



Infinity mining

ABN: 73 609 482 180

The background of the page features two large, semi-transparent images of mineral rock textures. One is a large, irregularly shaped rock fragment in the upper right corner, and another is a smaller, more angular rock fragment in the lower left corner. Both have a rough, crystalline appearance with various shades of brown, tan, and grey.

FINANCIAL REPORT

For the half year ended 30 September 2022

CONTENTS

1.	Review of Operations	3
2.	Directors' Report	18
3.	Auditor's Independence Declaration	21
4.	Statement of Comprehensive Income	22
5.	Statement of Financial Position	23
6.	Statement of Changes in Equity	24
7.	Statement of Cash Flows	25
8.	Notes to the Financial Statements	26
9.	Directors' Declaration	48
10.	Independent Auditor's Review Report	49

1. REVIEW OF OPERATIONS

The principal activity of the Company during the half-year was advancing and exploring the Company's tenements in the Pilbara region and the Central Goldfields region of Western Australia. Infinity holds 697km² in the Pilbara area to the SW of Port Headland, and a further 13.81km² in the Central Goldfields around Leonora.

1.1 PILBARA PROJECTS

The Pilbara tenements comprise an extensive portfolio of Lithium, Gold, Nickel, Copper and Zinc exploration tenements located in the Pilbara region of northwest Western Australia, including the Tambourah South, Tambourah North, Strelley Gorge, Hillside, Panorama and Noreena Downs Projects (see **Figure 1**).

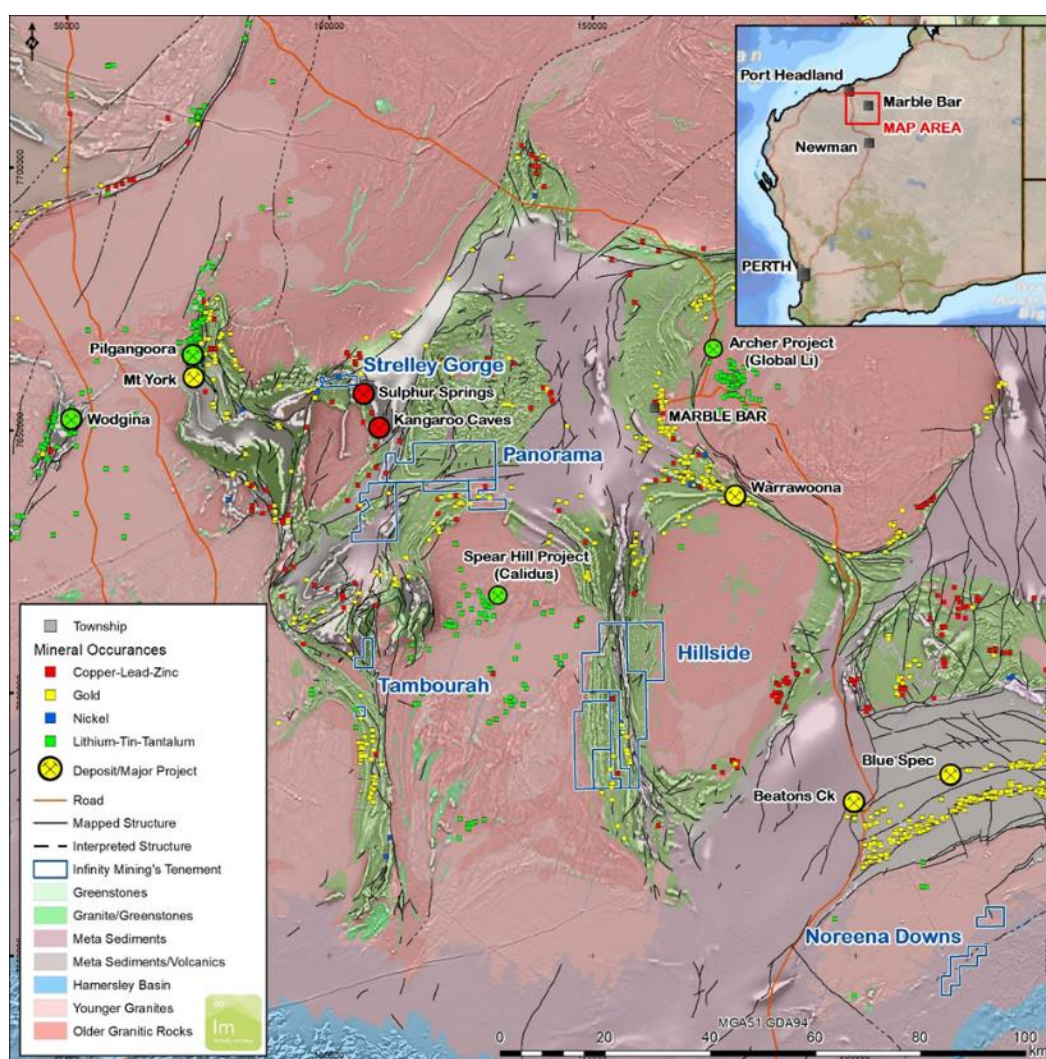


Figure 1. Infinity Mining's Pilbara Exploration Project

Summary of Pilbara Exploration Work Completed During the Half-Year

During the half-year to 30 September 2022, Infinity completed a large amount of exploration work across its Pilbara tenements. The Tambourah South Project has developed into a high-priority project for Infinity, given its high prospectivity for Lithium and the current global interest in Lithium. Work at Tambourah South included:

- A helicopter reconnaissance trip to several Lithium targets.
- Geological mapping of pegmatite bodies and identification of lithium minerals lepidolite & spodumene.
- Extensive rock chip sampling of the outcropping pegmatite bodies.
- Lag sampling adjacent to the exposed pegmatites.
- Planning of an RC drilling program to test the best LCT pegmatite targets.

During the half-year Infinity also completed a drone magnetics survey at Panorama and commenced planning of a heli-EM (VTEM) survey for the Hillside, Panorama and Strelley Gorge projects (survey to be executed next period). The key results from the half-year are summarised below.

Tambourah South (E45/4848)

The Tambourah South Project is located 80 km southwest of Marble Bar and 155 km south of Port Headland. The project lies within greenstones of the Apex Basalt and adjacent to the Yule Granite Complex and located 65 km south-east of the Pilgangoora Lithium deposit (see **Figure 1** above).

The project covers the highly prospective zone (Goldilocks Zone) out to 3 km from the granite-greenstone contact. A historic Tantalum-Lithium mineral occurrence (referenced in the WA DMIRS' Minedex database) occurs in the northern part of the tenement and Tambourah 1:100,000 geology sheet, which also shows pegmatite dykes along the western edge of the tenement.

Helicopter Reconnaissance

Helicopter reconnaissance work carried out in 2017 by Macarthur Lithium Pty Ltd (now Infinity Mining) located and sampled Lepidolite bearing pegmatites in the northern part of the tenement. Rock chip samples taken in 2017 returned anomalous Lithium up to 1.47% Li_2O and anomalous LCT (Lithium-Caesium-Tantalum) pegmatite indicator geochemistry.

During the half-year to 30 September 2022, Infinity's geological team undertook a helicopter-supported reconnaissance program in April 2022 to follow up the area sampled in 2017 and a number of other Lithium targets. Numerous pegmatite dykes hosting visible Lithium minerals spodumene and lepidolite were identified and rock chip sampled, within the southern part of the Tambourah South Project (see **Figure 2**). The assay results from the rock chip sampling program returned up to 0.58% Li_2O from a composite sample taken over 20 m strike length along a pegmatite dyke. Anomalous LCT (Lithium-Caesium-Tantalum) pegmatite indicator geochemistry was also returned elevated in LCT geochemistry and supports the presence of a large system of Lithium bearing pegmatite dykes within the Tambourah South Tenement.

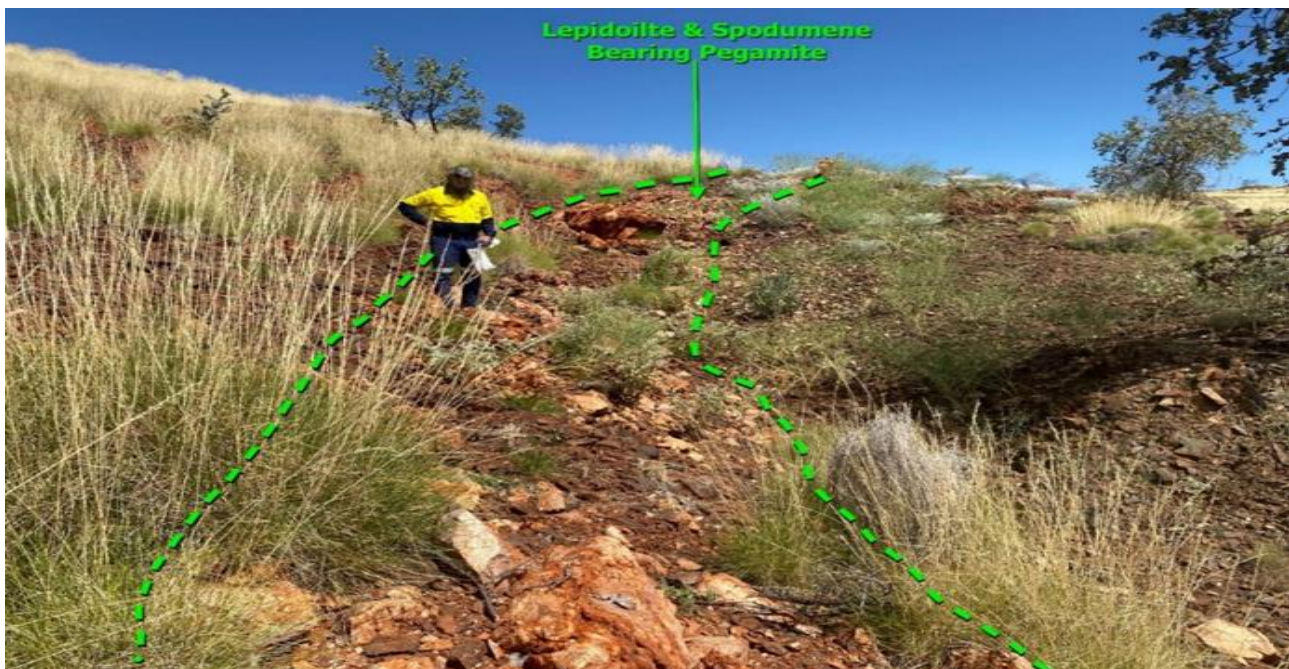


Figure 2. Spodumene and Lepidolite bearing pegmatite at surface at Tambourah South

