



OZZ RESOURCES LIMITED

ABN 98 643 844 544

INTERIM FINANCIAL REPORT

31 December 2021

Corporate directory**Current Directors**

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Jonathan Lea	<i>Managing Director</i>
Brian McNab	<i>Non-Executive Director</i>

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Anser Legal Pty Ltd

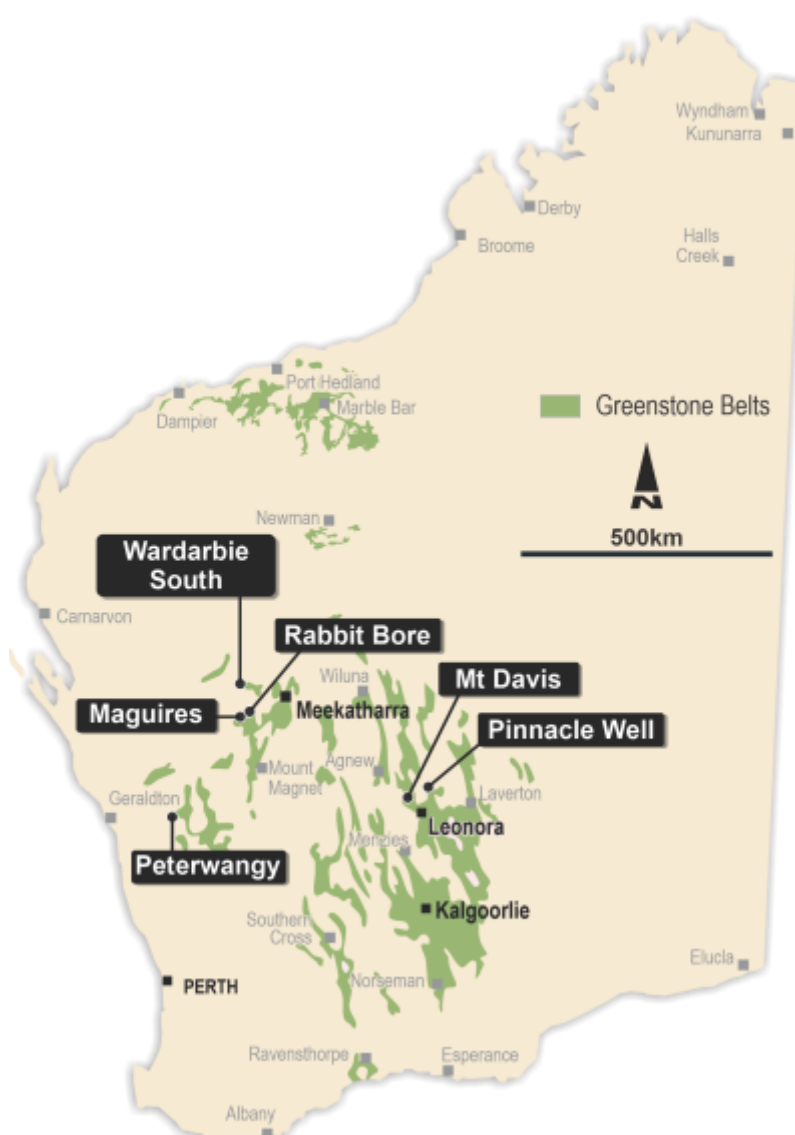
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Operations review

1. Exploration summary

1.1. Project overview – Leonora projects: Mt Davis and Pinnacle Well

a. Tenure

The Mt Davis project is comprised of seven granted prospecting licences (P37/8633, P37/8634, P37/8635, P37/8636, P37/8637, P37/8638, and P37/9349) and two contiguous prospecting licence applications P37/9552 and P37/9553). The total area covered by the tenure is 1415Ha and the project is located approximately 20km north of Leonora adjacent to the Goldfields Highway.

The Pinnacle Well project is comprised of 3 exploration licenses (E37/1246, E37/1287 and E37/1355) covering 158km². The project is approximately 10km east of Mt Davis, about 25km north of Leonora and adjacent to the Great Northern Highway, (see Figure 1).

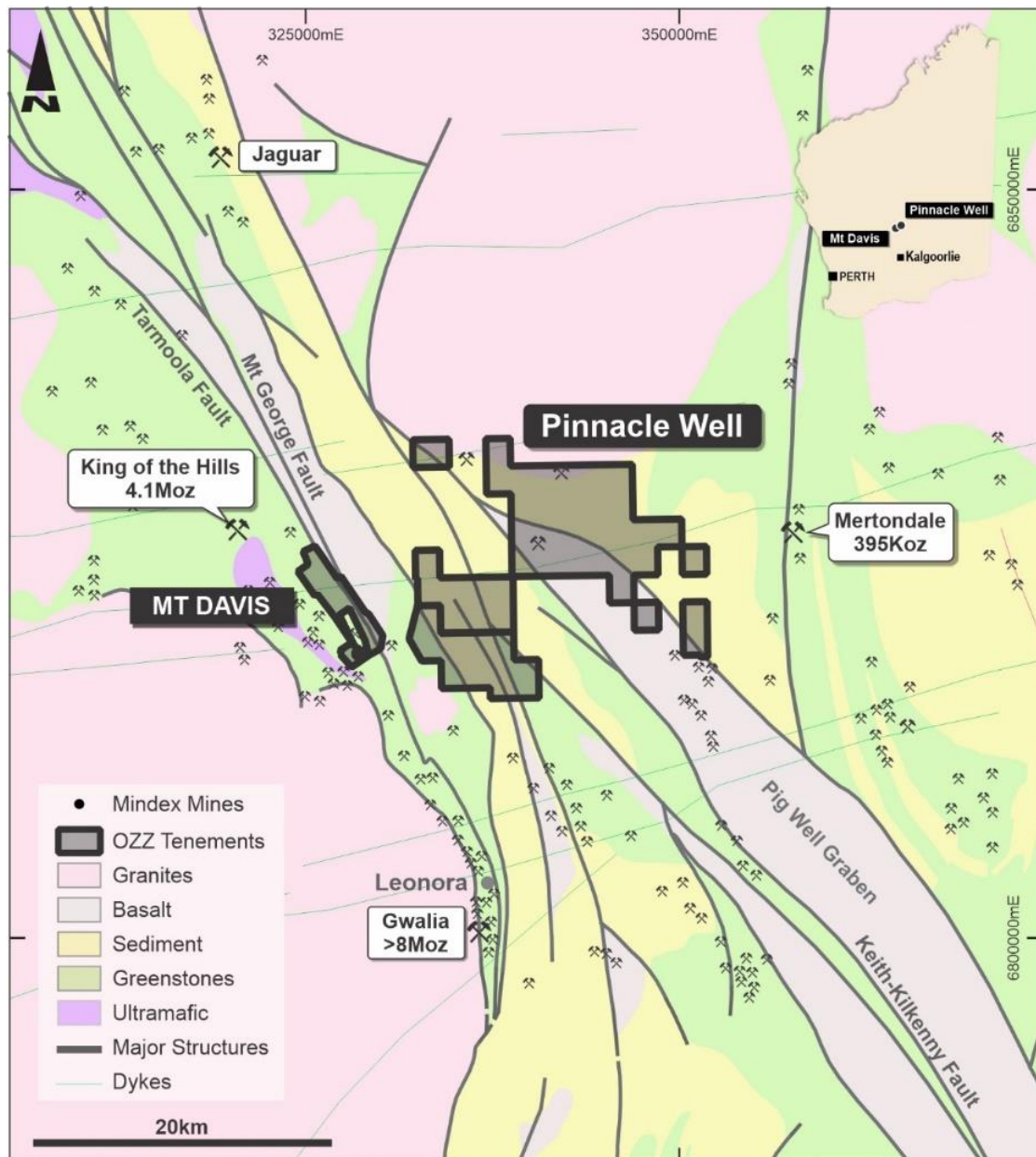


Figure 1 Mt Davis and Pinnacle Well Tenure and Geology Plan

Operations review

b. Geological Setting

The Leonora project lies adjacent to the highly prospective Kalgoorlie-Kurnalpi terrane boundary in the Eastern Goldfields Superterrane of the Yilgarn Craton. Regional shearing and splays associated with the craton scale Keith - Kilkenny Fault are known to be the focus of major mineralisation in the district. Two giant (+4M oz) gold deposits situated respectively 5km to the north (King of the Hills) and 25km to the south (Sons of Gwalia) which are within the regional structures that pass through the Mt Davis project tenements.

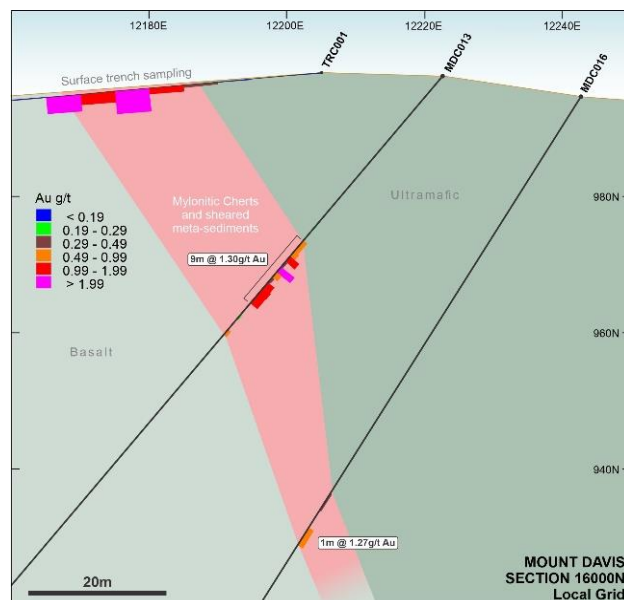
At Mt Davis a major shear zone, known as the Mt George Shear Zone, separates the Mount Clifford Greenstone Belt and the Malcolm Greenstones in the eastern part of the tenements. The Mt George Shear is characterised by quartz-sulphide veining associated brittle shearing that forms the Trig deposit. At Pinnacle Well, the bedrock greenstone and granite lithologies are poorly exposed and present largely as areas of moderate to intensely weathered subcrop and associated Quaternary colluvial and alluvial cover ranging from a few metres deep to tens of metres deep.

