



TRUSCOTT
MINING CORPORATION LIMITED

ABN: 31 116 420 378

CONDENSED INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2021

CORPORATE DIRECTORY

Directors

PN Smith *Executive Chairman*
MJ Povey *Executive Director*
EE Smith *Non-Executive Technical Director*

Company Secretary

MJ Povey

Auditor

Walker Wayland WA Audit Pty Ltd
Level 3, 1 Preston Street
Como WA 6152

Stock Exchange Listing

Australian Securities Exchange Ltd
Exchange Plaza
2 The Esplanade
Perth WA 6000
ASX Code - **TRM**

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Mailing Address

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CONTENTS

| | |
|--|----|
| Corporate Directory | 1 |
| Directors' Report | 2 |
| Auditor's Independence Declaration | 5 |
| Statement of Profit or Loss and Other Comprehensive Income | 6 |
| Statement of Financial Position | 7 |
| Statement of Changes in Equity | 8 |
| Statement of Cash Flows | 9 |
| Notes to and forming part of the Financial Statements | 10 |
| Directors' Declaration | 15 |
| Independent Auditor's Review Report | 16 |

DIRECTORS' REPORT

Your Directors present the financial report for the company for the half-year ended 31 December 2021.

DIRECTORS

The names of Directors who held office during the half-year and up to the date of signing this report, unless otherwise stated are:

| | |
|----------------------|--|
| Peter Neil Smith | Executive Chairman |
| Michael Jarvis Povey | Executive Director and Company Secretary |
| Ewan Edward Smith | Non-Executive Director |

REVIEW OF OPERATIONS

The net loss of the company for the half year after providing for income tax amounted to \$75,885.

A review of the operations of the company during the half year has seen an increase in Other income of 77% to \$114,952 (mainly due to a gain being recognised on share-based payments this half year). There has been an improvement in the after-tax net result from a loss of \$162,372 for the half year to 31 December 2020 to net after tax loss of \$75,885 for the half year to 31 December 2021.

RIGHTS ISSUES

At the company's 2021 AGM on 5 November 2021 the following performance rights issues were approved:

3,200,000 Class M Performance Rights to the executive directors in lieu of directors' fees;
2,000,000 Class N Performance Rights to the executive Directors to recognise sacrifices made by them on behalf of the Company.

No funds were raised from the issue of these rights, but there was a saving in cash outflows as a result of the issue of the Class M Performance Rights amounting to \$144,000.

AFTER BALANCE DATE EVENT

The Directors are not aware of any matter or circumstance since the end of the half year 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 subsequent financial periods.

SUMMARY

Truscott is now, positioned to drive value, through realisation of significant intangible assets in the form of new knowledge, by the carriage of research and development initiatives to commercialisation.

The new knowledge attained by Truscott, including advances in the modelling of strike slip mineralisation, means that the timing of transformation to commercialisation is primarily dependent on gold sector market considerations, and ability of the Company to raise sufficient capital.

Subject to the foregoing commentary, the company stands ready to advance the drill out and development of its lead high grade gold project – Westminster. The required drill program discipline, to provide for ore resource extension drilling, is supported by Truscott's findings from substantial research and development work.

Truscott has provided for further expansion of business by the selection of the North Tennant Creek and Barkly reconnaissance areas within structurally preferred locations. Reconnaissance exploration programs using modelling, with attributes of intelligent design, are targeting substantive zones of mineralisation.

Using the new models and search techniques, an extensive strike length of anomalous mineralisation has been located on the Barkly Project, indicating the possibility of a significant new discovery.

DIRECTORS' REPORT (continued)

STATUS OF EXPLORATION & DEVELOPMENT ACTIVITIES

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status: Development Schedule Planned

The Westminster Project area contains a historical mineral resource. There is further potential to define additional ore bodies within a substantial mineralised zone with over two kilometres of strike length and repetitions of lines of mineralisation. The mineralisation is polymetallic in character, though Truscott expects development to be based on the high-grade gold tenor without accounting for other metal credits.

The structural architecture of the system provides for a large-scale system of mineralisation with further complete multiple zones of shearing exhibited at intervals to the north of the primary target zone for the establishment of mining operations.

Planning has commenced to provide for the establishment of an increased mining operations lease holding, sufficient in size to provide for the area necessary to support mining operations. A natural gas supply pipeline passes through the corner of the extended lease and the Tennant Creek power station is located five hundred metres to the south.