Pegmatite Mapping and Rock Chip Sampling Program

Following the positive reconnaissance trip in April 2022, a more detailed mapping and rock chip sampling program (225 samples) was then undertaken across the Tambourah South tenement. Multiple stacked Lithium-bearing pegmatite units up 558 m along strike were geologically mapped, showing evidence of the Lithium minerals spodumene and lepidolite. Samples were taken from 36 weathered outcropping pegmatites making up over 2.6 km strike length of pegmatite at surface.

The rock chip sample assay results returned anomalous levels of Lithium (Li), Rubidium (Rb) and Cesium (Cs), confirming the presence of highly fractionated pegmatites with fertile Li-Cs-Ta (LCT) geochemistry. The highest assay results include 2.635 % Li₂O, 0.662 % Rb, 611.3 ppm Cs, 2930 ppm Be, 734.5 ppm Ta and 427 ppm Nb. The distribution of Li₂O assay results is shown on **Figure 3**.

Infinity also identified new Rubidium (Rb) exploration targets associated with Lithium-bearing pegmatites at Tambourah South, with assays up to 6,489.4 ppm Rb (0.724% Rb₂O). Results to date have defined a large Rb-anomalous zone measuring 500 x 300 m. A total of 47 samples (21% of the initial assays) returned greater than 0.25% Rb₂O. The distribution of anomalous Rb samples is shown on **Figure 4**.

The mapped lithium-rubidium pegmatite units at Tambourah South could extend to some depth below surface, and this will be explored with a planned RC drilling program to commence next quarter.

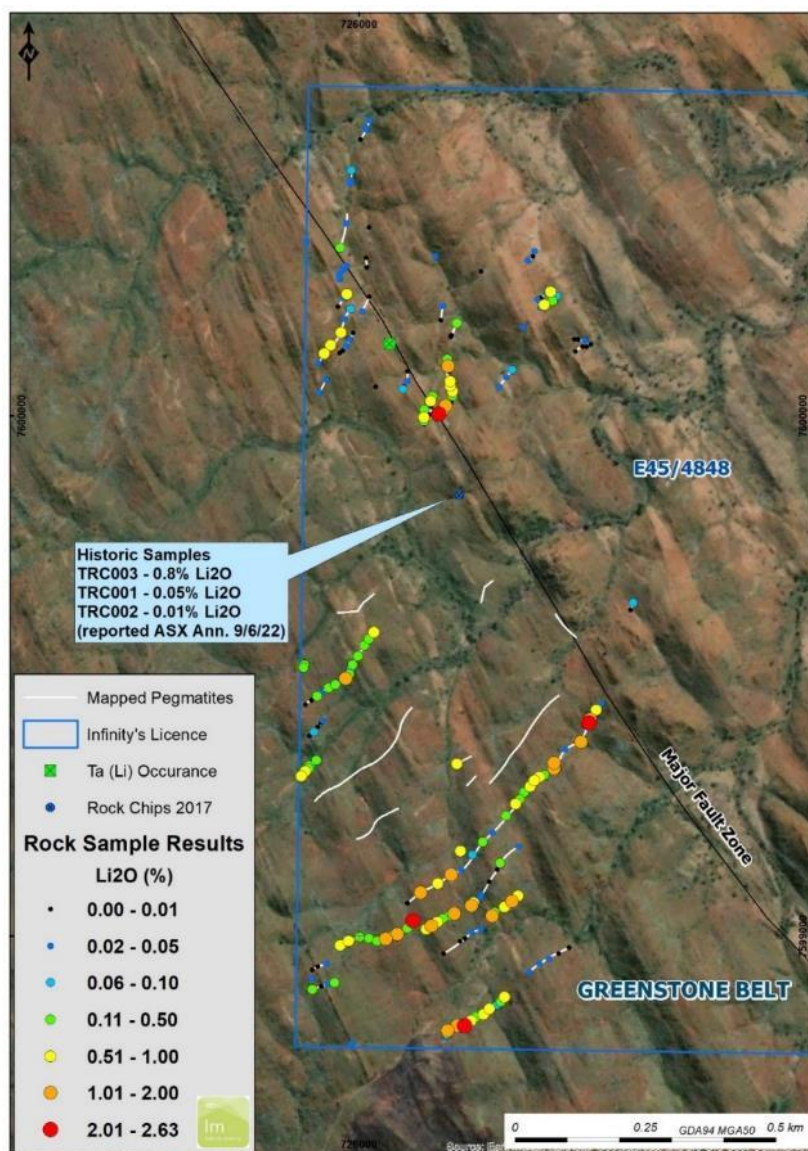


Figure 3. Tambourah South rock chip samples showing Li₂O assay values

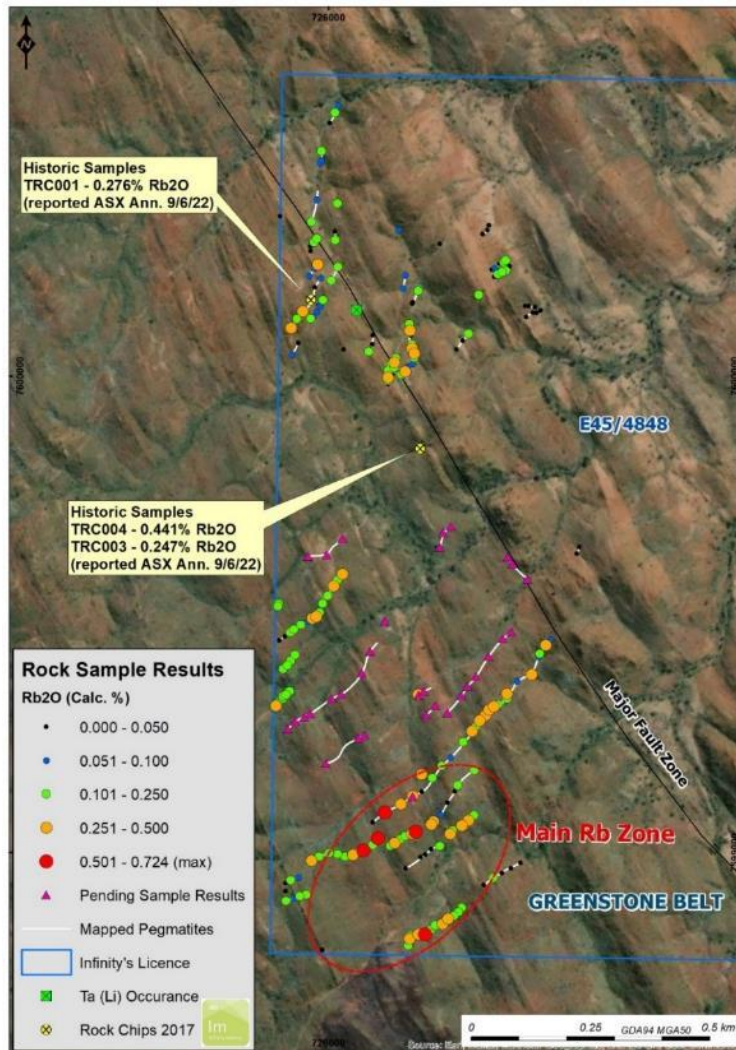


Figure 4. Tambourah South rock chip samples showing Rb2O assay values and the main Rb Zone

Second Geochemical Sampling Program

A second geochemical sampling program was completed during the half-year at Tambourah South, consisting of 31 rock chip samples and 223 lag samples. The 31 new rock chip samples were collected along previous unsampled pegmatites in the southwest part of the tenement. Most of the samples consisted of lepidolite-albite rich or quartz-felspar rich pegmatites. Weathered spodumene development was identified in some samples by UV light. Assay results for the 31 rock chip samples returned a maximum of 1.775% Li2O with three samples over 1% Li2O. Seven samples returned Rb2O over 0.2%, with maximum of 0.521% Rb2O. These positive results complement the previous 225 rock chips samples collected on the tenement (see sections above) and increase the prospectivity for economic Li2O and Rb2O mineralisation within the Tambourah South tenement.

A total of 223 lag samples (composite samples of surface rock float) were also collected in the northwest corner of the tenement, in areas of poor pegmatite exposure (adjacent to pegmatite outcrops), which were previously rock chip sampled by Infinity. The samples consisted largely of weathered greenstone and pegmatitic rock float. Lag sample assay results returned two samples over 1% Li2O with a maximum of 1.182% Li2O and 15 samples over 0.1% Li2O. The geochemically anomalous Li2O in the lag samples defined three geochemically elevated Li2O zones to follow-up (see **Figure 5**). The lag sample assay results also returned elevated to anomalous Li-indicator (Be, Cs, Nb, Rb, Ta) geochemistry. These lag sample results indicate that the pegmatites could be more widespread than previously thought. The aim of the lag sampling is to establish an exploration method for fingerprinting poorly exposed Li-bearing pegmatites, then apply this methodology to the wider tenement area to discover additional Li-pegmatite bodies concealed under thin colluvium and soil cover. Geophysical methods are also being considered for this purpose.

