



Half Year Report
31 December 2021

Cradle Resources Limited
ABN 60 149 637 016

www.cradleresources.com.au

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Corporate Directory

Directors

Grant Davey – Executive Director
Chris Bath – Non-Executive Director
David Wheeler – Non-Executive Director

Company Secretary

Chris Bath

Registered Office

Level 20
140 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9200 3425
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Securities Exchange Listing

Cradle Resources Limited shares are listed on the ASX Limited

ASX Code

CXX – Fully paid Ordinary Shares

Share Registry

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000
Telephone: +61 1300 554 474

Auditors

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

Website

www.cradleresources.com.au

The Directors of Cradle Resources Limited ("Cradle" or the "Company") present their report for the half year ended 31 December 2021 and the state of affairs of the Company at that date.

Directors

The names of the Company's Directors in office during the half year and until the date of this report are set out below:

Mr Grant Davey, Executive Director

Mr Chris Bath, Non-Executive Director

Mr David Wheeler, Non-Executive Director (appointed 12 October 2021)

Mr Craig Burton (resigned 12 October 2021)

Operating and Financial Review

Panda Hill Niobium Project

At the beginning of the reporting period, Cradle held a 37.2% interest in the Panda Hill Niobium Project ("Project") via its shareholding in Panda Hill Tanzania Limited ("PHT").

The Project is located in the Mbeya region in south western Tanzania, approximately 680km west of the capital Dar es Salaam. The industrial city of Mbeya is situated only 26km from the project area and has a population of approximately 280,000 people. The Project is located near the main highway to the capital Dar es Salaam and in close proximity to the Songwe Airport which has regular domestic flights from Dar es Salaam and plans for regional expansion.

Demerger and In-specie Distribution

In June 2021 Cradle issued a notice of meeting seeking shareholder approval to transfer the 37.2% interest in PHT to Panda Hill Mining Limited ("PHM") for shares in PHM and the distribution of the PHM shares to eligible Cradle shareholders on a pro-rata basis.

On 30 July 2021 shareholders of Cradle approved the disposal of its 37.2% interest in PHT to PHM and the in-specie distribution of 152,748,622 shares Cradle held in PHM ("In-specie Shares") to eligible Cradle shareholders on a pro-rata basis. Cradle transferred its beneficial interest in the PHT Shares to PHM, rather than the legal interest, as a transfer of the legal interest of the PHT Shares required the approval of the Tanzanian Fair Competition Commission (FCC Transfer Approval). Upon FCC Transfer Approval, Cradle would transfer the legal interest in the PHT Shares to PHM.

To effect the demerger and in-specie distribution:

1. Cradle subscribed for 1,000,000 PHM Shares at \$0.20 for \$200,000;
2. Cradle transferred the beneficial interest in the PHT Shares to PHM and PHM issued 151,648,622 PHM Shares (In-specie Shares) to Cradle; and
3. Cradle transferred its interest in the In-specie Shares, effected by way of transfer of the beneficial interest to eligible Shareholders on a pro-rata basis and the transfer of the legal interest to PHM Nominees.

As a result of the demerger and in-specie distribution, the Company has recognised in the financial statements a dividend distribution of \$18,272,902, which is reflected as a reduction in contributed equity.

Subsequent to the end of the reporting period, in January 2022, FCC approved the transfer of the legal interest of the PHT Shares.

Capital Raising

In September 2021 the Company completed a non-renounceable pro rata fully underwritten entitlement offer to Eligible Shareholders of New Shares each at an issue price of \$0.02 on the basis of 1 New Share for every 4.4 Shares held to raise approximately \$694,000 ("Offer").

The Offer closed on 21 September 2021, with the Company receiving acceptances for 16,252,714 New Shares, resulting in a shortfall of 18,462,882 New Shares. The shortfall was placed via the underwriter, CPS Capital Pty Ltd.

Following completion of the Offer, Cradle has 187,464,218 shares on issue.