Project Status: Late-Stage Reconnaissance Exploration

Barkly Project Area (Truscott: EL31579 – 100%)

The Barkly exploration region is currently receiving interest from some major exploration and mining companies. Truscott as an established explorer in the area, works with a comparative advantage to the late comers, who will be dependent on geophysical data. The company having written the mathematics to model the structural setting and to provide a context for exploration work.

A first application and test for the use of the mathematical modelling by Truscott, has provided confirmation of its potential to drive mineral discovery. Truscott interprets the centre of the Barkly Project as being a large fold structure that fits in both scale and position with the company's modelling. Within the large fold a series of smaller or parasitic folds provide further context for understanding the expected control settings for the location of mineralisation.

Field reconnaissance, in its early phase, has proceeded in the first instance to undertake surface rock chip sampling in accordance with predicted locations for mineralisation. The leakage of mineralisation along five hundred metres of a shear zone evaluated to date has generated remarkably consistent results for pathfinder elements Copper (Cu), Lead (Pb) and Arsenic (As). The anomalous results provide a first indication of the potential for a significant body of gold and sulphide mineralisation below or adjacent to the initial sample zone.

Project Status: Mid-Stage Reconnaissance Exploration

North Tennant Project Area (Truscott: EL32111 – 100%)

The company selected the North Tennant Project area using the same criteria as that applied to the Barkly Project area and exhibits the same structural characteristics. Truscott has also interpreted the centre of the North Tennant Project as being a large fold structure that fits in both scale and position with the company's modelling. Within the large fold a series of smaller or parasitic folds provide further context for understanding the expected control settings for the location of mineralisation.

The North Tennant project follows the Barkly Project in terms of its sequencing of exploration work. Application and testing, using the mathematical modelling developed by Truscott, has commenced with early work confirming the presence of the expected strike slip elements crossing the Project area.

The next stage of reconnaissance work will use fractal level two models to provide a focus for undertaking initial field observations to better understand the landforms and assimilate structural observations. More detailed modelling of fractal three shall then follow for the purpose of targeting zones for surface sampling.



Peter N Smith
Executive Chairman

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity 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. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 5 for the half-year ended 31 December 2021.

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



Director

Michael J Povey

Dated this 15th day of March 2022

**Auditor's Independence Declaration Under Section 307C of The Corporations Act 2001
to The Directors of Truscott Mining Corporation Limited**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2021 there have been no contraventions of:

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

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

Richard J Gregson

**Richard Gregson CA
Director
Level 3, 1 Preston Street, COMO WA 6152**

Dated this 15th day of March 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2021

| | Notes | 31 December 2021 \$ | 31 December 2020 \$ |
|--|-------|---------------------------|---------------------------|
| Other income | 2 | 114,952 | 64,869 |
| Expenses | | | |
| Consultants | | (7,059) | (10,300) |
| Directors' deferred remuneration | | (72,000) | (72,000) |
| Directors' performance rights | | (40,612) | (72,368) |
| Depreciation | | (703) | (16) |
| Superannuation expenses | | (703) | (669) |
| Wages and salaries | | (7,040) | (7,040) |
| Compliance and regulatory expenses | | (49,355) | (40,416) |
| Other expenses | | (13,305) | (24,432) |
| Loss before income tax | | (75,885) | (162,372) |
| Income Tax (expense)/benefit | | - | - |
| Loss for the period | | (75,885) | (162,372) |
| Other comprehensive income | | | |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive loss for the period | | (75,885) | (162,372) |
| Total loss attributable to members of the Company | | (75,885) | (162,372) |
| Earnings per share | | | |
| From continuing operations: | | | |
| Basic loss per share (cents per share) | | (0.050) | (0.133) |
| Diluted loss per share (cents per share) | | (0.050) | (0.133) |

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

| | Notes | 31 December 2021 \$ | 30 June 2021 \$ |
|--|-------|---------------------------|-----------------------|
| Current Assets | | | |
| Cash and cash equivalents | | 137,489 | 62,650 |
| Trade and other receivables | | 55,203 | 74,357 |
| Prepaid expenses | | 16,503 | 7,740 |
| Total Current Assets | | 209,195 | 144,747 |
| Non-Current Assets | | | |
| Property, plant & equipment | | 5,283 | 3,697 |
| Deferred exploration, evaluation & development expenditure | 3 | 4,793,823 | 4,729,180 |
| Total Non-Current Assets | | 4,799,106 | 4,732,877 |
| Total Assets | | 5,008,301 | 4,877,624 |
| Current Liabilities | | | |
| Trade and other payables | 4 | 98,037 | 48,899 |
| Total Current Liabilities | | 98,037 | 48,899 |
| Non-Current Liabilities | | | |
| Trade and other payables | 4 | 1,066,528 | 1,142,944 |
| Deferred tax liabilities | | - | - |
| Loan – director | 10 | 165,500 | 196,500 |
| Total Non-Current Liabilities | | 1,232,028 | 1,339,444 |
| Total Liabilities | | 1,330,065 | 1,388,343 |
| Net Assets | | 3,678,236 | 3,489,281 |
| Equity | | | |
| Issued capital | 5 | 9,233,528 | 8,883,173 |
| Reserves | | 209,958 | 295,473 |
| Accumulated losses | | (5,765,250) | (5,689,365) |
| Total Equity | | 3,678,236 | 3,489,281 |

