



Prodigy Gold NL



ABN 58 009 127 020

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2021



Contents



ABN 58 009 127 020 ACN 009 127 020

Directors	Mr Gerard McMahon (Chairman) Mr Brett Smith (Executive Director) Mr Neale Edwards
Secretary	Ms Jutta Zimmermann
Alternate Secretary	Ms Patricia Farr
Auditors	BDO Audit (WA) Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street PERTH WA 6000
Bankers	Australia and New Zealand Banking Group Limited Level 10, 77 St Georges Terrace PERTH WA 6000
Share Registry	Automic Pty Ltd (Automic Group) Level 5, 191 St Georges Terrace PERTH WA 6000 Telephone: 1300 288 664 or +61 2 9698 5414
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DIRECTORS' REPORT

The Directors of Prodigy Gold NL (Prodigy Gold) present their report on the consolidated entity (Group), consisting of Prodigy Gold NL and the entities it controlled at the end of, and during, the half-year ended 31 December 2021.

Directors

Mr Gerard McMahon	Non-Executive Chairman	Appointed 29 November 2021
Mr Brett Smith	Executive Director	
Mr Neale Edwards	Non-Executive Director	Appointed 29 November 2021
Mr Thomas McKeith	Non-Executive Chairman	Resigned effective 27 September 2021
Mr Matthew Briggs	Managing Director	Resigned effective 7 January 2022
Mr Michael Stirzaker	Non-Executive Director	Resigned effective 1 December 2021

The Directors have been appointed for the whole period unless otherwise disclosed.

Operating Results

The consolidated loss of the Group for the half-year ended 31 December 2021 after providing for income tax amounted to \$4,022,352 (2020: loss of \$1,779,065).

Review of Operations

Since the start of the 2022 financial year Prodigy Gold:

- Continued exploration on the Company's under-explored and highly prospective tenement holdings in the Tanami region
- Received results from a RC drilling program completed during the June 2021 quarter at the Reynolds Range Project
- Undertook aircore and diamond drilling at the PHD gold target located within the Hyperion Project
- Completed a diamond drill hole at the Tregony Deposit
- Assayed select zones from historical diamond drill holes from the Golden Hind Deposit
- Undertook an aircore drilling campaign at the Buccaneer Resource
- Completed a program of geotechnical and metallurgical diamond drilling at Buccaneer to provide samples for metallurgical and comminution test work
- Received results of testing to estimate unconfined compressive strength, crushing work index (CWi) and bond abrasion index (Ai) for Buccaneer
- Progressed Buccaneer scoping study work
- Terminated the operator agreement with Davidson Gold over the Old Pirate Project
- Signed a binding Exploration Farm-In and Joint Venture Agreement with Newmont Exploration Pty Ltd to advance exploration at the Monza Project
- Divested 90% of five tenements located in the North Arunta region to Australasian Metals (ASX: A8G)
- Underwent a board renewal process with Tommy McKeith and Mike Stirzaker departing, Matt Briggs resigning and Gerard McMahon and Neale Edwards joining the board.

DIRECTORS' REPORT

Planned 2022 Activities

Subject to funding and strategy decisions a steady pipeline of exploration activity is planned for the coming months:

- Continue ongoing metallurgical test work to determine optimal crush size and column leach testing for a heap leach scenario at Buccaneer
- Further progression of the Buccaneer scoping study
- Follow up results at Lake Mackay, Tregony and Buccaneer
- Conduct a downhole electromagnetic survey at the Reynolds Range project
- Progress rehabilitation work of drill sites from historical programs
- Continue the Company's strategy to divest, and where appropriate keep an interest in, non-core assets by expediting discovery by third parties and reduce tenement holding cost.

Subsequent Events

- Subsequent to the end of the reporting period Managing Director Matt Brigg's employment with the Group concluded and the Company cancelled 7,150,000 unlisted options.
- Prodigy Gold divested 90% of five tenements located in the North Arunta region to Australasian Metals (ASX: A8G).
- Appointment of Mark Edwards to the role of Managing Director effective 1 May 2022.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of Directors.



