

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2020

CASSIUS MINING LIMITED
ABN 13 115 027 033
& CONTROLLED ENTITIES

DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2020.

DIRECTORS

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

	Date Appointed	Date Resigned
J Arkoudis	31 October 2014	-
A Karam	31 October 2014	-
D Chidlow	8 June 2017	-
W Kernaghan	30 June 2005	-

REVIEW & RESULTS OF OPERATIONS

Cassius Mining Limited is an African focused precious metals explorer (Ghana - Gold) and industrial mineral developer (Madagascar - Limestone).

The principal activities of the consolidated group during the financial period were mining, mine development, mineral exploration and seeking mining opportunities.

The net loss for the half-year ended 31 December 2020, after providing for income tax amounted to \$34,357 (31 December 2019: loss of \$5,080,275).

EXPLORATION

The Company has refined its strategy for an initial 2021 drilling programme in Madagascar, with timing dependant on the Covid situation allowing that programme to safely proceed.

The Company continues to review opportunities to expand its portfolio where a significant benefit can be identified for its shareholders, with current negotiations underway on a potential Australian project.

LITIGATION FUNDING

On 1 December 2020 the Company entered a litigation funding term sheet with Omni Bridgeway Limited which is subject to due diligence. Subject to successful due diligence, the parties will move to a binding agreement. Under the agreed terms Omni Bridgeway's costs will only be recoverable from any sum or material benefit the Company may receive as a result of the Claim being resolved by way of a court judgment, arbitration award, settlement or compromise.

COVID-19 MANAGEMENT

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and is likely to continue to have, a significant impact on global capital markets.

To date, COVID-19 has not had any material impact on the Company's operations other than in Madagascar where this country is in lockdown and will limit our exploration activities.

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects.

The Company has implemented a COVID-19 management plan across its business in order to minimise the risk of infection for individuals. This includes personnel working remotely so as to reduce the frequency of travel.

The Company's COVID-19 management plan will be reviewed and updated based on the latest guidance from health professionals and the government as the situation develops.

EVENTS SUBSEQUENT TO REPORTING DATE

There are no known events subsequent to balance date that would have a material effect on these financial statements and there have been no material impact from COVID-19 after balance date.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporation's Act 2001* is set out on page 4 for the half year ended 31 December 2020.

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

A handwritten signature in black ink, appearing to read 'Wayne Kernaghan', is written over the printed name.

Wayne Kernaghan
Director
Sydney,
12 March 2021



A D Danieli Audit Pty Ltd

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**Auditor's Independence Declaration
Under Section 307c of the Corporations Act 2001
To the Directors of Cassius Mining Limited
A.B.N. 13 115 027 033
And Controlled Entities**

I declare that, to the best of our knowledge and belief, during the half year ended 31 December 2020, there have been no contraventions of:

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

A D DANIELI AUDIT PTY LTD

Mark Schiliro
Director

Sydney, 12 March 2021

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	NOTE	Consolidated Half year Ended 31 Dec 2020 \$	Consolidated Half year Ended 31 Dec 2019 \$
Revenue	2	104,020	181
Exploration expenditure written off	2	(56,245)	(15,796)
Impairment of investments		-	(4,921,333)
Other expenses		(82,132)	(143,327)
Profit / (Loss) before income tax		(34,357)	(5,080,275)
Income tax expense		-	-
Net profit /(loss) for the period attributable to members of the parent entity		(34,357)	(5,080,275)
Other comprehensive income			
Exchange differences on translating foreign controlled entities		-	-
Other comprehensive income/(loss) for the period, net of tax		-	-
Total comprehensive income/(loss) for the period attributable to members of the parent entity		(34,357)	(5,080,275)
Basic profit/(loss) per share attributable to ordinary equity holders of the parent (cents per share)		(0.01)	(1.91)
Diluted profit/(loss) per share attributable to ordinary equity holders of the parent (cents per share)		(0.01)	(1.91)

(The accompanying notes form part of these financial statements)