Late stage proterozoic dykes cut east-west across the regional north-westerly striking and westerly dipping sequences, possibly associated with mineralisation at Mt Davis.

c. Previous Exploration

Several phases of exploration have been completed since the 1980s' at both projects.

At Mt Davis, most were focused on finding large standalone orebodies and wide spaced soil sampling and RAB drilling were completed following mapping and geophysical surveys.



RC drilling at the Trig deposit in the 1990's by Sons of Gwalia comprised 28 holes with significant intercepts greater than 1.0g/t Au being obtained from 18 of the 28 RC holes, e.g., 10m at 3.37g/t, 6m at 2.91g/t and 9m at 1.3g/t (Figures 2 and 3).

Following this, the only significant exploration was by Jupiter Mines (2006-2010) which drilled 29 RAB holes at four localised remote sensing defined alteration targets with no significant results. No further work was recorded at the Trig prospect or along strike to the south.

These results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

Figure 2 Trig Deposit - Cross Section

At Pinnacle Well, limited gold and base metal exploration has been completed periodically since the 1970s'. Wide spaced aircore drilling was completed targeting gold bearing sheared lithological contacts and in the past decade the focus has largely been on potential extension of the Jaguar copper-zinc mineralisation further north. Electromagnetic surveying was completed associated with 4 core drill holes. In all cases further work was recommended.

Operations review

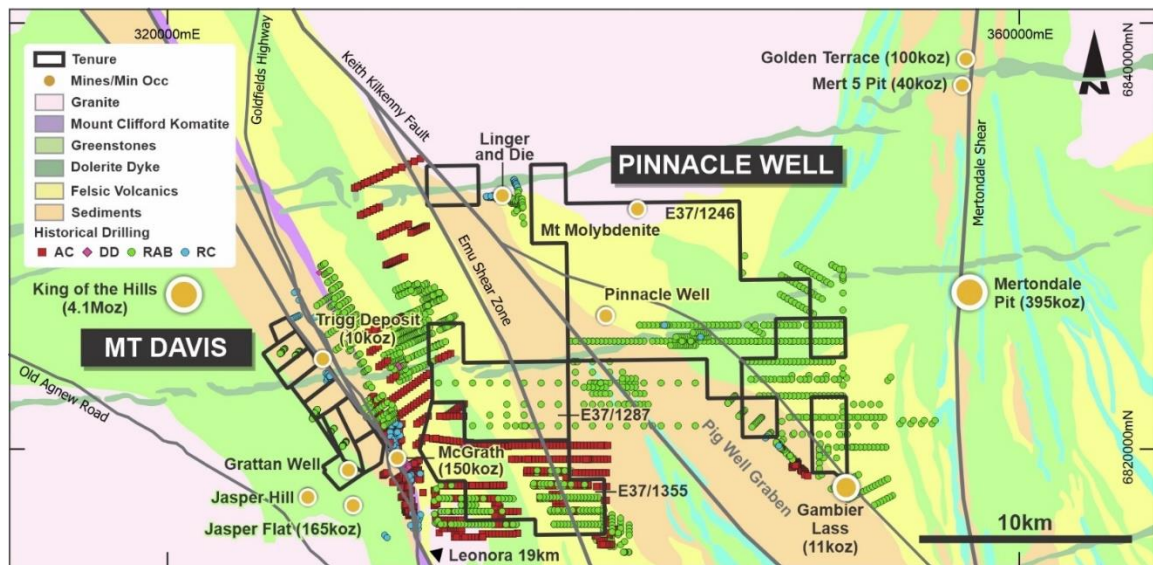


Figure 3 Historic drill coverage Leonora Projects

d. Exploration Programme

The Company's exploration strategy for the Leonora area is aimed at:

- Identifying potential extensions to the Trig deposit (Mt Davis) and defining repetitions of mineralisation along the Mt George Shear.
- Assessing the mineralisation potential at both projects in the areas extensively covered by alluvium for both gold and base metal mineralisation.

A geophysical review was completed for Mt Davis that analysed the existing aeromagnetic data and identified a number of target zones. A similar process is underway for Pinnacle Well. A soil sampling programme was completed in December 2021 at Mt Davis and a small part of Pinnacle Well – results are pending. The Ultra-fine assay technique developed by the CSIRO to better detect subtle anomalies under transported cover is being utilised. Further geochemical soil sampling programmes are currently in progress and the process involved is expected to see through the overlying transported material and define any anomalies. A combination of this geophysical and geochemical data along with geological mapping, where possible, will be used to define and prioritise drill targets in 2022. This approach will be used for both gold and base metal exploration with electro-magnetic surveying being applied as appropriate for the base metals.

A heritage survey was completed at Mt Davis as part of the process to acquire drilling approvals.

1.2. Project overview – Maguires Reward project

a. Tenure

The Maguires Reward project is comprised of a single prospecting licence (P20/2318) covering an area of 200Ha. The project is located in the Central Murchison area, approximately 50km northwest of the major mining centre of Cue. Access is via the Great Northern Highway and well-developed secondary roads.

b. Geological Setting

The Maguires Reward project is situated within the Archaean Murchison Province, a granite-greenstone terrane in the northwest of the Yilgarn Craton. NNE-trending greenstone belts are separated by granite-gneiss domes, with smaller granite plutons also present within or on the margins of the greenstone belts. The greenstone belts contain basalts, ultramafic and felsic volcanics, metasediments including banded iron formations and intrusive rocks. Outcrop is limited with transported cover over much of the area.

A major structural feature through the Maguires Reward project area is a NE-trending regional shear zone and is an extension of the Big Bell Fault, which splays into several discrete faults to the southwest of the project area and represent prospective gold bearing fluid pathways and trap sites for gold mineralisation.

Operations review

Gold has previously been produced from several small workings in the project area. The Old Prospect lies near the eastern margin of the tenement and the Maguires Reward Prospect towards the west of the licence. The most significant old working within the area is the Old Prospect where several shafts have been sunk. Mineralisation at the Old Prospect is associated with talc-carbonate-sericite-biotite alteration adjacent to quartz-carbonate veining hosted by a strongly foliated carbonate-chlorite altered basalt. Approximately 1km west, there is a series of shafts and workings that run north-south known as Maguires Reward. Mineralisation is hosted by quartz (\pm carbonate) veining associated with a narrow shear zone in silicified carbonate-chlorite schist. Mineralisation at both areas is associated with brittle-ductile shear zones, which are interpreted to be secondary structures leading from the regional-scale structures.

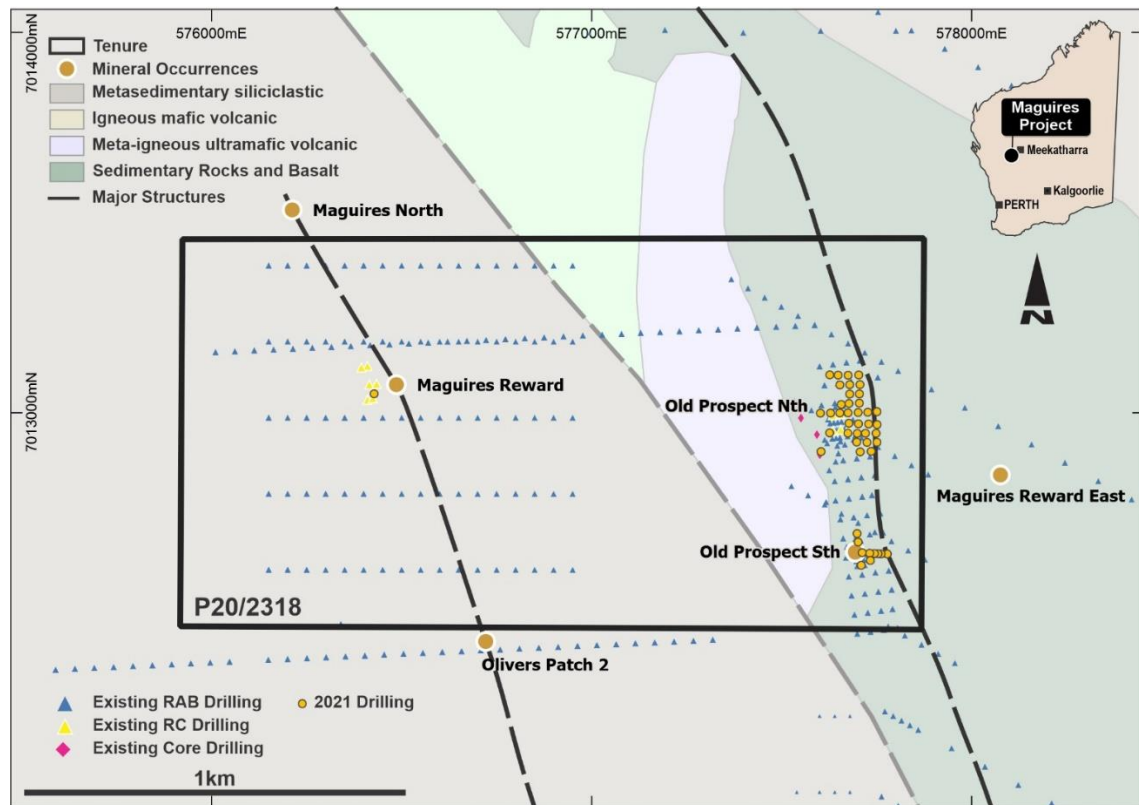


Figure 4 Maguires Reward – Tenure, Geology and Drilling Plan

c. Previous Exploration

The area has been explored both for base metals and gold since the 1980's. Wide spaced soil sampling and RAB drilling led to more detailed RC and diamond drilling at the Old Prospect and Maguires Reward.

BHP Gold drill tested the Old Prospect and Maguire's Reward (1985-1989) as part of their programme to test interpreted extensions of the Big Bell Shear to the north of the Big Bell Mine. Numerous encouraging results were returned including 6m at 18.6g/t, 4m at 5.12g/t and 6m at 4.2g/t at the Old Prospect. Subsequently Newcrest (1992-1995) completed further RC and diamond drilling at both prospects with the best results being 6m at 8.02g/t, 6m at 11.6g/t and 7m at 8.74g/t. Only limited exploration was completed at the project following this period.