New Project Opportunities

Following the Demerger, the Company is focused on assessing and acquiring new business opportunities and assets. ASX will require the Company to seek Shareholder approval pursuant to Listing Rule 11.1.2 and re-comply with Chapters 1 and 2 of the Listing Rules pursuant to Listing Rule 11.1.3 with respect to any future transaction the Company may enter into. Further, ASX Guidance Note 12 states that following a listed entity's disposal of its main undertaking, ASX will generally continue the quotation of the entity's securities for a period of up to 6 months to allow an entity time to identify and announce its intention to acquire a new business. On 13 January 2022, ASX advised that it was suspending the securities of the Company from quotation.

While the Company is actively pursuing potential new acquisitions, there can be no assurance that a suitable new business or asset will be identified and announced within the timeframe required, or at all, which may have an adverse impact on the Company's future revenues and its ability to remain trading on the ASX.

Operating Results

The net profit of the Consolidated Entity for the half year ended 31 December 2021 was \$1,150,367 (31 December 2020: \$1,728,542).

The net profit comprises a gain from foreign exchange on foreign operations reclassified from reserves of \$1,534,612, partially offset by corporate and administrative expenses of \$212,442 and director related fees of \$167,896.

Financial Position

At 31 December 2021, the Company had cash reserves of \$495,945 (30 June 2021: \$486,965), no debt and net assets of \$414,844 (30 June 2021: \$18,425,409).

Signed in accordance with a resolution of the directors.



Grant Davey
Executive Director

9 March 2022
Perth



**Building a better
working world**

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Auditor's Independence Declaration to the Directors of Cradle Resources Limited

As lead auditor for the review of the half-year financial report of Cradle Resources Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.
- c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

A stylized, handwritten signature of Ernst & Young in black ink.

Ernst & Young

A handwritten signature in black ink, appearing to be 'P. Dreyer'.

Pierre Dreyer
Partner
9 March 2022

	Notes	2021 \$	2020 \$
Interest income		727	2,171
Sundry income		-	88,430
Corporate and administrative expenses		(212,442)	(228,906)
Employee benefits expenses		(167,896)	(105,000)
Share of loss – interest in associate	6	-	(10,772)
Loss on sale of interest joint venture	6	-	(1,307,508)
Foreign exchange loss		(4,634)	-
Foreign exchange gain on foreign operations reclassified from reserves	9	1,534,612	448,058
Impairment loss	6	-	(615,015)
Profit/(Loss) before income tax		1,150,367	(1,728,542)
Income tax expense		-	-
Net profit/(loss) for the period		1,150,367	(1,728,542)
Net profit/(loss attributable to members of Cradle Resources Limited)		1,150,367	(1,728,542)
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
Exchange differences arising on translation of foreign operations	9	-	(1,994,918)
Foreign exchange gain on foreign operations reclassified to profit & loss	9	(1,534,612)	(448,058)
Other comprehensive income/(loss) for the period, net of tax		(1,534,612)	(2,442,976)
Total comprehensive loss for the period		(384,245)	(4,171,518)
Total comprehensive loss attributable to members of Cradle Resources Limited		(384,245)	(4,171,518)
Earnings per share			
Basic and diluted profit/(loss) per share (cents per share)		0.56	(0.92)

The interim consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the interim consolidated financial statements.

		31 Dec 2021	30 June 2021
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	495,945	486,965
Other receivables	5	25,891	15,959
Total Current Assets		521,836	502,924
Non-current Assets			
Other receivables	5	-	102,856
Interest in associates	6	-	17,974,680
Total Non-Current Assets		-	18,077,536
TOTAL ASSETS		521,836	18,580,460
LIABILITIES			
Current Liabilities			
Trade and other payables	7	106,992	155,051
Total Current Liabilities		106,992	155,051
TOTAL LIABILITIES		106,992	155,051
NET ASSETS		414,844	18,425,409
EQUITY			
Contributed equity	8	11,034,187	28,660,507
Reserves	9	10,921,281	12,455,893
Accumulated losses		(21,540,624)	(22,690,991)
TOTAL EQUITY		414,844	18,425,409

The interim consolidated statement of financial position should be read in conjunction with the notes to the interim consolidated financial statements.