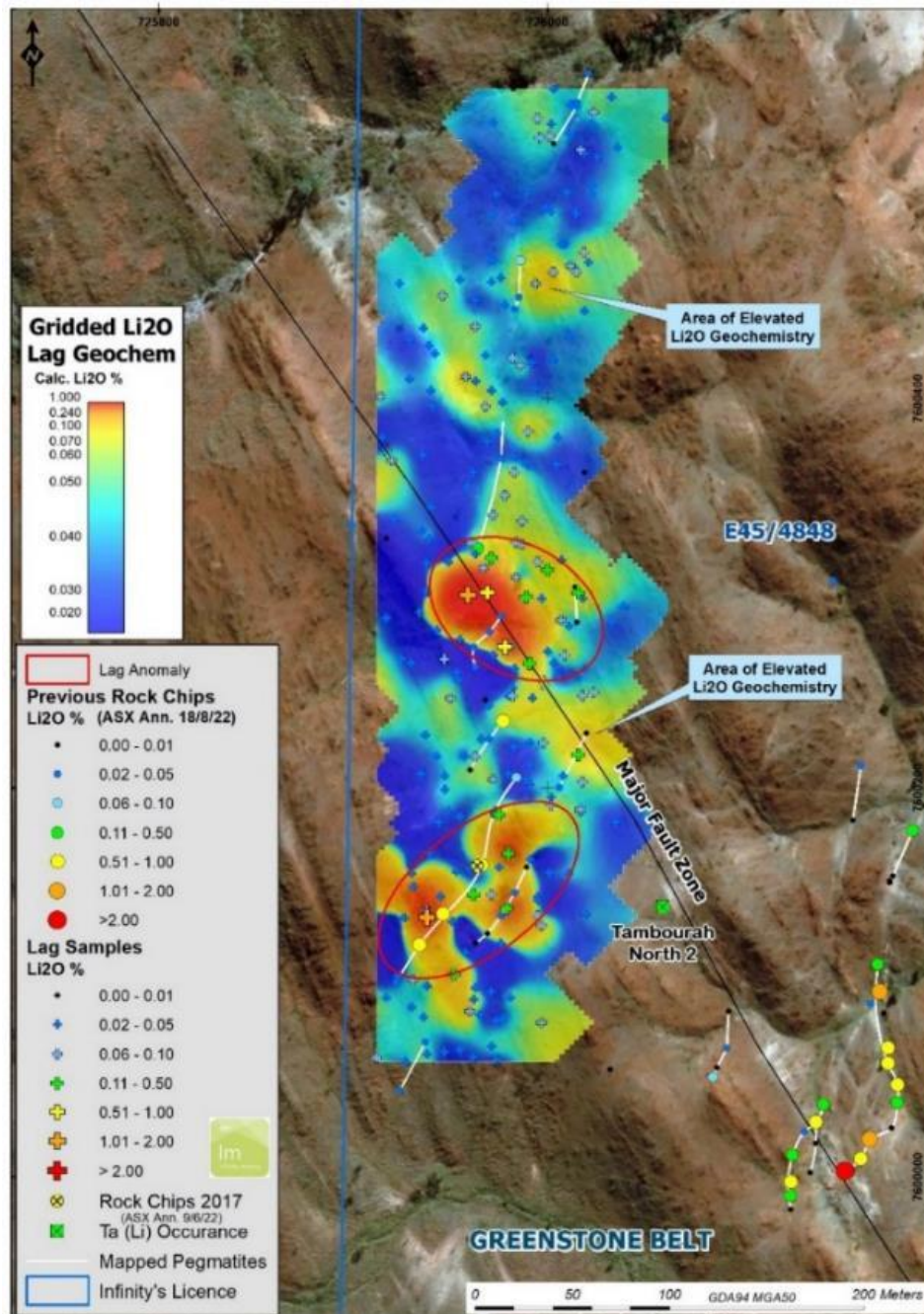


Figure 5. Tambourah South lag samples, and gridded Li₂O image showing anomalous Li zones

Hillside Gold Project (E45/4685, E45/4824, E45/4708 and E45/4709)

During the half-year to 30 September 2022, Infinity progressed its exploration at a number of key Lithium target areas at Hillside. A helicopter-supported reconnaissance program briefly visited Hillside and results are being interpreted. Infinity consultants also reviewed the 2018 Hillside SkyTEM heli-EM data and have defined drill targets to test a range of EM conductive targets for Copper-Nickel mineralization (see **Figures 6 - 8**).

A new heli-EM (VTEM) survey was also planned, which will be executed next quarter. Results of this work will be released later in 2022.

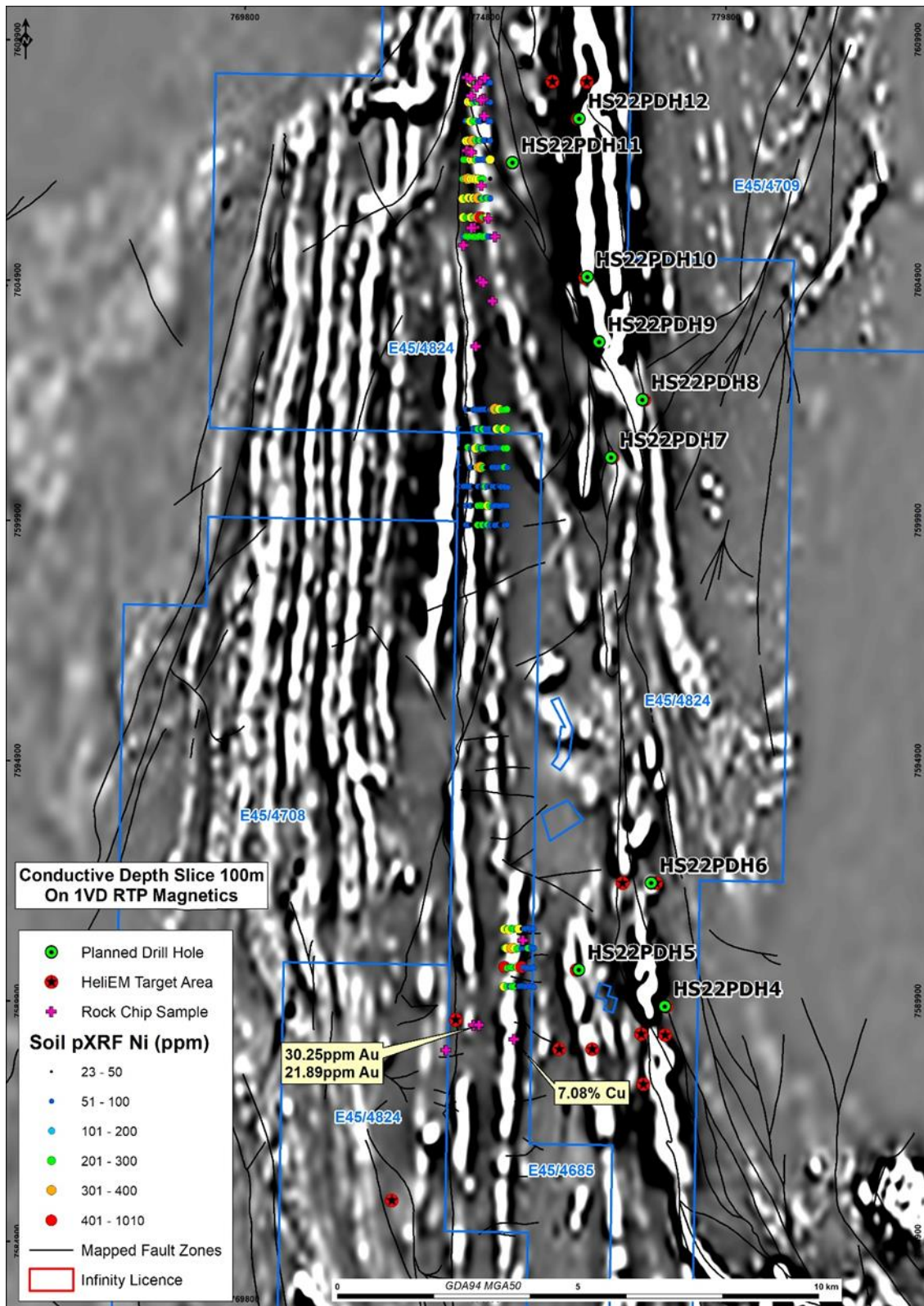


Figure 6. Hillside soil grids (with nickel results), rock chip samples, EM targets and proposed drill holes in green