Operations review

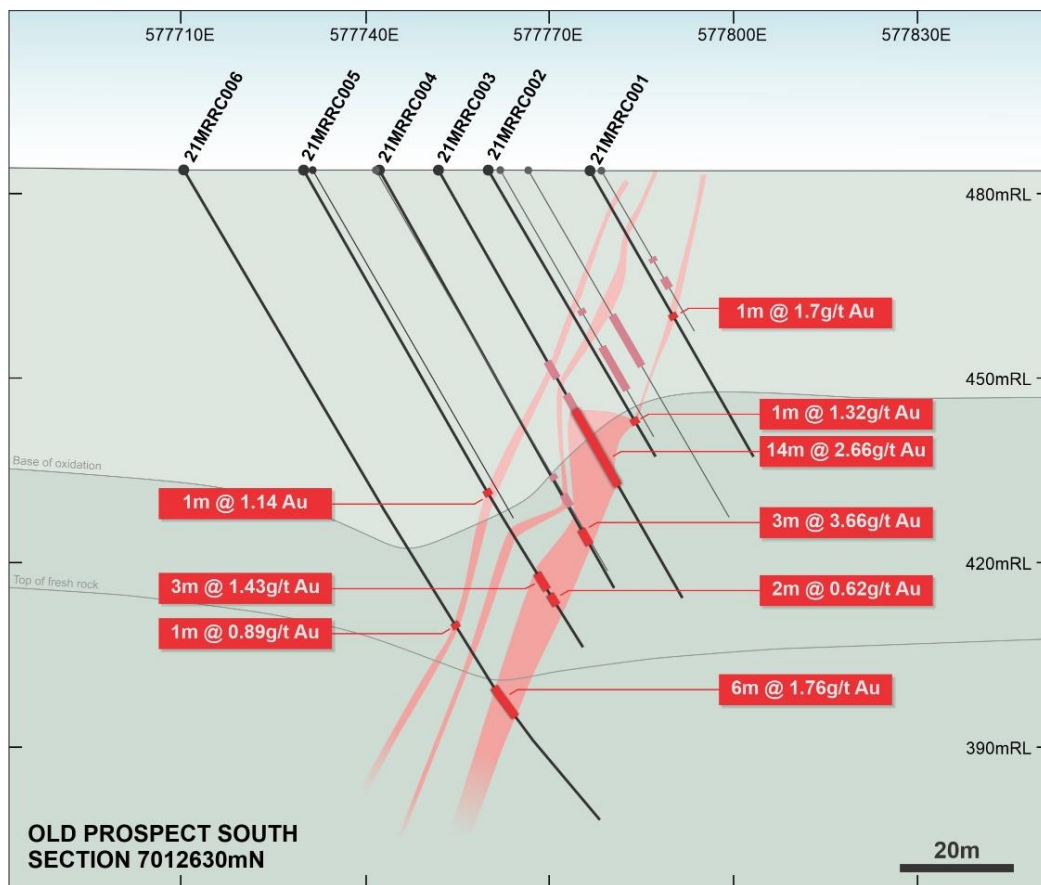


Figure 5 Old Prospect - Cross Section

Drilling at the Old Prospect indicated that the mineralisation had a strike length of 600m and defined two steeply south plunging narrow mineralised zones (the northern and southern zones). A mineralisation estimate was completed by BHP and subsequently updated by Newcrest.

Only limited drilling was completed at Maguires Reward with a best drill results including 4m at 18.4g/t and 2m at 6.02g/t. Further testing is necessary to define the scope of the Maguires Reward mineralisation.

These results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

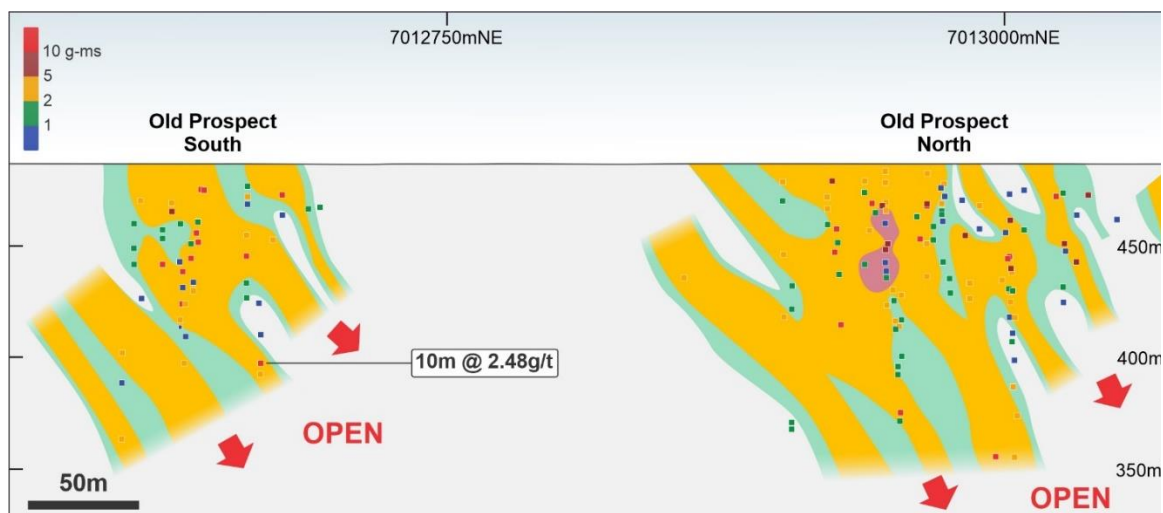


Figure 6 – Long Projection of Old Prospect, looking west – all data shown

Operations review

d. *Exploration Programme*

Drilling of the Old Prospect zone was undertaken in July/August 2021 after Ozz listed on the ASX. A 4,300m RC drilling programme was completed. The results were released to the ASX in October and a JORC compliant mineral resource estimated for Old Prospect was released to the ASX in November 2021.

Best Results from the drilling were:

- 🌈 14m @ 2.66/t Au from 45m (21MRRC003)
- 🌈 6m @ 3.23g/t Au from 31m and 7m @ 9.10 g/t Au from 81m (21MRRC011)
- 🌈 7m @ 4.50g/t Au from 46m (21MRRC032)
- 🌈 4m @ 4.48g/t Au from 16m (21MRRC016)
- 🌈 10m @2.48g/t Au from 100m (21MRRC039)

The Mineral Resource Estimate for Old Prospect, based on an initial 4,300m RC drilling program, is 312 kt @ 2.15 g/t for 22 koz of contained gold:

Location	Classification	Tonnes t	Gold Grade g/t	Gold Ounces oz
Old Prospect North	indicated	149,879	1.91	9,214
	inferred	62,637	2.46	4,961
	Total	212,516	2.07	14,175
Old Prospect South	indicated	79,429	2.50	6,385
	inferred	20,234	1.65	1,075
	Total	99,663	2.33	7,459
Total	indicated	229,308	2.12	15,599
	inferred	82,871	2.27	6,036
	Total	312,179	2.15	21,634

Further drilling is planned to test for extensions to the known mineralisation at Old Prospect and to commence the rigorous assessment of Maguires Reward approximately 1km to the west. Following a heritage survey in February 2022, drilling is anticipated in April 2022.

1.3. Project overview – Peterwangy project

a. *Tenure*

The Peterwangy project comprises two granted exploration licenses (E70/5124 and E70/5691) covering 13 blocks for a total area of 4440 Ha, located in the Mid-West region of Western Australia. E70/5124 is held by Provident Mining Pty Ltd (Provident). E70/5691 is owned totally by the Company. The project is located approximately 100km east of the port of Geraldton and 40km southeast of the town of Mullewa, 350km north of Perth, Western Australia. Access from the west is via the Mullewa-Mingenew Road and from the east via the Mullewa-Wubin Road and then by several unsealed farm tracks.

b. *Geological Setting*

The property lies within the Yilgarn Craton, a stable craton of Archaean rocks that occupies much of the southern half of Western Australia. The Yilgarn Craton has been subdivided into several superterrane and terranes. The licence straddles the boundary of the Southwest and Youanmi Terranes.

The Southwest Terrane is characterised by many NW-trending linear features, several of which can be traced for many hundreds of kilometres from the southern edge of the Craton to the north trending Darling Fault. One of the largest of these NW faults, the Koolanooka Fault, traverses the project area from the southeast to the northwest over about 10km. The tenement is underlain by Archaean granitoids and greenstones.

Operations review

c. Local Geology

A 3km long irregularly shaped greenstone belt enclosed by granitoids is located at Peterwangy. The greenstone is comprised of amphibolite and schists but contact areas are obscured by transported alluvium, so the precise location or nature of the greenstone-granite transitions are not clear. The greenstone has been described as being composed of mainly fine to coarse grained amphibolite with local zones of intense shearing. The greenstone is approximately 1.2km wide and strikes in a NW direction parallel to, and to the west of, the Koonlanooka Fault. The surrounding rock is described as generally leucocratic, equigranular, fine to medium grained granite with minor coarse sections.

Outcrop in the area is limited, as extensive weathering has affected the underlying lithologies and laterite development and alluvium obscures the underlying lithologies.

Gold was discovered at Peterwangy in 1868 and was the focus of Western Australia's first recorded gold rush. Small scale mining operations comprising several collapsed shafts and shallow workings can still be found within a few hundred metres of Peterwangy Hill.

Historic reports detail less than 100 ounces being recovered from the field with quartz crushing's ranging in grade from 2.5-4.1g/t. A main quartz reef was reported as running east-west over the peak of Peterwangy Hill, and a quartz reef being 18 inches (45cm) wide elsewhere. In 1896, a 33ft deep shaft intersected 3 reefs carrying good gold values as reported in local newspapers. Difficulties in mining through the alluvium and the water table limited the extent of mining operations at the time.