BRETT SMITH

Executive Director

Dated this 10th day of March 2022

Perth, Western Australia



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DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF PRODIGY GOLD NL

As lead auditor for the review of Prodigy Gold NL for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Prodigy Gold NL and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 10 March 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Consolidated	
		31 December 2021 \$	31 December 2020 \$
Interest		10,565	58,003
Other income		29,353	613,708
Administrative expenses			
Employee and Directors benefit expenses		(279,853)	(309,552)
Share-based payment expenses	7	(31,608)	(48,931)
Other expenses		(265,856)	(185,571)
Impairment of capitalised exploration and evaluation expenditure	4	(708,909)	-
Exploration expenses		(2,776,044)	(1,906,722)
Loss before income tax expense		(4,022,352)	(1,779,065)
Income tax expense / (benefit)		-	-
Loss for the half-year		(4,022,352)	(1,779,065)
Loss attributable to members of Prodigy Gold NL		(4,022,352)	(1,779,065)
Other comprehensive income		-	-
Total other comprehensive income for the half-year		-	-
Total comprehensive loss for the half-year		(4,022,352)	(1,779,065)
Total comprehensive loss for the half-year attributable to members of Prodigy Gold NL		(4,022,352)	(1,779,065)
Basic loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share (cents per share)		(0.69)	(0.31)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	Consolidated	
		31 December 2021 \$	30 June 2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,825,466	6,257,884
Other receivables	3	38,346	258,485
Inventories		13,337	15,488
Other current assets		58,186	106,412
TOTAL CURRENT ASSETS		2,935,335	6,638,269
NON-CURRENT ASSETS			
Term Deposits - Bonds	3	2,509,484	2,509,484
Property, plant and equipment		136,931	114,712
Exploration and evaluation expenditure	4	8,866,874	9,575,783
TOTAL NON CURRENT ASSETS		11,513,289	12,199,979
TOTAL ASSETS		14,448,624	18,838,248
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		300,684	569,713
Employee benefits		223,939	207,859
TOTAL CURRENT LIABILITIES		524,623	777,572
NON-CURRENT LIABILITIES			
Employee benefits		-	72,271
Provisions		1,593,319	1,694,521
TOTAL NON-CURRENT LIABILITIES		1,593,319	1,766,792
TOTAL LIABILITIES		2,117,942	2,544,364
NET ASSETS		12,330,682	16,293,884
EQUITY			
Contributed equity	5	187,260,818	187,262,068
Reserves		1,923,638	2,412,399
Accumulated losses		(176,853,774)	(173,380,583)
TOTAL EQUITY		12,330,682	16,293,884

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Contributed Equity \$	Share-based Payment Reserve \$	Employee Options Reserve \$	Retained Earnings \$	Total \$
Balance at 1 July 2020	187,262,068	3,462,495	-	(169,768,872)	20,955,691
Comprehensive income for the half-year					
Loss for the half-year	-	-	-	(1,779,065)	(1,779,065)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	(1,779,065)	(1,779,065)
Transaction with owners in their capacity as owners:					
Share-base payment reserve adjustment for option cancellation ¹⁾	-	(1,165,712)	-	1,165,712	-
Share-based payments	-	63,009	-	-	63,009
Total transactions with owners	-	(1,102,703)	-	1,165,712	63,009
Balance at 31 December 2020	187,262,068	2,359,792	-	(170,382,225)	19,239,635
Balance at 1 July 2021	187,262,068	2,412,399	-	(173,380,583)	16,293,884
Comprehensive income for the half-year					
Loss for the half-year	-	-	-	(4,022,352)	(4,022,352)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	(4,022,352)	(4,022,352)
Transaction with owners in their capacity as owners:					
Share issue cost	(1,250)	-	-	-	(1,250)
Share-base payment reserve adjustment for option cancellation ²⁾	-	(549,161)	-	549,161	-
Share-based payments	-	60,400	-	-	60,400
Total transactions with owners	(1,250)	(488,761)	-	549,161	59,150
Balance at 31 December 2021	187,260,818	1,923,638	-	(176,853,774)	12,330,682

1) During the period \$1,165,712 of options previously issued to KMP's were recycled to retained earnings as they expired un-exercised due to not reaching the strike price. These amounts were accounting accruals required under accounting standards and have not actually been paid and no benefit has ultimately been received.

2) During the period \$549,161 of options previously issued to KMP's were recycled to retained earnings as they expired un-exercised due to not reaching the strike price, being exercised or KMP's resigning from their position. These amounts were accounting accruals required under accounting standards and have not actually been paid and no benefit has ultimately been received.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	31 December 2021 \$	31 December 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Other Income	90,909	10,620
Payments to suppliers and employees	(588,300)	(495,276)
Interest received	10,235	53,410
R&D refund / Government Grants	-	284,430
Payments for exploration	(2,907,814)	(1,790,543)
Net cash outflow from operating activities	(3,394,970)	(1,937,359)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(36,198)	(103,345)
Net cash outflow from investing activities	(36,198)	(103,345)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share issue cost	(1,250)	-
Placement of security deposits (cash-backed)	-	(104,364)
Net cash inflow from financing activities	(1,250)	(104,364)
Net decrease in cash and cash equivalents	(3,432,418)	(2,145,068)
Cash and cash equivalents at beginning of reporting period	6,257,884	10,699,944
Cash and cash equivalents at end of reporting period	2,825,466	8,554,876

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

This general purpose interim financial report for the half-year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This interim financial report does not include all the notes of the type normally included in an annual financial report. 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 Prodigy Gold NL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Going concern

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

The Company incurred a loss after tax of \$4,022,352 (31 December 2020: \$1,779,065) for the period ended 31 December 2021 and experienced net cash outflows from operating activities of \$3,394,970 (31 December 2020: \$1,937,359).