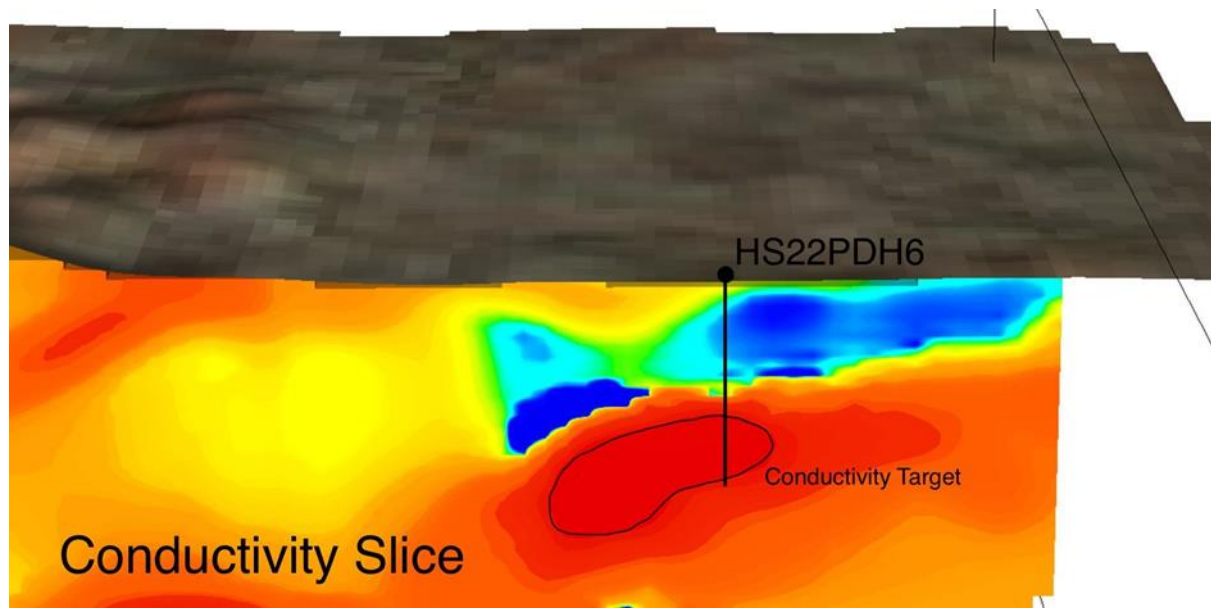


Figure 7. Proposed Drill Hole HS22PDH06, designed to test the high-priority Heli-EM conductivity target.

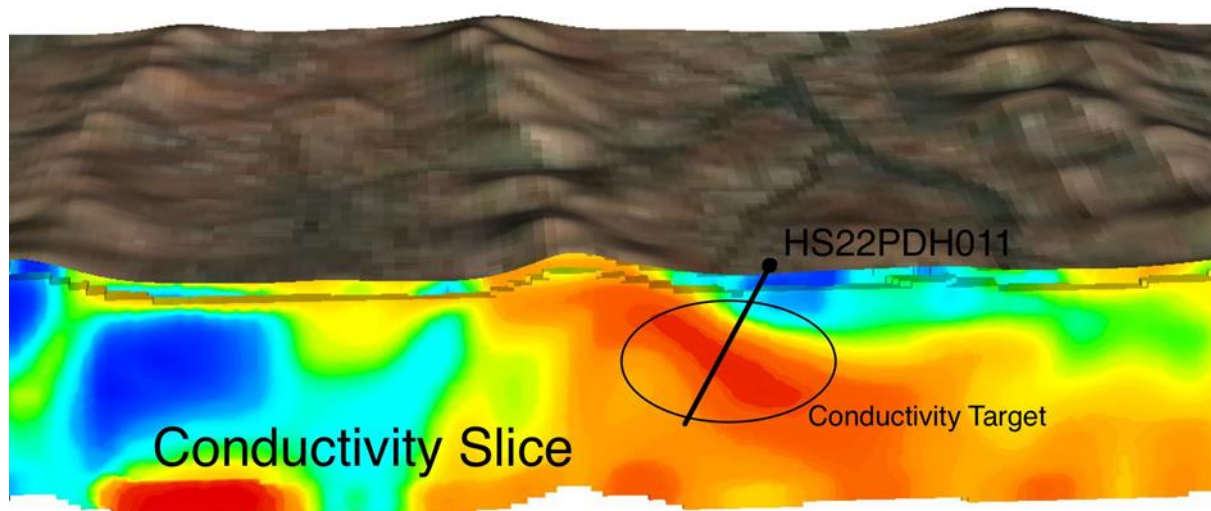


Figure 8. Proposed Drill Hole HS22PDH011, designed to test the high-priority conductivity target.

Tambourah North (E45/5324)

The Tambourah North Project is located 8 km north of the Tambourah South Project. The project covers a structural deformed section of a greenstone belt containing mafic and ultramafic rocks of the Euro Basalt. Work commenced within this project during the half-year and several potential pegmatites have been identified in satellite imagery. Further groundwork is planned in the future.

Noreena Downs (E46/1210)

No exploration work was conducted on the tenement during the half-year. Except for a reconnaissance helicopter visit by the Company in 2021, there has been no relevant exploration conducted by Infinity or any other previous companies. Further exploration work is being planned.

Strelley Gorge (E45/4735)

No exploration work was conducted on the tenement during the half-year. A new heli-EM (VTEM) survey has been planned, which will be implemented next quarter.

Panorama (E45/4732, E45/4764 and E45/4779)

The Panorama Project encompasses 3 tenements and is prospective for a range of target types. During the half-year a drone magnetic survey was flown over part of the Panorama project area. The data is being assessed and results are being interpreted, which will be released next quarter. A new heli-EM (VTEM) survey was also planned at Panorama, which will be implemented next quarter.

1.2 CENTRAL GOLDFIELDS PROJECTS

The Central Goldfields tenements are highly prospective for orogenic gold systems and copper-rich VMS systems, in the area around the gold mining district of Leonora, WA. A map showing the location of Infinity's tenements is included as **Figure 9**.

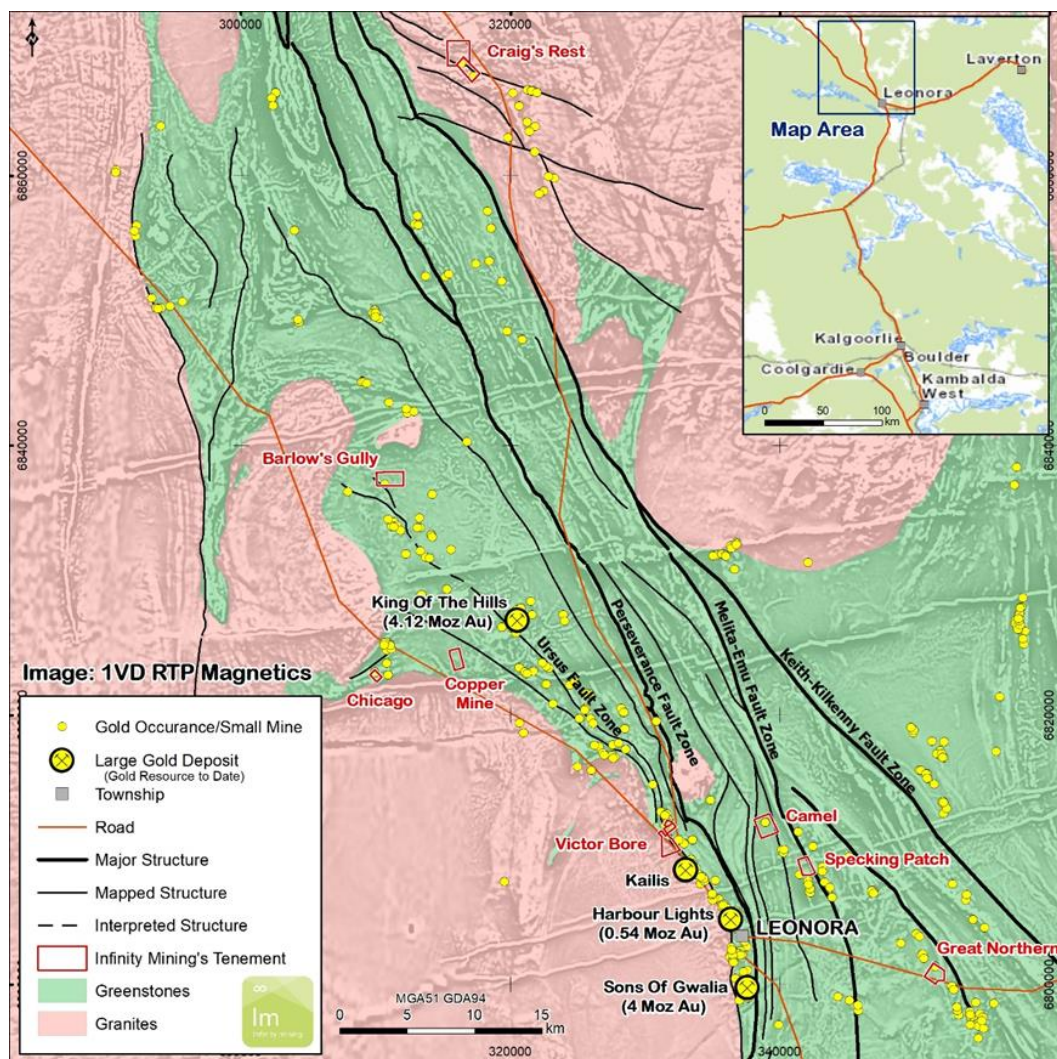


Figure 9: Location Map showing Infinity's Central Goldfields Projects

Summary of Central Goldfields Exploration Work Completed During the Half-Year

During the half-year to 30 September 2022, a drone magnetic survey was flown by Infinity at four Central Goldfields projects including the Victor Bore, Coppermine, Camel and Chicago Gold Projects. Rock chip sampling programs were completed at these four projects, plus Craig's Rest and Barlow's Gully. An aircore drilling program and soil sampling program was also completed at Barlow's Gully. 3D geological modelling work commenced for the Great Northern Project and this work is on-going. Further work is being planned to follow up a number of key targets across several Central Goldfields tenements. The key results from the half-year are summarised below.

Coppermine (P37/9162)

Drone Magnetics

The new Infinity drone magnetic data from Coppermine revealed a 350 m long magnetic high target beneath the area of historical copper workings. The magnetic high target at Coppermine could be associated with buried VMS-style copper mineralisation and is a high-priority for further follow-up exploration including RC drilling.