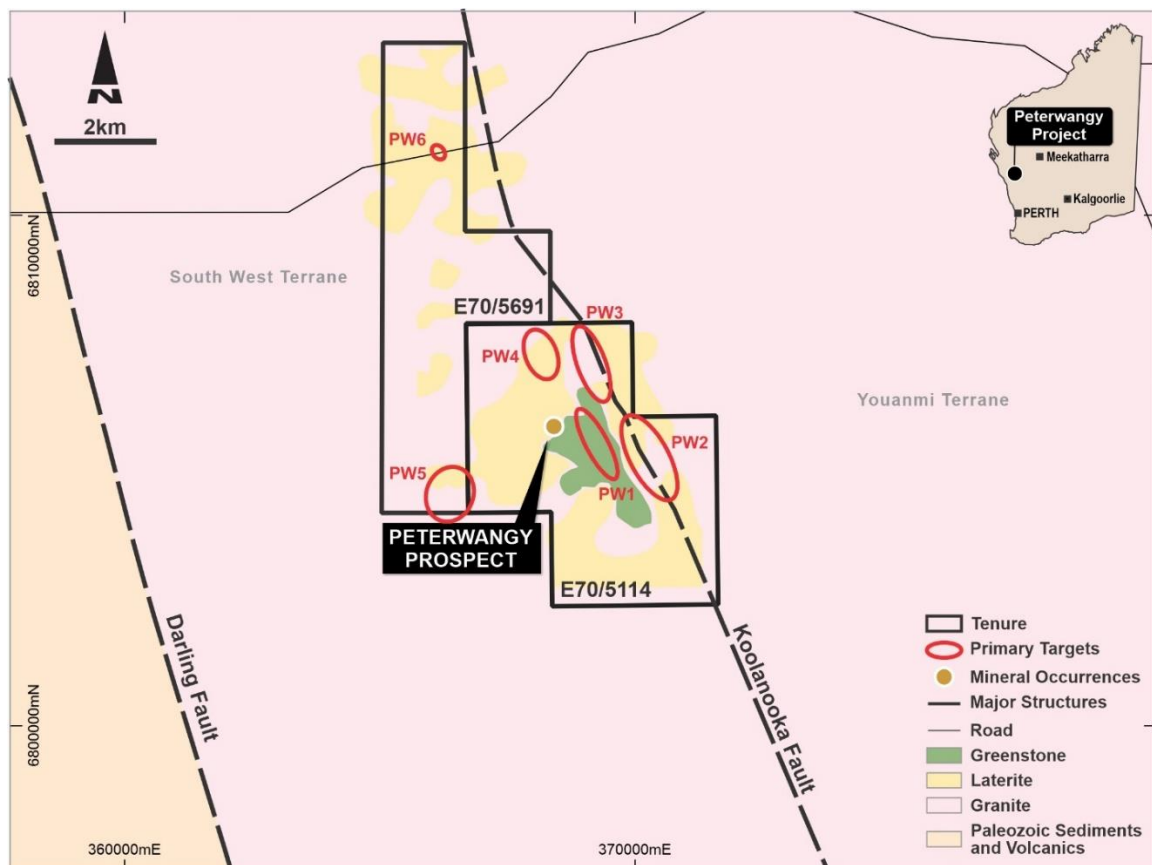


Figure 7 Peterwangy – Tenure, Geology and Geophysics Targets

A review of the styles of mineralisation by previous workers proposed a local source for the gold. The extensive laterite coverage led to comparisons being made with the Mt Gibson and Boddington laterite deposits. Boddington is located in a similar structural setting with a fault bound northwest trending greenstone belt, with extensive laterites containing around one million ounces of gold with greater than 10Moz in the underlying greenstone.

Operations review

d. *Historical Exploration*




Following the discovery of gold in 1868, several mining campaigns are recorded over the ensuing decades. The alluvial cover and the water table largely prevented any assessment of the basement rocks and once the major Eastern Goldfield discoveries were made, little further work was recorded.

Modern exploration commenced in the 1970's with regional sampling programmes aimed largely at base metals (e.g., Cu and Ni) rather than gold. The ground was also held for periods from 1980 to 2000 by companies interested in the nearby coal deposits. They did not assess the gold potential. No drilling has ever been completed at Peterwangy.

The first recorded work specifically at Peterwangy was by Peterwangy Gold Pty Ltd (PGL) in 1988. PGL undertook limited sampling of rubble around collapsed workings that confirmed the gold was either primary or lateritic, but not alluvial in origin. No assays were reported. PGL made the favourable comparison of the Peterwangy and the Boddington/Mt Gibson laterite deposits and concluded there was considerable potential for gold mineralisation within the greenstone belt. They appeared to be prioritising drilling at the coal deposits to the south. No further work by PGL is recorded.

Pancontinental Gold Pty Ltd held a licence covering Peterwangy from 2006 to 2011. Only desk top studies were completed during this period owing to the landowner refusing entry.

Provident was granted the current exploration licence in 2018. A change of landowner led to un-restricted access to the tenement and Provident completed:

-  Ground magnetics over part of the tenements
-  Soil sampling on a 150x150m grid
-  Drone reconnaissance

A positive correlation was identified between interpreted structures and low-level gold anomalism from the soil sampling coupled with similar anomalism in the chalcophile elements (As, W, Mo etc). This work reinforced potential comparisons with Boddington and culminated in the identification of 6 specific targets over an area of 2km by 1km, on which drilling was recommended, but not completed.

e. *Exploration Programme*

Most of the known gold within the Yilgarn Craton is known to be structurally related and the presence of the craton scale, Koolanooka Fault enhances the prospectivity of Peterwangy significantly.

The historic workings confirming the presence of both alluvial and reef gold in a 3km long greenstone reinforces the potential of the project. The extensive alluvial and laterite cover shroud bedrock and have subdued geochemical response from the limited geochemical sampling completed to date.

These factors provided a strong incentive for, and clearly justify, further exploration with the potential to lead to a significant discovery. Without any prior drill testing, the 3km long greenstone belt with an estimated area of 5km² provides ample scope for mineralisation. Both laterites and primary quartz veining are potential hosts for economic mineralisation in the area. The 10km extent of the Koolanooka Fault on the tenements also provide a target, being a major conduit for fluid flow.

An aero-magnetic survey was completed over the tenements in August 2021 with several targets being defined further analysis (Figure 7). The survey also produced a better definition of the extent of the prospective greenstone sequence. A soil sampling programme was completed in January 2022 aimed at testing the areas defined as being anomalous by the magnetic survey. Results are pending and significant targets generated from this work will be drill tested.

Agreement in principal was reached with the landowner and the traditional owner so drill testing, if warranted, will be able to occur rapidly.

1.4. Project overview – Wardarbie South project

a. *Tenure*

The Wardarbie South project is comprised of three prospecting licences (P 51/3025, P 51/3026, and P 51/3027) covering an area of 600Ha. The project is located in the Central Murchison area, approximately 75km northwest of the major mining centre of Meekatharra. Access is via the Gascoyne Junction Road and station tracks.

b. *Geological Setting*

The region is underlain by the 5-10km wide Mingah Range Greenstone Belt that is bound to the NE and SW by granite and granite gneiss in the northern part of the Archaean Murchison Province of the Yilgarn Craton. Lithologies consist of sediments, felsic volcanics, basalt, dolerite, ultramafic and banded iron formation. Recent alluvial cover overlies much of the area obscuring bedrock geology.

Operations review

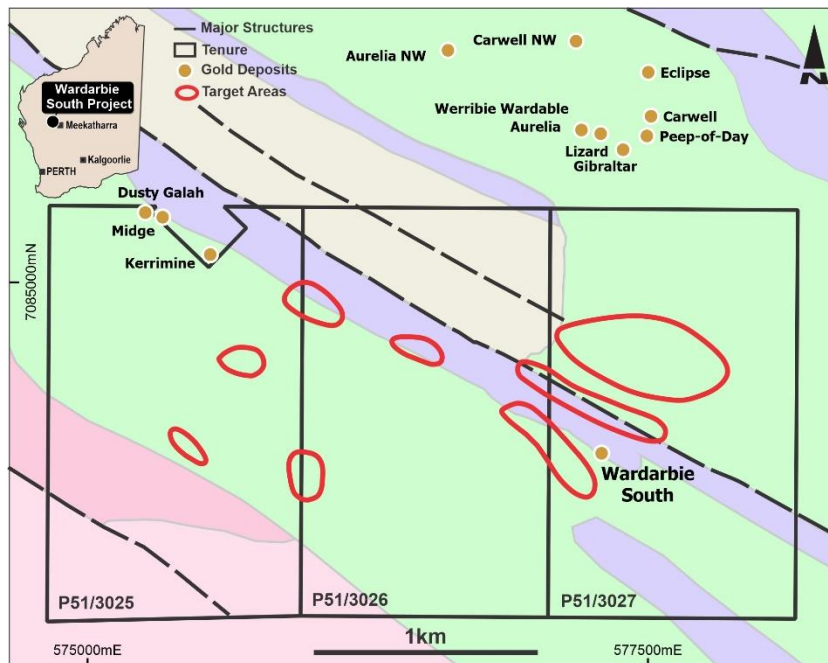


Figure 8 Wardarbie South - Tenure and Geology Plan

Structural preparation has been extensive with the extension of the Big Bell shear zone imbricating into a number of NW trending shear zones that parallel the enclosing granitoids contacts. These shears also parallel the lithological contacts within the greenstone, creating potential traps for mineralisation.

The contact between the granitoids and greenstone strikes NW-SE for 2km through the SW corner of the tenements. The remainder of the prospect contains weak metamorphosed mafic, ultramafic and sedimentary rocks (shales and siltstones with localised silicification).

The Wardarbie South prospect is a cluster of shafts to the east of the project – there are no production records documented. Numerous quartz veins outcropping around the shaft suggest a larger system associated with cross-cutting shears as also observed at other nearby historic gold workings.

A three-kilometre-long contact between mafic and ultramafic lithologies strikes NW-SE through the tenements and forms the focus for gold mineralisation for the Wardarbie South prospect and a number of prospects along strike to the NW. Immediately north, a parallel trend hosts a number of similar gold prospects (Carwell/Zapata etc). These nearby historic workings in the area have a recorded production of 5000oz from narrow quartz lodes. Quartz veins are oriented both parallel to the regional NW trending shear fabric and as cross-cutting structures. The groupings of historic workings overall tend to be oriented in the NW direction and are interpreted as being related to faulting and dilation along lithological contacts. The mineralisation is described as high-grade epigenetic vein deposits. Auriferous quartz veins up to 1m wide, striking for several hundred metres have been described in the area, in places associated with stockworks related to shearing. Anomalous base metal assays (Cu, Pb, Zn) have been returned from quartz vein sampling.

c. Previous Exploration

The region has been explored both for gold and nickel since the 1960's. Most work was focused on finding large open-pittable gold resources and hence broad spaced sampling methods were utilised. Regional wide-spaced aircore and RAB drilling by a number of explorers was completed before the year 2000. Since then, a number of explorers have identified the potential for gold mineralisation, but no systematic work was completed on the leases.

