



**Hamelin Gold Limited**

ABN 15 650 439 580

**Interim Consolidated Financial Report**

**For the Half-Year Ended  
31 December 2021**

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**Hamelin Gold Limited**  
**ABN 15 650 439 580**

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**Directors' Report**

The Directors present their interim consolidated report of Hamelin Gold Limited and its controlled entities for the half-year ended 31 December 2021.

**Directors**

The following persons were directors of Hamelin Gold Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Will Robinson	<i>(Non-Executive Chairman)</i>
Peter Bewick	<i>(Managing Director)</i>
Justin Osborne	<i>(Non-Executive Director, appointed 31 August 2021)</i>
Philip Crutchfield	<i>(Non-Executive Director, appointed 31 August 2021)</i>

Former Directors

Dan Travers	<i>(Director, resigned 31 August 2021)</i>
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**Company Secretary**

Dan Travers

**Principal Activities**

The principal activity of the Company during the financial period following its Initial Public Offer (IPO) on the Australian Securities Exchange was mineral exploration in the Western Tanami region of Western Australia.

There were no significant changes in these activities during the half-year.

**Review of Operations**

The consolidated net profit after income tax for the half-year was \$11,091,091.

At the end of the half-year the Group had \$8,583,307 (30 June 2021: \$1) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is \$12,629,838 (30 June 2021: \$nil).

Included in the profit for the period and the capitalised exploration and evaluation expenditure is a provisional amount of \$12,000,000 recognised in respect of a gain recognised on bargain purchase of the exploration assets following the demerger from Encounter Resources Limited.

During the half-year the Company raised \$10 million, before costs, from the issue of 50 million shares pursuant to its IPO prospectus dated 17 September 2021.

Operations during the reporting period were focused on gold exploration at the Group's West Tanami Gold Project in Western Australia.

**Matters Subsequent to the End of the Financial Period**

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

**Directors' Report**

**Significant Changes in the State of Affairs of the Group**

- On 14 September 2021 the Company acquired a 100% interest in the issued capital of Hamelin Resources Pty Ltd, the holder of the West Tanami Gold Project, from its parent company Encounter Resources Limited for \$2, being the net assets of Hamelin Resources Pty Ltd at the acquisition date.
- The Company completed the demerger from the Encounter Resources Limited group on 29 October 2021 following the issue of 60 million shares in the Company to shareholders of Encounter Resources Limited.
- On 5 November 2021 the Company commenced trading on the Australian Securities Exchange following the issue of 50 million shares pursuant to its IPO prospectus, and the issue of 6.5 million options to officers, contractors and advisers.

Other than as stated in this report there has not arisen during or since the end of the financial period any material changes in the state of affairs of the Group.

**Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

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

DATED at Perth this 11<sup>th</sup> day of March 2022.



**Peter Bewick**  
**Managing Director**

## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Hamelin Gold Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



**Crowe Perth**



**Cyrus Patell**  
Partner

Signed at Perth, 11 March 2022

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the half-year ended 31 December 2021**

	Note	Consolidated 31 December 2021 \$
Interest income		30
Gain on bargain purchase	9	12,000,000
<b>Total Income</b>		<b>12,000,030</b>
Employee expenses		(63,670)
Employee expenses recharged to exploration		31,832
Equity based remuneration expense		(686,734)
Depreciation expense		-
Corporate expenses		(134,796)
Administration and other expenses		(55,571)
Exploration costs written off and expensed		-
<b>Profit before income tax</b>		<b>11,091,091</b>
Income tax benefit/(expense)		-
<b>Profit for the half-year</b>		<b>11,091,091</b>
Other comprehensive income		-
<b>Total comprehensive income for the period</b>		<b>11,091,091</b>
<b>Loss per share</b>		
Basic loss per share (cents)		29.6
Diluted loss per share (cents)		29.6

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

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Consolidated Statement of Financial Position**  
**As At 31 December 2021**