The drone magnetic data over the Coppermine Project shows a strong elongated magnetic anomaly, approximately 350 m long, under the cover to the south of the historical copper workings which host high-grade copper mineralisation at surface (see **Figure 10**). The main part of the magnetic anomaly has not been tested by previous drilling. Historical rock chip sampling of the gossan at Coppermine by Pacmin Ltd (WAMEX report A55872) returned up to 46000 ppm Cu (4.6 % Cu) and up to 1969 ppm Zn.

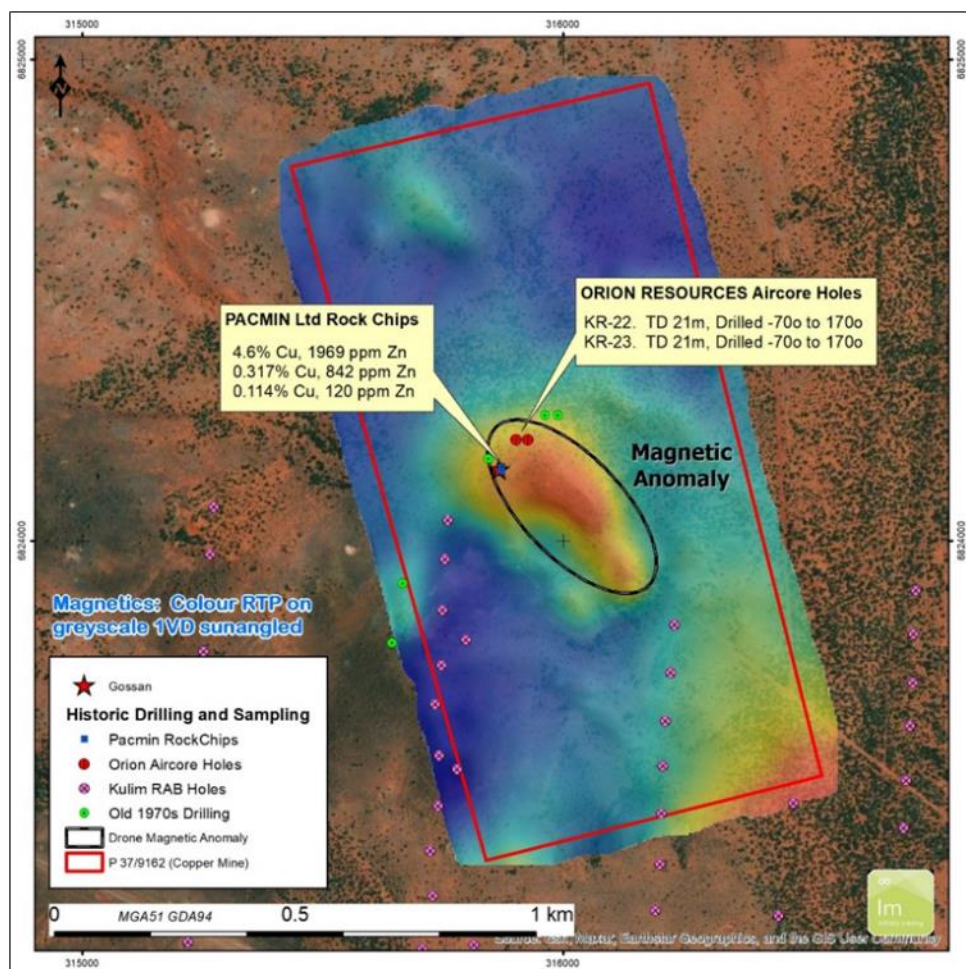


Figure 10: Coppermine Project showing RTP magnetic image draped on Google Earth Image, with location of historical shallow drilling and anomalous copper/zinc rock chip samples

Rock Chip Sampling

A rock chip sampling program was carried out by Infinity at the Coppermine Project to verify historical rock chip samples anomalous in copper and zinc. A total of nine rock chip samples were collected. Assay results returned up to 20642 ppm Cu (2.06% Cu), 3791 ppm Zn and 0.33 ppm Au, plus elevated As, Bi, Co, Mo and Pb. A map showing the location of the two high-grade copper assay results at Coppermine is included as **Figure 11**.

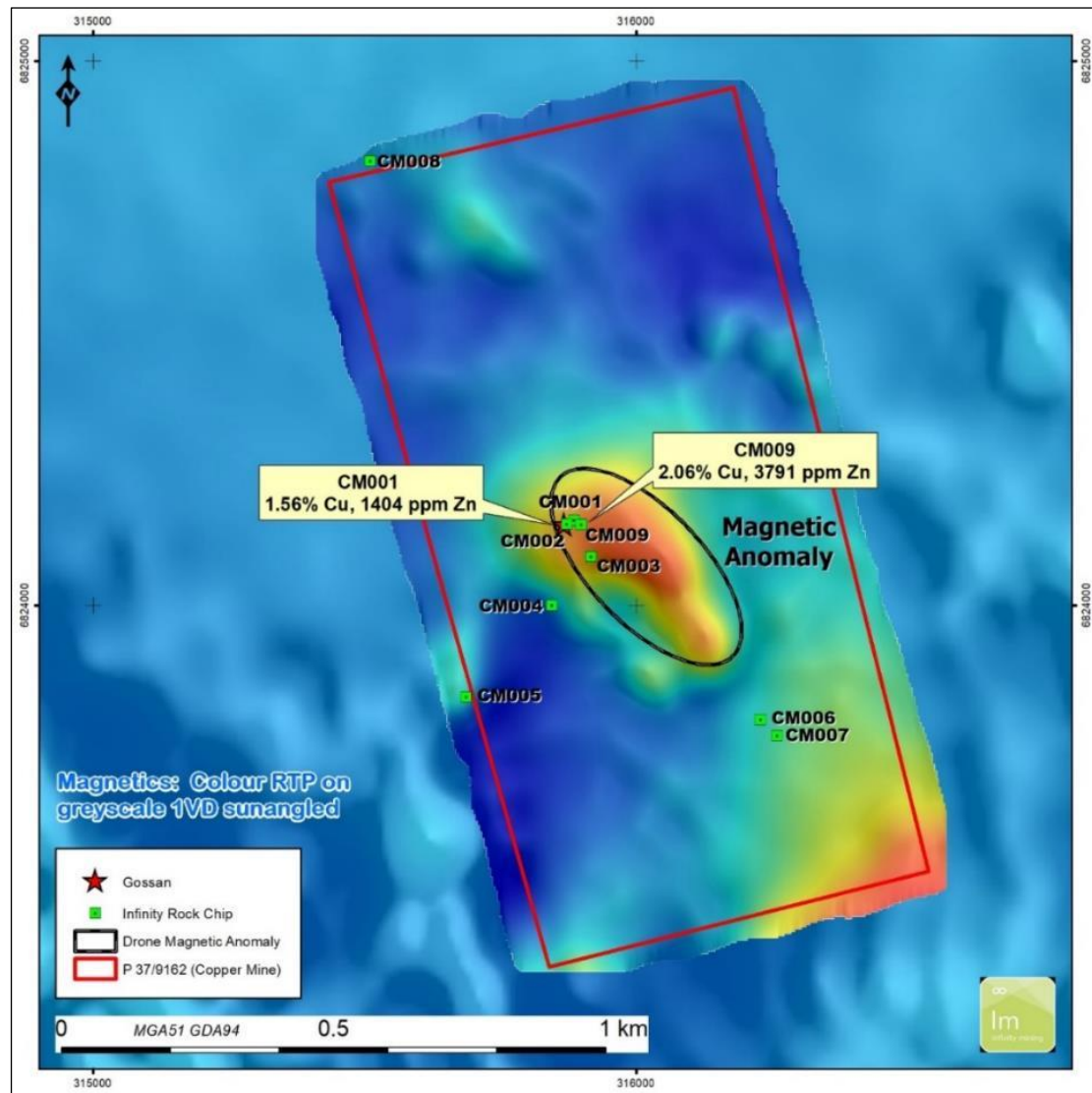


Figure 11: Coppermine rock chip sample assays overlain on drone magnetic image.

Camel (P37/8325)

Drone Magnetics

The new Infinity drone magnetic data from Camel revealed a 700 m long NNW-trending linear magnetic high, located approximately 100 m to the west of the main NNW- trending line of old gold workings (see **Figure 12**).

Previous RC, RAB and Aircore Drilling

The first known drilling campaign at the Camel Project included a 7-hole RC drilling program completed in 1986 by Sons of Gwalia (see WAMEX Report A20429). The shallow drilling (maximum 40 m depth) was designed to test the NNW-trending line of old workings (see **Figure 12**). Gold mineralisation in the drill holes was reported in sub-vertical narrow quartz veins along 300 m strike length.

The drilling identified the main quartz reef and also a potential second sub-parallel quartz reef to the west. Significant gold intersections from this drilling include 5 m @ 2.24 g/t Au in hole CL001 from 32 to 37 m depth. These anomalous drill holes have never been followed up with deeper drilling.

Previous exploration at Camel also included a regional RAB drilling program completed in 1996 by Goldfields Exploration (see WAMEX Reports A48024, A52927). The shallow RAB drilling program was designed to test the broader Camel area, with several ENE-trending lines of RAB holes drilled on the Infinity tenement (see **Figure 12**). Anomalous gold was reported in some of the RAB holes in the Camel area. The best RAB hole result was from hole SWR718 located immediately north of the Camel workings, which returned 3 m @ 0.75 g/t Au from 20 to 23 m depth. This was an end of hole sample so the true extent of mineralisation is not known. This hole has never been followed up with further drilling.

