



MANDRAKE RESOURCES LIMITED

A.B.N. 60 006 569 124

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 December 2022

Table of Contents

| | |
|---|----|
| CORPORATE DIRECTORY | 3 |
| DIRECTORS' REPORT | 4 |
| AUDITOR'S INDEPENDENCE DECLARATION..... | 8 |
| CONSOLIDATED STATEMENT of Profit or Loss AND OTHER COMPREHENSIVE INCOME | 9 |
| CONSOLIDATED Statement of Financial Position | 10 |
| CONSOLIDATED Statement of changes in equity | 11 |
| CONSOLIDATED STATEMENT of Cash Flows..... | 12 |
| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS | 13 |
| DIRECTORS' DECLARATION..... | 17 |
| INDEPENDENT AUDITOR'S REVIEW REPORT | 18 |

CORPORATE DIRECTORY

Directors

Lloyd Flint – Non-Executive Chairman
Roger Fitzhardinge – Non-Executive Director
James Allchurch – Managing Director

Company Secretary

Lloyd Flint

Registered office

Level 1,
10 Outram Street
West Perth 6005
Ph: +61 8 9200 3743
Fax: +61 8 9200 3742
Website: www.mandrakeresources.com.au

Auditors

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Share Registry

Automatic Registry Services
Level 5, 191 ST GEORGES TERRACE
PERTH WA 6000 Australia
Postal Address: GPO Box 5193
Sydney NSW 2001 Australia
Telephone: 1300 288 664 (within Australia)
+61 8 9698 5414

Bankers

National Australia Bank
1232 Hay Street
West Perth WA 6005

Securities Exchange Listing

Australian Securities Exchange Limited

ASX Code – MAN

DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2022.

Directors

The names of directors who held office during or since the end of the half-year:

| Name | Status |
|-----------------------|------------------------|
| Mr Lloyd Flint | Non-Executive Chairman |
| Mr Roger Fitzhardinge | Non-Executive Director |
| Mr James Allchurch | Managing Director |

Company Secretary

Mr Lloyd Flint

Operating Results

The consolidated loss of the group for the period after providing for income tax amounted to \$155,201 (2021: Loss of \$237,283).

Review of Operations

During the half year ending 31 December 2022 the Company focussed on the Berinka project, completing a drilling campaign of 11 holes for 1,131m and a soil and rock chip sampling campaign which collected 56 soil and 21 rock chip samples.

Drilling results defined gold mineralisation over a strike length of greater than 2km between Vegetation Anomaly and Terry's Prospect and also identified platinum and palladium anomalism for the first time in the Sandy Creek Complex gabbro host rock. Most of the Vegetation and Terry's Prospect area is under cover and there is insufficient drilling to enable a complete understanding of the extent of higher grade zones or their controlling structures.

A further drilling programme is required to more adequately define the controls and extent of Au/Cu mineralization at Vegetation Anomaly with further work also required to investigate Ni/PGE anomalism identified within the Sandy Creek mafic unit. This drill programme is planned for the conclusion of the 2022/2023 wet season and may be accompanied by additional infill soil sampling.

As at December 31 2022, the Company had approximately \$17.19M in cash which has enabled the assessment of various project opportunities across a broad range of commodities and geographies with a view to identifying attractive, suitably priced assets capable of adding shareholder value.

Berinka Pine Creek Gold-Copper Project (Mandrake 100%)

During the reporting period, Mandrake completed a drilling programme targeting high-grade gold and copper mineralisation at the 100%-owned Berinka Pine Creek Gold Project in the Northern Territory (Figure 1).

The drilling programme included reverse circulation (RC) and diamond drilling of 11 holes for 1,131m which comprised 1,047m of RC drilling plus an 84m diamond tail of NQ2 core at FBRD014.