There is no drilling specifically targeting the Wardarbie South workings or the prospective NW trending structural corridor given the focus of many explorers was not on small to medium size high grade mineralisation. Recent sampling of the workings around Wardarbie South returned grades of 33.7g/t, 22.0g/t, 11.8g/t 5.7g/t and 4.9g/t Au reinforcing the potential for high grade mineralisation.

d. Exploration Programme

A drone supported aero-magnetic survey was completed over the project in November 2021. Analysis of the results produced several targets (Figure 8) and refined the knowledge of the geology. A soil sampling programme will be undertaken in 2022 to define any geochemical anomalism through the extensive alluvial cover. Results from both the magnetics and geochemical sampling will be used to define future drill targets.

Heritage clearance surveys are scheduled for early 2022 to facilitate future exploration activity.

Operations review

1.5. Project overview – Rabbit Bore project

a. *Tenure*

The Rabbit Bore project is comprised of a single exploration licence (E51/1671) covering an area of 2,390Ha. The project is located in the Central Murchison area approximately 55km north of the major mining centre at Cue. The Great Northern Highway is located 25km to the east linked by a major secondary road.

b. *Geological Setting*

The Rabbit Bore project lies at the northern end of the Mt Weld greenstone belt in the Archaean Youanmi Terrane. NNE striking greenstones form a lensoid shaped inclusion in surrounding granitoid lithologies. Outcrop within the area is limited to a 2km long ridge to the southwest of the tenement with a thin blanket of transported material covering the rest of the area that deepens over the granitoids.

The greenstone belt is approximately 5.5km long and strikes NNE through the tenements and is composed of sheared mafics, ultramafics and deeply weathered felsic volcanics. Three ultramafic intrusives up to 60m wide are strongly foliated with variable alteration including tremolite, talc-carbonate, chlorite and magnetite minerals. The tenement contains a major NNE trending shear zone that is interpreted as an extension of the Big Bell Fault, that splays into several discrete structures south of the project area. This structure contains gold prospects along its entire length. The sequence typically dips moderately steeply to the west and localised faulting is common.

A Proterozoic dolerite dyke with an E-W orientation crosscuts lithologies adjacent to the Rabbit Bore gold prospect and possibly offsets the greenstone belt with dextral movement as indicated by the regional aeromagnetics.

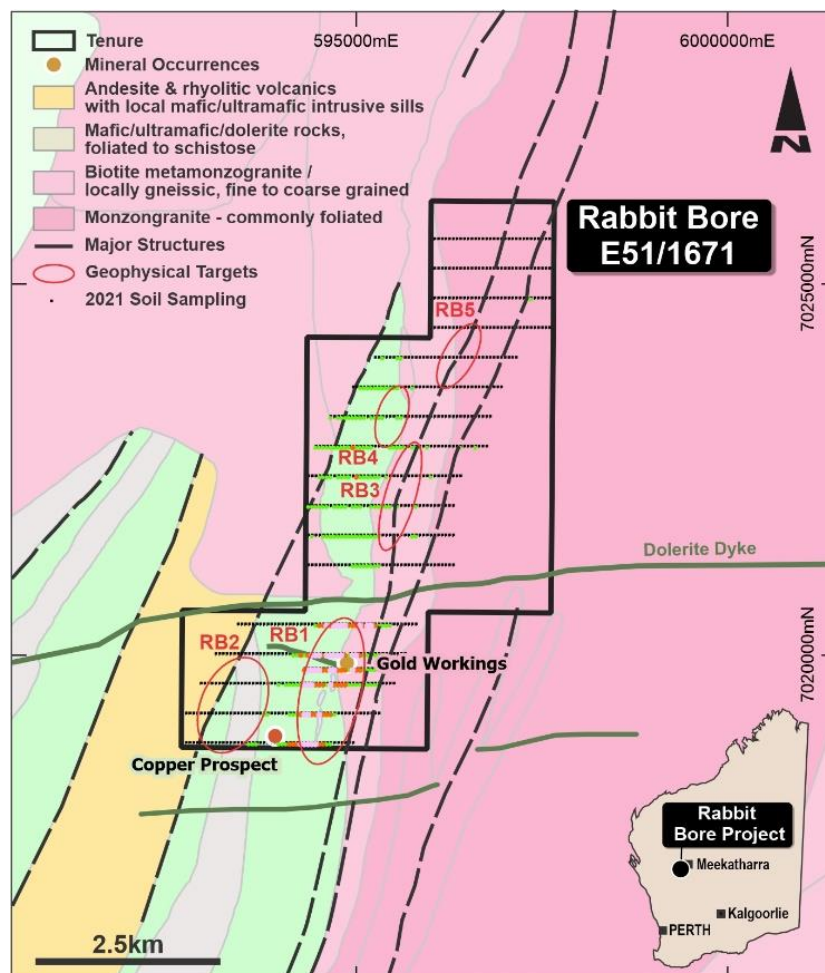


Figure 9 Tenure, Geology and Soil sampling coverage

Operations review

Potential exists for both gold and base metal mineralisation at Rabbit Bore. Historic gold mining occurred at the Rabbit Bore prospect where a small vertical shaft, four pits and a dry blowing area exist. There are no records of the quantity of gold produced from the workings. Gold mineralisation is believed to be related to the quartz blows which occur with the historical workings. Quartz is mapped over an area extending approximately 1km in an EW direction. Sampling around the workings has produced a maximum assay of 4.24g/t and low-level gold results returned from soil sampling programmes over the extensive cover.

The greenstone belt is prospective for nickel, cobalt and chrome based on the results of rock chip and soil sampling. The extensive cover in the north part of the tenement obscures geology and mutes geochemical responses and with no drilling the potential is untested for the 5.5km of strike. Sampling focussed on the exposed ultramafics returned nickel assays up to 1,295ppm and chromite to 5,400ppm. Anomalous cobalt and arsenic assays results are associated with nickel.

c. *Previous Exploration*



Exploration in or around the current E51/1761 has been only carried out spasmodically since the 1970's, commencing with the nickel boom and more recently for base metals, gold and iron ore. There is no drilling recorded on the licence area.

Regional work including geophysical surveys, and mapping were completed in the late 1990's. Two widely spaced soil sampling programmes were completed over the greenstone belt by different explorers (2001 and 2011) resulting in low level gold, nickel, cobalt, platinum and lead anomalies. A closer spaced sampling programme was completed in 2011 around the Rabbit Bore workings with a maximum result of 2.18 g/t Au. Recent rock-chip sampling around the historic workings returned a maximum grade of 4.24g/t Au.

d. *Exploration Programme*

The Rabbit Bore prospect lies in a poorly explored but structurally prepared greenstone belt and has potential for both gold and nickel/cobalt mineralisation. There has been no recorded drilling on the tenement and with transported material covering the northern 60% of the lease area there is strong potential for unrecognised mineralisation.

An aeromagnetic survey was completed in July that better defined lithology, structural controls revealed seven anomalies (Figure 9). Subsequently, a 750-sample geochemical soil sampling programme was completed in November 2021. The results released in February 2022 indicated two significant anomalies:

-  A 1km long gold anomaly surrounding the existing gold working with associated nickel and PGM's in an adjacent ultramafic unit, and
-  A separate 2km by 700m copper anomaly further north.

The anomalies will be drill tested in coming months. A heritage survey is scheduled in the first quarter on 2022 to facilitate drill approvals

1.6. **Historical Estimate Results cautionary statement**

The information in this Operations Review that relates to Historic Exploration Results is extracted from Ozz Resources Prospectus, lodged with ASIC on May 7, 2021 and the First and Second Supplementary Prospectus' lodged on May 25 and June 15 respectfully and available on Ozz's website www.ozzresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information with regard to reporting of historical exploration results contained in the Prospectus and the form and context of the release have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original public release.

1.7. **Competent Person statement**

The information contained in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Jonathan Lea, who is an employee and security holder of the Company. Mr Lea is a member of the AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lea has given consent to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.






Directors' report

Your directors present their report on the Company, Ozz Resources Limited (**Ozz Resources or the Company**) for the half-year ended 31 December 2021.

1. Directors

The names of Directors in office at any time during or since the end of the half-year are:

 Alan Lockett	Non-Executive Chairman	(Appointed on 27 August 2020)
 Jonathan Lea	Managing Director	(Appointed on 27 August 2020)
 Brian McNab	Non-Executive Director	(Appointed on 1 December 2020)

(collectively **the Directors or the Board**)

Directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

2. Dividends paid or recommended

There were no dividends paid or recommended during the half-year ended 31 December 2021 (30 June 2021: \$nil).

3. Significant Changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the half-year ended 31 December 2021 other than disclosed elsewhere in this Interim Financial Report.

4. Operating and financial review

4.1. Nature of Operations Principal Activities

The Company was incorporated on 27 August 2020 and is an early-stage mining exploration company with a focus on mining tenements in Western Australia prospective for gold.

Being an early-stage exploration company, the Company does not expect to make money or generate income in the short term. The proposed business objectives and strategies of the Company include:

- a. conducting exploration on the Company's projects to identify economic gold deposits for development by:
 - (1) continuing the drill testing of the Maguires Reward project to potentially expand the JORC compliant Mineral Resources and test for extensions to the mineralisation, and for the other projects,
 - (2) drill testing of geochemical anomalies defined at Rabbit Bore;
 - (3) Target selection for initial drilling Mt Davis using geological, geophysical and geochemical data.
 - (4) conducting further geological reconnaissance, geochemical and geophysical programmes to identify the location of favourable structures and associated indicators of mineralisation in order to create a pipeline of potential drill targets (e.g. Peterwangy, Wardarbie South and pinnacle Well);
 - (5) progressively collecting additional information such as metallurgical or geotechnical data to assist further Ore Reserve estimation; and
 - (6) conducting optimisation studies including financial models to assess potential mineable ore reserves;
- b. focusing on areas with existing infrastructure that provide the opportunity for toll treatment of ores; and
- c. identifying and acquiring new gold exploration tenements with a focus in Western Australia if the Directors consider that they will add additional value to the Company at the time.

