

AURUM RESOURCES LIMITED

ACN 650 477 286

**Annual Report for the period
25 May 2021 (date of incorporation) to 30 June 2021**

Annual Report
For the period 25 May 2021 to 30 June 2021

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CORPORATE DIRECTORY

Board of Directors

Mr Joshua Letcher	Non-Executive Chairman (appointed 25 May 2021)
Mr Troy Flannery	Non-Executive Director (appointed 25 May 2021)
Mr Mauro Piccini	Non-Executive Director (appointed 25 May 2021)

Secretary

Mr Mauro Piccini

Registered Office

Suite 2, Level 1
1 Altona Street
West Perth WA 6005

Telephone: 08 6559 1792

Auditors

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Solicitors

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
Perth WA 6000

Bankers

Westpac Banking Corporation
Level 4, Brookfield Place, Tower Two
123 St Georges Terrace
Perth WA 6000

Share Registry

Automic Share Registry
Level 2, 267 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664

DIRECTORS' REPORT

The Directors of Aurum Resources Limited ("Aurum" or "the Company") present their report, together with the financial statements of the Company for the period 25 May 2021 to 30 June 2021.

INFORMATION ON DIRECTORS

The names and details of the Company's Directors in office during the financial period and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Mr Joshua Letcher | Non-Executive Chairman (appointed 25 May 2021)

Joshua Letcher has a mechanical engineering background through the Royal Australian Navy and has many years' experience in mining and exploration through Australia and Africa.

Joshua Letcher has experience working in various operational and technical roles within the African and Australian mining industry. He was the founder of Allotropes Diamonds Pty Ltd and was responsible for its acquisition with Newfield Resources Ltd (ASX: NWF) which provided the company with A\$4m working capital. Mr Letcher was responsible for the development of the project from exploration to trial mining. Mr Letcher was also a co-founder of Mirrorplex Pty Ltd which has identified a high grade lithium asset in Zimbabwe and has been responsible for the exploration programs, funding and acquisition with Six Sigma Resources Pty Ltd (ASX:SI6). The roles in these capacities included project management, plant construction and commissioning, exploration management and asset acquisition.

During the past three years, Mr Letcher held the following directorships in other ASX listed companies:

- Non-Executive Chairman of Aldoro Resources Limited (current); and
- Non-Executive Director of Six Sigma Metals Limited (current).

Mr Troy Flannery | Non-Executive Director (appointed 25 May 2021)

Mr Flannery has more than 23 years' experience in the mining industry, including 7 years in corporate and 16 years in senior mining engineering & project development roles. He has a degree in Mining Engineering, Masters in Finance & First Class Mine Managers Certificate of Competency. Troy is also the CEO of Abra Mining Pty Ltd, the corporate vehicle for the Galena Mining Ltd (ASX:G1A) & Toho Zinc Joint Venture. He has worked at numerous mining companies, mining consultancies & contractors including BHP, Newcrest, Xstrata, St Barbara Mines & AMC Consultants.

During the past three years, Mr Flannery held the following directorships in other ASX listed companies:

- Non-Executive Director of Aldoro Resources Limited (current).

Mr Mauro Piccini | Non-Executive Director and Company Secretary (appointed 25 May 2021)

Mauro Piccini is a Chartered Accountant (CA) and a member of the Governance Institute of Australia (GIA). Mauro spent 7 years at the ASX and possesses core competencies in publicly listed and unlisted company secretarial, administration and governance disciplines. Mauro specialises in corporate advisory matters, company secretarial and financial management services for ASX listed companies, capital raisings and IPOs, due diligence reviews and ASX and ASIC compliance. Mauro regularly advises ASX listed companies on a range of corporate matters and has acted as the Company Secretary of a number of ASX listed and unlisted companies. Mauro also currently serves on the Board of The Pioneer Development Fund (Aust) Limited.

During the past three years, Mr Piccini has not held any directorships in other ASX listed companies.

INTERESTS IN SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each current Director's relevant interest in shares and options of the Company or a related body corporate as at the date of this report.

DIRECTORS' REPORT

Director	Ordinary Shares	Unlisted Share Options
Mr Joshua Letcher	-	-
Mr Mauro Piccini	-	-
Mr Troy Flannery	-	-
Total	-	-

DIRECTORS' MEETINGS

The number of Directors' meetings held during the financial period and the number of meetings attended by each Director during the time the Director's held office are:

Name	Number Eligible to Attend	Number Attended
Mr Joshua Letcher	-	-
Mr Mauro Piccini	-	-
Mr Troy Flannery	-	-

During the period, the Directors met regularly on an informal basis to discuss all matters associated with investment strategy, review of operations, and other Company matters.