	Issued Capital \$	Foreign Currency Translation Reserve \$	Consolidation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2021	28,660,507	1,534,612	10,921,281	(22,690,991)	18,425,409
Net Gain for the period	-	-	-	1,150,367	1,150,367
Other comprehensive income:					
Foreign exchange on foreign operations reclassified to profit & loss	-	(1,534,612)	-	-	(1,534,612)
Total comprehensive loss for the period	-	(1,534,612)	-	1,150,367	(384,245)
Transactions with owners recorded directly in equity:					
Issue of shares	694,312	-	-	-	694,312
Share issue costs	(47,730)	-	-	-	(47,730)
In specie distribution (refer note 6)	(18,272,902)	-	-	-	(18,272,902)
Balance at 31 December 2021	11,034,187	-	10,921,281	(21,540,624)	414,844
Balance at 1 July 2020	31,245,828	3,381,084	10,921,281	(20,602,613)	24,945,580
Net loss for the period	-	-	-	(1,728,542)	(1,728,542)
Other comprehensive income:					
Exchange differences on translation of foreign operations	-	(1,994,918)	-	-	(1,994,918)
Foreign exchange on foreign operations reclassified to profit & loss	-	(448,058)	-	-	(448,058)
Total comprehensive income/(loss) for the period	-	(2,442,976)	-	(1,728,542)	(4,171,518)
Transactions with owners recorded directly in equity:					
Share buy-back	(2,585,321)	-	-	-	(2,585,321)
Balance at 31 December 2020	28,660,507	938,108	10,921,281	(22,331,155)	18,188,741

The interim consolidated statement of changes in equity should be read in conjunction with the notes to the interim consolidated financial statements.

	2021	2020
	\$	\$
Cash flows used in operating activities		
Payments to suppliers, employees and others	(438,328)	(319,278)
Interest received	727	2,171
Net cash used in operating activities	(437,601)	(317,107)
Cash flows used in investing activities		
Contributions to joint venture	-	(121,377)
Payment for share subscription in Panda Hill Mining Limited	(200,000)	-
Net cash used in investing activities	(200,000)	(121,377)
Cash flows used in financing activities		
Proceeds from the issue of shares	692,312	-
Share issue expenses	(45,731)	-
Net cash from/(used) in financing activities	646,581	-
Net increase/(decrease) in cash and cash equivalents	8,980	(438,484)
Cash and cash equivalents at beginning of period	486,965	1,182,078
Cash and cash equivalents at end of period	495,945	743,594

The interim consolidated statement of cash flows should be read in conjunction with the notes to the interim consolidated financial statements.

1. Corporate information

The interim condensed consolidated financial statements of Cradle Resources Limited and its subsidiaries (collectively the “Group”) for the six months ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 9 March 2022.

Cradle Resources Limited (the “Company”) is a for profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange. The registered office is located at Level 20, 140 St Georges Terrace Perth, Western Australia.

The nature of the operations and principal activities of the Group are as described in the Directors’ Report.

2. Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. It is intended to provide users with an update on the latest annual financial statements of the Group and as such it does not include full disclosures of the type normally included in the annual report. It is recommended that it be read in conjunction with the 2021 Annual Report and any public announcements made by the Company during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim condensed consolidated financial statements for the six months ended 31 December 2021 has been prepared in accordance with the accounting policies adopted in the 2021 Annual Report and have been consistently applied by the entities in the Group except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 July 2021. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half-year. The adoption of the new and revised standards and interpretations had no material impact on the Group.

Going Concern

The Group recognised a net profit for the six months ended 31 December 2021 of \$1,150,367 (2020: loss of \$1,728,542). Net cash operating outflows of \$437,601 (31 December 2020: \$317,017) and net cash investing outflows of \$200,000 (31 December 2020: \$121,377) respectively were incurred during the period. The Group has cash on hand at 31 December 2021 of \$495,945 (30 June 2021: 486,965) and receivables of \$25,891 (30 June 2021: 15,959). Net assets totalled \$414,844.

The interim consolidated financial statements have been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group is currently focussing on assessing and acquiring new business opportunities and assets. The use of funds during the next twelve months will primarily be on administration and corporate costs, together with costs incurred on reviewing new project opportunities. The directors have prepared a cash flow forecast which indicates that the Group will require additional capital to fund ongoing evaluation (and, where applicable, acquisition) of new opportunities and working capital requirements for the 12-month period from the date of signing this financial report.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets or other sources and managing cash flows in line with available funds. Matador Capital Pty Ltd (“Matador Capital”), a related entity of one of the directors, Mr Grant Davey, has provided a letter of financial support, whereby Matador Capital agrees to defer recharges of costs under the Cost Sharing Agreement and the Office Use Agreement in place as well as, if required and subject to shareholder and any regulatory approvals, enter into a convertible debt instrument on normal commercial terms to enable the Group to continue as a going concern.