4.2. Operations Review

Refer to the detailed *Operations review* on page 1 of the Interim Financial Report.

4.3. Financial Review

a. Operating results

For the half-year ended 31 December 2021 the Company delivered a loss before tax of \$1,934,466 (31 December 2020: \$214,645 loss) and a net operating cash out-flow of \$1,828,725 (31 December 2020: \$213,300 out-flow).

b. Financial position

The net assets of the Company have decreased from incorporation to \$2,580,926 at 31 December 2021 (30 June 2021: \$4,368,929).

As at 31 December 2021, the Company's cash and cash equivalents decreased to \$2,555,397 (30 June 2021: \$5,013,272), and it had a working capital position of \$2,524,352 (30 June 2021: \$4,319,539 working capital).

Directors' report

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

The Directors are satisfied that the going concern basis of preparation is appropriate based upon the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

4.4. Impact of COVID-19 Coronavirus

The COVID-19 coronavirus global pandemic has caused significant disruption and restrictions to the movement of people and goods throughout the world. During the height of the pandemic, The Company was incorporated subsequent to the declaration of the pandemic and has implemented prudent business continuity measures which allowed it to continue to develop and establish an exploration Company.

4.5. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements as disclosed in note 7 *Events subsequent to reporting date* on page 25.

4.6. Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Company cannot provide forward looking statements and outcomes, however the Company has included its immediate business strategy within the Operations Report.

4.7. Environmental Regulations

The Company's exploration assets and operations have not yet been established and are therefore not subject to any significant environmental regulations in the jurisdiction it operates in.

5. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2021 has been received and can be found on page 14 of the Interim Financial Report.

This Report of the Directors is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the *Corporations Act 2001* (Cth).



ALAN LOCKETT

Chairman

Dated this Monday, 14 March 2022



To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Ozz 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:

- the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated in Perth, Western Australia this 14th day of March 2022

Statement of profit or loss and other comprehensive income

for the half-year ended 31 December 2021

	Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
<i>Continuing operations</i>			
Administration expenses	1.1	(21,893)	(5,087)
Compliance costs		(58,066)	(6,338)
Employment costs	1.2	(54,272)	-
Interest and finance costs (net)		(4,235)	-
Mineral exploration and evaluation costs	1.4	(1,401,417)	(149,555)
Professional and consulting costs	1.3	(394,583)	(53,665)
Loss before tax		(1,934,466)	(214,645)
Income tax expense	2.1	-	-
Net loss for the half-year		(1,934,466)	(214,645)
<i>Other comprehensive income, net of income tax</i>			
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income attributable to members of the parent entity		(1,934,466)	(214,645)
<i>Earnings per share:</i>			
Basic and diluted loss per share (cents per share)	10.4	¢ (4.241)	¢ (3.190)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.



Statement of financial position

as at 31 December 2021

	Note	31 Dec 2021 \$	30 Jun 2021 \$
<i>Current assets</i>			
Cash and cash equivalents	3.1	2,555,397	5,013,272
Trade and other receivables	3.2.1	59,318	68,816
Total current assets		2,614,715	5,082,088
<i>Non-current assets</i>			
Property, plant, and equipment	4.1	56,574	49,390
Total non-current assets		56,574	49,390
Total assets		2,671,289	5,131,478
<i>Current liabilities</i>			
Trade and other payables	3.3.1	87,272	631,581
Borrowings	3.4.1	3,091	130,968
Total current liabilities		90,363	762,549
Total liabilities		90,363	762,549
Net assets		2,580,926	4,368,929
<i>Equity</i>			
Issued capital	5.1.1	6,494,553	6,463,320
Reserves	5.3	1,147,759	1,032,529
Accumulated losses		(5,061,386)	(3,126,920)
Total equity		2,580,926	4,368,929

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of changes in equity

for the half-year ended 31 December 2021

	Note	Issued capital \$	Accumulated Losses \$	Option Reserve \$	Total equity \$
<i>Balance on incorporation 27 August 2020</i>		2	-	-	2
Loss for the period attributable to the owners of the parent		-	(214,645)		(214,645)
Other comprehensive income for the period attributable to the owners of the parent		-	-	-	-
Total comprehensive income for the period attributable to the owners of the parent		-	(214,645)	-	(214,645)
<i>Transaction with owners, directly in equity</i>					
Shares issued during the period (net of costs)		361,325	-	-	361,325
Balance at 31 December 2020		361,327	(214,645)	-	146,682
<i>Balance as at 1 July 2021</i>		6,463,320	(3,126,920)	1,032,529	4,368,929
Loss for the half-year attributable to the owners of the parent		-	(1,934,466)	-	(1,934,466)
Other comprehensive income for the half-year attributable to the owners of the parent		-	-	-	-
Total comprehensive income for the half-year attributable to the owners of the parent		-	(1,934,466)	-	(1,934,466)
<i>Transaction with owners, directly in equity</i>					
Equity issued during the half-year	5.1.1, 5.2	283,500	-	75,259	358,759
Options granted during the half-year	11.1	-	-	39,971	39,971
Equity issue costs	5.1.1	(252,267)	-	-	(252,267)
Balance at 31 December 2021		6,494,553	(5,061,386)	1,147,759	2,580,926

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Statement of cash flows

for the half-year ended 31 December 2021

Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
<i>Cash flows from operating activities</i>		
Payments to suppliers and employees	(433,048)	(78,035)
Payments for exploration and evaluation	(1,395,677)	(135,265)
Net cash used in operating activities	3.1.1 (1,828,725)	(213,300)
<i>Cash flows from investing activities</i>		
Purchase of property, plant and equipment	(70,173)	-
Net cash used in investing activities	(70,173)	-
<i>Cash flows from financing activities</i>		
Proceeds from issue of equity	75,259	359,777
Equity issue costs	(502,124)	-
Proceeds of borrowings	(127,877)	-
Net finance costs	(4,235)	-
Net (used in)/cash provided by financing activities	(558,977)	359,777
Net (decrease)/increase in cash and cash equivalents held	(2,457,875)	146,477
Cash and cash equivalents at the beginning of the period	5,013,272	-
Cash and cash equivalents at the end of the period	3.1 2,555,397	146,477

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the financial statements

for the half-year ended 31 December 2021

In preparing the 31 December 2021 financial statements, Ozz Resources Limited has grouped notes into sections under three key categories:

 Section A: How the numbers are calculated.....	20
 Section B: Unrecognised items	25
 Section C: Other Information.....	26

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The presentation is supported by the IASB's Disclosure Initiative. As part of this project, the AASB made amendments to AASB 101 *Presentation of Financial Statements* which have provided preparers with more flexibility in presenting the information in their financial reports.

The financial statements are presented in Australian dollars, except where otherwise stated.

The registered office of the Company is:

Street: C/ - Geneva Partners Pty Ltd
Level 1, 247 Oxford Street
Postal: PO Box 52
West Perth WA 6872

The principal place of business of the Company is:

Street: Suite 9, 186 Hay Street
SUBIACO WA 6008
Postal: PO Box 8014
Subiaco East WA 6008



Notes to the financial statements

for the half-year ended 31 December 2021

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

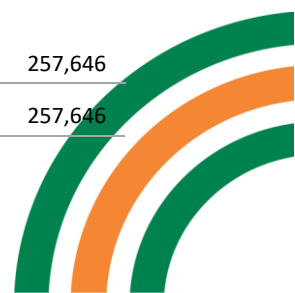
- (a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction.
- (b) analysis and sub-totals.
- (c) information about estimates and judgements made in relation to particular items.

Note	1	Loss before income tax	Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
The following significant revenue and expense items are relevant in explaining the financial performance:					
1.1	Administration expenses				
		Computers and communications		6,658	1,916
		Travel expenses		2,188	1,628
		Other		13,047	1,543
				21,893	5,087
1.2	Employment costs				
		Superannuation		4,881	-
		Directors' fees		48,694	-
		Other		697	-
				54,272	-
1.3	Professional and consulting costs				
		Accounting and company secretary fees		61,501	
		Legal fees and corporate advisory		246,691	30,000
		Other consultants		86,391	23,665
				394,583	53,665
1.4	Mineral exploration and evaluation costs				
	Cumulative spending at the beginning of the period			2,309,420	-
	Recognised in profit and loss for the period:				
		Acquisition costs: <i>Cash-based</i>		161,016	95,000
		<i>Share-based</i>	11.2.1b.i,ii	181,500	-
		Field expenses		179,433	-
		Geological consulting		58,446	50,931
		Mineral surveys		22,840	-
		Native title		25,620	-
		Rates and Rent		16,956	-
		Staff costs		349,005	-
		Tenement consulting		393,981	3,624
		Other		12,620	-
	Mineral exploration and evaluation costs expense during the period			1,401,417	149,555
	Cumulative Mineral exploration and evaluation costs to date			3,710,837	149,555

Notes to the financial statements

for the half-year ended 31 December 2021

Note	2	Income tax	Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
2.1		Income tax expense			
		Current tax		-	
		Deferred tax		-	
				-	
		Deferred income tax expense included in income tax expense comprises:			
		■ Increase / (decrease) in deferred tax assets	2.3	(16,972)	-
		■ (Increase) / decrease in deferred tax liabilities	2.4	16,972	-
				-	-
2.2		Reconciliation of income tax expense to prima facie tax payable			
		The prima facie tax payable/(benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:			
		Accounting loss before tax		(1,934,466)	(214,645)
		Prima facie tax on operating loss at 30.0%		(580,340)	(55,808)
		Add / (Less) tax effect of:			
		□ Other non-deductible expenses / (non-assessable income)		92,700	-
		□ Timing differences		(17,664)	55,808
		□ Deferred tax asset not brought to account		505,304	-
		Income tax expense/(benefit) attributable to operating loss		-	-
				31 Dec 2021 \$	30 Jun 2021 \$
2.3		Deferred tax assets			
		Tax losses		667,720	257,646
		Deductible temporary differences		123,701	93,530
				791,421	351,176
		Set-off deferred tax liabilities		(16,972)	(14,817)
		Net deferred tax assets		774,449	336,359
		Less deferred tax assets not recognised		(774,449)	(336,359)
		Net deferred tax assets		-	-
2.4		Deferred tax liabilities			
		Plant and equipment		16,972	14,817
				16,972	14,817
		Set-off deferred tax assets		(16,972)	(14,817)
		Net deferred tax liabilities		-	-
2.5		Tax losses and deductible temporary differences			
		Unused tax losses and deductible temporary differences for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:			
		■ Tax losses		667,720	257,646
				667,720	257,646