The COVID-19 pandemic, announced by the World Health Organisation on 31 January 2020, continues to have a negative impact on world stock markets, currencies and general business activity. The Group has developed policies and procedures to address the health and wellbeing of employees, consultants and contractors in relation to COVID-19. The timing and extent of the impact and recovery from COVID-19 is unknown but it may have an impact on activities and potentially impact the ability of the entity to raise capital in the current prevailing market conditions.

The ability of the group to continue as a going concern is dependent on the Group being able to raise additional funds as required to meet ongoing and budgeted exploration commitments and for working capital. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors believe that they will be able to raise additional capital as required and are in the process of evaluating the Group's cash requirements. The Directors believe that the Group will continue as a going concern.

(c) Estimates

The preparation of the half-year financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated half-year financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

NOTE 2: SEGMENT INFORMATION

Commencing 1 July 2018 the full Board of Directors, who are the chief operating decision makers, identified one operating segment reportable as exploration for the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 3: TERM DEPOSITS AND OTHER RECEIVABLES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
CURRENT		
Other receivables (Note 3(a))	521,669	258,485
Provision for Allowance for expected credit loss (Note 3(a))	(483,323)	-
	<u>38,346</u>	<u>258,485</u>
NON-CURRENT		
Bonds term deposit and DITT Cash Bonds	2,509,484	2,509,484
	<u>2,509,484</u>	<u>2,509,484</u>

(a) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group, and do not contain any past due assets that are not impaired.

The Group has applied the general approach as permitted by AASB 9 which requires expected lifetime losses to be recognised from initial recognition of the receivable. The assessment took into account the likelihood of an impairment event occurring in the future for Prodigy Gold's debtors and other debtors. This assumption includes the assessment of the ability of debtors and other debtors to pay. The amount contains some past due assets that have been provided for and a total of \$483,323 (30 June 2021: \$0) of likely future credit losses have been recognised for the period ended 31 December 2021.

NOTE 4: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Carrying amount at the beginning of reporting period	9,575,783	9,943,824
Less: Impairment expense	(708,909)	(368,041)
Carrying amount at the end of reporting period	<u>8,866,874</u>	<u>9,575,783</u>

Accounting Policy

Acquired exploration and evaluation assets are carried at acquisition value less any subsequent impairment. All exploration and evaluation expenditure, subsequent to initial acquisition, is expensed until the Directors conclude that the technical feasibility and commercial viability of extracting a Mineral Resource are demonstrable and that future economic benefits are probable. In making this determination, the Directors consider the extent of exploration, the proximity to existing mine or development properties as well as the degree of confidence in the mineral resource.

No amortisation is charged during the exploration and evaluation phase. Amortisation is charged upon commencement of commercial production. Exploration and evaluation assets are tested for impairment triggers annually and if there is an indicator of impairment under AASB 6 Exploration for and Evaluation of Mineral Resources, the area of interest is tested for impairment under AASB 136 Impairment of Assets. Upon establishment of commercially viable mineral resources, exploration and evaluation assets are tested for impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 5: CONTRIBUTED EQUITY

Details	Date	Number of Shares	Issue Price \$	Value \$
Opening balance at the beginning of reporting period	1 July 2020	580,627,606		187,262,068
Closing balance	31 December 2020	580,627,606		187,262,068
Opening balance at the beginning of reporting period	1 July 2021	580,627,606		187,262,068
Conversion of options to shares	28 September 2021	2,000,000		-
Transaction cost relating to share issue		-		(1,250)
Closing balance	31 December 2021	582,627,606		187,260,818

NOTE 6: CONTINGENCIES

The Group provides for all known environmental liabilities. While the Directors believe that, based upon current information, its current provisions for the environmental rehabilitation are adequate, there can be no assurance that material new provisions will not be required as a result of new information or regulatory requirements with respect to known sites or identification of new remedial obligations at other sites.

