



KOBA RESOURCES LIMITED

A.B.N. 59 650 210 067

Interim Financial Report
31 December 2022

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CORPORATE INFORMATION

<p>Directors Mr Michael Haynes (Non-Executive Chairman) Mr Benjamin Vallerine (Managing Director) Mr Scott Funston (Non-Executive Director)</p> <p>Company Secretary Mr Ian Cunningham</p> <p>Registered Office & Principal Place of Business Suite 24-26, Level 3, 22 Railway Road Subiaco Perth WA 6008 Telephone: +61 8 9226 1356 www.kobaresources.com</p>	<p>Auditor Stantons Level 2, 40 Kings Park Road West Perth WA 6005 Telephone: +61 8 9481 3188 Facsimile: +61 8 9321 1204</p> <p>Share Registry Automic Registry Services Pty Ltd Level 5, 191 St Georges Terrace Perth W.A. 6000 Telephone: 1300 288 664 (within Australia) Telephone: +61 8 9324 2099 (outside Australia) All securityholder correspondence to: GPO Box 5193 Sydney NSW 2001</p> <p>Home Exchange Australian Securities Exchange Central Park 152-158 St Georges Terrace Perth WA 6000</p> <p>ASX Code: KOB</p>
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DIRECTORS' REPORT

The Directors of Koba Resources Limited ("Koba" or "the Company") submit the financial report of the Group (comprising the Company and its controlled entities) for the half-year ended 31 December 2022.

DIRECTORS

The names of Directors who held office during or since the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Michael Haynes	Non-Executive Chairman
Benjamin Vallerine	Managing Director
Scott Funston	Non-Executive Director

PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year were related to mineral exploration and development.

As at 31 December 2022, the Group had cash and cash equivalents of \$3,331,685, a loss for the period of \$501,795 and net cash outflows from operating, investing and financing activities of \$1,203,869.

REVIEW OF OPERATIONS

The Board is pleased to provide the following review of operations for the half-year ended 31 December 2022 ("HY2023").

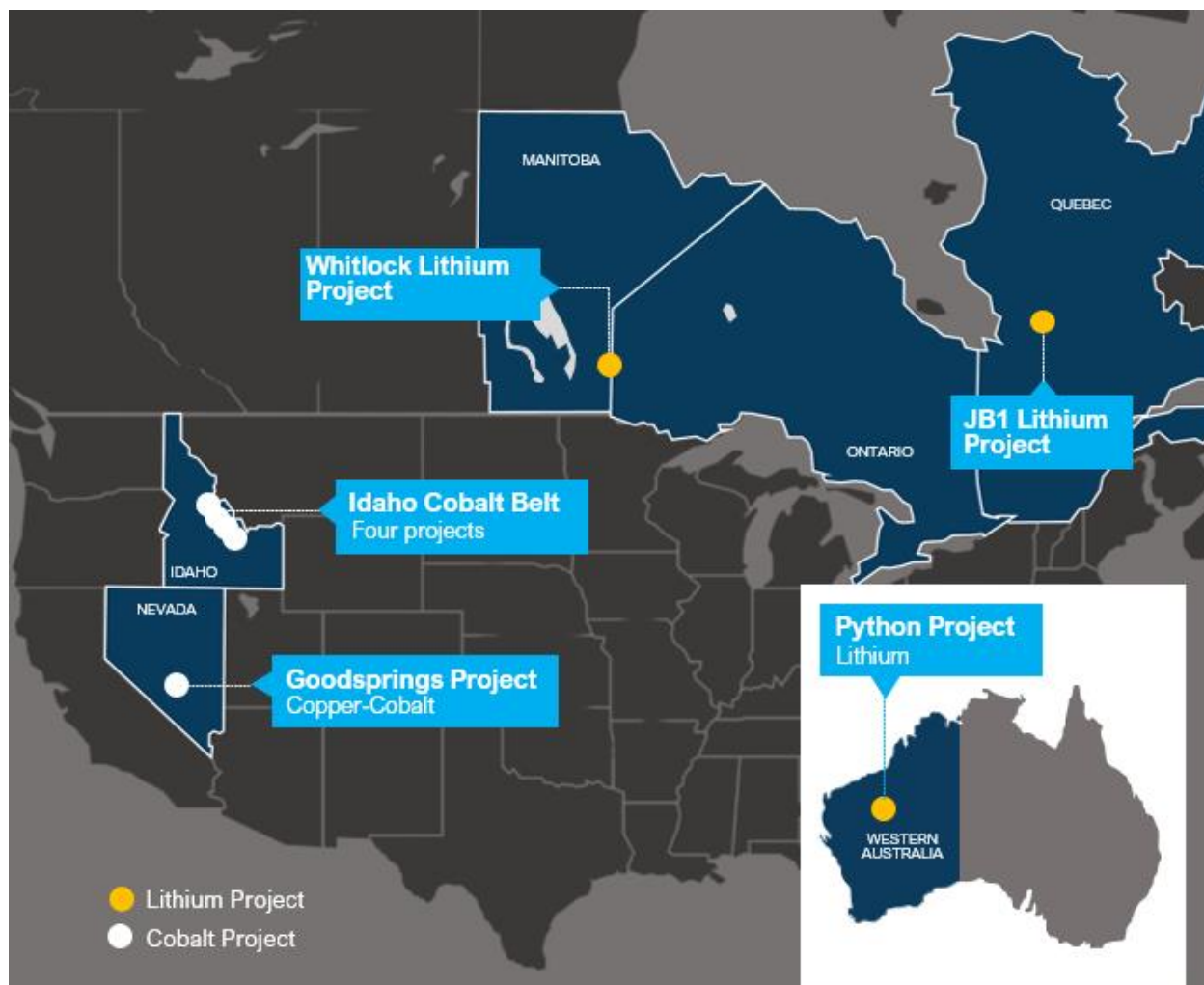


Figure 1. Location of Koba's Projects in North America and Australia.

During the period the Company secured the right to acquire three lithium-pegmatite projects in Canada and Australia and undertook exploration drilling at the Blackpine and Colson Cobalt-Copper Projects in Idaho, USA.

The location of the Company's projects is illustrated in Figure 1.

Whitlock Lithium Project, Manitoba & Ontario, Canada

The 195km² Whitlock Lithium Project is located 120km northeast of the provincial capital of Winnipeg in southern Manitoba and Ontario, Canada. The Project is in close proximity to the Tanco Mine - Canada's only operating lithium mine where (1991) reserves comprise 7.3Mt @ 2.76% Li₂O. An extensive network of pegmatites within the Whitlock Project have been mapped at surface previously (see Figure 2). These pegmatites are highly prospective for lithium-bearing mineralisation.

On 27 October 2022 Koba announced that it had staked 70 mining claims (covering 145km²) in two separate claim groups. The Ryerson Claim Group, located immediately west of, and the Anson Claim Group, located immediately east of, the Tanco Mine. The grant of the Ryerson and Anson mining claims is expected to be completed during April 2023.

Further, on 15 December 2022, Koba announced it had acquired an additional 11 granted multi-cell claim blocks covering 50km² (Davidson Claim Group) located immediately along strike from the initial 70 mining claims staked by Koba. The Davidson Claim Group was a strategic addition to the Whitlock Project as it provides further opportunities for the discovery of lithium-bearing pegmatites in a highly endowed lithium district.

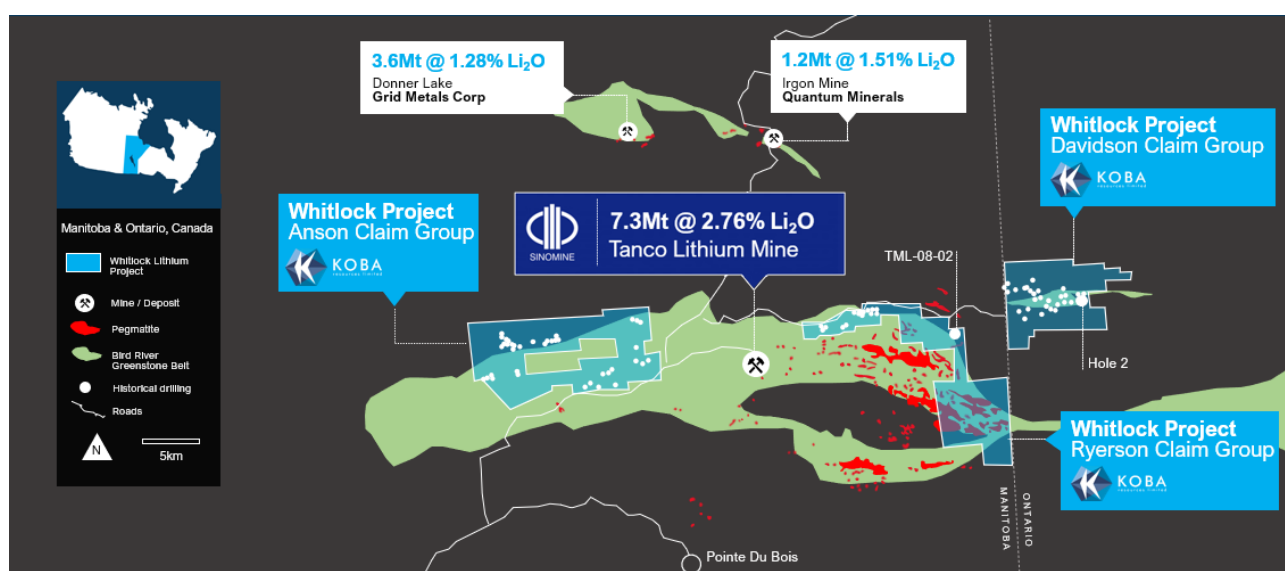


Figure 2. The location of the Whitlock Project in close proximity to the Tanco Mine - Canada's only operating lithium mine, showing an extensive network mapped pegmatites within the Project.