Notes to the financial statements

for the half-year ended 31 December 2021

Note 3 Financial assets and financial liabilities
3.1 Cash and cash equivalents


	31 Dec 2021 \$	30 Jun 2021 \$
Cash at bank	554,632	5,013,272
Term deposits	2,000,765	-
	2,555,397	5,013,272

3.1.1 Cash Flow Information

a. *Reconciliation of cash flow from operations to loss after income tax*


Loss after income tax


Cash flows excluded from loss attributable to operating activities

 Net Interest and finance costs

Non-cash flows in loss from ordinary activities:
 Depreciation and amortisation (recognised in exploration)

 Net share-based payments recognised in profit and loss

Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:
 (Increase) in trade and other receivables

 Increase in trade and other payables

Cash flow used in from operations

Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
	(1,934,466)	(214,645)
	4,235	-
	9,256	-
11.1	309,000	-
	9,499	(13,358)
	(226,249)	14,703
	(1,828,725)	(213,300)

3.2 Trade and other receivables
3.2.1 Current

Goods and Services Tax receivable

Other receivables

	31 Dec 2021 \$	30 Jun 2021 \$
	43,920	38,192
	15,398	30,624
	59,318	68,816

3.3 Trade and other payables
3.3.1 Current
Unsecured

Trade payables

Sundry payables and accrued expenses

Employee related

	31 Dec 2021 \$	30 Jun 2021 \$
	31,840	471,339
	-	137,518
	55,432	22,724
	87,272	631,581

3.4 Borrowings
3.4.1 Current

Short-term loans

Premium funding

	31 Dec 2021 \$	30 Jun 2021 \$
	-	100,000
	3,091	30,968
	3,091	130,968

Notes to the financial statements

for the half-year ended 31 December 2021

Note 4 Non-financial assets and financial liabilities**4.1 Property, plant, and equipment**

	31 Dec 2021 \$	30 Jun 2021 \$
Plant and equipment – at cost	2,344	-
Accumulated depreciation	(526)	-
	1,818	-
Motor vehicles at cost	64,126	50,030
Accumulated depreciation	(9,370)	(640)
	54,756	49,390
Total plant and equipment	56,574	49,390

Note 5 Equity**5.1 Issued capital**

Note

	31 Dec 2021 No.	30 Jun 2021 No.	31 Dec 2021 \$	30 Jun 2021 \$
Fully paid ordinary shares at no par value	46,686,877	45,136,877	6,494,553	6,463,320
	6 months to 31 Dec 2021 No.	27 Aug 2020 to 30 Jun 2021 No.	6 months to 31 Dec 2021 \$	27 Aug 2020 to 30 Jun 2021 \$
5.1.1 Ordinary shares				
At the beginning of the period	45,136,877	-	6,463,320	-
Shares issued during the period:				
27.08.20 Incorporation issue	-	2	-	2
02.10.20 Promoter issue	-	11,325,000	-	10,125
27.10.20 Seed capital issue	-	7,000,000	-	350,000
<i>Sub-total</i>	-	18,325,002	-	-
Effect of share consolidation 2.3:4	-	(7,788,125)	-	-
Shares after consolidation	-	10,536,877	-	-
18.06.21 Promoter issue	-	1,500,000	-	30,000
18.06.21 Vendor shares	-	8,100,000	-	1,620,000
18.06.21 IPO shares	-	25,000,000	-	5,000,000
15.10.21 Corporate adviser shares 11.2.1a	750,000	-	127,500	-
24.11.21 Tenement acquisitions 11.2.1b.i	800,000	-	104,000	-
Unissued deferred consideration shares 11.2.1b.i	-	-	52,000	-
Transaction costs related to shares issued 11.2.1c	-	-	(252,267)	(546,807)
At reporting date	46,686,877	45,136,877	6,494,553	6,463,320



Notes to the financial statements

for the half-year ended 31 December 2021

Note 5 Equity (cont.)

5.2	Options	Note	31 Dec 2021 No.	30 Jun 2021 No.	31 Dec 2021 \$	30 Jun 2021 \$
	Options		40,232,726	21,436,875	1,147,759	1,032,529
			6 months to 31 Dec 2021 No.	27 Aug 2020 to 30 Jun 2021 No.	6 months to 31 Dec 2021 \$	27 Aug 2020 to 30 Jun 2021 \$
	At the beginning of the period		21,436,875	-	1,032,529	-
	Options movement during the period:					
	02.10.20 Promoter issue		-	11,325,000	-	-
	27.10.20 Seed capital issue		-	7,000,000	-	-
	<i>Sub-total</i>		-	18,325,000	-	-
	Effect of share consolidation 2.3:4		-	(7,788,125)	-	-
	Options after consolidation		-	10,536,875	-	-
	18.06.21 Director Options		-	5,500,000	-	447,254
	18.06.21 Lead Manager Options		-	2,800,000	-	282,098
	18.06.21 Vendor Options		-	2,600,000	-	303,177
	25.10.21 Listed options (ASX: OZZO) 5.2.1		15,045,851	-	75,259	-
	25.10.21 Underwriter options 11.2.1c		2,900,000	-	14,471	-
	24.11.21 Consultants options 11.2.1b.ii		850,000	-	25,500	-
	At reporting date		40,232,726	21,436,875	1,147,759	1,032,529

5.2.1 Listed option are exercisable on or before 25 October 2024 at an exercise price of \$0.25.

5.3	Reserves	31 Dec 2021 \$	30 Jun 2021 \$
	Option reserve	1,147,759	1,032,529
		1,147,759	1,032,529

Notes to the financial statements

for the half-year ended 31 December 2021

SECTION B. UNRECOGNISED ITEMS

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.


Note 6 Contingent liabilities

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

Note 7 Events subsequent to reporting date**7.1 Australian Resources NL Tenement Acquisition and Equity Issue**

On 13 January 2022, the Company announced it had acquired two tenements E37/1287 and E37/1355 from Anglo Australian Resources NL (**AAR**).

As consideration, the Company:

 paid \$30,000 cash; and


 issued of 1,000,000 ordinary shares (ASX Close price on the share issue date was 11.5 cents).

In addition, the Company will issue 500,000 performance shares to AAR that are convertible to fully paid ordinary shares upon the following milestone being achieved, being: *a JORC compliant gold Resource of greater than 50,000 ounces at a minimum grade of 0.5g/t gold is defined or when commercial mining commences within 5 years.*

7.2 United Mines Pty Ltd Tenement Acquisition and Equity Issue

On 4 March 2022, Company announced it had acquired the Linger and Die Goldfield, contiguous with its recently acquired Pinnacle Well Project, comprising four tenements P37/9139, P37/8573, E37/1234, and E37/1235, from United Mines Pty Ltd (**United Mines**).

As consideration, the Company:

 paid \$100,000 cash; and

 issued of 960,000 ordinary shares (ASX Close price on the share issue date was 8.6 cents).

In addition, 840,000 performance shares will be issued that are convertible to fully-paid ordinary shares upon the following milestone being achieved by 30 November 2022: *that United Mines satisfies all rehabilitation obligations, to normal industry standards, of any areas disturbed by mining, including contouring of any waste dumps and ripping of compacted areas.*

A royalty will be payable by Company to United Mines equal to 1% of the gross revenues received by OZZ from mining any ores from the tenements, payable quarterly up to a period of 5 years ending 3 March 2027.

There has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Note 8 Commitments	31 Dec 2021	30 Jun 2021
	\$	\$
8.1 Exploration expenditure commitments payable:		
Within one year	285,440	163,880
After one year but not more than five years	-	-
After five years	-	-
Total Exploration tenement minimum expenditure requirements	285,440	163,880

Exploration commitments have only been included for one year for each tenement. The Company will continue to assess each tenement annually and has the option to relinquish, sell, or divest a tenement should it not meet the expectations of the Company. The Company may apply for exemptions from expenditure if necessary.



Notes to the financial statements

for the half-year ended 31 December 2021

SECTION C. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 9 Related party transactions

Details of transactions between the Company and other related parties are disclosed below:

Entity	Nature of transactions	KMP	Total Transactions		Payable Balance	
			6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$	31 Dec 2021 \$	31 Dec 2020 \$
Alan Lockett	Expensed allowance	Director	-	1,000	-	-
Dragon Pty Ltd	Consulting fees	Alan Lockett	-	10,800	-	-
Kokoda Holdings Pty Ltd	Consulting fees and reimbursement	Alan Lockett	-	12,000	-	-
Gleason Family Trust (Lea Consulting)	Geological consulting and reimbursement	Jonathan Lea	-	26,430	-	5,679
Kazal Pty Ltd	Consulting	Alan Lockett	25,000	-	-	-
Lea Consulting	Consulting Fees	Jonathan Lea	12,440	-	665	-
Alan Lockett	Remuneration	Alan Lockett	33,475	-	-	-
Jonathan Lea	Remuneration	Jonathan Lea	131,784	-	-	-
Brian McNab	Remuneration	Brian McNab	20,100	-	-	-

Note 10 Earnings per share (EPS)
10.1 Reconciliation of earnings to profit or loss

Loss for the period

(1,934,466) (214,645)

Loss used in the calculation of basic and diluted EPS

(1,934,466) (214,645)

10.2 Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS

Weighted average number of dilutive equity instruments outstanding

10.5

6 months to 31 Dec 2021 No.	27 Aug 2020 to 31 Dec 2020 No.
-----------------------------------	--------------------------------------

45,611,606 6,727,730

N/A N/A

10.3 Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS

45,611,606 6,727,730

10.4 Earnings per share

Basic EPS (cents per share)

10.5

6 months to 31 Dec 2021 ¢	27 Aug 2020 to 31 Dec 2020 ¢
---------------------------------	------------------------------------

(4.241) (3.190)

Diluted EPS (cents per share)

10.5

N/A N/A

10.5 As at 31 December 2021 the Company has 40,232,726 unissued shares under options (December 2020: 21,436,875). The Company does not report diluted earnings per share on losses generated by the Company. During the period, the Company's unissued shares under option were anti-dilutive.