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

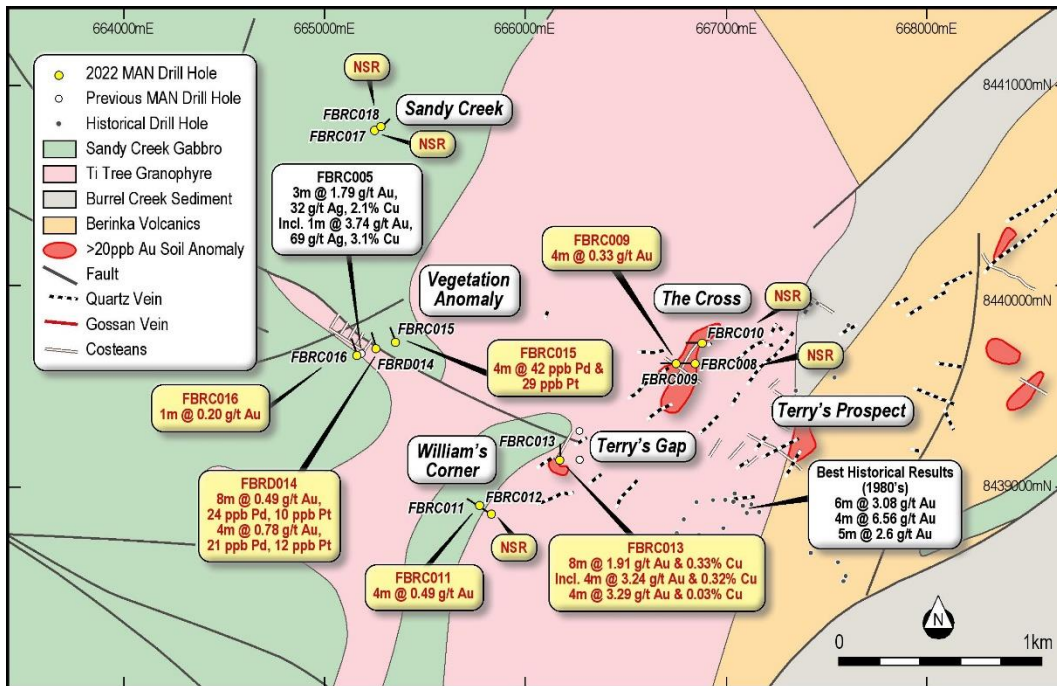


Figure 1: Plan showing inferred lithology, drill hole locations and results

RC sampling primarily comprised 4m composites, with individual metre samples over anomalous intervals submitted to the laboratory for analysis. Results of the individual metre samples were intended to provide further information as to mineralization style and distribution of grade.

FBRC013 was drilled at Terry's Gap to test along strike from mineralisation intersected during the 2020 RC drilling campaign. Strong oxide gold-copper mineralisation associated with weathered quartz veining and silica alteration was intersected near the top of the hole from 4m, returning 6m @ 2.3 g/t Au and 0.34% Cu (including 3m @ 3.8 g/t Au and 0.35% Cu from 7m).

Several zones of strong alteration and veining were intersected, particularly from 152-168m, mostly related to rafts of sheared gabbro and quartz/pyrite veining within the Ti-tree Granophyre host rock. The interval 164-168m assayed 3.29 g/t Au which included 1m @ 7.3g/t Au from 164m.

FBRD014 intersected a zone of oxide mineralisation in the RC pre-collar between 12 and 16m which assayed 0.78 g/t Au and an intense zone of carbonate crackle veining and brecciation from 88m to 110m which was clearly evident in diamond core. Patchy disseminated chalcopyrite (1-5%) was observed between 94 and 110m mostly associated with zones of intense brecciation and carbonate-sericite-silica-sulphide alteration. Results from the core included 3m @ 0.27g/t Au from 96m.

FBRC015 and FBRC016 at Vegetation Anomaly encountered strong sericite-carbonate-sulphide alteration with anomalism up to 0.2 g/t Au and 0.14% Cu.