Located Within a World-Class Lithium District

The Whitlock Lithium Project is located within the western Ontario / eastern Manitoba region, a world class lithium district that includes the Tanco Lithium-Caesium-Tantalum Mine - Canada's only operating lithium mine, which has been in commercial operation for more than 50 years. The most recent published reserves (1991) comprise:

- **7.3Mt @ 2.76% Li₂O;**
- **2.1Mt @ 0.22% Ta₂O₅; and**
- **0.35Mt @ 23.3% Cs₂O.**

In addition to being a high-grade lithium mine, Tanco is the world's largest producer of caesium and contains the largest tantalum reserves in Canada.



Photo 1. The Tanco Lithium-Caesium-Tantalum Pegmatite Mine - Canada's only operating lithium mine.

In addition to the Tanco Mine, the district hosts multiple other significant lithium projects (see Figure 3) including:

- The **PAK Project (41.8Mt @ 1.53% Li₂O)** that is comprised of the Pak and Spark Deposits;
- The **Georgia Lake Project (13.3Mt @ 1.09% Li₂O)** where a positive pre-feasibility study was completed in November 2022;
- The **Separation Rapids Lithium Project (10.2Mt @ 1.40% Li₂O)** where a positive preliminary economic assessment has been completed;
- The **Seymour Lake Project (9.9Mt @ 1.04% Li₂O)** being explored by ASX-listed Green Technology Metals (ASX:GT1);
- The **Donner Lake Lithium Deposit (3.8Mt @ 1.28% Li₂O)** contains an historic resource from four spodumene-bearing pegmatites; and
- The historic **Irgon Lithium Mine (1.2Mt @ 1.51% Li₂O)** where, despite construction of a 74m shaft and 366m of lateral development to access the historical resource, no ore was ever processed.

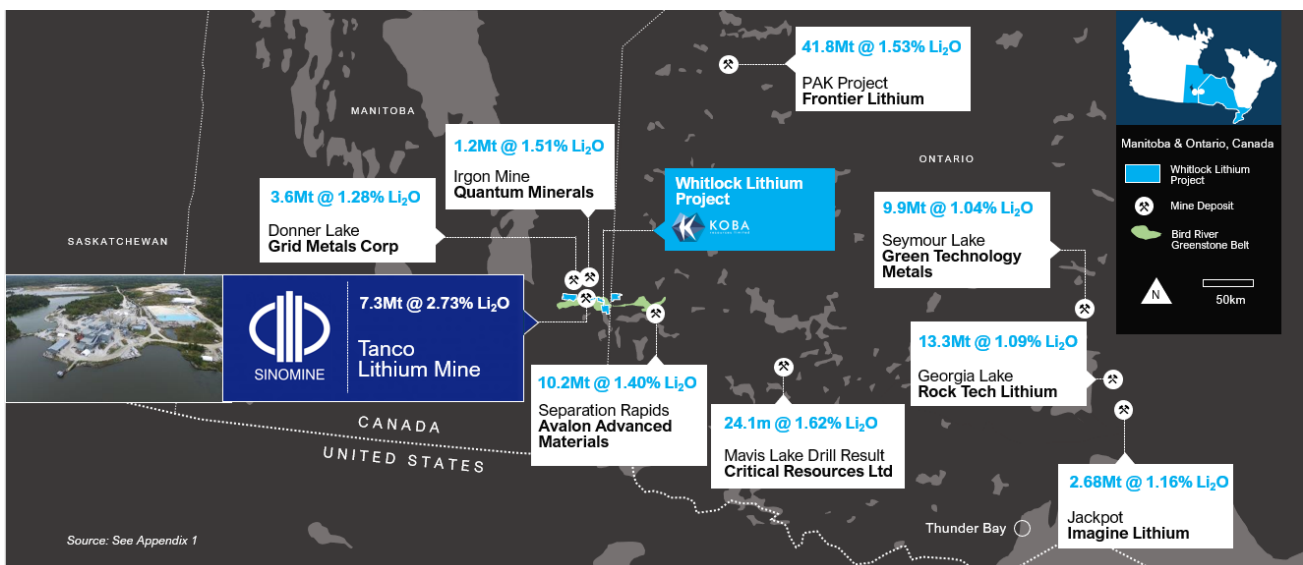


Figure 3. The Whitlock Lithium Project is surrounded by world class lithium deposits.

Previous Exploration

The three claim blocks that make up the Whitlock Lithium Project all contain extensions of, or similar lithologies to those that host the mineralised Tanco-pegmatite. In the vicinity of the Tanco Mine, the host pegmatite does not outcrop, therefore pegmatites needn't be mapped at surface for significant lithium-caesium-tantalum (LCT) type mineralisation to be present. Notwithstanding this, extensive pegmatites have been mapped within the Whitlock Project as shown in Figures 2 and 4. The mapped pegmatites within the Whitlock Project are highly prospective for LCT-type mineralisation.

Exploration has previously been undertaken within the boundaries of the Whitlock Project for gold, copper, nickel, PGE's, chrome, uranium and lithium-caesium-tantalum (LCT) type pegmatites. Only 132 holes have been drilled previously for approximately 13,472m. As such the Whitlock Project, encompassing 195km², is significantly under-explored.

Notwithstanding this, pegmatites have been regularly noted in drilling logs, including a 28m interval of pegmatite (Hole 2) within the Davidson Claim Block and a 19.2m intersection of pegmatite (TML-08-02), within the Ryerson Claim Group (see Figures 2 and 4). None of these pegmatites have been assayed for lithium.

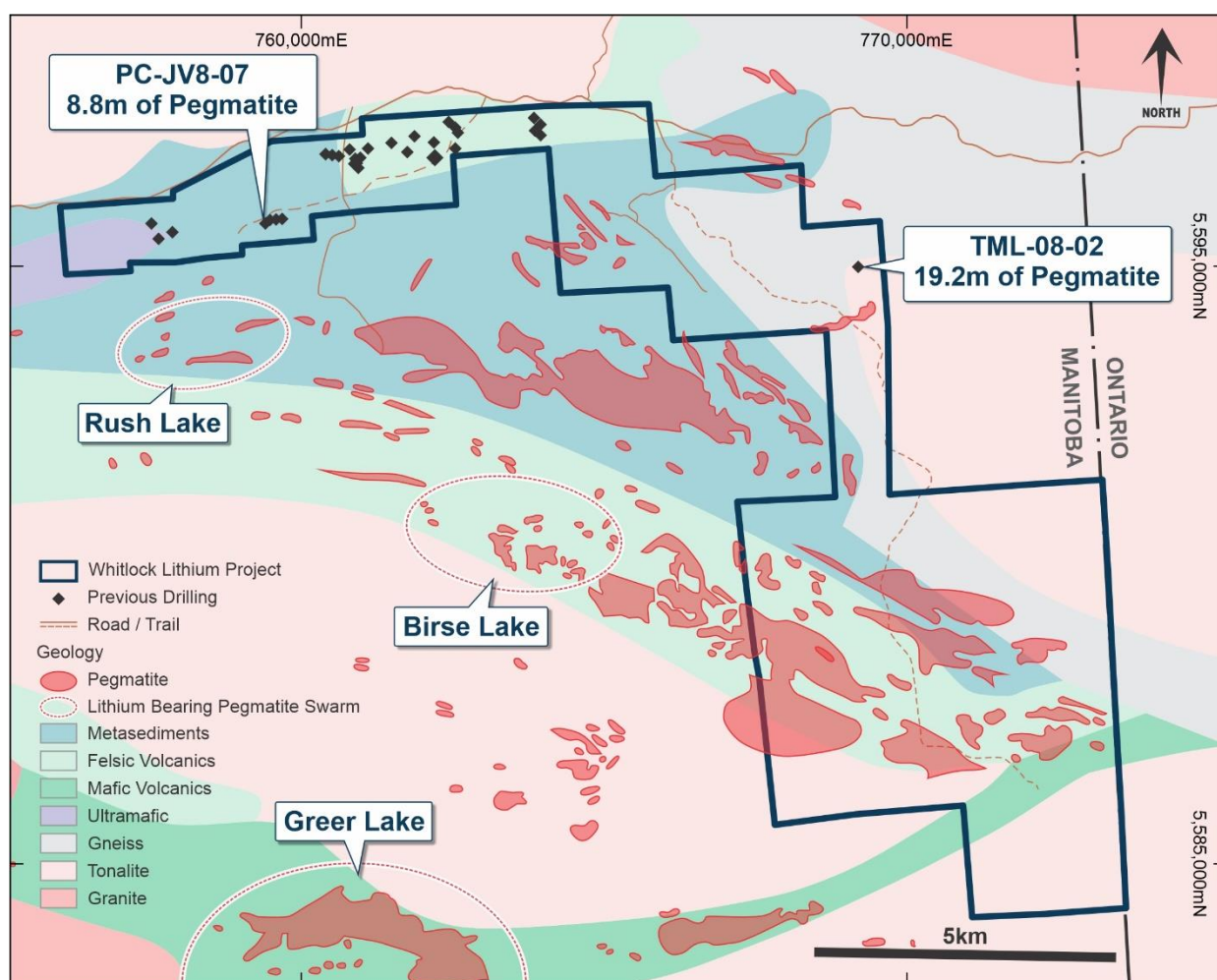


Figure 4. Geological map of the Ryerson Claim Group, part of Koba's Whitlock Lithium Project, showing the extensive network of pegmatites mapped at surface.

