



Traka Resources Limited

ABN: 63 103 323 173

4 March 2022

Company Announcements Office

ASX Limited

Level 4, 20 Bridge Street

SYDNEY NSW 2000

Interim Financial Report for the half year ended 31 December 2021

Attached is the Traka Resources Limited Interim Financial Report for the half year ended 31 December 2021.

By authority of the Board

Peter Ruttledge
Company Secretary

TRAKA RESOURCES LIMITED

ABN 63 103 323 173

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

The interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Traka Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

TRAKA RESOURCES LIMITED

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

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TRAKA RESOURCES LIMITED

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Your Directors present their report on Traka Resources Limited (Traka or the Company) for the half year ended 31 December 2021.

DIRECTORS

The following persons were directors of the Company during the half year and up to the date of this report. Directors were in office for the entire period unless otherwise stated.

Joshua Pitt	Chairman - Non executive
Patrick Verbeek	Managing Director
George Petersons	Director - Non executive

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

The Company's focus this past 6-months remained with the Mt Cattlin Gold Copper Project, located near Ravensthorpe, Western Australia. Drilling of the numerous targets on the project dominated the activity, but geophysical, geological and geochemical surveys ran in tandem as part of the evaluation. There is a continuous build-up of encouraging drill hole intersections and the recognition of a common geological setting for all the targets being tested. The recognition that the mineralisation present is within a large multi-phase porphyry intrusive complex provides good scope for the delineation of significant scale resources beyond the historic legacy of relatively small, individual prospects. There are now many open positions of mineralisation that can be followed-up with drilling and, with ongoing success, can add to the existing resource base.

Having established the overall potential of the project, with drill results often exceeding the historic and surface indicators, the focus will now turn to leap-frogging the project from a cluster of separate mineralised positions to one larger scale project with a company making scale.

The results for the last drilling program, completed in early December, is currently being evaluated and once this information, along with integration of geochemical and geophysical data, is complete, a new program of work will be determined.

As part of the funding requirements for the Mt Cattlin Gold Copper Project a Placement and Share Purchase Plan raising of \$1.619 million before costs was completed in August 2021.

No other project activity was undertaken during the reporting period other than the Company's continuous review of new opportunities for the company portfolio. The Gorge Creek Project in northern Queensland has remained out of bounds through the combined impacts of COVID travel restrictions and access being limited to the dry season between May and November. Reactivation of exploration is being planned for the upcoming field season this year.

**DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

EVENTS OCCURRING AFTER BALANCE DATE

On 14 February 2022, the Company placed 66,666,667 fully paid ordinary shares with professional and sophisticated investors at a price of 1.2 cents per share to raise \$800,000 before costs.

To the best of the directors' knowledge and belief, there have not been any other matters or circumstances which have arisen since the end of the half-year which have significantly affected the operations of the Company, nor are there any such matters or circumstances or any likely developments which, in the opinion of the directors, may affect the future results of those operations or the state of affairs of the Company.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required items of section 307C of the Corporations Act 2001 is set out in this Interim Financial Report.

This report is made in accordance with a resolution of the directors.



JOSHUA PITT
Chairman

Perth, 4 March 2022

TRAKA RESOURCES LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	Note	31 December 2021 \$	31 December 2020 \$
Revenue from continuing operations	2	1,103	2,286
Other income	2	-	13,208
Exploration and evaluation expenses		(994,403)	(411,419)
Administration expenses	3	(301,484)	(181,867)
Loss before income tax		(1,294,784)	(577,792)
Income tax expense		-	-
Loss for the half year		(1,294,784)	(577,792)
Other comprehensive income for the half year		-	-
Total comprehensive loss for the half year attributable to ordinary equity holders of the Company		(1,294,784)	(577,792)
		Cents	Cents
Basic and diluted loss per share attributable to the ordinary equity holders of the Company		(0.21)	(0.12)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	31 December 2021 \$	30 June 2021 \$
Current assets			
Cash and cash equivalents		810,676	596,840
Trade and other receivables		85,819	36,185
Total current assets		896,495	633,025
Non-current assets			
Property, plant and equipment		1,896	2,198
Total non-current assets		1,896	2,198
Total assets		898,391	635,223
Current liabilities			
Trade and other payables		117,136	104,628
Provisions		19,630	19,398
Total current liabilities		136,766	124,026
Total liabilities		136,766	124,026
Net assets		761,625	511,197
Issued capital	4	21,800,041	20,273,629
Reserves		875,368	856,568
Accumulated losses		(21,913,784)	(20,619,000)
Total equity		761,625	511,197