Interestingly, broad zones of platinum (Pt) and palladium (Pd) anomalism were intersected for the first time in the Sandy Creek Complex gabbro host rock in both FBRD014 and FBRC015. These zones assayed up to 4m @ 42 ppb Pt and 29 ppb Pd (71 ppb Pt + Pd) from 32m depth within a broader 32m wide zone averaging 43 ppb Pt + Pd. The highly anomalous PGE interval of gabbro was associated with distinctly elevated Mg-Ni geochemistry.

This potentially indicates that the Sandy Creek Complex is more fractionated than previously thought, which has markedly increased the Ni-PGE prospectivity of the mafic body.

Soil and Rock Chip Sampling

In July and August 2022, Mandrake carried out soil and rock chip sampling at Berinka with a view to refining existing prospects and generating new targets.

Infill soil sampling was carried out in two areas (see Figure 2) to follow up gold in soil anomalism in a soil sampling program carried out by Discovery Nickel Limited (DNL) in 2004. Soil samples were collected at 50m

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity**

sample spacings to infill the existing grid to 200m line spacings. A total of 56 samples were collected along 5 lines.

The infill soil sampling returned a peak result of 236 ppb Au. This sample appears to validate the DNL peak soil result of 250ppb Au on a line 200m to the north.

21 rock-chip samples were collected during geological traversing throughout the tenement. The traverses focussed on areas with anomalous stream, soil and rock-chip geochemistry as well as areas with geological potential for a range of mineralisation types that had not been adequately followed up by previous explorers.

Several of the samples returned anomalous assays for gold (see 19 October 2022 release), however none resulted in immediate targets for follow up work.

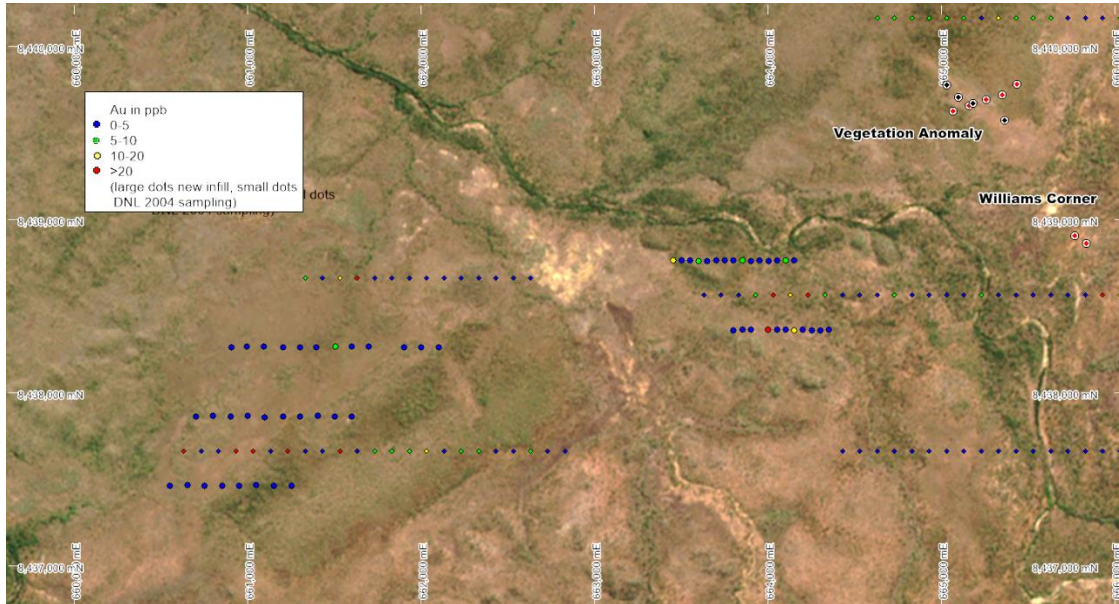


Figure 2: Berinka July/August 2022 soil sampling - gold

Jimperding Project (Mandrake 100%)

The 142km² Jimperding Project lies approximately 30km east of Chalice Mining Limited’s (Chalice) Julimar PGE-Ni-Cu deposit and includes the historical Newleyine prospect and two new prospects identified by the Company (Tolarno North and South). No activity was carried out at the Jimperding project during the period.