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2021

| | Issued Capital \$ | Accumulated Losses \$ | Rights Reserve \$ | Total \$ |
|---|-------------------------|-----------------------------|----------------------|------------------|
| Balance at 1 July 2020 | 8,683,434 | (5,385,068) | 137,181 | 3,435,547 |
| Shares issued during the 6 months | 202,000 | - | - | 202,000 |
| Transaction costs during the 6 months | (13,855) | - | - | (13,855) |
| Rights expired during the 6 months | - | - | (54,860) | (54,860) |
| Rights issued during the 6 months | - | - | 227,552 | 227,552 |
| Loss attributable to the members for the 6 months | - | (162,372) | - | (162,372) |
| Balance at 31 December 2020 | 8,871,579 | (5,547,440) | 309,873 | 3,634,012 |
| Balance at 1 July 2021 | 8,883,173 | (5,689,365) | 295,473 | 3,489,281 |
| Shares issued during the 6 months | 516,000 | - | - | 516,000 |
| Transaction costs during the 6 months | (14,829) | - | - | (14,829) |
| Loss on share based issues | (150,816) | - | - | (150,816) |
| Rights converted to shares | - | - | (155,184) | (155,184) |
| Rights expired during the 6 months | - | - | (39,847) | (39,847) |
| Rights issued during the 6 months | - | - | 109,516 | 109,516 |
| Loss attributable to the members for the 6 months | - | (75,885) | - | (75,885) |
| Balance at 31 December 2021 | 9,233,528 | (5,765,250) | 209,958 | 3,678,236 |

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2021

| | 31 December 2021 \$ | 31 December 2020 \$ |
|--|---------------------------|---------------------------|
| Cash flows from operating activities | | |
| Payments to suppliers, consultants, and employees | (98,924) | (86,365) |
| Covid-19 cashflow boost | - | 10,000 |
| Interest received | 9 | 9 |
| Net cash provided by operating activities | (98,915) | (76,356) |
| Cash flows from investing activities | | |
| Net credit for exploration, evaluation and development expenditure | 12,217 | 23,480 |
| Payment for office equipment | (2,634) | - |
| Net cash used in investing activities | 9,583 | 23,480 |
| Cash flows from financing activities | | |
| Proceeds of borrowings | - | 5,000 |
| Repayment of borrowings | (31,000) | - |
| Proceeds from share issues | 210,000 | 200,000 |
| Capital raising costs | (14,829) | (13,855) |
| Net cash provided in financing activities | 164,171 | 191,145 |
| Net increase in cash held | 74,839 | 138,269 |
| Cash and cash equivalents at the beginning of the period | 62,650 | 841 |
| Cash and cash equivalents at the end of the period | 137,489 | 139,110 |

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2021

1 BASIS OF PREPARATION

These general purpose condensed interim financial statements for the half-year reporting period ended 31 December 2021 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Truscott Mining Corporation Ltd. 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 conjunction with the annual financial statements of the Company for the year ended 30 June 2021, together with any public announcements made during the half-year.

These condensed interim financial statements were authorised for issue on 15th March, 2022.

Accounting Policies

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021.

Adoption of new and revised standards

Standards and Interpretations applicable to current interim period

The Company has adopted all new and amended standards and interpretations applicable for the current period. The adoption of these standards and interpretations had no material impact on these financial statements or on the financial position or performance of the Company.

The Company has not elected to early adopt any other new standards or amendments that are issued but not yet effective. If required, comparative financial statements will be adjusted or reclassified to conform to the current period presentation.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2021 annual report.

Material Uncertainty Related to Going Concern

For the half year ended 31 December 2021, the Company made a loss of \$75,885, and had net cash outflows from operating and investing activities of \$86,698 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows respectively.