Due to the size and scale of the Company, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the period was the review of mining projects for acquisition.

FINANCIAL RESULTS

The financial results of the Company for the period ended 30 June 2021 are:

	30-Jun-21
Cash and cash equivalents (\$)	1
Net liabilities (\$)	(5,499)

	30-Jun-21
Revenue (\$)	-
Net loss after tax (\$)	(5,500)

REVIEW OF OPERATIONS

On 25 May 2021, the Company was incorporated and appointed Mr Joshua Letcher, Mr Troy Flannery and Mr Mauro Piccini as Directors.

DIVIDENDS

No dividend is recommended in respect of the current financial period.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in state of affairs during and subsequent to the end of the financial period.

DIRECTORS' REPORT

MATTERS SUBSEQUENT TO THE REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Company up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is 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.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's main exploration efforts will be focused on developing value from exploration across its tenement projects in Western Australia acquired subsequent to 30 June 2021.

SHARES UNDER OPTION

At the date of this report, there were no unissued ordinary shares for which options were outstanding.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares issued during the period ended 30 June 2021 and up to the date of this report on the exercise of options.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the period ended 30 June 2021, the Company paid premiums in respect of a contract insuring the directors and officers of the Company against liabilities incurred as directors or officers to the extent permitted by the Corporations Act 2001.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

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

During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of these proceedings.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATIONS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements under this Act, but this may change in the future. The Company is not aware of any matters that requires disclosure regarding any significant environmental regulation in respect of its operating activities.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the Company who are former partners of RSM Australia Partners.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

Details of the amounts paid or payable to the auditor for non-audit services provided during the period by the auditor are outlined in Note 9 to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

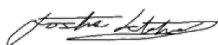
- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been received and included within these financial statements.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Joshua Letcher
Non-Executive Chairman
28 July 2021

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Aurum Resources Limited for the period 25 May 2021 to 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 28 July 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period 25 May 2021 to 30 June 2021

	Note	2021 \$
Administrative expenses	2	(5,500)
Loss before income tax		(5,500)
Income tax expense	3	-
Loss after income tax		(5,500)
Other comprehensive income for the period, net of tax		-
Total comprehensive loss attributable to the members of Aurum Resources Limited		(5,500)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Note	2021 \$
ASSETS		
Current assets		
Cash and cash equivalents	4	1
Total current assets		1
Total assets		1
LIABILITIES		
Current liabilities		
Accrued expenses	5	5,500
Total current liabilities		5,500
Total liabilities		5,500
Net liabilities		(5,499)
EQUITY		
Issued capital	6	1
Accumulated losses	7	(5,500)
Total equity		(5,499)

The Statement of Financial Position is to be read in conjunction
with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the period 25 May 2021 to 30 June 2021

	Issued Capital	Accumulated Losses	Total
	\$	\$	\$
Balance at 25 May 2021 (Incorporation)	-	-	-
Loss for the year	-	(5,500)	(5,500)
Total comprehensive loss for the period after tax	-	(5,500)	(5,500)
Transactions with owners in their capacity as owners:			
Issue of share capital (note 6)	1	-	1
Balance at 30 June 2021	1	(5,500)	(5,499)

The Statement of Changes in Equity is to be read in conjunction
with the notes to the financial statements.

STATEMENT OF CASH FLOWS

For the period 25 May 2021 to 30 June 2021

	Note	2021 \$
Cash flows from financing activities		
Proceeds from issued shares	6	1
Net cash from financing activities		1
Net increase in cash and cash equivalents		1
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	1

The Statement of Cash Flows is to be read in conjunction
with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

Aurum Resources Limited (referred to as “Aurum” or the “Company”) is a company domiciled in Australia. The address of the Company’s registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The nature of the operations and principal activities of the Company are described in the Directors’ Report.

(b) Basis of Preparation

Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (“IFRS”) adopted by the International Accounting Standards Board (“IASB”). Aurum Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are authorised for issue on 28 July 2021 by the directors of the Company.

Basis of measurement

The financial statements have been prepared on a going concern basis in accordance with the historical cost convention, 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 Company incurred a loss of \$5,500 and had net cash inflows from financing activities of \$1 for the period ended 30 June 2021. As at that date, the Company has net liabilities of \$5,499.

The directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate for it to adopt the going concern basis in the preparation of the financial report, due to the continuing financial support from Aldoro Resources Limited, to provide financial support to enable the Company to discharge its liabilities in the normal course of business.