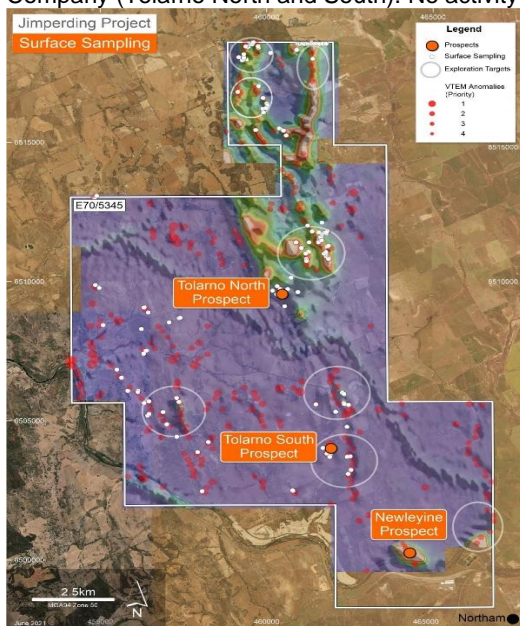


Figure 3 - Jimperding Project and prospects

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

Assessment of New Projects

Mandrake has been extremely active in evaluating several new project opportunities as well as continuing to undertake project generative work with a focus on battery metals.

During the half year ended December 2022, Mandrake concluded the evaluation and due diligence of the Delfin project which, notwithstanding Mandrake's best endeavours, was unable to satisfy the Conditions Precedent of the Terms Sheet by the End Date (refer to the release dated 26 September 2022). Resultingly Mandrake did not proceed with the Delfin transaction.

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr James Allchurch, Managing Director of Mandrake Resources. Mr Allchurch is a Member of the Australian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Allchurch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Corporate

During the period 57,878,517 shares were issued on receipt of notices to exercise options at \$0.03 each to raise \$1,736,356 before costs. 30,000,000 performance rights approved by shareholders in general meeting were issued during the period.

Events subsequent to the reporting date

The Company announced that it had embarked on exploration for lithium brines in Utah, USA and had applied, and was continuing to apply, for licences to explore. 44,000,000 fully paid shares were issued at \$0.05 cents each to raise \$2.2m before costs to progress the project. 1,760,000 ordinary shares were issued at the placement price in lieu of cash fees. 5,000,000 options with an exercise price of \$0.10 cents and a four year term forming part of the capital arrangement fees were also issued.

9,500,000 performance rights with 3 year terms and various non-market performance hurdles were issued to the US exploration manager.

Other than the above, the directors are not aware of any significant events since the end of the interim period.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 8 for the half-year ended 31 December 2022.

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



James Allchurch
Managing Director

Dated 9 March 2023

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF MANDRAKE RESOURCES LIMITED

As lead auditor for the review of Mandrake Resources Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Mandrake Resources Limited and the entities it controlled during the period.



Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth
9 March 2023

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED
31 DECEMBER 2022

| | Note | Half-year | |
|---|------|------------------|------------------|
| | | 31.12.22 | 31.12.21 |
| | | \$ | \$ |
| Interest income | | 128,952 | 4,028 |
| Administration, accounting and audit | | (130,797) | (162,435) |
| Corporate Costs | | (72,075) | (63,104) |
| Exploration expenditure written off | 2 | (18,588) | - |
| Legal, compliance and professional fees | | (32,440) | (14,396) |
| Share based payments | | (30,253) | - |
| Travel | | - | (1,377) |
| Loss before income tax | | (155,201) | (237,283) |
| Income tax expense | | - | - |
| Net (Loss) for the period | | (155,201) | (237,283) |
| Other comprehensive income: | | | |
| Items that may be reclassified to profit or loss | | - | - |
| Items that will not be reclassified to profit or loss | | - | - |
| Total comprehensive loss for the period | | (155,201) | (237,283) |
| Loss is attributable to: | | | |
| Members of the parent entity | | (155,201) | (237,283) |
| | | (155,201) | (237,283) |
| Total comprehensive loss for the half-year is attributable to: | | | |
| Members of the parent entity | | (155,201) | (237,283) |
| | | (155,201) | (237,283) |
| Loss per share from continuing operations: | | | |
| - basic and diluted loss per share (cents) | | (0.03) | (0.05) |