Previous exploration at Camel also included an Aircore drilling program completed in 1997 by St Barbara Mines (see WAMEX Report A52290). The shallow aircore holes were designed to test the area immediately west of the Camel workings. Three East-West trending lines of aircore holes were drilled to the west of Camel across the northern part of the linear magnetic target defined by Infinity (see **Figure 12**). Anomalous gold was reported at the base of three of the aircore holes, at the northern end of the linear magnetic target. Despite these three holes ending in anomalous gold mineralisation, the holes were never followed-up with further drilling. Significant gold intersections are shown below:

- CMA1 – 3 m @ 0.27 g/t Au (39-42 m, end of hole, last 3 m).
- CMA2 – 3 m @ 0.47 g/t Au (39-42 m, end of hole, last 3 m).
- CMA3 – 6 m @ 0.4 g/t Au (34 to 40 m, near end of hole which is 42 m).

The results from the 1997 aircore drilling program upgrade the linear magnetic target defined by Infinity. These shallow anomalous holes have never been followed up with deeper drilling.

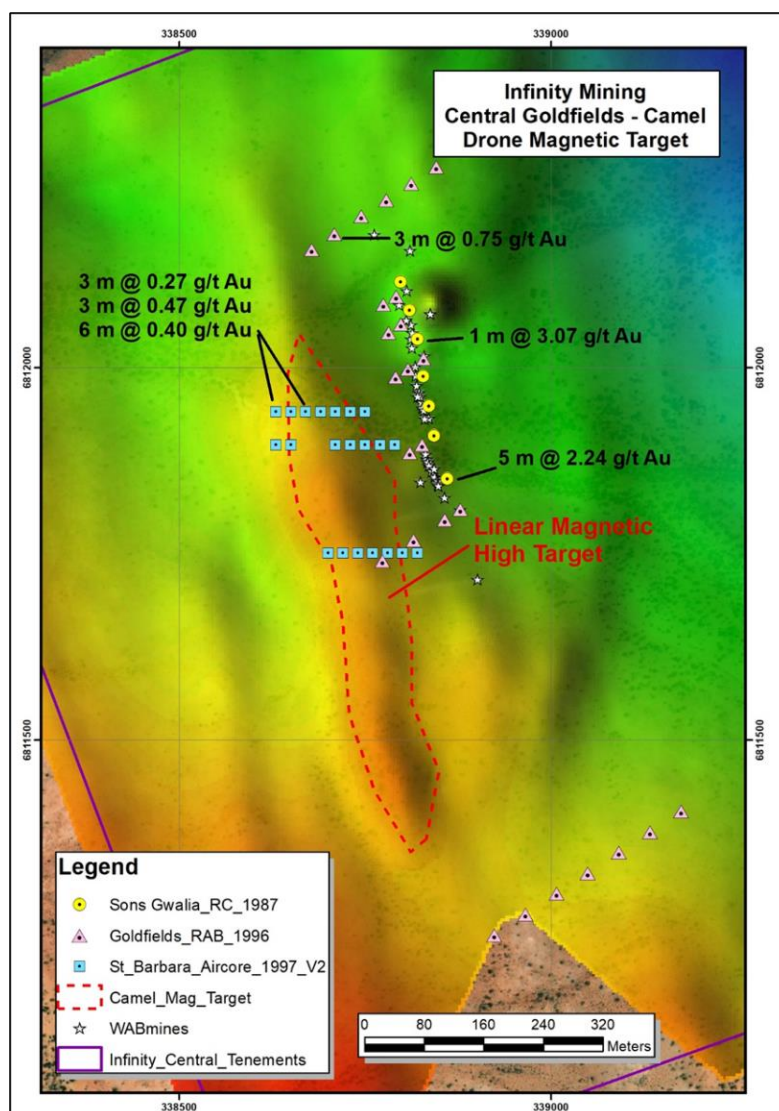


Figure 12: Camel Project showing linear magnetic high target and anomalous drill holes

Chicago (M37/983)

Drone Magnetics

The new Infinity drone magnetic data from Chicago Project has revealed two magnetic high targets adjacent to the old gold mine workings (see **Figure 13**). The two magnetic targets at Chicago are thought to be caused by alteration along this major ENE-trending structure, associated with deeper gold mineralisation beneath the old gold workings.

Rock Chip Sampling

A rock chip sampling program was carried out by Infinity at the Chicago Project to confirm the presence of gold in the areas around the old gold workings. A total of 36 rock chip samples were collected. Seven (7) of the samples returned anomalous gold assays over 0.1 g/t Au with a maximum of 2.36 g/t Au. The anomalous gold samples lie in proximity to the magnetic high targets, thereby upgrading the targets. A map showing the location of the anomalous gold assay results at Chicago relative to the drone magnetic targets is included as **Figure 13**.

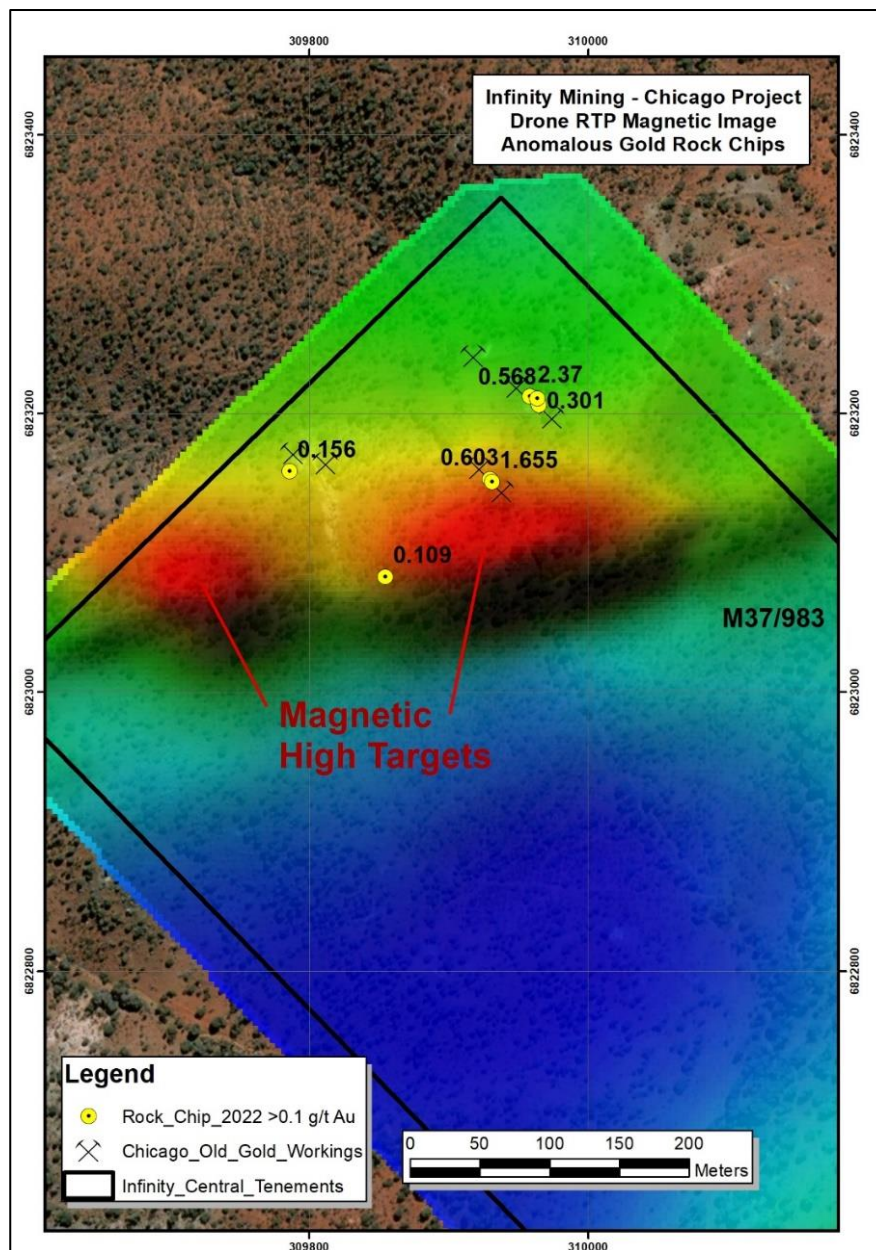


Figure 13: Chicago Project showing RTP magnetic image and anomalous rock chip assays

Victor Bore (M37/1349, P37/8376)

Drone Magnetics

The Infinity drone magnetic data from Victor Bore shows a series of magnetic highs along a broad NNW trend, which is sub-parallel to the regional structural fabric. The magnetic images also show several cross-cutting NE-trending magnetic features. These magnetic targets lie adjacent to the historical workings at Victor Bore. The two highest magnetic anomalies are highlighted on the TMI (total magnetic intensity) magnetic image below (red zones on **Figure 14**). These high magnetic targets could be related to shear-hosted gold mineralisation and are worthy of further follow-up exploration including drilling.

Rock Chip Sampling

A rock chip sampling program was carried out by Infinity at the Victor Bore Project to verify anomalous gold associated with the historical workings, surface quartz veining and elevated gold grades reported by previous explorers. A total of 67 rock chip samples were collected by Infinity. The rock chip sample assay results have verified the high-grade gold mineralisation at Victor Bore. Assay results returned up to 28.4 g/t Au. A total of 12 samples recorded over 0.5 ppm Au. A map showing the location of the 12 highest-grade gold assays on a drone magnetic image is included as **Figure 14**.