Forward Plans

During 2023 the Company will implement field work programs at the Whitlock Lithium Project to rapidly bring targets to drill-ready stage. Plans are well advanced to commence initial field programs during April 2023.

The 2023 program will consist of detailed field mapping and geochemical sampling of the known pegmatites and the investigation and search for new pegmatites, to specifically identify lithium-bearing pegmatites and generate drill targets for testing. Drill testing will be undertaken during Q4 2023.

JB1 Lithium Project, Quebec, Canada

The JB1 Project comprises two granted claim blocks covering approximately 190km² within the prolific James Bay lithium province. The region is emerging as one of the world's major lithium districts – with:

- (i) a rapidly growing number of significant lithium discoveries;
- (ii) well established infrastructure; and
- (iii) close proximity to North America's burgeoning battery manufacturing industry.

On 15 December 2022 Koba announced that it had entered into an agreement to acquire 100% of SB1 Investments, the owner of the JB1 Lithium Project and the Davidson Claim Group (that comprises part of the Company's Whitlock Lithium Project). The Company completed the acquisition on 14 March 2023.

Located Within a World-Class Lithium District

Koba's JB1 Lithium Project is located just 12km along strike from the Rose Lithium Deposit where resources comprise **34.2Mt @ 0.9% Li₂O**.

The JB1 Project is also in close proximity to several major lithium resources, including:

- The **Abitibi Hub (119.1Mt @ 1.1% Li₂O)** comprises two deposits that host the largest spodumene resource in North America;
- The **Whabouchi Lithium Deposit (55.7Mt @ 1.40% Li₂O)** – one of the largest high-purity lithium deposits in North America with a proposed mine life of 33 years;
- The **James Bay Lithium Deposit (40.3Mt @ 1.4% Li₂O)**. A 2021 Feasibility Study outlines an operation with an average annual production of 321Kt of spodumene concentrate per annum, averaging 5.6% Li₂O, over a ~19 year mine life; and
- The **Moblan Lithium Project (16.1Mt @ 1.4% Li₂O)** where a pre-feasibility study is underway.

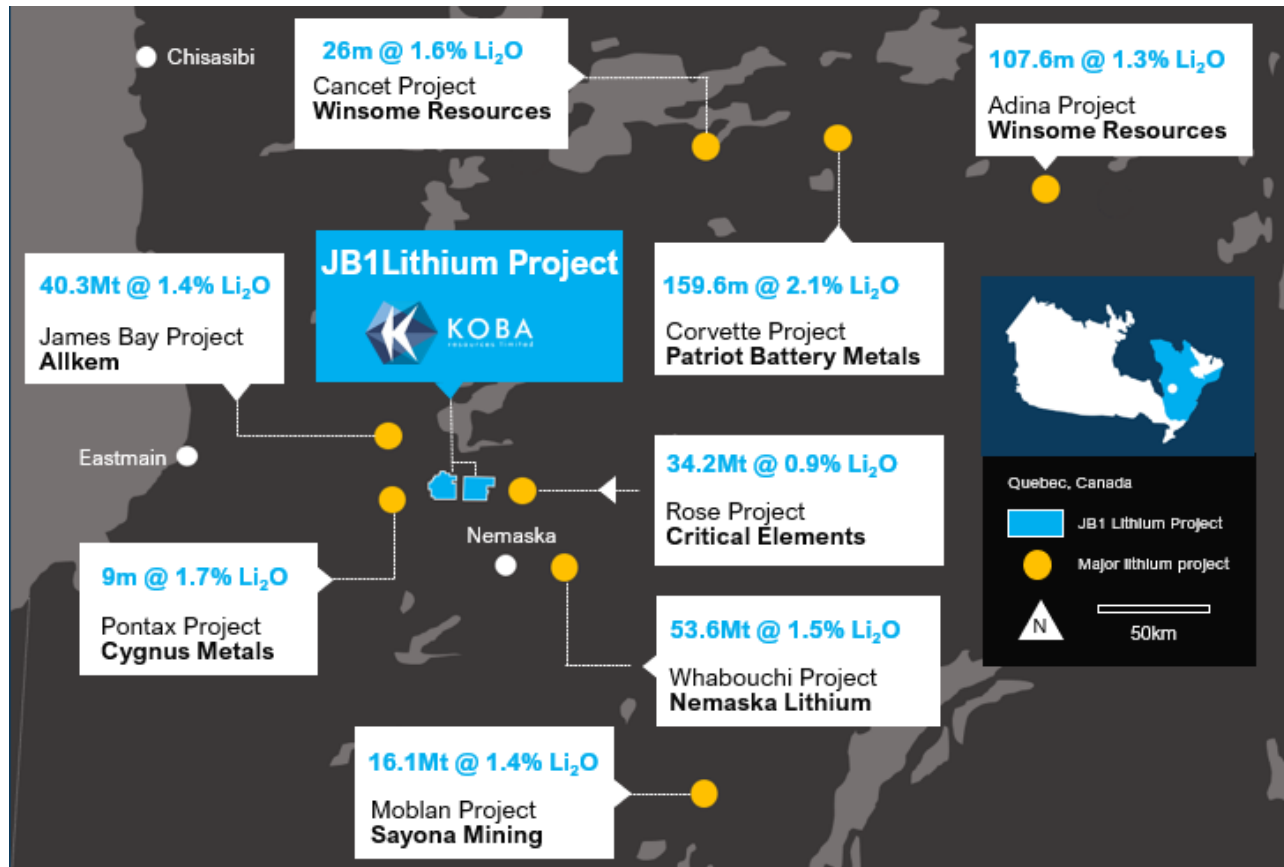


Figure 5. The JB1 Lithium Project is located within Quebec's prolific James Bay lithium province, in close proximity to multiple major lithium deposits.

In addition, recently, there has been significant exploration success for ASX listed explorers in the James Bay lithium province, including:

- **Patriot Battery Metals** - which recently reported an intercept of **156.9m @ 2.12% Li₂O** at its Corvette Project;
- **Winsome Resource** - which recently reported intercepts of **107.6m @ 1.34% Li₂O** at its Adina Project and **26m @ 1.6% Li₂O** at its Lancet Project; and
- **Cygnus Metals** - which has commenced a resource drill out at its Pontax Lithium Project where historic results include **9m @ 1.7% Li₂O**. This project is located just 18km from Koba's JB1 Lithium Project.

Previous Exploration

Only limited exploration has been undertaken previously in the JB1 Project area; none of which targeted lithium. Despite this, the limited previous drilling at the JB1 Project has intersected significant thicknesses of pegmatites that are highly prospective for lithium and have never been assayed for lithium.

During the 1970's the Quebec government provided funding for various regional airborne geophysical surveys and mapping programs. Then, in 1999, the potential for kimberlites was documented. This was followed by a period of diamond exploration by De Beers (2003 – 2006) and Dios (2004 – 2009). These companies completed additional geophysical surveys and geochemical sampling programs targeting diamonds. During 2007 and 2008 Dios Exploration drilled 12 holes for 1,328m within the current JB1 Project area, in search of diamonds. The drilling targeted airborne geophysical anomalies. Pegmatites were reported in 10 of the 12 holes drilled, with a total thickness of 12.4m of pegmatite logged in drill hole 555-10. No samples were assayed for lithium.