As a result of the loss for the period, the potential ordinary shares are anti-dilutive and therefore a diluted loss per share is not disclosed.

The accompanying notes form part of these financial statements.

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

| | Note | 31.12.22 | 30.06.22 |
|--|------|-------------------|-------------------|
| | | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 17,191,626 | 16,262,730 |
| Trade and other receivables | | 94,524 | 77,557 |
| TOTAL CURRENT ASSETS | | 17,286,150 | 16,340,287 |
| NON-CURRENT ASSETS | | | |
| Exploration and Evaluation expenditure | 2 | 4,149,478 | 3,526,199 |
| TOTAL NON-CURRENT ASSETS | | 4,149,478 | 3,526,199 |
| TOTAL ASSETS | | 21,435,628 | 19,866,486 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 152,516 | 185,260 |
| TOTAL CURRENT LIABILITIES | | 152,516 | 185,260 |
| TOTAL NON-CURRENT LIABILITIES | | - | - |
| TOTAL LIABILITIES | | 152,516 | 185,260 |
| NET ASSETS | | 21,283,112 | 19,681,226 |
| EQUITY | | | |
| Issued capital | 3(a) | 35,431,081 | 33,704,247 |
| Performance rights Reserves | 3(b) | 2,342,442 | 2,312,189 |
| Option Reserve | 3(c) | 1,842,966 | 1,842,966 |
| Accumulated losses | | (18,333,377) | (18,178,176) |
| TOTAL EQUITY | | 21,283,112 | 19,681,226 |

The accompanying notes form part of these financial statements.

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED
31 DECEMBER 2022

| | Note | Issued Capital \$ | Performance Rights Reserve \$ | Option Reserve \$ | Accumulated losses \$ | Total \$ |
|--|------|-------------------------|--|-------------------------|-----------------------------|-------------------|
| Balance at 1.7.21 | | 32,346,886 | 2,312,189 | 1,842,966 | (17,618,412) | 18,883,629 |
| Loss attributable to members of parent entity | | - | - | - | (237,283) | (237,283) |
| Transactions with owners: | | | | | | |
| Performance rights issued | | - | - | - | - | - |
| Shares issued during the period net of transaction costs | 3(a) | 1,107,883 | - | - | - | 1,107,883 |
| Balance at 31.12.21 | | 33,454,769 | 2,312,189 | 1,842,966 | (17,855,695) | 19,754,229 |
| Balance at 1.7.22 | | 33,704,247 | 2,312,189 | 1,842,966 | (18,178,176) | 19,681,226 |
| Loss attributable to members of parent entity | | - | - | - | (155,201) | (155,201) |
| Transactions with owners: | | | | | | |
| Performance rights issued | | - | 30,253 | - | - | 30,253 |
| Shares issued during the period net of transaction costs | 3(a) | 1,726,834 | - | - | - | 1,726,834 |
| Balance at 31.12.22 | | 35,431,081 | 2,342,442 | 1,842,966 | (18,333,377) | 21,283,112 |