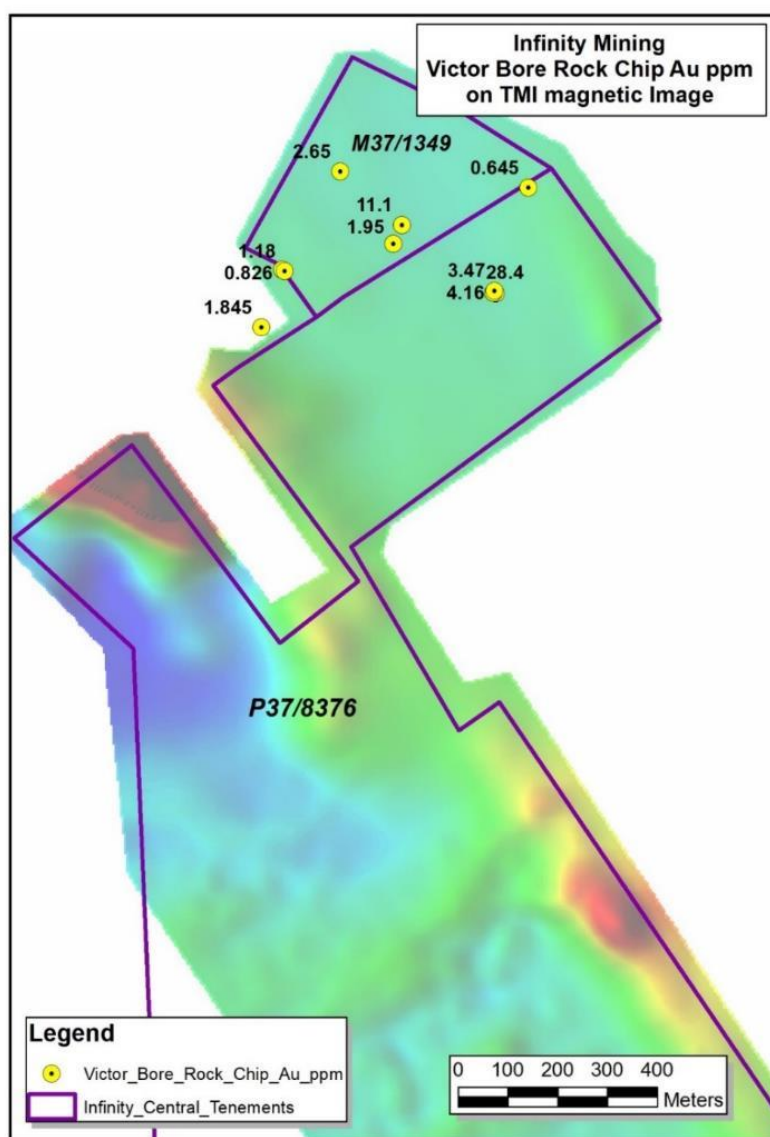


Figure 11: Victor Bore Project showing TMI magnetic image draped on Google Earth Image

Craig's Rest (P37/8468, E37/1442)

Rock Chip Sampling

A rock chip sampling program was carried out by Infinity at the Craig's Rest Project to confirm the presence of gold in the areas around the old gold workings. A total of 47 rock chip samples were collected in the areas around the Garden Well, Katalina and Craig Prospects. Six (6) of the samples returned anomalous gold assays over 1 g/t Au with a maximum of 37.64 g/t Au. These anomalous gold samples confirm the high-grade tenor of the gold mineralisation at Craigs Rest. A map showing the location of the anomalous gold assay results is included as **Figure 15**. A number of WNW-trending and E-W trending structural target zones have been identified at Craig's Rest for further exploration work.

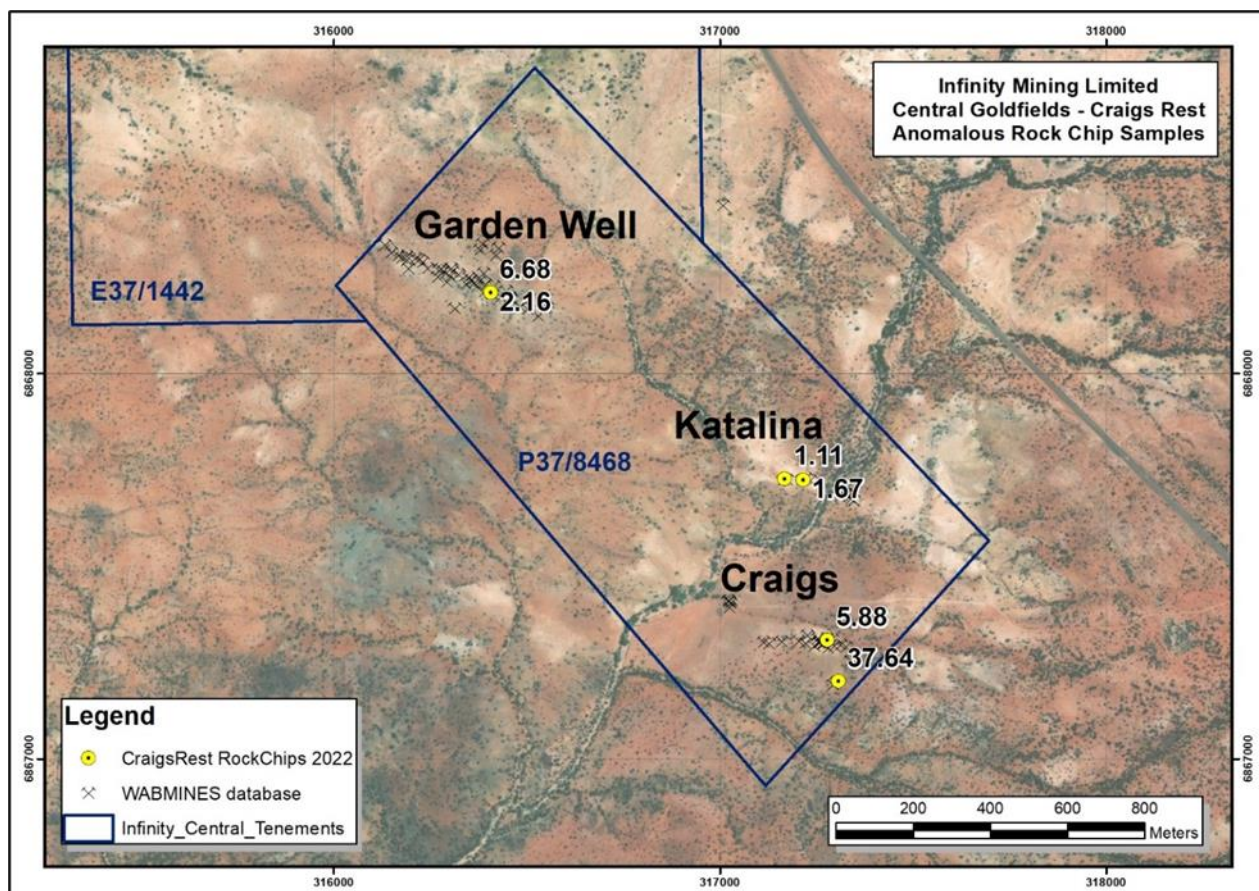


Figure 15: Craig's Rest Project showing old gold mines and anomalous rock chip assays

Barlow's Gully (P37/8278)

Rock Chip Sampling

Infinity carried out reconnaissance geological mapping and a rock chip sampling program across the tenement in 2022. A total of 8 rock chip samples were collected, largely from quartz veins at surface. Three of the eight rock chip samples returned high-grade gold assays over 1 ppm Au, with the highest assay being 15.495 g/t Au.

Aircore Drilling and Soil Sampling

After confirming high-grade gold in surface rock chip samples, a program of aircore drilling was completed by Infinity on the eastern side of the Barlow's tenement where some alluvial cover is present overlying the Archean greenstones.

A total of 194 aircore holes were drilled along 150 m to 200 m spaced North-South lines, with drill sites every 25 m spacing along the lines. Holes were inclined at 60 degrees to the north, roughly perpendicular to the bedding foliation, and drilled to the Archaean greenstone basement. Drill hole depth ranged from 1 to 22 m. At each drill hole, a 1 m thick, end of hole sample was collected for analysis.

A soil sampling program was then completed by Infinity on the western side of the Barlow's tenement, where cover is thinner and basement outcrop is partially exposed. Soil samples were collected along 100 m spaced North-South lines, with a sample collected every 50 m along each line. A total of 220 soil samples were collected largely from the C-horizon soil layer.

Gold assays for the aircore drilling and soil sampling programs returned highly anomalous results up to 0.681 g/t Au. The gold assay results have defined three significant east-west trending gold anomalies of greater than 0.1 ppm Au (see **Figure 16**). The largest gold zone is 480 m long and 120 m wide.