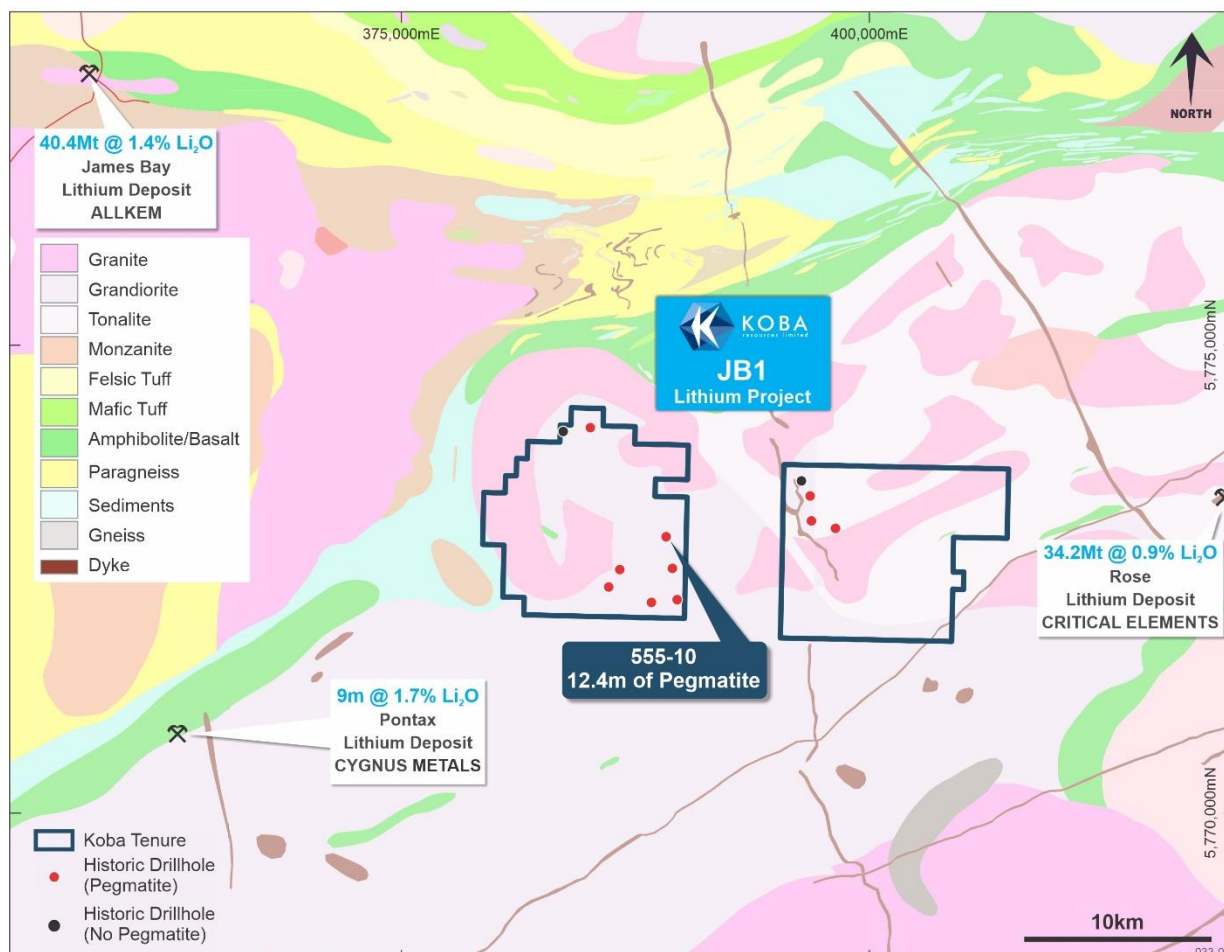


Figure 6. Geology map showing the location of the JB1 Lithium Project and the location of previous drill holes that intersected pegmatite.

Forward Plans

The Company has appointed IOS Services Geoscientifique ("IOS") to implement its field programs at the JB1 Project during 2023. IOS is based in Quebec and has over 20 years managing exploration programs throughout Quebec.

Python Lithium Project, Western Australia

The Python Lithium Project comprises a 60km² granted exploration licence located in the highly endowed Pilbara region of Western Australia. The Project is highly prospective for lithium-bearing pegmatites within the highly fractionated Moolyella granite that is present throughout the project area. The geological setting of the Python Project is similar to that which hosts the lithium-tin-tantalum mineralisation at the Moolyella Project near Marble Bar, 60km to the north, where lithium bearing pegmatites have returned a peak assay of 1.98% Li₂O in historical drilling. Virtually no exploration has been undertaken at the Python Project previously.

Located Within a World-Class Lithium District

The Pilbara region of Western Australia is home to two of the world's most significant hard rock lithium production centres:

- The **Wodgina Operation**, one of the world's largest hard-rock lithium deposits (**259Mt @ 1.2% Li₂O**), with an estimated 30+ year mine life; and
- The **Pilgangoora Operation**, which hosts reserves of **157.5Mt @ 1.2% Li₂O** at a 2Mt per annum operation that produces 330,000 tonnes of spodumene concentrate annually – one of the largest lithium operations globally.

In addition to the large-scale production centres, Global Lithium (ASX:GL1) owns the Archer Lithium Deposit, where resources comprise 18.0Mt @ 1.0% Li₂O (see Figure 7). This deposit comprises multiple spodumene bearing pegmatites over more than 6km of strike.

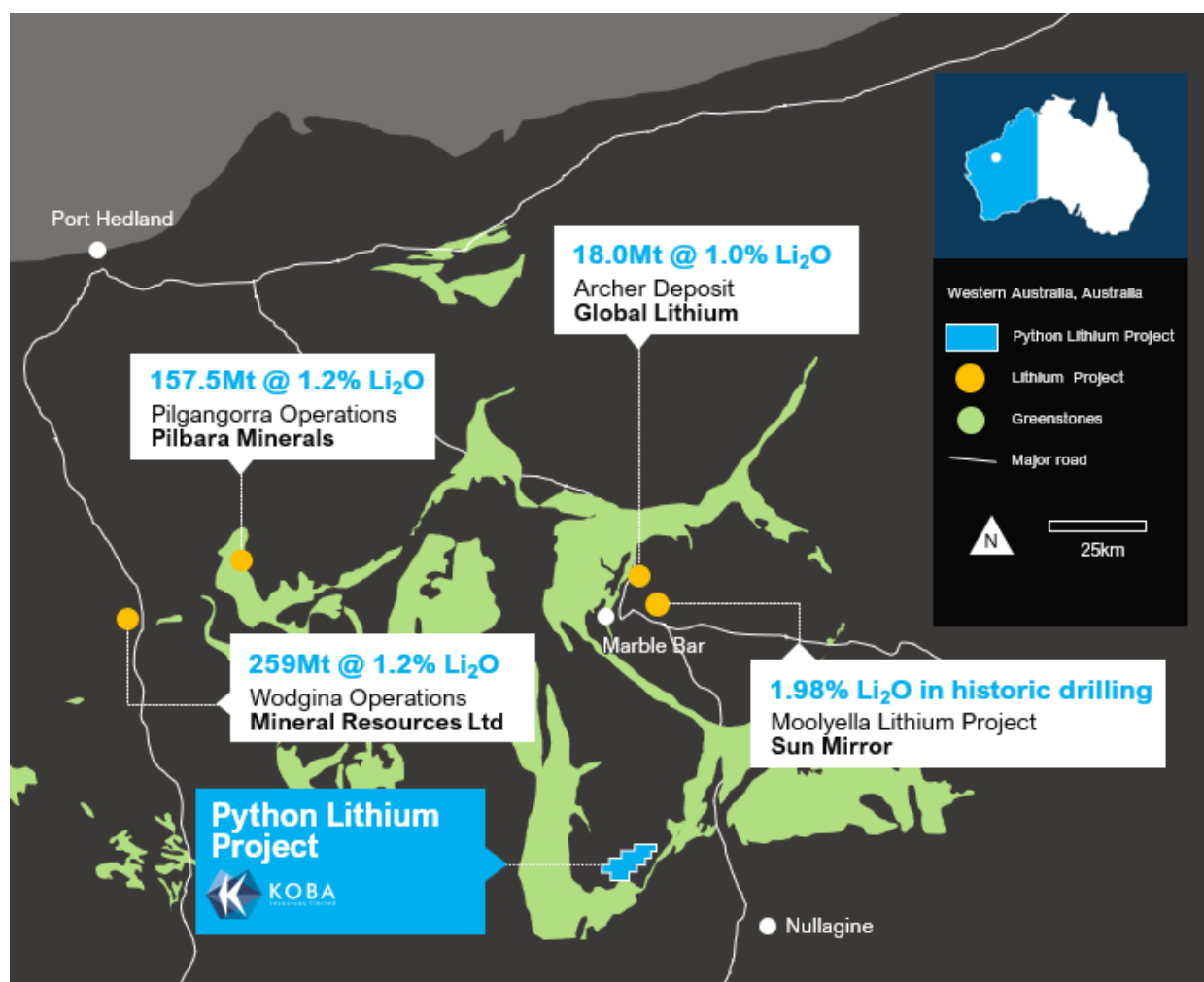


Figure 7. Location of the Python Lithium Project in the Pilbara region of Western Australia and other significant lithium deposits in the region

Forward Plans

Koba has acquired aerial imagery and hyperspectral data over the Python Lithium Project and is currently completing a detailed review to generate targets to focus its field mapping and geochemical sampling programs. Plans are well advanced for field programs to commence during April, to investigate the targets that arise from the detailed review.

Idaho Cobalt Belt

Koba owns four projects in the Idaho Cobalt Belt, one of the most well-endowed cobalt-districts in the developed world. A 55km long, northwest-trending, metallogenic district in eastern-central Idaho, the Idaho Cobalt Belt is defined by the presence of multiple stratiform high-grade cobalt deposits.

The two most significant cobalt deposits in the district are:

- The Blackbird Deposit (Glencore 100%), from which produced approximately **5Mt @ 0.58% Co and 1.48% Cu** from 1938 to 1968. Although it is now inactive, unmined resources of approximately **5.9Mt @ 0.55% Co and 1.3% Cu** remain.
- The adjacent Idaho Cobalt Operation (Jervois Global Limited 100%) where resources comprise **6.8Mt @ 0.42% Co, 0.64% Cu and 0.51 g/t Au**. Initial commissioning of the mine and processing operations commenced during October 2022.



Figure 8. Map of the Idaho Cobalt Belt including the location of the major cobalt-copper deposits and Koba's four projects.

Blackpine Cobalt-Copper Project, Idaho, USA

The Blackpine Project is located approximately 15km southeast Jervois' Idaho Cobalt Operation and 25km southeast of the town of Salmon in eastern-central Idaho, USA and covers 517 hectares.

Approximately 5,500 tonnes of ore grading 2% copper were mined from the historical Blackpine Mine between 1945 and 1965. Because it was not being targeted at the time, cobalt grades are unknown.