The accompanying note form part of the financial statements

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED
31 DECEMBER 2022

| | Note | Half-year | |
|---|------|-------------------|-------------------|
| | | 31.12.22 | 31.12.21 |
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments to suppliers | | (285,023) | (338,004) |
| Interest received | | 128,952 | 4,028 |
| Net cash (used in) operating activities | | (156,071) | (333,976) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Exploration and evaluation expenditure | 2 | (641,867) | (394,758) |
| Net cash (used in) investing activities | | (641,867) | (394,758) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issue of shares | 3(a) | 1,736,356 | 1,113,397 |
| Share issue costs | 3(a) | (9,522) | (5,514) |
| Net cash provided by financing activities | | 1,726,834 | 1,107,883 |
| Net increase/(decrease) in cash held | | 928,896 | 379,149 |
| Cash and cash equivalents at beginning of period | | 16,262,730 | 16,062,419 |
| Cash and cash equivalents at end of period | | 17,191,626 | 16,441,569 |

NON-CASH INVESTING ACTIVITIES

There were no non-cash investing activities during the period.

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Mandrake Resources Limited (the Company) and its subsidiaries (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the following half-year. The accounting policies adopted are consistent with those adopted and disclosed in the Company's Annual Report for the year ended 30 June 2022 unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities

These interim financial statements were authorised for issue on 9 March 2022.

b. Adoption of new and revised standards

Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2022.

New and amended standards adopted by the Group

The impact of other new and amended standards adopted by the Group, has not had a material impact on the amounts presented in the Group's financial statements.

c. Going Concern

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

The net loss after income tax for the Group for the six months to 31 December 2022 was \$155,201 (31 December 2021: loss of \$237,283). As at 31 December 2022, the Group has a net asset position of \$21,283,113 (30 June 2022: net assets of \$19,681,226) and cash and cash equivalent of \$17,191,626 (30 June 2022: \$16,262,730).

The Directors believe the Group will continue as a going concern and able to pay its debts as and when they fall due. Forecast cashflows demonstrate that the Group can operate on a Going Concern basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

d. Segment information

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its' assets and liabilities are primarily related to the corporate office and are located within Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

e. Share-based payments

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or options/performance rights over shares ("equity-settled transactions").

The fair value of performance rights is recognised as an expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the holder becomes unconditionally entitled to the options. Fair value is determined using a Black-Scholes or appropriate trinomial option pricing model as appropriate. In determining fair value, no account is taken of any performance conditions other than those related to the share price of Mandrake Resources ("market conditions").

f Significant Estimates & Judgements

The significant estimates and judgements adopted are consistent with those adopted and disclosed in the Company's Annual Report for the year ended 30 June 2022.

NOTE 2: EXPLORATION AND EVALUATION EXPENDITURE

| | 31.12.22 | 30.6.22 |
|--|-----------------|----------------|
| | \$ | \$ |
| Opening balance at beginning of the period | 3,526,199 | 2,932,528 |
| Capitalised mineral exploration and evaluation | 641,867 | 738,701 |
| Exploration and evaluation interests written off | (18,588) | (145,029) |
| Closing balance | 4,149,478 | 3,526,199 |

Management have not identified any impairment indicators for the period ended 31 December 2022. The amount written off in the period of \$18,588 (2022: \$145,029) relates to the termination of the Delphin project.

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

NOTE 3: ISSUED CAPITAL

a. Share Capital

| | 31.12.22 | | 30.6.22 | |
|-------------------------------|-------------------|--------------------|-------------------|--------------------|
| | \$ | Number | \$ | Number |
| Balance at 1 July | 33,704,247 | 494,621,403 | 32,346,886 | 443,924,843 |
| Exercise of options | 1,736,356 | 57,878,517 | 1,370,897 | 45,696,560 |
| Exercise of rights | - | - | - | 5,000,000 |
| Share Issue Costs | (9,522) | - | (13,536) | - |
| Period closing balance | 35,431,081 | 552,499,920 | 33,704,247 | 494,621,403 |

b. Performance Rights Reserves

| | 31.12.22 | | 30.6.22 | |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| | \$ | Number | \$ | Number |
| Period opening balance | 2,312,189 | 17,000,000 | 2,312,189 | 22,000,000 |
| Issue of Performance Rights | 30,253 | 30,000,000 | - | - |
| Exercised | - | - | - | (5,000,000) |
| Lapsed | - | - | - | - |
| Period closing balance | 2,342,442 | 57,000,000 | 2,312,189 | 17,000,000 |

