerals announced that it had agreed to acquire the Russell Copper Project near Halls Creek in WA's Kimberley region via the purchase of TremJones Pty Ltd from the shareholder of that company, iCopper Pty Ltd. Upon signing of the Sale Agreement, Battery paid \$100,000 in cash and issued \$1M in ordinary shares (61,553,992 shares) to the vendor.

In order to retain the tenements, within 12 months of the completion date of 25 June 2021, Battery must pay another \$1.25M in cash or, subject to shareholder approval, issue \$1.25M in ordinary shares at an issue price of 10% discount to the five-day VWAP on the 12-month anniversary of the date of the Sale Agreement (deferred consideration). The net present value of the deferred consideration has been recognised as a finance liability as at reporting date.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 7. Issued Capital

	Consolidated 30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
Ordinary shares fully paid	<b>97,297,024</b>	<b>96,164,978</b>

#### (a) Movements for the half year ended 30 June 2021

Date	Details	No. of Shares	Issue Price	Amount \$
1 Jan 2021	Opening Balance	2,041,273,541		96,164,978
25 June 2021	Share Issue - TremJones acquisition	61,553,992	\$0.018	1,107,972
	(Less)/Add: Share issue (costs)/adjustments	-		24,074
<b>30 Jun 2021</b>	<b>Balance at the half year end</b>	<b>2,102,827,533</b>		<b>97,297,024</b>

#### (b) Movements for the year ended 31 December 2020

Date	Details	No. of Shares	Issue Price	Amount \$
1 Jan 2020	Opening Balance	1,318,091,549		78,909,275
22 Oct 2020	Share Issue – Gippsland acquisition	439,363,850	\$0.026	11,423,460
23 Nov 2020	Share issue - Placement	250,000,000	\$0.022	5,500,000
22 Dec 2020	Share issue – Share Purchase Plan	33,818,142	\$0.022	744,000
	Less: Share issue costs	-		(411,757)
<b>31 Dec 2020</b>	<b>Closing Balance</b>	<b>2,041,273,541</b>		<b>96,164,978</b>

### 8. Reserves

	Consolidated 30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
Foreign currency translation reserve <sup>(i)</sup>	(1,687,852)	(2,005,705)
Share based payment reserve	5,473,342	5,310,133
	<b>3,785,490</b>	<b>3,304,428</b>

<sup>(i)</sup> The foreign currency translation reserve represents the foreign currency differences arising on translation of the foreign operations of the Group and is recognised in other comprehensive income and accumulated in a separate reserve account within equity.

#### Movements in share-based payments reserve for the half year ended 30 June 2021

Date	Details	No. of Options	Amount \$
1 Jan 2021	Opening balance	242,900,000	5,310,133
16 Jan 2021	Options expired <sup>(i)</sup>	(15,600,000)	-
6 Apr 2021	Options issued to employees	36,000,000	143,517
30 Jun 2020	Vesting expense of prior year options	-	19,692
<b>30 June 2021</b>	<b>Balance at the half year end</b>	<b>263,300,000</b>	<b>5,473,342</b>

<sup>(i)</sup> Vested options exercisable at \$0.1125 and \$0.15 expired on 16 January 2021.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 9. Commitments and Contingencies

On 22 June 2021, Battery Minerals announced that it had agreed to acquire the Russell Copper Project near Halls Creek in WA's Kimberley region via the purchase of TremJones Pty Ltd from the shareholder of that company, iCopper Pty Ltd. Upon signing of the Sale Agreement, Battery paid \$100,000 in cash and issued \$1M in ordinary shares (61,553,992 shares) to the vendor.

In order to retain the tenements, within 12 months of the completion date of 25 June 2021, Battery must pay another \$1.25M in cash or, subject to shareholder approval, issue \$1.25M in ordinary shares at an issue price of 10% discount to the five-day VWAP on the 12-month anniversary of the date of the Sale Agreement (deferred consideration). The net present value of the deferred consideration has been recognised as a finance liability as at reporting date.

Further, the Company will issue an additional \$0.25M in ordinary shares on the grant and transfer of tenement E80/5348 at an issue price of 10% discount to the five-day VWAP on the date of signing the Sale Agreement (15,388,498 shares). As this consideration is dependent upon the grant of the tenement at an unknown future date, it has not been accounted for as a finance liability and is noted as a contingent liability.

### 10. Related Party Disclosures

#### Key Management Personnel (KMP)

During the half year reporting period the following changes in KMP took place:

Name	Position Change	Date
Mr David Flanagan	Appointed as Executive Chairman from Non-Executive Chairman	25 March 2021
Mr Nicholas Jolly	Appointed as General Manager - Exploration	4 January 2021

Other key management personnel service agreements remain as disclosed in the 31 December 2020 annual report.

There were no loans made or outstanding to directors of Battery Minerals Limited and other key management personnel of the Group, including their personally related parties.

### 11. Events After the End of the Reporting Period

Subsequent to the end of the reporting period, the Company announced that it had entered into agreements, together with its subsidiary Rovuma Resources Limited, to sell its Mozambique graphite assets, through the sale of all of the shares and debt in its subsidiary Suni Resources SA, to the London Stock Exchange listed company, Tirupati Graphite plc for a total aggregate consideration of \$12.5M. Cash consideration of \$1.5M and share consideration of \$11M will be received once all conditions precedent are met. The share consideration will be issued at £1.03 per share and will comprise 2,833,644 Tirupati shares at completion date and 2,833,644 Tirupati shares 8 months after the completion date, with these shares being escrowed for 8 months and 20 months respectively. The ultimate value of the share consideration received will be dependent upon the AUD/GBP exchange rate and the market value of the Tirupati shares upon the date of issue of the shares.

Completion of the transaction is subject to a number of conditions precedent including Mozambique government approvals and Battery Minerals shareholder approval. The conditions precedent must be satisfied prior to 29 April 2022. Further details in regard to the transaction are included in the ASX Announcement dated 17 August 2021.

Other than the above, no other matters or circumstances have arisen after the end of the reporting period which significantly affected or may significantly affect the operations of the Group.



## Director's Declaration

The directors of the Company declare that:

- 1) The financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - a) comply with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
  - b) give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance, as represented by the results of its operations, changes in equity and its cash flows for the period from 1 January 2021 to 30 June 2021.
- 2) At the date of this statement there are reasonable grounds to believe that Battery Minerals Limited will be able to pay its debts when they become due and payable.

This statement is made in accordance with a resolution of the Board of Directors.



David Flanagan  
Executive Chairman

Perth, Western Australia  
7 September 2021



# Independent Auditor's Review Report

To the shareholders of Battery Minerals Limited

## Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of Battery Minerals Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Report of Battery Minerals Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group** financial position as at 30 June 2021 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Interim Financial Report** comprises:

- Condensed Consolidated Statement of Financial Position as at 30 June 2021
- Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the Interim Period ended on that date
- Notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Battery Minerals Limited (the Company and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

The **Interim Period** is the six months ended on 30 June 2021.

## 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 Group 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.



## Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim 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 Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2021 and its performance for the Condensed Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.

KPMG

R Gambitta  
Partner

Perth

7 September 2021