Cassius Mining Limited
ABN 13 115 027 033
& Controlled Entities

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	Consolidated as at 31 Dec 2020 \$	Consolidated as at 30 Jun 2020 \$
CURRENT ASSETS			
Cash and cash equivalents	3	51,284	98,851
Trade and other receivables	4	1,153	2,321
TOTAL CURRENT ASSETS		<u>52,437</u>	<u>101,172</u>
NON-CURRENT ASSETS			
Exploration expenditure	5	917,456	917,456
Investments accounted for using the equity method	6	-	-
TOTAL NON-CURRENT ASSETS		<u>917,456</u>	<u>917,456</u>
TOTAL ASSETS		<u>969,893</u>	<u>1,018,628</u>
CURRENT LIABILITIES			
Trade and other payables	7	20,633	35,011
TOTAL CURRENT LIABILITIES		<u>20,633</u>	<u>35,011</u>
TOTAL LIABILITIES		<u>20,633</u>	<u>35,011</u>
NET ASSETS		<u>949,260</u>	<u>983,617</u>
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	8	45,436,946	45,436,946
Reserves	9	-	568,200
Accumulated losses		(44,487,686)	(45,021,529)
TOTAL EQUITY		<u>949,260</u>	<u>983,617</u>

(The accompanying notes form part of these financial statements)

Cassius Mining Limited
ABN 13 115 027 033
& Controlled Entities

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2019	<u>45,280,946</u>	<u>568,200</u>	<u>(34,393,382)</u>	<u>11,455,764</u>
<i>Comprehensive income for the period</i>				
Loss for the period	-	-	(5,080,275)	(5,080,275)
Issue of share capital	156,000	-	-	156,000
Balance at 31 December 2019	<u>45,436,946</u>	<u>568,200</u>	<u>(39,473,657)</u>	<u>6,531,489</u>
Balance at 1 July 2020	<u>45,436,946</u>	<u>568,200</u>	<u>(45,021,529)</u>	<u>983,617</u>
<i>Comprehensive income for the period</i>				
Loss for the period	-	-	(34,357)	(34,357)
Options that have expired	-	(568,200)	568,200	-
Balance at 31 December 2020	<u>45,436,946</u>	<u>-</u>	<u>(44,487,686)</u>	<u>949,260</u>

(The accompanying notes form part of these financial statements)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Consolidated Half year Ended 31 Dec 2020 \$	Consolidated Half year Ended 31 Dec 2019 \$
<u>Cash flows from Operating Activities</u>		
Interest received	20	181
Government grants	104,000	-
Payments to suppliers and employees	(151,587)	(140,998)
Net Cash used in Operating Activities	(47,567)	(140,817)
 <u>Cash flows from Investing Activities</u>		
Investments accounted for using the equity method	-	(82,327)
Net Cash used in Investing Activities	-	(82,327)
 <u>Cash flows from Financing Activities</u>		
Proceeds from share issues (Net of expenses)	-	156,000
Net Cash provided by Financing Activities	-	156,000
 Net increase/(decrease) in cash held	(47,567)	(67,144)
Cash and cash equivalents at beginning of the period	98,851	348,184
Cash and cash equivalents at end of the period	51,284	281,040

(The accompanying notes form part of these financial statements)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Basis of Preparation

The half-year consolidated financial statements of Cassius Mining Ltd are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting and other Australian Accounting Standards which ensure compliance with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Cassius Mining Limited and its controlled entities (the group).

It is recommended that this financial report be read in conjunction with the annual financial report of the group for the year ended 30 June 2020 and any public announcements made during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2020 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New and Amending Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the half year report are consistent with those followed in the preparation of the consolidated entity's annual financial statements for the year ended 30 June 2020, except for the mandatory adoption of new standards and interpretations. The adoption of these standards and interpretations did not have any material impact on the financial position or the performance of the Group.

Going Concern

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

The Directors are aware that the Group's ability to continue as a going concern, and its ability to pay its debts as and when they fall due, is largely dependent on successfully managing its short to medium term liquidity position.

On 1 December 2020 the Company entered a litigation funding term sheet with Omni Bridgeway Limited which is subject to due diligence. Subject to successful due diligence, the parties will move to a binding agreement. Under the agreed terms Omni Bridgeway's costs will only be recoverable from any sum or material benefit the Company may receive as a result of the Claim being resolved by way of a court judgment, arbitration award, settlement or compromise.