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	Issued Capital	Share Based Payments Reserve	Exercised Option Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
2021					
As at 1 July 2021	20,273,629	736,509	120,059	(20,619,000)	511,197
Loss for the half year	-	-	-	(1,294,784)	(1,294,784)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(1,294,784)	(1,294,784)
Transactions with equity holders in their capacity as equity holders:					
Issue of ordinary fully paid shares	1,619,000	-	-	-	1,619,000
Share based payments	-	18,800	-	-	18,800
Transaction costs of share issues	(92,588)	-	-	-	(92,588)
As at 31 December 2021	21,800,041	755,309	120,059	(21,913,784)	761,625
2020					
As at 1 July 2020	18,147,794	738,415	118,153	(18,913,742)	90,620
Loss for the half year	-	-	-	(577,792)	(577,792)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(577,792)	(577,792)
Transactions with equity holders in their capacity as equity holders:					
Issue of ordinary fully paid shares	2,236,181	-	-	-	2,236,181
Exercise of share options	3,500	(1,906)	1,906	-	3,500
Transaction costs of share issues	(108,419)	-	-	-	(108,419)
As at 31 December 2020	20,279,056	736,509	120,059	(19,491,534)	1,644,090

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	31 December 2021	31 December 2020
	\$	\$
Cash flows from operating activities		
Interest receipts	948	1,853
Payments to suppliers and employees	(301,507)	(201,570)
Payments for exploration activities	(1,013,346)	(367,687)
Other receipts	-	21,222
Receipt of exploration expense recoveries	25,079	-
Net cash outflows from operating activities	(1,288,826)	(546,182)
Cash flows from investing activities		
Payments for plant and equipment	(23,750)	(2,900)
Net cash outflows from investing activities	(23,750)	(2,900)
Cash flows from financing activities		
Proceeds from share issues	1,619,000	2,239,681
Payment for share issue costs	(92,588)	(106,497)
Net cash inflows from financing activities	1,526,412	2,133,184
Net increase in cash and cash equivalents held	213,836	1,584,102
Cash and cash equivalents at the beginning of the half year	596,840	120,010
Cash and cash equivalents at the end of the half year	810,676	1,704,112

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 1 SEGMENT INFORMATION

The Directors of Traka, who, collectively as the Board, are the chief operating decision makers, have determined that the Company has one reportable operating segment, being mineral exploration within Australia. The Board monitors the Company based on actual versus budgeted exploration expenditure. This internal reporting framework is the most relevant to assist the Board to make decisions regarding its ongoing exploration activities.

	31 December 2021	30 June 2021
	\$	\$
Reportable segment assets	1,896	2,198
Reconciliation of reportable segment assets:		
Reportable segment assets	1,896	2,198
Unallocated corporate assets	896,495	633,025
Total assets	898,391	635,223
Reportable segment liabilities	42,640	62,644
Reconciliation of reportable segment liabilities:		
Reportable segment liabilities	42,640	62,644
Unallocated corporate liabilities	94,126	61,382
Total liabilities	136,766	124,026
Includes non-current assets additions to segments	-	50,399
	31 December 2021	31 December 2020
	\$	\$
Reportable segment loss	(994,403)	(411,419)
Reconciliation of reportable segment loss:		
Reportable segment loss	(994,403)	(411,419)
Unallocated corporate income	1,103	15,494
Unallocated corporate expenses	(301,484)	(181,867)
Loss before income tax	(1,294,784)	(577,792)

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 2 REVENUE

	31 December 2021 \$	31 December 2020 \$
Revenue from continuing operations		
Interest received	1,103	2,286
Other income		
Government grant – cash flow boost	-	13,208

NOTE 3 ADMINISTRATION EXPENSES

	31 December 2021 \$	31 December 2020 \$
Loss before income tax includes the following administration expenses:		
Personnel expenses:		
Salaries, directors' fees and management fees	314,462	186,674
Superannuation	18,595	7,704
Share based payments	18,800	-
less disclosed as exploration expenditure	(213,500)	(128,478)
	138,357	65,900
Depreciation	302	4,861
Other expenses:		
Rent and rates	18,852	19,129
Company secretarial and accounting	31,686	31,686
Audit and tax	11,447	10,938
Communications	39,573	22,259
Listing fees	28,455	7,624
Other	32,812	19,473
	301,484	181,867

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 4 ISSUED CAPITAL

	31 December 2021 No of Shares	30 June 2021 No of Shares	31 December 2021 \$	30 June 2021 \$
a) Ordinary shares – fully paid				
At 1 July	506,465,068	400,462,959	20,273,629	18,147,794
Issue of shares	115,642,826	105,802,109	1,619,000	2,236,181
Exercise of options	-	200,000	-	3,500
Less cost of share issues	-	-	(92,588)	(113,846)
Balance at end of period	622,107,894	506,465,068	21,800,041	20,273,629

b) Options to acquire ordinary shares

Set out below is a summary of unlisted options to acquire ordinary shares in the Company, issued in terms of the Company's Employee Share Option Plan:

			31 December 2021 No of options	30 June 2021 No of options
Type of options	Expiry date	Exercise price		
Director options	28 Nov 2022	1.03 cents	2,000,000	2,000,000
Staff options	4 Apr 2022	1.75 cents	650,000	650,000
Director options	16 Nov 2021	4.67 cents	-	2,000,000
Director options	29 Nov 2024	1.63 cents	2,000,000	-
			4,650,000	4,650,000

Refer to the Company's 30 June 2021 financial report for more details on options issued.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 5 SHARE BASED PAYMENTS

The Company from time to time issues options to the Managing Director and other staff members as an incentive. Refer to the 30 June 2021 financial report for further details.