Notes to the financial statements

for the half-year ended 31 December 2021

Note	11	Share-based payments	Note	6 months to 31 Dec 2021 \$	27 Aug 2020 to 31 Dec 2020 \$
11.1	Share-based payments:				
	■ Recognised in profit and loss:				
	□ Professional and consulting costs	11.2.1a		127,500	-
	□ Mineral exploration and evaluation costs – Vendor shares	11.2.1b.i		156,000	-
	□ Mineral exploration and evaluation costs – Vendor options	11.2.1b.ii		25,500	-
	■ Recognised in equity – Transaction costs	11.2.1c		14,471	-
	Gross share-based payments			323,471	-

11.2 Share-based payment arrangements in effect during the period

11.2.1 Issued during the period

a. Professional and consulting costs: CPS Capital Group Pty Ltd (CPS)

In accordance with a Short Form Prospectus lodged on 22 September 2021 (the **Prospectus**), CPS agreed to provide ad hoc corporate advisory services to the Company for a period of 12 months. The Company has agreed, pursuant to the Lead Manager Mandate, to issue CPS 750,000 Shares in lieu of corporate advisory fees payable to CPS for these services. These Shares were issued under the Prospectus on 15 October 2021.

Consultant	Shares No.	Value per Share \$	Total \$
CPS Capital Group Pty Ltd	750,000	0.17	127,500

b. Vendor equity issued fees

During the period, as part of the acquisition of the Pinnacle Well project, the Company issued two tranches of shares as consideration for the project as follows:

350,000 quoted fully paid ordinary shares

400,000 quoted fully paid ordinary shares to be issued on 4 July 2022 (deferred consideration)

In addition, 250,000 fully paid ordinary shares were to be issued to Cadmon Advisory Services for providing corporate advice and services to facilitate the agreement. The Company also acquired an additional tenement in the Mt Davis project. As part consideration the Company issued 200,000 quoted fully paid ordinary shares.

i. Vendor shares

Vendor	Project	Shares No.	Market Value per Share \$	Total \$
Alan Pellegrini	Pinnacle Well	350,000	0.13	45,500
Alan Pellegrini	Pinnacle Well	Deferred	0.13	52,000
Tanvanth Singh Sandhu	Mt Davis	200,000	0.13	26,000
Cadmon Advisory Services	Pinnacle Well	250,000	0.13	32,500
		800,000		156,000

ii. Vendor options

In addition, 850,000 quoted options were issued to Cadmon Advisory Services for providing corporate advice and services to facilitate the agreement 11.4:

Vendor	Project	Number under Option	Date of Expiry	Market Value per Share	Exercise Price	Vesting Terms
Cadmon Advisory Services	Pinnacle Well	850,000	25 Oct 2024	nil	\$0.25	Immediately upon issue

Notes to the financial statements

for the half-year ended 31 December 2021

Note 11 Share-based payments (cont.)**c. Equity-settled transaction costs**

In accordance with a Short Form Prospectus lodged on 22 September 2021 (the **Prospectus**), CPS agreed to underwrite the offer. Under the underwriting agreement the Company agreed to pay the CPS an underwriting fee of 6% (plus any applicable GST) of the total gross proceeds raised under Prospectus and to issue to CPS 2,900,000 options on the same terms as the options to be issued under the Prospectus for providing these services.

Lead Manager	Number under Option	Date of Expiry	Consideration	Exercise Price	Vesting Terms
CPS Capital Group Pty Ltd	2,900,000	25 October 2024	nil	\$0.25	Immediately upon issue

11.3 Movement in share-based payment arrangements during the period

A summary of the movements of all Company options issued as share-based payments is as follows:

	6 months to 31 December 2021		27 Aug 2020 to 30 June 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the period	10,900,000	\$0.25	-	-
Granted	3,750,000	\$0.25	10,900,000	\$0.25
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at period-end	14,650,000	\$0.25	10,900,000	\$0.25
Exercisable at period-end	14,650,000	\$0.25	10,900,000	\$0.25
Reconciliation to total Company options				
Non share-based payment options outstanding at the beginning of the period	10,536,875		-	
Options issued to shareholders (post consolidation basis)	15,045,851		10,536,875	
Total Company options on issue	40,232,726		21,436,875	

- No options were exercised during the period.
- The weighted average remaining contractual life of options outstanding at year end was 2.357 years (30 June 2021: 2.702 years).
- The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

Notes to the financial statements

for the half-year ended 31 December 2021

Note 11 Share-based payments (cont.)**11.4 Fair value of options granted during the half-year**

During the period, listed options were issued as described in 11.2.1c. The options were issued on the same terms as the offer made to shareholders under Short Form Prospectus lodged on 22 September 2021 (the **Prospectus**). Under the Prospectus, the subscription price for these options was \$0.005 per option. Accordingly, this value represents the fair value of the options issued under 11.2.1c.

In addition, the Company issued listed options in accordance with executed acquisition agreements for the Pinnacle Well Tenement and P37/8633 Mt Davis acquisition announced 25 November 2021, as described in 11.2.1b.ii. The fair value of these options is represented by the ASX market price on or about this date, and equated to \$0.03 per option.

The weighted average fair value of options granted during the half-year was \$0.011. These values were calculated using the market value of the options, as described above.

Note Reference	11.2.1b.ii	11.2.1c
Grant date:	25.10.2021	24.11.21
Option exercise price:	\$0.250	\$0.250
Number of options issued:	2,900,000	850,000
Remaining life (years):	2.82	2.82
Market value per option	\$0.005	\$0.03

The life of the options is based on the original term at the date of issue, which may not eventuate in the future.

Note 12 Operating segments**12.1 Identification of reportable segments**

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of business category and geographical areas. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics. The Company considers that it has only operated in one segment, being the exploration business, located wholly in Western Australia.



Notes to the financial statements

for the half-year ended 31 December 2021

Note 13 Statement of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the periods presented, unless otherwise stated.

13.1 Basis of preparation**13.1.1 Reporting Entity**

Ozz Resources Limited (**Ozz Resources** or the **Company**) is a listed public company limited by shares, domiciled and incorporated in Australia. This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Company for the half-year ended 31 December 2021, together with any public announcements made during the half-year.

13.1.2 Basis of accounting

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 financial statements were authorised for issue on 14 March 2022 by the Directors of the Company.

13.1.3 Going Concern

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

The Company incurred a loss for the half-year of \$1,934,466 (31 December 2020: \$214,645 loss) and a net cash out-flow from operating activities of \$1,828,725 (31 December 2020: \$213,300 out-flow). These factors indicate a material uncertainty that may cast a significant doubt on the entity's ability to continue as a going concern.

The Directors have prepared a cash flow forecast which indicates that the consolidated entity will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis because of the following factors:

the Directors have an appropriate plan to raise additional funds as and when they are required.

The Company has the ability to scale down its operations in order to curtail expenditure, in the event that any capital raisings are delayed or insufficient cash is available to meet projected expenditure.

Based on the cashflow forecast and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate, in particular given the Company's history of raising capital to date. The Directors are confident of the Company's ability to raise funds as and when required.

Should the Company not achieve the matters set out above, there is uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Entity not be able to continue as a going concern.

13.1.4 New and Amended Standards Adopted by the Company

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group are:

AASB 2020-4 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions* [AASB 16]

AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2* [AASB 4, AASB 7, AASB 9, AASB 16 & AASB 139].

Notes to the financial statements

for the half-year ended 31 December 2021

Note 13 Statement of significant accounting policies**13.2 Use of estimates and judgments**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

13.2.1 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 supply chain, staffing and geographic region in which the Company operates. 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 entity unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.



Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 15 to 31, are in accordance with the *Corporations Act 2001* (Cth) and:
 - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) 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 Company.
2. In the Directors' opinion 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 Board of Directors pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the directors by:



ALAN LOCKETT

Chairman

Dated this Monday, 14 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF OZZ RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Ozz 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, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, 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 half-year financial report of Ozz Resources Limited does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Ozz Resources Limited 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 *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 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.

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 review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 13.1.3 in the financial report, which indicates that the Company incurred a net loss of \$1,934,466 during the half year ended 31 December 2021. As stated in Note 13.1.3, these events or conditions, along with other matters as set forth in Note 13.1.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



Responsibility of the Directors for the Financial Report

The directors of the Ozz Resources Limited 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 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 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 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.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated in Perth, Western Australia this 14th day of March 2022

Tenement report

as at 31 December 2021

Tenement ID	Holder	Date Granted	Expiry Date	Project Area (Ha)	% Ownership
Maguires Reward					
P20/2318	Finlay, Diane Kaye	29/03/2018	28/03/2022	200	100%
Rabbit Bore					
E51/1671	Diversified Asset Holding Pty Ltd	7/04/2016	6/04/2021 <i>on Renewal</i>	2390	100%
Wardarbie South					
P51/3025	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
P51/3026	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
P51/3027	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
Mt Davis					
P37/8633	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	189	100%
P37/8634	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	195	100%
P37/8635	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	200	100%
P37/8636	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	181	100%
P37/8637	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	200	100%
P37/8638	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	90	100%
P37/9349	Tanvanth Singh Sandhu	8/04/2021	7/04/2025	181	100%
P37/9552	Ozz Resources Ltd	Application		170	100%
P37/9553	Ozz Resources Ltd	Application		180	100%
Peterwangy					
E70/5114	Provident Mining Pty Ltd	14/12/2018	13/12/2023	2390	100%
E70/5691	Ozz Resources Ltd	24/02/2021	23/02/2026	2050	100%
Pinnacle Well					
E37/1246	Alan Pellegrini	5/07/2016	4/07/2026	9562	100%