The most recent phase of exploration at the Blackpine Project was undertaken between 1993 and 1996. During this period Formation Capital delineated cobalt-copper soil geochemistry anomalies over 5km of strike. Formation commenced drill testing these anomalies – focusing on shallow mineralisation; with only 16 holes drilled to test depths greater than 150m below surface. Accordingly, mineralisation remains completely open at depth at all prospects drilled to date.

During 2022 Koba undertook the first significant exploration programs at the Blackpine Project in over 25 years, including a site wide induced polarisation (IP) geophysical survey and a 3-hole (457.8m) drilling program.

Strong IP geophysical anomalies were delineated over 4 km of strike. A number of high priority targets have been identified where IP anomalism corresponds with strong cobalt-copper soil geochemical anomalies. The highest priority targets are illustrated in Figure 9, where 2DIP anomalies are illustrated in section view as insets with their location shown on copper soil anomalism as contours on a plan. The highest priority targets include the Regina, Swift, Trench and Troll Prospects.

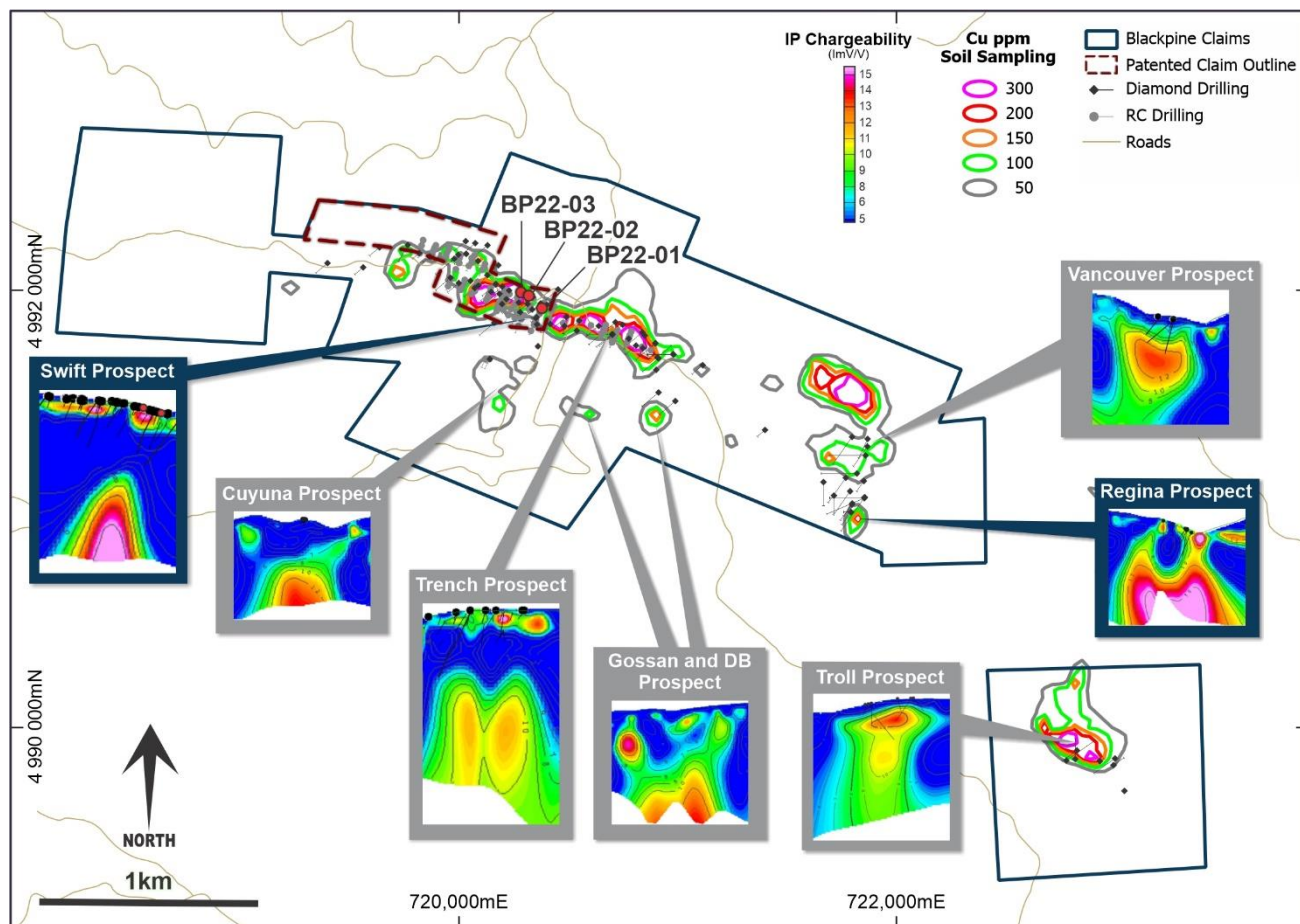


Figure 9. Plan view showing the location of drilling on copper-in-soil geochemistry contours and multiple strong IP anomalies delineated over 4km of strike, including the high-priority Regina Prospect.

During September 2022 Koba completed its maiden drilling program at Blackpine. This first-pass 3-hole (457.8m) drill program intersected multiple intervals of high-grade cobalt and copper (\pm gold) mineralisation at shallow depths at the Swift Prospect. Better assay results include:

- 0.7m @ **0.38% Co**, **1.22% Cu** and **2.64 g/t Au** from 133.0 (BP22-02);
- 1.2m @ **0.31% Co** and 0.57 g/t Au from 92.5m (BP22-03);
Including 0.4m @ **0.78% Co** and **1.36 g/t Au** from 93.3m;
- 0.3m @ **13.45% Cu** and 0.46 g/t Au from 107m (BP22-01);
- 1.5m @ **2.54% Cu** & 0.43 g/t Au from 3.4m (BP22-03); and
- 4.1m @ **0.94% Cu** from 3.0m (BP22-02).
Including 2.6m @ **1.41% Cu** from 3.7m.

The Company's initial 3 drill holes successfully demonstrated that the shallow IP geophysical targets at the Swift Prospect are associated with high-grade mineralisation. Because access was limited during this initial drilling program (due to limitations with readily obtainable drill permits), a stronger, deeper IP anomaly remains untested below this shallow, high-grade mineralisation (see Figure 9). This stronger anomaly may arise from thicker and or higher-grade mineralisation at depth; accordingly, it is a high-priority drill target.

The Company will continue to test the strong IP geophysical anomalies that have been delineated over 4km of strike. Applications to drill the highest-priority targets at the Regina and Trench Prospects have been submitted together with an application to drill the deeper, as yet untested IP anomaly at the Swift Prospect.

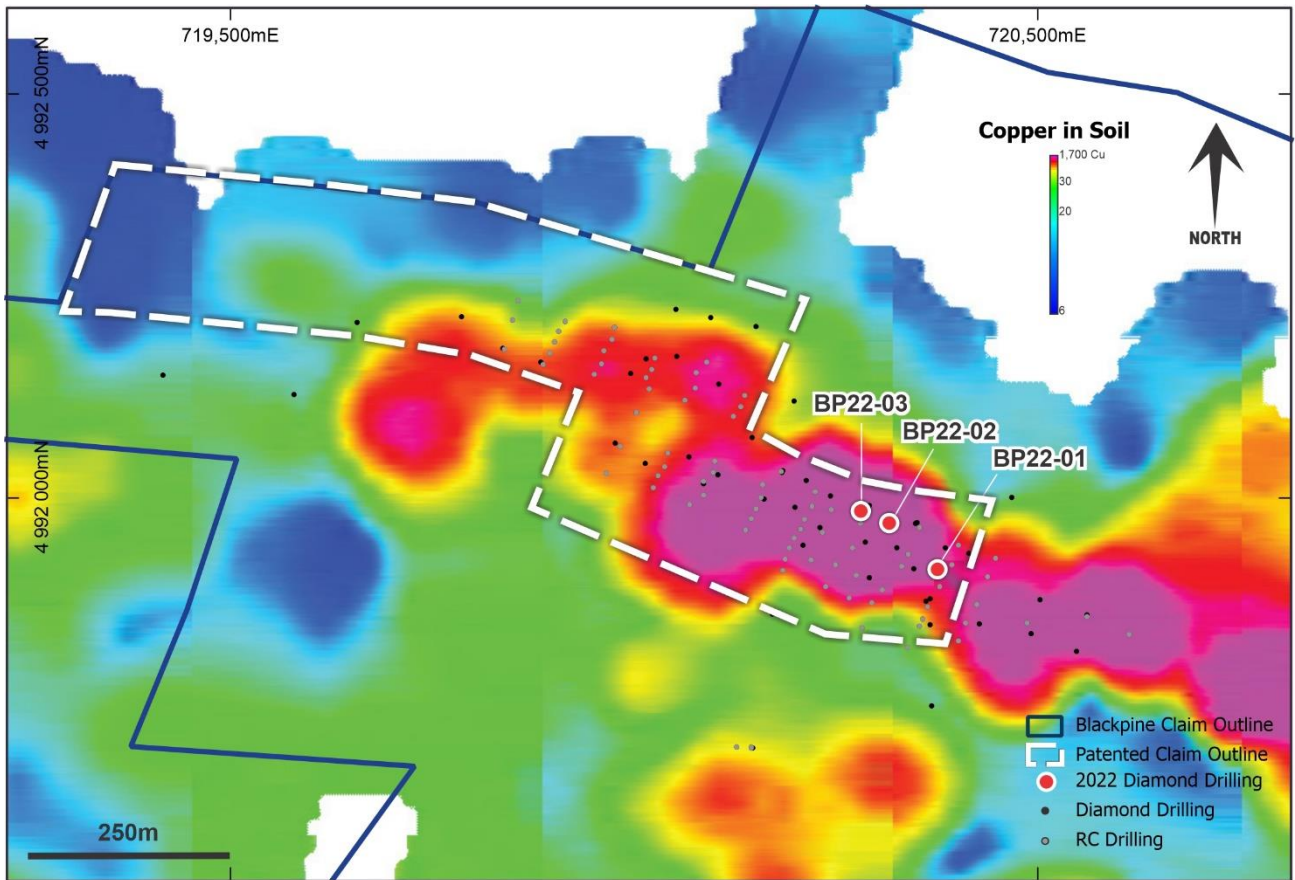


Figure 10. Drill hole plan at the Swift Prospect, overlaying an image of copper-in-soil geochemistry.