In the event that the Company is unable to raise additional debt or equity funding, there is material uncertainty that may cast significant doubt as to whether the Group will 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.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

3. Critical Accounting Estimates & Judgements

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

In preparing these interim condensed consolidated financial statements, the significant judgements 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 financial report as at and for the year ended 30 June 2021.

4. Cash and Cash Equivalents

	31 Dec 2021	30 June 2021
	\$	\$
Cash at bank	495,945	486,965

5. Other Receivables

	31 Dec 2021	30 June 2021
	\$	\$
Current		
Prepayments	12,880	-
GST receivable	13,011	15,959
	25,891	15,959
Non-Current		
Loans to joint venture	-	102,856
Total non-current receivables	-	102,856

6. Interest in Associates and Joint Ventures

		31 Dec 2021	30 June 2021
		\$	\$
Investment in Associates			
Panda Hill Tanzania Ltd	6(a)	-	17,974,680

(a) Panda Hill Tanzania Ltd

On 30 July 2021 shareholders of Cradle approved the demerger of its 37.2% interest in PHT to Panda Hill Mining Limited ("PHM") and the in-specie distribution of 152,748,622 shares it holds in PHM ("In-specie Shares") to eligible Cradle shareholders on a pro-rata basis. To effect the demerger and in-specie distribution:

1. Cradle subscribed for 1,000,000 PHM Shares at \$0.20 for \$200,000;
2. Cradle transferred the beneficial interest in the PHT Shares to PHM and PHM issued 151,648,622 PHM Shares to Cradle; and
3. Cradle transferred its interest in the In-specie Distribution Shares, effected by way of transfer of the beneficial interest to eligible Shareholders on a pro-rata basis and the transfer of the legal interest to PHM Nominees.

Cradle transferred its beneficial interest in the Project (i.e. the PHT Shares) to PHM, rather than the legal interest, as a transfer of the legal interest of the PHT Shares required the approval of the Tanzanian Fair Competition Commission (FCC Transfer Approval).

6. Interest in Associates and Joint Ventures

As a result of this transaction, Cradle has recognised a dividend payable of \$18,272,902, which comprises the following amounts:

	\$
Investment in PHT	17,974,680
Loan to PHT	102,856
Investment in PHM	200,000
Foreign exchange loss	(4,634)
Total dividend payable	18,272,902

On the date of settlement, the difference between the fair value of the dividend payable (i.e. the fair value of the net assets of PHM) and the carrying amount of PHM in the books of Cradle is recognised in the statement of profit or loss. In relation to the current transaction, the movements in the fair value of the dividend payable from 30 July 2021 to 6 August 2021 relate only to changes in foreign exchange of \$4,635.

In January 2022, the FCC approved the transaction, which will allow the legal interest in the shares in PHT to be transferred to PHM.

	Half year ended 31 Dec 2021	Half year ended 31 Dec 2020
	\$	\$
Reconciliation of movements in interest in Panda Hill Tanzania Ltd		
Carrying amount at 1 July	17,974,680	23,717,870
Cash contributions to joint venture	-	91,014
Deemed contributions ¹	-	88,430
Foreign exchange differences	-	(1,994,918)
Share of joint venture loss for the period	-	(10,772)
Sale of interest in PHT	-	(3,892,829)
Impairment adjustment	-	(615,015)
In-specie distribution of interest in PHT	(17,974,680)	-
Carrying amount at 31 December	-	17,383,780

¹During the prior period, the Company's joint venture partner sole-funded certain expenditures of PHT, totalling A\$176,860, of which A\$88,430 (being 50% of the expenditure incurred prior to the part sale of PHT shares to Tremont, refer above) is deemed to have been contributed by Cradle and has been recognised as a gain through profit or loss.