As a result of the need for continued cash outflows from operating and investing activities the directors have assessed the Company's ability to continue as a going concern and to pay its debts as and when they fall due. The Company's ability to fund exploration commitments and for use as working capital is dependent upon raising additional capital now and in future years, selling assets, or deriving revenue from existing operations.

The Directors of the Company advise the following initiatives have been taken or are being pursued/considered to raise additional funding:

1. The Company has prepared an application to the ATO for an Exploration Development Incentive (EDI), to support a proposed placement of \$4,000,000 in fully paid shares, to be applied to exploration activities;
2. The Company continues invest into a significant research and development program with commensurate rebates and returns on outgoing expenditure of circa \$75,000 per annum;
3. The Westminster Gold Project is well advanced for taking to potential joint venture partners against a background of continued substantial increases in gold and metal prices.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2021

Material Uncertainty Related to Going Concern (Cont'd)

4. The Directors are accepting reduced consulting fees and/or have deferred payment of over 50% for consulting services and fully deferred payment of Directors fees until the Company has the cash resources to pay these in full; and
5. The Directors will continue the practice of loaning funds to the Company and operating from their private offices at no cost to the Company, as required.

Accordingly, the Directors have prepared the financial statements on a going concern basis. As such, the financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

In the event the Company is not able to achieve the above requirements, there is material uncertainty that casts significant doubt on whether the Company will continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial report.

2 OTHER INCOME

| | 31 December 2021 \$ | 31 December 2020 \$ |
|--|---------------------------|---------------------------|
| The following revenue items are relevant in explaining the financial performance for the interim period: | | |
| Interest received from other persons | 9 | 9 |
| Covid-19 cashflow boost | - | 10,000 |
| Credit transfer from the Rights Reserve on the expiry of Class E & F performance rights | 39,847 | 54,860 |
| Gain on remuneration liabilities settled by share based payments | 75,096 | - |
| | 114,952 | 64,869 |

Gain on remuneration liability settled by equity based payments:

2021

At the Company's 2021 AGM the shareholders agreed to issue the Executive Directors 3,200,000 Class M Performance rights in lieu of their directors' fees of \$144,000 for the 2020/21 year.

The gain arose due to the difference between the amounts payable and the value of the rights (as independently valued) as issued:

| | Amount Payable \$ | Fair Value \$ | Gain \$ |
|------------------------|----------------------|------------------|------------|
| Executive directors | 100,800 | 48,233 | 52,567 |
| Non-executive director | 43,200 | 20,671 | 22,529 |
| Totals | 144,000 | 68,904 | 75,096 |

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2021

3 DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

| | \$ | \$ |
|--|------------------|------------------|
| Carrying amount at 1 July 2021 – at cost | 4,729,180 | 4,618,720 |
| Deferred exploration, evaluation and development expenditure during the period – at cost | 121,452 | 186,655 |
| R & D tax incentive offset against costs | (56,809) | (76,195) |
| Carrying amount at 31 December 2021 – at cost | <u>4,793,823</u> | <u>4,729,180</u> |

The ultimate recoupment of the above deferred exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest. All of the above expenditure relates to exploration phase.

4 TRADE AND OTHER PAYABLES

- CURRENT

| | 31 December 2021 \$ | 30 June 2021 \$ |
|--------------------------------------|---------------------------|-----------------------|
| Sundry payables and accrued expenses | 98,037 | 48,899 |

- NON-CURRENT

| | 31 December 2021 \$ | 30 June 2021 \$ |
|---------------------------------|---------------------------|-----------------------|
| Amounts due to related parties: | | |
| Consulting fees | 1,005,250 | 937,666 |
| Directors' fees | 61,278 | 205,278 |
| | <u>1,066,528</u> | <u>1,142,944</u> |

The directors have agreed that they will not request payment of the consulting and directors' fees until 30 June 2023, or until the Company has the capacity to pay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2021

5 ISSUED CAPITAL

(i) Issued and paid-up capital:

| | 31 December 2021 Shares | 30 June 2021 Shares | 31 December 2021 \$ | 30 June 2021 \$ |
|------------|-------------------------------|---------------------------|---------------------------|-----------------------|
| Fully paid | 151,941,544 | 136,941,544 | 9,233,528 | 8,883,173 |