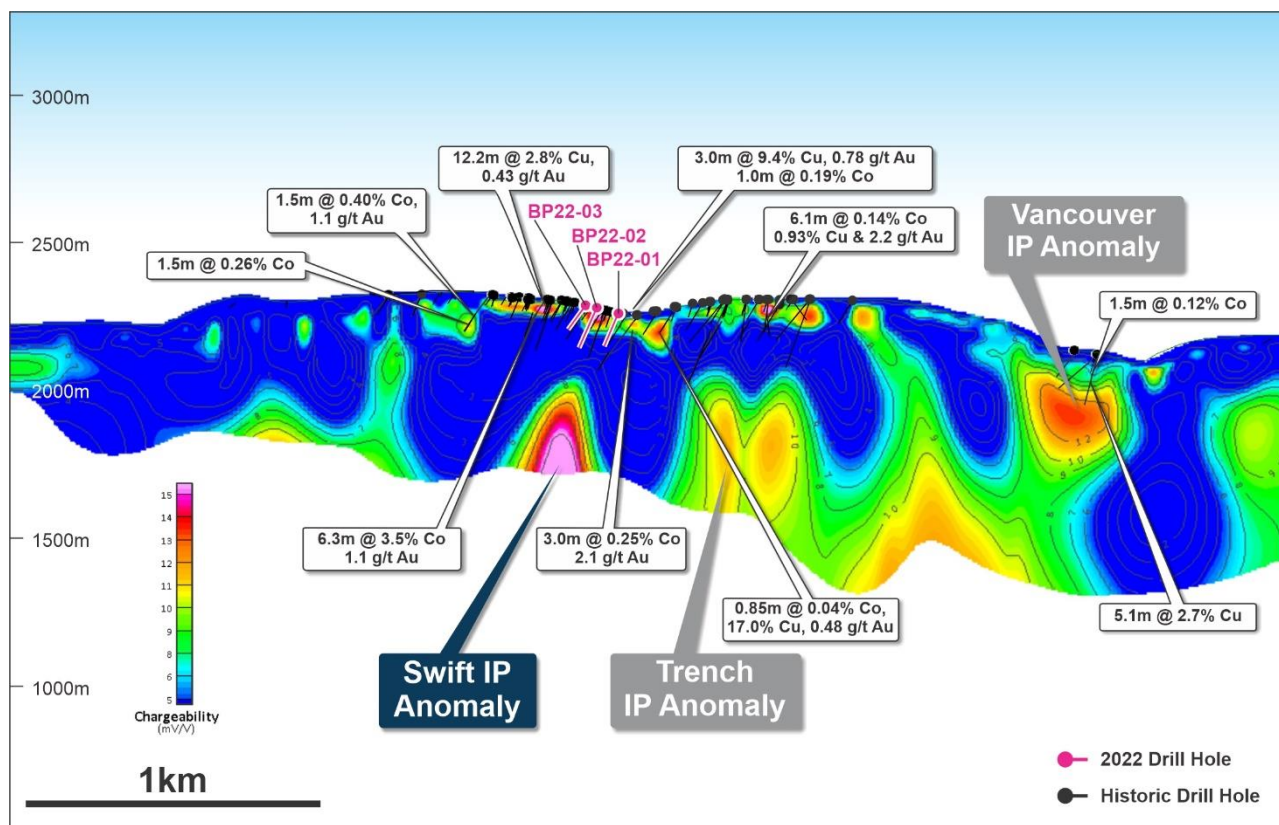


Figure 11. Cross section illustrating the holes drilled at the Blackpine Project during 2022 on a 2D IP section showing the undrilled, strong, Swift IP anomaly below the recently intersected high-grade mineralisation.

Colson Cobalt-Copper Project, Idaho, USA

During July - August 2022 Koba drilled two holes at the Colson Cobalt-Copper Project, for a total of 986.6m. Single holes were drilled at the Long Tom and Rattlesnake West Prospects – the first holes ever drilled at each of these prospects.

Drilling returned anomalous cobalt and copper results including 0.55m @ 364ppm (0.036%) cobalt and 0.4m @ 588ppm (0.059%) copper in drill hole COLDD2213 (Rattlesnake West). Anomalous results were also returned from the Long Tom Prospect, including 1.5m @ 654ppm (0.065%) copper in drill hole COLDD2214.

The initial hole at the Long Tom Prospect only tested a very small portion of the laterally extensive Long Tom IP target (see Figure 12). The limited sulphides intersected in this single hole are insufficient to account for the strength and lateral extent of the IP anomaly. The Long Tom IP target coincides with highly anomalous soil geochemistry, including samples that assayed up to 0.11% cobalt and 0.39% copper, which lie within a 2km long Co-Cu-As soil anomaly. So, the Long Tom Prospect remains a high-priority target, where further drilling is warranted to determine the source of the strong IP and highly-elevated soil anomalism.

The initial hole at the Rattlesnake West Prospect also targeted a sizeable IP anomaly. The intersection of anomalous cobalt and copper in this drill hole provides encouragement that better mineralisation may be present in close proximity. Hence further drilling in this vicinity is warranted.

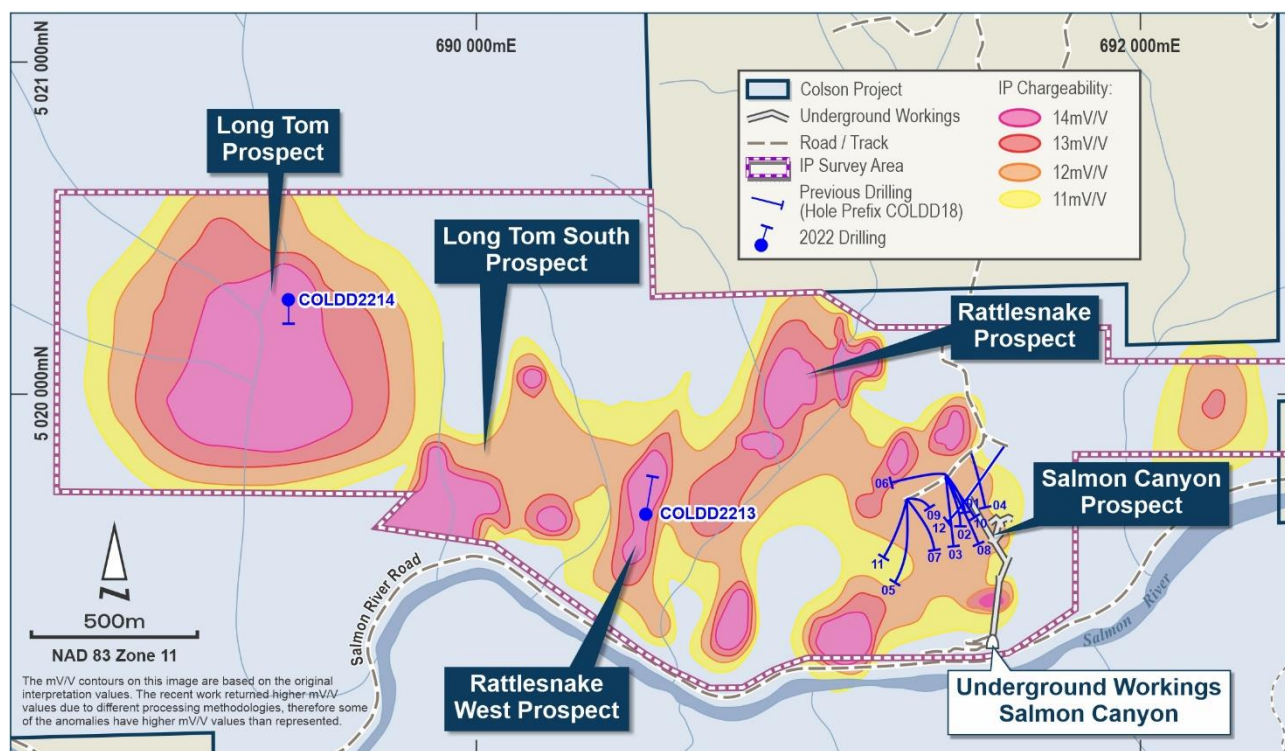


Figure 12. Drill hole plan on IP chargeability contours at the Colson Project.