2. Loss Before Income Tax has been Determined After:

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

(a) Revenue and other income

Interest from other persons
Government grants

**Consolidated
Half year Ended
31 Dec
2020
\$**

**Consolidated
Half year
Ended
31 Dec
2019
\$**

20	181
104,000	-
104,020	181

(b) Charging as expense:

Exploration expenditure – non capital
Impairment of investments

56,245
15,796
4,921,333

**Consolidated as
at
31 Dec
2020
\$**

**Consolidated as
at
30 Jun
2020
\$**

3. Cash and Cash Equivalents

Cash at bank and in hand

51,284
98,851

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as above.

51,284
98,851

4. Trade and Other Receivables

Other receivables

1,153
2,321
1,153
2,321

5. Exploration Expenditure

Opening balance
Expenditure for the period
Closing balance

917,456
917,456
917,456
917,456

6. Investments accounted for using the equity method

a. Information about Principal Associates and Joint Ventures

Set out below are the material associates and joint ventures of the Group.

Name	Classification	Place of Business/ Incorporation	Proportion of Ordinary Share Interests/ Participating Share		Measurement Method	Carrying Amount	
			31 Dec 2020	30 Jun 2020		31 Dec 2020	30 Jun 2020
			%	%		\$	\$
Gbane Project	Joint venture	Ghana	-	-	Equity method	-	-

Gbane Project is a joint venture between Cassius Mining Limited (Ghana) and Cassius Mining Limited. The primary purpose of the joint venture is to conduct gold exploration project in Bolgatanga, Ghana. Gbane project is classified by the Group as a joint venture. As at 31 December 2020, the Group has a Nil% economic interest in Gbane Project as the licence was not renewed by the Ghana Minerals Commission.

b. Commitments and Contingent Liabilities in Respect of Joint Ventures

The Group has no capital commitments relating to its interest in Gbane Project.

c. Summarised Financial Information for Joint Ventures

Set out below is the summarised financial information for Gbane Project. Unless otherwise stated, the disclosed information reflects the amounts presented in the Australian-Accounting-Standards financial statements of Gbane Project. The following summarised financial information, however, reflects the adjustments made by the Group when applying the equity method, including adjustments for any differences in accounting policies between the Group and the joint venture.

	Gbane Project	
	31 Dec 2020 \$	30 Jun 2020 \$
Summarised Financial Position		
Cash and cash equivalents	-	-
Total current assets	-	-
Total non-current assets	-	-
Current financial liabilities (excluding trade and other payables, and provisions)	-	-
Total current liabilities	-	-
Non-current financial liabilities (excluding trade and other payables, and provisions)	-	-
Total non-current liabilities	-	-
NET ASSETS	-	-
Group's share (%)	Nil%	Nil%
Group's share of joint venture's net assets	Nil%	Nil%

Reconciliation to Carrying Amounts

Group's share of joint venture's opening net assets	-	10,218,596
Investments during the period	-	198,999
Group's share of joint venture's total comprehensive income	-	-
Group's share of dividends paid by joint venture	-	-
Provision for impairment of investment	-	(10,417,595)
Disposals during the period	-	-
Group's share of joint venture's closing net assets	-	-

7. Trade and Other Payables

	Consolidated as at 31 Dec 2020 \$	Consolidated as at 30 Jun 2020 \$
Current		
Trade creditors	20,633	35,011
	<u>20,633</u>	<u>35,011</u>

8. Issued Capital

Ordinary shares (issued and fully paid) 287,246,390
(30 June 2020: 287,246,390)

	45,436,946	45,436,946
	<u>45,436,946</u>	<u>45,436,946</u>

	31 Dec 2020 No. of Shares	31 Dec 2020 \$	30 Jun 2020 No. of Shares	30 Jun 2020 \$
Movements in issued shares for the half year:				
Beginning of the financial period	287,246,390	45,436,946	261,246,390	45,280,946
28/11/19 issued at 0.6 cents placement	-	-	26,000,000	156,000
Less share issue expenses	-	-	-	-
	<u>287,246,390</u>	<u>45,436,946</u>	<u>287,246,390</u>	<u>45,436,946</u>

9. Reserves

	Consolidated as at 31 Dec 2020 \$	Consolidated as at 30 Jun 2020 \$
Share Option Reserve	-	568,200
	<u>-</u>	<u>568,200</u>
(i) Share Option Reserve		
This relates to the recognition on the issue of options:		
Beginning of the financial period	568,200	568,200
Options issued	-	-
Options which expired	(568,200)	-
End of the financial period	<u>-</u>	<u>568,200</u>

10. Operating Segments

The consolidated entity operates in two business segments being industrial minerals development and mineral exploration, in two geographical locations, being Australia and Africa.