During the current half-year, 2,000,000 director options expired and, following shareholder approval at the 2021 AGM, the Company issued 2,000,000 options to the Managing Director on 30 November 2021 at an exercise price of 1.63 cents, expiring 29 November 2024. The assessed fair value of \$18,800 was calculated at the date of grant using the Black-Scholes model for the valuation of call options, the inputs of which included:

No of options	2,000,000
Grant date	30 November 2021
Vesting date	30 November 2021
Exercise by	29 November 2024
Expected average life of the options	3 years
Exercise price per share	1.63 cents
Share price at grant date	1.4 cents
Expected volatility	117%
Risk-free interest rate	0.87%
Value of options at grant date	0.94 cents per option

NOTE 6 COMMITMENTS FOR EXPENDITURE

In order to maintain the mineral tenements in which the Company and other parties are involved, the Company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. This represents potential expenditure which may be avoided by relinquishment of tenure. Exploration expenditure commitments beyond twelve months cannot be reliably determined. Since the last reporting date, there has been no material change in these commitments.

NOTE 7 RELATED PARTIES

During the half-year 2,000,000 director options were issued to the Managing Director. All other arrangements with related parties, as set out in the 30 June 2021 financial statements, continue to be in place.

NOTE 8 CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities as at 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 9 EVENTS OCCURRING AFTER BALANCE DATE

On 14 February 2022, the Company placed 66,666,667 fully paid ordinary shares with professional and sophisticated investors at a price of 1.2 cents per share to raise \$800,000 before costs.

To the best of the directors' knowledge and belief, there have not been any other matters or circumstances which have arisen since the end of the half-year which have significantly affected the operations of the Company, nor are there any such matters or circumstances or any likely developments which, in the opinion of the directors, may affect the future results of those operations or the state of affairs of the Company.

NOTE 10 FINANCIAL INSTRUMENTS

The Company has a number of financial instruments which are not measured at fair value on a recurring basis in the statement of financial position. The directors consider that the carrying value of these financial instruments are a reasonable approximation of their fair value.

NOTE 11 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Traka is a public company, incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX).

Statement of compliance and basis of preparation

The half year financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards including AASB 134 "*Interim Financial Reporting*" and other mandatory professional reporting requirements. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "*Interim Financial Reporting*".

The half year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial statements.

The half year financial statements should be read in conjunction with the annual financial statements of Traka as at 30 June 2021 and considered together with any public announcements made by Traka during the half year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The half year financial statements have been prepared on the accruals basis and are based on historical cost.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 11 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Affirming the decision to prepare the financial report on the going concern basis is the fact that the Company has raised a further \$800,000 in capital since the end of the half-year through a placement of shares to professional and sophisticated investors.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Company's financial statements for the year ended 30 June 2021 and corresponding interim reporting period.

Accounting standards and interpretations adopted

New accounting standards and interpretations adopted 31 December 2021

In the half year ended 31 December 2021, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half year reporting periods beginning on or after 1 July 2021.

As a result of this review, the Directors have determined that there is no material impact on the Company of any new and revised Standard and Interpretations and therefore no material change is necessary to accounting policies.

New accounting standards and interpretations in issue, not yet adopted

The Directors have also reviewed all the new and revised Standards and Interpretations in issue, not yet adopted, that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2022.

As a result of this review, the Directors have determined that there is no material impact of any new and revised Standards and Interpretations in issue, not yet effective, on the Company and therefore no material change is necessary to accounting policies.

**DIRECTORS' DECLARATION
FOR HALF YEAR ENDED 31 DECEMBER 2021**

1. In the opinion of the Directors of the Company:
 - a) the accompanying financial statements and notes, as set out on this Interim Financial Report, are in accordance with the Corporations Act 2001 and:
 - (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory reporting requirements; and
 - (ii) give a true and fair view of the Company's financial position as at 31 December 2021 and of the performance for the half year then ended.
 - 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 Report is in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the Corporations Act 2001.



JOSHUA PITT

Chairman

Perth, 4 March 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Traka Resources Limited for the half-year ended 31 December 2021, 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
4 March 2022


D I Buckley
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Traka Resources Limited

Report on the Interim Financial Report*Conclusion*

We have reviewed the accompanying interim financial report of Traka Resources Limited ("the company") which comprises the statement of financial position as at 31 December 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 half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Company.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Traka Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim 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
Chartered Accountants

Perth, Western Australia
4 March 2022



D I Buckley
Partner