	Note	Consolidated	
		31 December 2021 \$	30 June 2021 \$
<b>Current assets</b>			
Cash and cash equivalents		8,583,307	1
Security bonds and deposits		50,000	-
Trade and other receivables		11,934	-
Loans receivable	10	10,532	-
<b>Total current assets</b>		<b>8,655,773</b>	<b>1</b>
<b>Non-current assets</b>			
Property, plant and equipment		-	-
Capitalised mineral exploration and evaluation expenditure	11	12,629,838	-
<b>Total non-current assets</b>		<b>12,629,838</b>	<b>-</b>
<b>Total assets</b>		<b>21,285,611</b>	<b>1</b>
<b>Current liabilities</b>			
Trade and other payables		189,362	-
Employee leave liabilities		117,249	-
<b>Total current liabilities</b>		<b>306,611</b>	<b>-</b>
<b>Total liabilities</b>		<b>306,611</b>	<b>-</b>
<b>Net assets</b>		<b>20,979,000</b>	<b>1</b>
<b>Equity</b>			
Issued capital	7	9,029,645	1
Retained earnings		11,091,091	-
Equity remuneration reserve		858,264	-
<b>Total equity</b>		<b>20,979,000</b>	<b>1</b>

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

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Consolidated Statement of Changes in Equity**  
**For the half-year ended 31 December 2021**

	<b>Consolidated</b>			Total \$
	Issued capital \$	Accumulated income \$	Equity remuneration reserve \$	
<b><u>6 months ended 31 December 2021</u></b>				
Balance at the start of the financial period	1	-	-	1
Comprehensive income for the financial period	-	11,091,091	-	(908,909)
Shares issued (net of costs)	9,029,644	-	-	9,029,644
Movement in reserves in respect of options vested	-	-	858,264	858,264
Balance at the end of the financial period	9,029,645	11,091,091	858,264	20,979,000

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

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Consolidated Statement of Cash Flows**  
**For the half-year ended 31 December 2021**

Note	<b>Consolidated</b> <b>31</b> <b>December</b> <b>2021</b> <b>\$</b>
<b>Cash flows from operating activities</b>	
Interest received	30
Payments to suppliers and employees	(112,770)
<b>Net cash used in operating activities</b>	<b>(112,740)</b>
<b>Cash flows from investing activities</b>	
Payments for bonds and deposits	(50,000)
Payments for exploration and evaluation	(471,560)
<b>Net cash used in investing activities</b>	<b>(521,560)</b>
<b>Cash flows from financing activities</b>	
Payments for the repayment of loans	(312,858)
Proceeds from the issue of shares	10,000,000
Payments for costs associated with issue of shares	(469,536)
<b>Net cash from financing activities</b>	<b>9,217,606</b>
<b>Net increase/(decrease) in cash held</b>	<b>8,583,306</b>
<b>Cash at the beginning of the period</b>	<b>1</b>
<b>Cash at the end of the period</b>	<b>8,583,307</b>

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

**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 1 Basis of preparation of half-year report**

**Statement of compliance**

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

**Basis of preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Other than as stated below, the accounting policies and methods of computation adopted in the preparation of the half-year financial report, are consistent with those adopted and disclosed in the Group's annual financial report for the year ended 30 June 2021.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

***New or amended Standards and Interpretations adopted***

The Group 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.

**Comparative information**

The Group was incorporated on 24 May 2021. As this is the first interim financial report for the Company, there is no 31 December 2020 comparative information available for disclosure.

The half year financial report was approved by the Board of Directors on 10<sup>th</sup> March 2022.

**Note 2 Segment information**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics.

The Group's sole activity is mineral exploration and resource development wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming these financial statements

**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 3 Profit for the period**

Profit before income tax includes the following specific income/(expenses):

	<b>31 December 2021 \$</b>
Other income:	
Gain on bargain purchase	<b>12,000,000</b>
Corporate expenses:	
Demerger costs	<b>104,240</b>
Administration and other expenses:	
Marketing and promotion	<b>16,546</b>

**Note 4 Dividends**

No dividends were paid or proposed during the period.

The Group has no franking credits available as at 31 December 2021 or 30 June 2021.

**Note 5 Contingencies**

*(i) Contingent liabilities*

There has been no change in contingent liabilities since the last annual reporting date.

*(ii) Contingent assets*

There has been no change in contingent assets since the last annual reporting date.

**Note 6 Events occurring after the reporting date**

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 7 Issued capital**

During the 6-month period to 31 December 2021 the Company undertook a subdivision of its issued capital on the basis of one share subdivided into 60 million ordinary fully paid shares and issued 50 million ordinary fully paid shares at \$0.20 per share pursuant to an Initial Public Offer leading to quotation of the Company's securities on the Australian Securities Exchange.