A total of 30,000,000 Performance Rights approved at the 2022 Annual General Meeting on 29 November 2022 were issued to the directors of the Company. The terms of the Performance Rights are as follows:

| Class | Vesting Condition |
|--------------------|---|
| Performance Rights | The 20 Day volume weighted average price of Shares traded on ASX is greater than \$0.10 per Share subject to holder continuing to be an employee, consultant or Director of the Company or as the Board decides otherwise in its absolute discretion. |

The Rights were valued as follows:

| | Performance Rights |
|------------------------------------|---|
| Methodology | Barrier up-and-in trinomial hybrid method |
| Inputs: | |
| Underlying security spot price | \$0.041 |
| Exercise price | Nil |
| Valuation date | 29 November 2022 |
| Commencement of performance period | 29 November 2022 |
| End of performance period | 29 November 2025 |
| Performance period (years) | 3 |
| Implied share price barrier | \$0.10 |
| Volatility | 100% |
| Risk-free rate | 3.235% |
| Dividend yield | Nil |
| Value per right | \$0.035 |

The value of the grant of the rights was calculated to be \$1,050,360 of which \$30,253 has been expensed to share based payments in the statement of profit or loss and other comprehensive income during the period ended 31 December 2022.

The rights were issued pursuant to approval at the 2022 annual general meeting as follows:

| Class Rights | Lloyd Flint entitlement | Value \$ | Roger Fitzhardinge entitlement | Value \$ | James Allchurch entitlement | Value \$ | Total Value |
|--------------------|-------------------------|----------|--------------------------------|----------|-----------------------------|----------|-------------|
| Performance Rights | 5,000,000 | 175,060 | 5,000,000 | 175,060 | 20,000,000 | 700,240 | 1,050,360 |

MANDRAKE RESOURCES LTD (ABN 60 006 569 124)
and Controlled Entity

| c. Option Reserve | 31.12.22 | | 30.6.21 | |
|------------------------|-----------|--------------|-----------|--------------|
| | \$ | Number | \$ | Number |
| Period opening balance | 1,842,966 | 68,878,517 | 1,842,966 | 117,575,078 |
| Options lapsed | - | - | - | (3,000,001) |
| Exercise of options | - | (57,878,517) | - | (45,696,560) |
| | 1,842,966 | 11,000,000 | 1,842,966 | 68,878,517 |

NOTE 4: CONTINGENT LIABILITIES

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

NOTE 5: COMMITMENTS

The minimum expenditure on the Berinka project licence is \$37,000pa. Minimum expenditure on the Jimperding project licence is \$50,000pa. There has been no other change in commitments since the last annual reporting period.

NOTE 6: RELATED PARTY TRANSACTIONS

During the period, 30,000,000 performance rights approved at the 2022 Annual General Meeting were issued to the directors of the company. Please refer to the share based payment note 3(b) above.

There are no significant changes to the nature of related party relationships and transactions from those disclosed in the 30 June 2022 annual financial report.

NOTE 7: EVENTS AFTER THE END OF THE INTERIM PERIOD

The Company announced that it had embarked on exploration for lithium brines in Utah, USA and had applied, and was continuing to apply, for licences to explore. 44,000,000 fully paid shares were issued at \$0.05 cents each to raise \$2.2m before costs to progress the project. 1,760,000 ordinary shares were issued at the placement price in lieu of cash fees. 5,000,000 \$0.10 cent options with a four year term forming part of the capital arrangement fees were also issued.

9,500,000 performance rights with 3 year terms and various non-market performance hurdles were issued to the US exploration manager.

Other than the above, the directors are not aware of any significant events since the end of the interim period.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mandrake Resources Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 13 to 16 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of 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.



James Allchurch
Managing Director

Dated 9 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mandrake Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Mandrake Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

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



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Ashleigh Woodley

Director

Perth

9 March 2023