Corporate

In December 2022, Koba completed a placement to raise \$1.65 million (before costs) pursuant to the issue of 11,000,000 fully paid ordinary shares ("Shares") at an issue price of \$0.15 per Share together with 2,749,988 free attaching unlisted options exercisable at \$0.30 per option, expiring 27 December 2024 ("December 2024 Options"). A further 1.5 million December 2024 Options were issued as part consideration for joint lead manager services.

EVENTS SUBSEQUENT TO REPORTING DATE

On 23 February 2023, the Company announced that it had received firm commitments for a placement ("Placement") to raise \$4.0 million, via the proposed issue of approximately 26,666,667 Shares at \$0.15 per Share ("Placement Shares"), together with one unlisted attaching option ("Placement Option") for every four Placement Shares. The Placement Options will have an exercise price of \$0.30 per option and an expiry date of 27 December 2024. The Placement is subject to shareholder approval at a general meeting to be held on 5 April 2023.

On 14 March 2023, the Company completed the acquisition of SB1 Investments, and issued the following consideration:

- (i) 1.5 million Shares; and
- (ii) 8 million performance rights ("SB1 Performance Rights") which are subject to vesting conditions and have a nil exercise price. 1.5 million of the SB1 Performance Rights expire two years from the date of issue and the balance expire five years from the date of issue (refer further Note 10).

On 14 March 2023, the Company completed settlement of the Python Option Agreement and issued the following consideration:

- (i) \$30,000 Cash;
- (ii) 250,000 Koba Shares; and
- (iii) 2.5 million performance rights ("Python Performance Rights") which are subject to vesting conditions and have a nil exercise price and expire five years from the date of issue (refer further Note 10).

Apart from the above events there are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditor, Stantons, to provide the directors of the company with an Independence Declaration in relation to the review of the financial report. This Independence Declaration is set out on page 15 and forms part of this directors' report for the half-year ended 31 December 2022.

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



.....
Michael Haynes

Chairman

16 March 2023



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16 March 2023

Board of Directors
Suite 24-26, Level 3
22 Railway Road
Subiaco WA 6008

Dear Sirs

RE: KOBA RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Koba Resources Limited.

As Audit Director for the review of the financial statements of Koba Resources Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Samir Tirodkar
Director



CONSOLIDATED STATEMENT OF PROFIT OR LOSS COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Consolidated 31 December 2022 \$	Consolidated 14 May 2021 to 31 December 2021 \$
Continuing operations		
Other income	3,941	-
Depreciation	(2,249)	-
Directors' costs	(78,552)	-
Performance rights payment expense	(103,670)	-
Other expenses	(321,265)	(15,007)
Loss before income tax	(501,795)	(15,007)
Income tax	-	-
Net loss for the period	(501,795)	(15,007)
Other comprehensive income:		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	57,770	-
Other comprehensive loss for the period	57,770	-
Total comprehensive loss for the period	(444,025)	(15,007)

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	Consolidated 31 December 2022 \$	Consolidated 30 June 2022 \$
Assets			
Current Assets			
Cash and cash equivalents		3,331,685	4,535,554
Trade and other receivables		43,140	407,083
Prepayments		29,790	412,762
Total Current Assets		3,404,615	5,355,399
Non-Current Assets			
Plant and equipment		21,366	21,709
Deferred exploration and evaluation expenditure	2	8,504,657	5,700,471
Total Non-Current Assets		8,526,023	5,722,180
Total Assets		11,930,638	11,077,579
Liabilities			
Current Liabilities			
Trade and other payables		379,776	720,012
Total Current Liabilities		379,776	720,012
Net Assets		11,550,862	10,357,567
Equity			
Issued capital	3	11,926,942	10,463,389
Reserves		2,767,185	2,535,648
Accumulated losses		(3,143,265)	(2,641,470)
Total Equity		11,550,862	10,357,567

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Issued Capital	Accumulated Losses	Option Reserve	Performance Rights Reserve	Foreign Exchange Reserve	Total Equity
	\$	\$				\$
Balance at 14 May 2021 (date of incorporation)	1	-	-	-	-	1
Loss for the period	-	(15,007)	-	-	-	(15,007)
Total comprehensive loss for the period	-	(15,007)	-	-	-	(15,007)
Balance at 31 December 2021	1	(15,007)	-	-	-	(15,006)
Balance at 1 July 2022	10,463,389	(2,641,470)	2,231,332	38,876	265,440	10,357,567
Loss for the period	-	(501,795)	-	-	-	(501,795)
Exchange differences on translation of foreign operations	-	-	-	-	57,770	57,770
Total comprehensive loss for the period	-	(501,795)	-	-	57,770	(444,025)
Options issued during the half-year	-	-	70,097	-	-	70,097
Performance rights issued during the half-year	-	-	-	103,670	-	103,670
Shares issued during the half-year	1,650,000	-	-	-	-	1,650,000
Share issue costs during the half-year	(186,447)	-	-	-	-	(186,447)
Balance at 31 December 2022	11,926,942	(3,143,265)	2,301,429	142,546	323,210	11,550,862

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS **FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Consolidated 31 December 2022 \$	Consolidated 14 May 2021 to 31 December 2021 \$
Cash flows from operating activities		
Payments to suppliers and employees	(375,259)	(62,204)
Interest received	3,941	-
Net cash (used) in operating activities	(371,318)	(62,204)
Cash flows from investing activities		
Payments for purchase of plant and equipment	(1,906)	-
Payments for exploration and evaluation expenditure	(2,364,295)	(380,922)
Net cash (used) in investing activities	(2,366,201)	(380,922)
Cash flows from financing activities		
Proceeds from shares issued	1,650,000	1
Transaction costs of issue of shares	(116,350)	-
Proceeds from loans given	-	443,125
Net cash provided by financing activities	1,533,650	443,126
Net increase in cash held	(1,203,869)	-
Cash and cash equivalents at the beginning of the period	4,535,554	-
Cash and cash equivalents at the end of the period	3,331,685	-

The accompanying notes form part of these consolidated financial statements.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Koba and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as noted in the note on adoption of new and revised accounting standards. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements were authorised for issue on 16 March 2023.

Basis of preparation

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the period 14 May 2021 (date of incorporation) to 30 June 2022.

Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of Koba's assets and the discharge of its liabilities in the normal course of business.

As at 31 December 2022, the Group had cash and cash equivalents of \$3,331,685, a loss for the half-year of \$501,795 and a net cash outflows from operating, investing and financing activities of \$1,203,869.

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors consider the basis of going concern to be appropriate for the following reasons:

- current level of cash and cash equivalents;
- the quality of the Group's exploration assets and underlying prospects to raise additional equity capital;
- the discretionary nature of a significant proportion of the Group's planned exploration spend; and
- the potential to farm-down or dispose of its mineral interests.

Accordingly, the Directors believe that Koba will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised Accounting Standards

New and amended accounting standards and interpretations adopted by the Group

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

NOTE 2: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	31 December	30 June
	2022	2022
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	5,700,471	-
Expenditure incurred	2,742,400	3,392,351
Acquisition cost ⁽ⁱ⁾	-	2,308,120
	8,442,871	5,700,471
Net exchange differences on translation	61,786	-
Total deferred exploration and evaluation expenditure	8,504,657	5,700,471

(i) Refer Note 11 for details on the agreement pursuant to which Koba Inc., a wholly owned subsidiary of Koba acquired the Colson, Panther, Elkhorn and Goodsprings cobalt projects for total consideration of US\$1.66 million.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE 3: ISSUED CAPITAL

	Consolidated	
	31 December	30 June
	2022	2022
	\$	\$
Issued capital	13,000,000	11,350,000
Share issue costs ⁽ⁱ⁾	(1,073,058)	(886,611)
	11,926,942	10,463,389

(i) Share issue costs includes an amount of \$331,727 attributable to the options issued to the brokers and lead managers to the initial public offering ("IPO") which was completed in May 2022 and an amount of \$70,097 attributable to the options issued to the lead managers to the December 2022 placement.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 3: ISSUED CAPITAL (CONTINUED)

	Six months to 31 December 2022 No.	Year to 30 June 2022 No.	Six months to 31 December 2022 \$	Year to 30 June 2022 \$
<i>Movements in ordinary shares on issue (prior to share issue costs)</i>				
At the beginning of the period/year	65,000,000	-	11,350,000	-
Shares issued upon incorporation ⁽ⁱ⁾	-	1	-	1
Shares issued pursuant to a placement ⁽ⁱⁱ⁾	-	19,999,999	-	2,349,999
Shares issued pursuant to the IPO ⁽ⁱⁱⁱ⁾	-	45,000,000	-	9,000,000
Shares issued pursuant to placement ^(iv)	11,000,000	-	1,650,000	-
At the end of the period	76,000,000	65,000,000	13,000,000	11,350,000

- (i) The Company issued 1 Share at an issue price of \$1 on 14 May 2021.
- (ii) On 21 January 2022, the Company entered into a subscription agreement with New World Resources Limited (NWC) pursuant to which the company issued 19,999,999 ordinary shares at an issue price of \$0.1175 per share. Upon the demerger of the Group from NWC, the 20,000,000 Shares held by NWC in the Company were returned to shareholders of NWC in the form of an in-specie distribution on a pro-rata basis.
- (iii) The Company issued 45,000,000 Shares at an issue price of \$0.20 per share in May 2022, pursuant to the IPO.
- (iv) The Company issued 11,000,000 Shares at an issue price of \$0.15 per share in December 2022, pursuant to a placement.