Environmental guarantees totalling \$2,404,398 (2021: \$2,404,398) have been provided. Term deposits of \$2,275,504 (2021: \$2,275,504) and cash deposits of \$128,894 (2021: \$128,894) with the Department of Industry, Tourism and Trade – NT Government (DITT) secure these guarantees. Restoration provisions of \$1,593,319 (2021: \$1,694,521) have been recognised for all known required restoration cost.

NOTE 7: SHARE-BASED PAYMENTS

The fair value of all Zepos and Options subject to non-market conditions at grant date were determined using a Black-Scholes option pricing model that takes into account the exercise price, the anticipated vesting period, the impact of dilution, the share price at grant date and expected price volatility of the underlying Zepos and Options, the expected dividend yield and the risk-free interest rate for the term of the Zepos and Options.

Zero exercise price options ("Zepos")

During the half-year reporting period ended 31 December 2021 the Group granted 2,600,000 Zepos as an equity incentive to employees which were issued on 28 July 2021 subject to continuity of employment criteria. 175,000 of the Zepo's subsequently cancelled following resignation of an employee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 7: SHARE-BASED PAYMENTS cont'd

The Group granted the Zepos on the terms and conditions of the Employee Share Option Plan as follows:

Zepos issued during the reporting period	KMP Tranche A	KMP Tranche B	KMP Tranche C	KMP Tranche D	Employees Tranche A	Employees Tranche B
Incentive Type	LTI	LTI	LTI	LTI	LTI	LTI
Number of Zepos granted	750,000	750,000	225,000	225,000	325,000	325,000
Fair value at grant date	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Number of Zepos vested and exercisable at 31 December 2021	NIL	NIL	NIL	NIL	NIL	NIL
Exercise price	NIL	NIL	NIL	NIL	NIL	NIL
Underlying share price	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Grant date	20-July 2021	20-July 2021	20-July 2021	20-July 2021	20-July 2021	20-July 2021
Expected price volatility	94%	100%	100%	100%	100%	100%
Risk free interest rate	1.14%	1.14%	0.13%	0.13%	0.13%	0.13%
Vesting date (subject to performance conditions and service period)	1 July 2022	1 July 2023	1 July 2023	1 July 2024	1 July 2023	1 July 2024
Expiry date	1 July 2030	1 July 2030	1 July 2025	1 July 2025	1 July 2025	1 July 2025

During the period \$25,260 of expense was recorded relating to Zepos issued to KMP's (other than directors) and employees. These amounts are accounting accruals required under accounting standards and have not actually been paid during the year, nor do they reflect the benefit (if any) that may ultimately be received.

Options Exercisable at 145% of 5-day VWAP's ("Option")

During the half-year reporting period ended 31 December 2021 1,000,000 Options were issued to an employee on 11 October 2021. The exercise price of the Options is to be calculated at a premium of 145% to the 5 day VWAP of Prodigy Gold's share price immediately prior to 7 October 2021. The Options vested on the grant date.

Employee Options	Tranche 1
Number of Options to be granted	1,000,000
Number of Options vested	1,000,000
Fair Value at grant date	\$0.023
Exercise price	\$0.055
Price at agreement date	\$0.036
Issue date	11 October 2021
Expiry date	7 October 2025
Vesting date (subject to Option issue)	11 October 2021
Expected price volatility of Options	104.5%
Risk free interest rate	0.39%

During the period \$24,697 of expense was recorded relating to these employee options.

An additional amount of \$10,442 of expense was recorded relating to options issued prior to the commencement of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 8: RELATED PARTY TRANSACTIONS

Transactions between related parties occur on normal commercial terms and conditions and are no more favourable than those available to other parties unless otherwise stated. The details of transactions with related parties of key management personnel are set out in Note 6 – Share-based Payments.

During the period transactions occurred by the Parent Entity for exploration expenditure of its wholly owned subsidiaries. Any expenditure incurred by the Parent Entity on behalf of its wholly owned subsidiaries is written off and eliminated on consolidation.

NOTE 9: SUBSEQUENT EVENTS

Subsequent to the end of the reporting period Managing Director Matt Brigg's employment with the Group concluded and the Company cancelled 7,150,000 unlisted options.

Prodigy Gold divested 90% of five tenements located in the North Arunta region to Australasian Metals (ASX: A8G).

Appointment of Mark Edwards to the role of Managing Director effective 1 May 2022.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

- (a) the financial statements and notes set out on pages 7 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Prodigy Gold NL will be able to pay its debts as and when they become due and payable, subject to the matters in Note 1(b).

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

Dated this 10th day of March 2022



BRETT SMITH
Executive Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Prodigy Gold NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Prodigy Gold NL (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1b in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial 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 a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', written over the BDO logo.

Glyn O'Brien

Director

Perth, 10 March 2022