	Issue price	2021 No.	2021 \$
<i>Share movements during the period</i>			
Balance at 1 July	\$1.00	1	1
Share subdivision adjustment <sup>1</sup>	\$0.00	59,999,999	-
Initial Public Offer	\$0.20	50,000,000	10,000,000
Less share issue costs <sup>2</sup>		-	(970,356)
Balance at 31 December		<b>110,000,000</b>	<b>9,029,645</b>

<sup>1</sup> Note, the issued capital of one share was subdivided into 60 million ordinary fully paid shares effective 7 September 2021. The 60 million shares were subsequently issued to eligible shareholders of Encounter Resources Limited on 29 October 2021 as a component of the demerger of the Company from the Encounter Resources Limited group.

<sup>2</sup> Included in share issue costs of \$970,356 is an amount of \$171,530 being the fair value of 2,000,000 options issued to the initial public offer lead managers (note 8).

**Note 8 Options**

During the current period the following movements in options over unissued shares occurred:

	31 December 2021 No.
Options on issue at the start of the financial period	-
Options issued to officers and contractors	4,500,000
Options issued to Initial Public Offer advisers (note 7)	2,000,000
Options issued to employees <sup>1</sup>	1,000,000
Options on issue at the end of the financial period	<b>7,500,000</b>

Details of the above options issued and Black-Scholes valuation inputs are as follows:

No of Options	Exercise price	Grant and vesting date	Expiry date	Volatility	Risk free rate	Value of Options
4,500,000	\$0.30	1 Nov 2021	31 Oct 2025	100%	1.28%	\$561,873
2,000,000	\$0.30	1 Nov 2021	31 Oct 2023	100%	1.28%	\$171,530
1,000,000	\$0.30	5 Nov 2021	31 Oct 2025	100%	1.28%	\$124,861

<sup>1</sup> Issued to employees pursuant to the terms and conditions of the Company's Employee Share Option Plan.

**Hamelin Gold Limited**  
**ABN 15 650 439 580**

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**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 9 Acquisition of Hamelin Resources Pty Ltd**

On 14 September 2021 the Company acquired a 100% interest in the issued capital of Hamelin Resources Pty Ltd from Encounter Resources Limited. At the time of the transaction, pursuant to the terms and conditions of a Share Sale Agreement, the Company was a wholly owned subsidiary of Encounter Resources Limited.

As the acquisition transaction resulted in a change of control, effective at the date of demerger of the Company from the Encounter Resources Limited group (acquisition date), the application of the acquisition method of accounting under AASB 3 has been applied. This has resulted in the fair value attributed to the assets acquired and the liabilities assumed by Hamelin Resources Pty Ltd being recognised from the date of change of control.

For the purposes of the 31 December 2021 reporting period the Group have applied the provisional net assets acquired as outlined in the Prospectus issued on 17 September 2021. This is calculated as the 60 million shares issued on demerger, at the date of the change of control, at a notional price of \$0.20 per share (being the Company's initial public offer subscription price). At 31 December 2021, the initial accounting is incomplete as management are in the process of determining the initial accounting value, or fair values, of the various components of the transaction. The final fair values may differ from the amounts presented in these financial statements.

Pursuant to AASB 3 the Group has the ability to re-determine the acquisition transaction at the actual acquisition date. During the measurement period, the acquirer is required to adjust the provisional amounts recognised at the acquisition date for new facts and circumstances that existed as at the acquisition date. The Group has a period of up to one year from the acquisition date to do so.

At 31 December 2021 the Group are still assessing the information necessary to identify and measure the identifiable assets acquired and liabilities assumed at the acquisition date.

A summary of the provisional acquisition details with respect to the acquisition of Hamelin Resources Pty Ltd is set out below.