NOTE 4: SEGMENT REPORTING

During the half-year ended 31 December 2022, the Group's exploration and evaluation activities focussed on its projects in the USA and Canada.

NOTE 5: OPTION RESERVE

	Consolidated	
	31 December 2022 \$	30 June 2022 \$
At beginning of period / year	2,231,332	-
Issue of director and employee options	-	1,899,605
Issue of broker options ⁽ⁱ⁾	70,097	331,727
At end of period/year	2,301,429	2,231,332

- (i) The Company issued options to the Placement lead manager – 1,500,000 options were issued on 28 December 2022.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 5: OPTION RESERVE (CONTINUED)

	31 December 2022	30 June 2022
	No.	No.
Movements in number of options over ordinary shares on issue		
At the beginning of the period / year	16,500,000	-
Issue of director and employee options	-	13,500,000
Issue of broker options	1,500,000	3,000,000
Issue of placement free attaching options	2,749,988	-
At end of period / year	20,749,988	16,500,000

NOTE 6: PERFORMANCE RIGHTS RESERVE

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
At beginning of period / year	38,876	-
Issued/vested during the period / year	103,670	38,876
At end of period / year	142,546	38,876

	No.	No.
Movements in options over ordinary shares on issue		
At start of period/year	5,500,000	-
Performance rights issued	-	5,500,000
At end of period	5,500,000	5,500,000

NOTE 7: CONTINGENT LIABILITIES

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

NOTE 8: FINANCIAL INSTRUMENTS

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

On 23 February 2023, the Company announced that it had received firm commitments for a placement ("Placement") to raise \$4.0 million, via the proposed issue of approximately 26,666,667 Shares at \$0.15 per Share ("Placement Shares"), together with one unlisted attaching option ("Placement Option") for every four Placement Shares. The Placement Options will have an exercise price of \$0.30 per option and an expiry date of 27 December 2024. The Placement is subject to shareholder approval at a general meeting to be held on 5 April 2023.

On 14 March 2023, the Company completed the acquisition of SB1 Investments, and issued the following consideration:

- (i) 1.5 million Shares; and
- (ii) 8 million performance rights ("SB1 Performance Rights") which are subject to vesting conditions and have a nil exercise price. 1.5 million of the SB1 Performance Rights expire two years from the date of issue and the balance expire five years from the date of issue (refer further Note 10).

On 14 March 2023, the Company completed settlement of the Python Option Agreement and paid the initial option fee comprising \$30,000 cash and the issue of 250,000 Shares (refer further Note 10).

Apart from the above events there are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 10: COMMITMENTS

Blackpine Cobalt-Copper Project

On 29 October 2021, Koba entered into an agreement with Jervois Global Limited and Jervois Mining (USA) Limited (collectively Jervois), pursuant to which Koba acquired its 100% interest in the Blackpine Project. The Blackpine Project comprises:

- 1. four patented mining claims covering an area of approximately 70 acres and 36 unpatented mining claims covering a further 720 acres, which are subject to an option agreement with a third party ("the Optioned Claims"); and
- 2. a further 23 unpatented mining claims covering an area of 460 acres.

In relation to the Optioned Claims, Koba has the right to acquire 100% of those claims before May 2037 by either;

- (i) paying the underlying patent owners a 2.0% NSR royalty on production from the patented claims to a maximum amount of US\$1,500,000; or
- (ii) paying US\$1,500,000 (less the sum of any previous royalties paid) in cash.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 10: COMMITMENTS (CONTINUED)

SB1 Investments Acquisition

On 14 December 2022, Koba entered into a binding agreement to acquire SB1 Investments Pty Ltd. The acquisition subsequently closed on 14 March 2023 (refer to the Events Subsequent section for the consideration paid on closing). The acquisition included the JB1 Lithium Project and the Davidson Claim Group ("SB1 Projects"). The Davidson Claim Group now forms part of the Whitlock Lithium Project. Pursuant to the acquisition Koba agreed to:

1. Grant the vendor a 2.0% gross production royalty on all materials recovered from the SB1 Projects. The Company has the right, at any time, to buy-back the royalty as follows:
 - a. 1.0% of the royalty for \$1,000,000; and
 - b. the remaining 1% for \$10,000,000.
2. The Company has also agreed to the following annual minimum expenditure commitments:
 - a. \$100,000 during the year commencing 14 March 2023.
 - b. \$250,000 during the year commencing 14 March 2024.
 - c. \$500,000 during the year commencing 14 March 2025.

Python Lithium Project

On 14 December 2022 Koba entered into a binding agreement to secure an option to purchase the Python Lithium Project. The agreement completed on 14 March 2023 (refer to the Events Subsequent section for the consideration paid on completion). To maintain the option the Company has the following outstanding commitments:

1. Second option Continuation Fee payable prior to 14 March 2024.
 - a. \$50,000 cash; and
 - b. 500,000 Koba shares
2. Third option Continuation Fee payable prior to 14 March 2025.
 - a. \$50,000 cash; and
 - b. 1,000,000 Koba shares
3. Grant the vendor a 1.5% gross production royalty on all materials recovered from the Python Lithium Project. The Company has the right, at any time, to buy-back the royalty as follows:
 - a. 0.5% of the royalty for \$500,000; and
 - b. the remaining 1% for \$10,000,000.
4. The Company has also agreed to the following annual minimum expenditure commitments:
 - a. \$100,000 during the year commencing 14 March 2023;
 - b. \$250,000 during the year commencing 14 March 2024; and
 - c. \$500,000 during the year commencing 14 March 2025.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 10: COMMITMENTS (CONTINUED)

Whitlock Lithium Project

The Whitlock Lithium Project (excluding the Davidson Claim Block) was acquired pursuant to an agreement with Geonomik Pty Ltd ("Geonomik"), who introduced the opportunity to the Company ("Whitlock Agreement"). Completion is subject to the Manitoba Department of Natural Resources and Northern Development (NRND) granting the claims staked ("Completion"), at the time of writing none of the claims have been granted. The grant of all the claims is expected by the end of April 2023. The Company has the following commitments upon completion of the Whitlock Agreement:

1. At Completion pay consideration of;
 - a. CAD\$35,000 cash; and
 - b. 1,000,000 Koba shares
2. Within 3 months of Completion, issue 5 million performance rights which are subject to vesting conditions and have a nil exercise price. These performance rights expire five years from the date of issue.
3. Within 18 months of Completion pay consideration of;
 - a. CAD\$50,000 cash; and
 - b. 1,250,000 Koba shares
4. Within 36 months of Completion pay consideration of;
 - a. CAD\$75,000 cash; and
 - b. 1,500,000 Koba shares
5. Pay CAD\$150,000 on the announcement of a mineral resource estimate at the Whitlock Lithium Project in the inferred category or higher with a resource greater than 5Mt @ 1% Li as verified by an independent competent person under the JORC Code 2012.
6. Pay CAD\$200,000 on the commencement of a Pre-Feasibility Study at the Whitlock Lithium Project.
7. Grant the vendor a 2.0% gross production royalty on all materials recovered from the Whitlock Lithium Project. The Company has the right, at any time, to buy-back the royalty as follows:
 - a. 1.0% of the royalty for CAD\$1,000,000; and
 - b. the remaining 1% for CAD\$10,000,000.
8. The Company has also agreed to the following annual minimum expenditure commitments:
 - a. CAD\$300,000 commencing on the date of Completion;
 - b. CAD\$500,000 commencing on the first anniversary of Completion; and
 - c. CAD\$1,000,000 commencing on the second anniversary of Completion.

Other

The Company's US subsidiaries owns 512 unpatented federal mining claims which require annual renewal payments of US\$165 per claim by 1 September each year. Failure to make a renewal payment would result in the forfeiture of the underlying claim. There are no additional minimum expenditure obligations in relation to these mining claims.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

NOTE 11: ACQUISITION OF ASSETS

On 21 January 2022, Liazus Inc. ("Liazus"), a wholly owned subsidiary of New World Resources Limited ("New World"), and Koba Inc., a wholly owned subsidiary of Koba, entered into a Membership Interest Purchase Agreement pursuant to which Koba Inc. agreed to acquire all of the securities (membership interests) in each of Covada LLC and Codaho LLC ("MIPA").

Codaho LLC is an Idaho limited liability which owned the Colson Cobalt-Copper, Panther Cobalt-Copper and Elkhorn Cobalt Projects. Covada is a Nevada limited liability company which owned the Goodsprings Copper-Cobalt Project.

Under the terms of the MIPA, Koba Inc paid Liazus the following consideration:

- (a) US\$0.1m for 100% of the membership interests in Covada LLC; and
- (b) US\$1.56m for 100% of the membership interests in Codaho LLC.

The terms of the MIPA also required that Liazus fully forgive the following loans before closing of the transaction:

- (a) loan to Codaho LLC in the amount of US\$4,010,456; and
- (b) loan to Covada LLC in the amount of US\$1,111,095.

DIRECTORS' DECLARATION

In the opinion of the Directors of Koba Resources Limited:

1. The attached consolidated financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - b. complying with International Financial Reporting Standards as issued by International Accounting Standards Board; and
 - c. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year then ended.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Michael Haynes
Chairman
16 March 2023

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Koba 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, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of Koba Resources Limited's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) 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 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* has been given to the directors of the Company on 16 March 2023.

Responsibility of the Directors for the Financial Report

The directors of Koba 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 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 Company's financial position as at 31 December 2022 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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director

West Perth, Western Australia
16 March 2023