The operating segment analysis presented in these financial statements reflects operations analysis by business. It best describes the way the Company is managed and provides a meaningful insight into the business activities of the Company.

(a) The following tables present details of revenue and operating profit by business segment. The information disclosed in the tables below is derived directly from the internal financial reporting system used by corporate management to monitor and evaluate the performance of operating segments separately.

				<u>Total</u>
<u>2020</u>	Industrials Minerals Development	Mineral Exploration	Corporate	Consolidated Group
For the half year ended 31 December 2020	\$	\$	\$	\$
Revenue from external customers	-	-	-	-
Interest & other	-	-	104,020	104,020
Total segment revenue	-	-	104,020	104,020
Reportable segment profit/(loss) before income tax	-	(56,245)	21,888	(34,357)
Reportable Segment Assets as at 31 December 2020	-	917,456	52,437	969,893
<u>2019</u>	Industrials Minerals Development	Mineral Exploration	Corporate	Consolidated Group
For the half year ended 31 December 2019	\$	\$	\$	\$
Revenue from external customers	-	-	-	-
Interest & other	-	-	181	181
Total segment revenue	-	-	181	181
Reportable segment profit/(loss) before income tax	-	(4,937,129)	(143,146)	(5,080,275)
Reportable Segment Assets as at 31 December 2019	-	6,297,046	282,346	6,579,392
(b) Assets by geographical region			31 Dec 2020	31 Dec 2019
Australia			52,437	282,346
Africa			917,456	6,297,046
Total Assets			969,893	6,579,392

11. Contingent Liabilities

There is \$420,000 outstanding in respect of the purchase of the company that holds the limestone deposit in Madagascar. This amount is payable when the first commercial shipment of limestone from the project has occurred.

There are no other known contingent liabilities.

12. Events Subsequent to Reporting Date

There are no known events subsequent to balance date that would have a material effect on these financial statements and there have been no material impact from COVID-19 after balance date.

13. Fair Value Measurement

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly observable).

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

The following table represents a comparison between the carrying amounts and fair values of assets and liabilities:

	Level	As at 31 December 2020		As at 30 June 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Assets					
Cash & cash equivalents	1	51,284	51,284	98,851	98,851
Trade & other receivables	1	1,153	1,153	2,321	2,321
Investments accounted for using equity method	1	-	-	-	-
Exploration Expenditure	1	917,456	917,456	917,456	917,456
Liabilities					
Trade & other payables	1	20,633	20,633	35,011	35,011

The assets and liabilities of the Company are recognised in the consolidated statements of financial position in accordance with the accounting policies set out in Note 1 of the Annual Report.

The Company considers that the carrying amount of assets and liabilities recognised in the consolidated financial statements approximate to their fair value.

14. Dividends Paid or Provided for on Ordinary Shares

No amounts have been paid, declared or recommended by Cassius Mining Limited by way of dividend since the commencement of the half-year, and up to the date of this report.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes as set out on pages 5 to 14 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and other Australian Accounting Standards, which as stated in accounting policy Note 1 to the financial statements constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) giving a true and fair view of the economic entity's financial position as at 31 December 2020 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.

This declaration is made in accordance with a resolution of the Board of Directors.



Wayne Kernaghan
Director
Sydney
12 March 2021



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**Independent Auditor's Review Report
To the Members of Cassius Mining Limited
A.B.N. 13 115 027 033
And Controlled Entities**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year consolidated financial report of Cassius Mining Limited and controlled entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2020 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*. As the auditor of Cassius Mining Limited and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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 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.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the company for the half-year ended 31 December 2020 included on the website of Cassius Mining Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the company's website.

Independence

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

Emphasis of Matter Relating to Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report regarding going concern. The group incurred a net loss of \$34,357 for the half year ended 31 December 2020 and as of that date, had cash at bank of \$51,284, current assets of \$52,437, current liabilities of \$20,633 and total equity of \$949,260. These conditions, along with other matters detailed in Note 1, indicate the existence of a material uncertainty which may cast doubt on the group's ability to continue as a going concern.

Conclusions

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 Cassius Mining Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*.

A D DANIELI AUDIT PTY LTD



Mark Schiliro
Director

Sydney, 12 March 2021