7. Trade and other payables

	31 Dec 2021	30 June 2021
	\$	\$
Trade and other payables	106,992	155,051

8. Contributed Equity

		31 Dec 2021	30 June 2021
		\$	\$
Issued capital			
187,464,218 fully paid ordinary shares (30 June 2021: 152,748,622)	(a)	11,034,187	28,660,507
(a) Movement in Issued Capital			
		Number	\$
1 July 2020	Opening balance	189,681,783	31,245,828
21 December 2020	Share buy back	(36,933,161)	(2,585,321)
	Balance at 31 December 2020	<u>152,748,622</u>	<u>28,660,507</u>
6 August 2021	In specie distribution ¹	-	(18,272,902)
22 September 2021	Issue of shares ²	16,252,714	325,054
23 September 2021	Issue of shares ²	18,462,882	369,258
24 September 2021	Share issue costs ²	-	(47,730)
31 December 2020	Closing balance	<u>187,464,218</u>	<u>11,034,187</u>

¹On 30 July 2021 shareholders of Cradle approved the demerger of its 37.2% interest in PHT to Panda Hill Mining Limited ("PHM") and the in-specie distribution of 152,748,622 shares it holds in PHM ("In-specie Shares") to eligible Cradle shareholders on a pro-rata basis. Refer to Note 6 (a).

As a result of this transaction, Cradle has recognised a dividend payable of \$18,272,902, which comprises the following amounts:

	\$
Investment in PHT	17,974,680
Loan to PHT	102,856
Investment in PHM	200,000
Foreign exchange loss	(4,634)
Total dividend payable	<u>18,272,902</u>

² In September 2021 the Company completed a non-renounceable pro rata fully underwritten entitlement offer to Eligible Shareholders of New Shares each at an issue price of \$0.02 on the basis of 1 New Share for every 4.4 Shares held to raise approximately \$694,000 ("Offer").

The Offer closed on 21 September 2021, with the Company receiving acceptances for 16,252,714 New Shares, resulting in a shortfall of 18,462,882 New Shares. The shortfall was placed via the underwriter, CPS Capital Pty Ltd.

9. Reserves

	31 Dec 2021	30 June 2021
	\$	\$
Foreign currency translation reserve	(a) -	1,534,612
Consolidation reserve	10,921,281	10,921,281
Total reserves	10,921,281	12,455,893

(a) Movement in foreign currency translation reserve	31 Dec 2021	30 June 2021
	\$	\$
Opening balance	1,534,612	3,381,084
Exchange differences on translation of foreign operations	-	(1,398,414)
Foreign exchange on foreign operations reclassified to profit & loss	(1,534,612)	(448,058)
Closing balance	-	1,534,612

10. Dividends Paid or Provided for on Ordinary Shares

Other than the amount disclosed in Note 6, no dividend has been paid or provided for during the half year (31 December 2020: Nil).

11. Related Parties

Mr Grant Davey, who is a non-executive Director of the Company, is a Director and shareholder of Matador Capital Pty Ltd (Matador Capital). The Company makes payments to Matador Capital under a Shared Services Agreement in which Matador Capital provides office space and certain corporate and administrative services to the Company. Matador Capital charges totalled \$76,719 for the half year.

12. Events Subsequent to Balance Date

As at the date of this report there are no matters or circumstances which have arisen since 31 December 2021 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 31 December 2021, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 31 December 2021, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 31 December 2021, of the Consolidated Entity.

Directors' Declaration

In accordance with a resolution of the directors of Cradle Resources Limited, I state that in the opinion of the directors:

- (a) the interim financial statements and notes of the Company and its subsidiaries are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, and the *Corporations Regulations 2001*; and
- (b) subject to the matters set out in note 2, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Grant Davey
Executive Director

9 March 2022

Perth



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Independent auditor's review report to the members of Cradle Resources Limited

Conclusion

We have reviewed the accompanying half-year financial report of Cradle Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the interim consolidated statement of financial position as at 31 December 2021, the interim consolidated statement of profit or loss and other comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement 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 the Group is not in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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.

Material uncertainty related to going concern

Without qualifying our conclusion, we draw attention to the matters set out in the Basis of Preparation Note to the interim consolidated financial report. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities 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 responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with 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.



Ernst & Young



Pierre Dreyer
Partner
Perth
9 March 2022