Acquisition consideration:

<b>Cash</b>	<b>\$2</b>
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Assets and liabilities acquired:

<i>Assets</i>	
Cash	\$2
Capitalised exploration expenditure	<u>\$12,135,636</u>
Total assets	\$12,135,638
 <i>Liabilities</i>	
Loan – Encounter Resources Limited	<u>(\$135,636)</u>
Total liabilities	(\$135,636)
 <b>Gain on Bargain Purchase</b>	 <b>\$12,000,000</b>

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**Hamelin Gold Limited**  
**ABN 15 650 439 580**

**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 10 Loans receivable**

	<b>31 December 2021 \$</b>
Balance at 1 July 2021	-
Amounts recognised on acquisition of Hamelin Resources Pty Ltd (Note 9)	<b>(135,636)</b>
Amounts recognised on the transfer of leave entitlements	<b>129,751</b>
Initial public offer and administration costs incurred on behalf of the Company	<b>(329,290)</b>
Repayment of Borrowings	<b>312,858</b>
Funds received on behalf of the Company by Encounter Resources	<b>32,849</b>
<b>Balance at 31 December 2021</b>	<b>10,532</b>

Amounts owed to Encounter Resources Limited are repayable at call and do not incur an interest expense. Refer to Note 12 for further details of related party borrowings.

**Note 11 Capitalised mineral exploration and evaluation expenditure**

During the half-year ended 31 December 2021 the Group capitalised a total of \$494,202 including initial acquisition costs of \$12,135,636 (Note 9).

	<b>Period to 31 December 2021 \$</b>
Balance at 1 July	-
Initial acquisition costs (note 9)	<b>12,135,636</b>
Capitalised costs for the period	<b>494,202</b>
<b>Balance at 31 December</b>	<b>12,629,838</b>

**Notes to the Interim Financial Statements**  
**For the half-year ended 31 December 2021**

**Note 12 Related party transactions**

During the reporting period the Company completed a demerger from the Encounter Resources Limited group.

Mr Will Robinson, Mr Peter Bewick and Mr Philip Crutchfield are directors of both the Company and Encounter Resources Limited, and as such Encounter Resources Limited is considered to be a related party.

Amounts due to related parties:

Related party amounts recognised in trade and other payables for the reporting period include:

Amounts included in trade and other payables owed to Encounter Resources Limited at 1 July 2021	\$Nil
Amounts invoiced by Encounter Resources Limited	(\$313,859)
Amounts paid to Encounter Resources Limited in respect of invoices received	\$177,482
<b>Amounts included in trade and other payables owed to Encounter Resources Limited at 31 December 2021</b>	<b>(\$136,377)</b>

Related party amounts recognised in borrowings for the reporting period include:

Amounts included in borrowings owed to Encounter Resources Limited at 1 July 2021	\$Nil
Amounts recognised on acquisition of Hamelin Resources Pty Ltd	(\$135,636)
Adjustment for the recognition of leave liabilities on the transfer of employees from Encounter Resources Limited to the Company	\$129,751
Amounts incurred by Encounter Resources Limited on behalf of the Company	(\$329,290)
Amounts paid to Encounter Resources Limited in respect of costs incurred	\$312,858
Amounts received by Encounter Resources Limited on behalf of the Company	\$32,849
<b>Amounts included in borrowings owed by Encounter Resources Limited at 31 December 2021</b>	<b>\$10,532</b>

Other transactions with related parties:

Refer to Note 9 for further details of the assets and liabilities acquired by the Company from Encounter Resources Limited.

**Directors' Declaration**

The Directors of Hamelin Gold Limited ("the Consolidated Entity") declare that:

- (a) the interim financial statements and notes set out on pages 6 to 15 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Australian Accounting Standard AASB 134 – *Interim Financial Reporting*, and the Corporations Regulations 2001; and
  - (ii) give a true and fair view of the financial position as at 31 December 2021 and of the performance for the half-year ended on that date of the Consolidated Entity.
- (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.

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

Signed at Perth this 11<sup>th</sup> day of March 2022.



**Peter Bewick**  
**Managing Director**

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF HAMELIN GOLD LIMITED**

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

#### *Conclusion*

We have reviewed the half-year financial report of Hamelin Gold Limited and its controlled entities (the Group), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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.

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 Hamelin Gold Limited does not comply with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b) complying with Australian 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 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.

#### *Responsibility of the Directors for the Financial Report*

The directors of the Group 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 performance for the half-year ended on that date, and complying with Australian 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.



**Crowe Perth**



**Cyrus Patell**  
Partner

Signed at Perth, 11 March 2022