(ii) Movements in ordinary share capital during the current financial period are as follows:

| | 31 December 2021 Shares | 30 June 2021 Shares | 31 December 2021 \$ | 30 June 2021 \$ |
|---|-------------------------------|---------------------------|---------------------------|-----------------------|
| Balance at 1 July 2021 | 136,941,544 | 136,941,544 | 8,883,173 | 8,883,173 |
| Shares issued on 09/07/21 at 3.5 cents | 6,000,000 | - | 210,000 | - |
| Class K Performance Rights converted to shares on 15/07/2021 at 3.4 cents | 9,000,000 | - | 306,000 | - |
| Less: Loss on conversion of Class K Performance rights | - | - | (150,816) | - |
| Less: Share issue costs | - | - | (14,829) | - |
| Balance at 31 December 2021 | 151,941,544 | 136,941,544 | 9,233,528 | 8,883,173 |

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up. Shareholders are entitled to one vote per share held either in person or by proxy at a meeting of the Company when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the 2021 AGM the shareholders agreed to issue 3,200,000 Class M Performance Rights and 2,000,000 Class N Performance rights to the Directors. These rights did not vest before 1/07/2021 and are subject to milestones being met. These milestones are: an average closing price of 7 cents for Class M Performance Rights and 8 cents for Class N Performance Rights, on 20 consecutive days on the ASX. Both classes of rights expire on 5/11/2025.

(iv) The Company does not have any options on issue.

(v) Performance rights on issue at 31 December 2021

| Class | Vested | Expiry | Number | Milestone met |
|-------|--------|------------|-----------|---------------|
| G | Yes | 23/11/2022 | 5,929,000 | No |
| H | Yes | 23/11/2022 | 5,929,000 | No |
| J | Yes | 22/11/2023 | 6,300,000 | No |
| L | Yes | 23/11/2024 | 5,250,000 | No |
| M | Yes | 5/11/2025 | 3,200,000 | No |
| N | Yes | 5/11/2025 | 2,000,000 | No |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2021

6 SEGEMENT INFORMATION

The Company operated solely in Australia in mineral exploration for the whole of the period.

7 CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets and liabilities as at the date of this report.

8 EVENTS SUBSEQUENT TO REPORTING DATE

The directors are not aware of any matter or circumstance since 31 December 2021 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 subsequent financial years.

9 COMMITMENTS

Operating lease commitments

The Company does not have any operating leases.

Capital expenditure commitments

Estimated commitments for which no provisions were included in the financial statements are as follows:

Exploration Expenditure Commitments

The Company has obligations to perform minimum annual exploration work totalling \$163,000 on its properties.

10 RELATED PARTY DISCLOSURES

Transactions with related parties:

Peter N Smith is a director of Resource Investments & Consulting Pty Ltd (RIC) which provided mine engineering and geological services totalling \$92,400 (net of GST) during the 6 months ended 31/12/2021 (6 months ended 31/12/2020 \$77,220). Of the \$92,400, by agreement, the Company has deferred payment of \$55,440 until the Company has the capacity to pay. The total amount deferred, net of GST, by RIC at 31/12/2021 was \$770,524, (31/12/2020 \$670,204). RIC charges less than the full monthly fee as per the contract.

Michael J Povey is the principal of an accounting practice which provided accounting and Company secretarial services totalling \$18,100 (net of GST) during the 6 months ended 31/12/2021 (6 months ended 31/12/2020 \$18,100). Of the \$18,100, by agreement, the Company has deferred payment of \$8,500 until the Company has the capacity to pay. The total amount deferred, net of GST, by Mr Povey at 31/12/2021 was \$143,340, (31/12/2020 \$131,340). Mr Povey charges less than the full monthly fee as per his contract.

RIC has loaned to the Company \$165,500. The loan has no fixed term, no required repayments, and is interest free. RIC has agreed that the full balance is not required to be paid until the Company has the capacity to pay.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements, and accompanying notes set out above, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) 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.
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.



Michael J Povey
Director

Dated this 15th March 2022

**Independent Auditor's Review Report
To the Members of Truscott Mining Corporation Limited**

REPORT ON THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Truscott Mining Corporation Limited ("the Company"), which comprises the statement of financial position as at 31 December 2021, the statement of 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 half-year financial report of Truscott Mining Corporation Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date;
- (ii) and 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 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.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Truscott Mining Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Regarding Going Concern

Without modifying our opinion, we draw attention to the following matter. As a result of the matters disclosed in Note 1) "Going Concern" of the financial report, there are material uncertainties that cast significant doubt whether the Company can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the Company to continue as a going concern is dependent upon its ability to generate additional funding through further capital raising and or the successful exploration of its tenements.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

Richard J Gregson

**Richard Gregson CA
Director
Level 3, 1 Preston Street, COMO WA 6152**

Dated this 15th day of March 2022