New, revised or amended standards and interpretations adopted by the Company

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Company’s assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Company’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1(e).

(c) Functional and Presentation Currency

The financial statements have been presented in Australian dollars, which is the Company's functional currency.

(d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(e) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(f) Comparatives

No comparative information is available as the Company was incorporated on 25 May 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 EXPENSES

	2021 \$
Administrative expenses	
Audit fees	5,500
	5,500

Accounting Policy

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NOTE 3 INCOME TAX

	2021 \$
(a) The components of tax expense comprise:	
Current tax	-
Deferred tax	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	-
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:	
Loss before income tax expense	(5,500)
Prima facie tax benefit on loss before income tax at 30%	(1,650)
 Tax effect of:	
Amounts not deductible in calculating taxable income	-
Changes in unrecognised temporary differences	1,650
Income tax expense/(benefit)	-
(c) Deferred tax assets not brought to account are:	
Accruals	5,500
Total deferred tax assets not brought to account	5,500

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 INCOME TAX (Continued)

Potential deferred tax assets attributable to tax losses and other temporary differences have not been brought to account at 30 June 2021 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the expenditure to be realised; and
- no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the expenditure.

Accounting Policy

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred Tax

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 CASH AND CASH EQUIVALENTS

	2021
	\$
Cash on hand	1
	<u>1</u>

(b) Reconciliation of net loss after income tax to net cash flows used in operating activities

Loss for the financial period	(5,500)
Change in assets and liabilities	
Increase / (decrease) in accrued expenses	5,500
Net cash flow used in operating activities	<u>-</u>

Accounting Policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

NOTE 5 ACCRUED EXPENSES

	2021
	\$
Accrued expenses	5,500
	<u>5,500</u>

NOTE 6 ISSUED CAPITAL

a) ORDINARY SHARES

	2021	
	No.	\$
Fully paid ordinary shares	<u>1</u>	<u>1</u>
<i>Movement in ordinary shares</i>	No.	\$
Balance at 25 May 2021 (incorporation)	1	1
Balance at 30 June 2021	<u>1</u>	<u>1</u>

Ordinary shares entitle the holder to participate in the dividends and the proceeds on winding up in proportion to the number of and amounts paid on the shares held.

At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Accounting Policy

Ordinary shares are classified as equity.

NOTES TO THE FINANCIAL STATEMENTS

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the Company reacquires its own equity instruments, for example, as a result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

NOTE 7 ACCUMULATED LOSSES

	2021
	\$
Accumulated losses at the beginning of the financial period	-
Loss after income tax for the period	(5,500)
Accumulated losses at the end of the financial period	<u>(5,500)</u>

NOTE 8 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management is carried out by the Board of Directors ('the Board') and includes identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

The Company's activities did not expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

NOTE 9 AUDITOR'S REMUNERATION

	2021
	\$
Amounts received or due and receivable by RSM Australia Partners for:	
- Audit and review of the financial report of the Company	5,500
Total Auditor Remuneration	<u>5,500</u>

NOTE 10 RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

No compensation was made to directors and other members of key management personnel of the Company for the period ended 30 June 2021.

b) Transactions with related parties

No transactions with related parties for the period ended 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingent assets or contingent liabilities as at 30 June 2021.

NOTE 12 COMMITMENTS

On 8 June 2021, the Company entered into a contract with FRM Geological Services ("FRM"). As stated in the contract, FRM is to prepare an Independent Geologist's Report on Penny South, Ryan's Find and Unaly Hill South Projects for a proposed fee of \$20,000. The \$20,000 commitment is not provided for in the financial statements.

There are no other commitments as at 30 June 2021.

NOTE 13 EVENTS AFTER THE REPORTING DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Company up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is 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.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

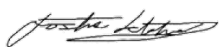
DIRECTORS' DECLARATION

In the Directors' opinion:

- a) The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:
 - i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the period ended on that date.
- b) The financial statements and notes comply with International Financial Reporting Standards.
- c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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



Joshua Letcher
Non-Executive Chairman
28 July 2021

RSM Australia Partners

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AURUM RESOURCES LIMITED**

Opinion

We have audited the financial report of Aurum Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period 25 May 2021 to 30 June 2021, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the period 25 May 2021 to 30 June 2021; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period 25 May 2021 to 30 June 2021 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

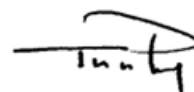
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that appears to read 'Tutu Phong'.

TUTU PHONG
Partner

Perth, WA
Dated: 28 July 2021