A program of RC drilling is being planned by Infinity on the Barlow's Gully Gold Project (P37/8278). Infinity intends to carry out a program of inclined RC drilling, angled underneath the three anomalous gold zones, to test for structurally hosted gold mineralisation. The three highly anomalous gold targets (Anomalies 1 to 3) have never been drilled in the past by previous explorers

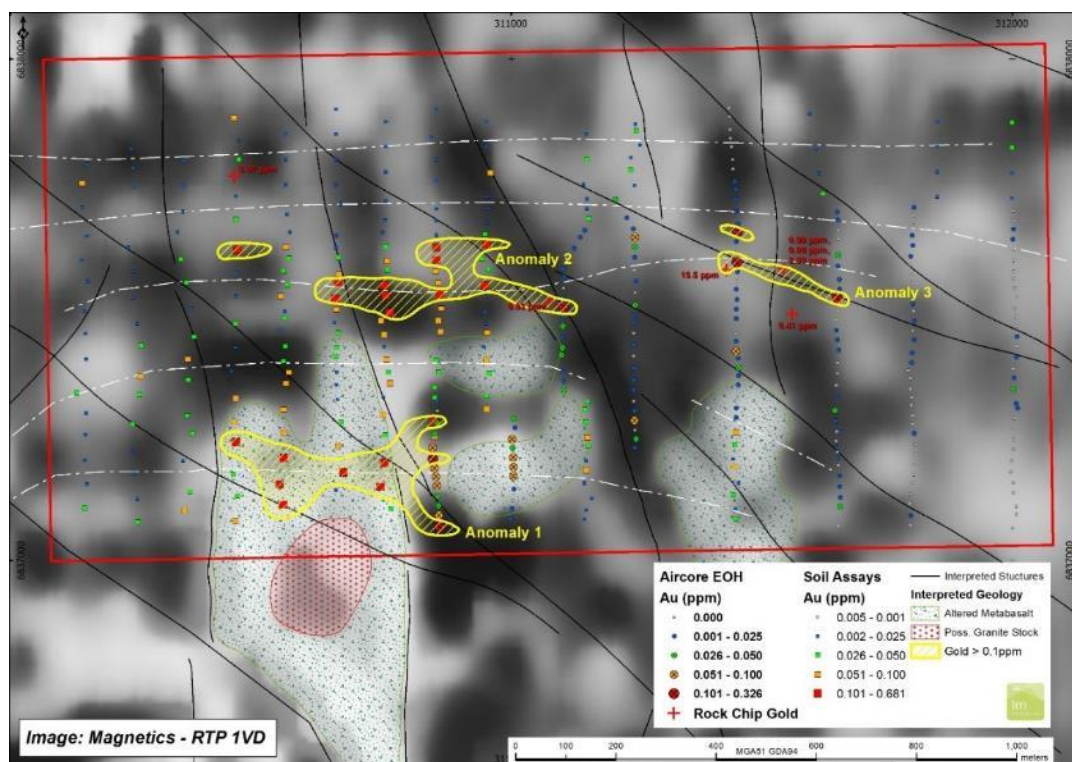


Figure 16. Aircore and Soil Sampling Results for gold – Barlow's Gully showing 3 significant gold anomalies

Great Northern (M37/1360, P37/8310)

During the half-year, Infinity re-assessed the results from an earlier RC program completed in during the March 2022 quarter at the Great Northern project and commenced 3D geological modelling work. The RC program was designed to verify the gold mineralisation intersected in a historical RC drilling program completed by Melita Mining in 1987-1988. The 3D geological modelling work and interpretations are on-going and results will be released later in 2022.

Specking Patch (P37/8571)

Geological data over Specking Patch was reviewed during the half-year and interpretations are underway. New exploration programs will be designed in the future.

2. DIRECTORS' REPORT

The Directors present their report on Infinity Mining Limited for the half-year ended 30 September 2022.

2.1 DIRECTORS

The names of the directors who held office during or since the end of the half-year are set out below.

Directors were in office for this entire period unless otherwise stated.

Alan Joseph (Joe) Phillips
Josephus (Joe) Antonio Groot
Cameron McCall
Dr Michael Kale
Harley Groot

2.2 COMPANY SECRETARY

Mima Wirakara

2.3 REVIEW AND RESULTS OF OPERATIONS

Principal Activities

Infinity Mining Limited is publicly listed on the Australian Securities Exchange ("ASX") (symbol: IMI). The principal activity of the Company during the half-year was advancing and exploring the Company's tenements in the Pilbara region and the Central Goldfields region of Western Australia. Infinity holds 697km² in the Pilbara area to the SW of Port Headland, and a further 13.81km² in the Central Goldfields around Leonora (see **Figure 17**). There was no change in the nature of the Company's principal activities during the period.

The Company maintained its corporate head office and principal place of business at Suite 1G, Building 1, Kings Row Office Park, 40 McDougall Street, Milton QLD 4064, Australia.

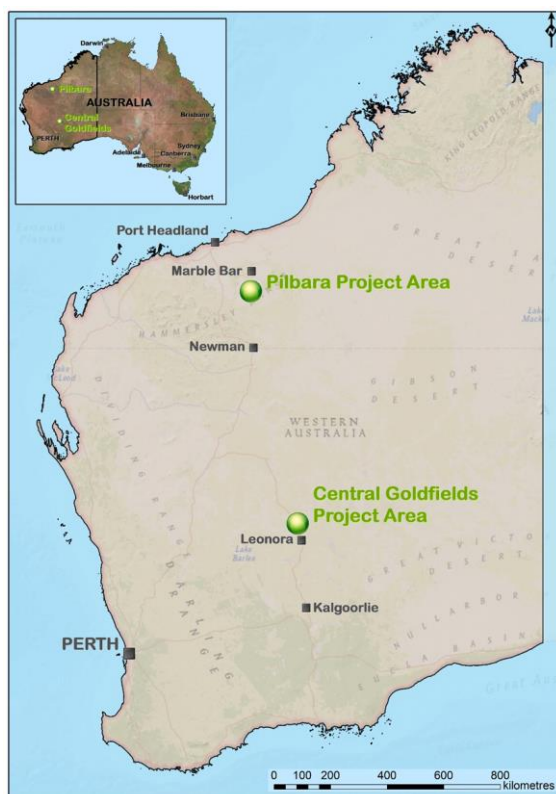


Figure 17: Location map showing Infinity's two areas of exploration

Results

The Company recorded comprehensive loss for the six months ended 30 September 2022 of \$1,574,057 (30 September 2021: loss \$45,775) after income tax. Included in the loss for the half-year was exploration expenditure of \$219,693 (30 September 2021: \$nil). As an exploration and evaluation company, the Company expects to continue to report losses until such time as profit is earned from potential production activities.

At 30 September 2022, the Company had net assets of \$16,556,022 compared to \$17,468,219 at 31 March 2022. The decrease is largely due to exploration activities and related expenses.

A summary of operating results for the period is set out below:

	2022	
	Revenue and Other Income \$	Net Loss After Tax \$
Infinity Mining Limited	42,010	-

Shareholders Return

	2022 \$	2021 \$
Basic and diluted loss per share (cents)	(0.01)	(0.09)

2.4 DIVIDENDS

No dividends were declared or paid during the period and the Directors recommend that no dividend be paid.

2.5 EVENTS SUBSEQUENT TO REPORTING DATE

- a) 5,618,750 and 10,000,000 ordinary shares were released from Escrow in accordance with ASX Listing Rule 3.10A and quoted on the ASX pursuant with ASX Listing Rule 2.8.5 respectively on 5 October 2022 and 12 December 2022.
- b) On 8 November 2022, Infinity Mining Civil Pty Ltd was incorporated as 100% subsidiary of the Company.
- c) On 22 November 2022, the Company entered into the Sale Purchase Agreement (SPA) with TasEx Geological Services Pty Ltd (Seller) to acquire 100% interest in tenements E45/5847, E46/1373, E45/5720 and tenement applications E45/6237 and E45/6281 for a total purchase price of \$300,000. \$50,000 was payable in cash and \$250,000 in 862,069 consideration shares issued on 28 November 2022 with a deemed price of \$0.29 per share and subject to voluntary escrow restriction with a condition that upon each Completion either of the Exploration Tenements or of each one of the Applications, the holding lock corresponding to the relevant Purchase Price will be released.
- d) Since 30 September 2022 and up to the date of this report, a total of 2,442,500 options issued as part of the 25,000,000 IPO attaching unquoted options with an exercise price of \$0.30 expiring on 10 June 2023, were exercised.

2.6 AUDITORS INDEPENDENCE DECLARATION

A copy of auditor's independence declaration is required under section 307C of the Corporations Act 2001(Cth) and is set out on page 20.

Signed in accordance with a resolution of the Directors

A handwritten signature in black ink, appearing to read 'A. Phillips', written over a horizontal line.

Alan Joseph Phillips
Executive Chairman
12 December 2022

Auditor's Independence Declaration

As lead auditor for the review of Infinity Mining Limited for the half-year ended 30 September 2022, I declare that, to the best of my knowledge and belief, there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Infinity Mining Limited.

A blue ink signature of Victor Usan, consisting of stylized initials and a surname.

Victor Usan
Director
Vincents Assurance & Risk Advisory

Brisbane QLD
12 December 2022

brisbane. adelaide. canberra. gold coast. melbourne. sydney. sunshine coast.

Level 34, 32 Turbot Street, Brisbane QLD 4000 t 61.7 3228 4000 f 61.7 3228 4099
PO Box 13004, George Street, Brisbane QLD 4003 w www.vincents.com.au

ABN 44 387 658 295 | Liability limited by a scheme approved under Professional Standards Legislation.

assurance & risk advisory | business advisory | corporate advisory | financial advisory | forensic services | insolvency & reconstruction | lending solutions

4. STATEMENT OF COMPREHENSIVE INCOME

For the Half - Year Ended 30 September 2022

	Notes	Six months ended 30 September 2022 \$	Six months ended 30 September 2021 \$
Revenue and Other income	5	42,010	-
Administration expenses		(36,819)	(4,356)
Directors' fees		(157,500)	-
Corporate expenses		(533,333)	(36,070)
Share-based compensation	24	(661,860)	-
Depreciation		(6,863)	(349)
Tenement expenses		(219,693)	-
Marketing and promotional expenses		-	(5,000)
Loss before income tax		(1,574,057)	(45,775)
Income tax expense	7	-	-
Loss from continuing operations		(1,574,057)	(45,775)
Loss for the year		(1,574,057)	(45,775)
Other comprehensive income, net of income tax		-	
Items that will not be reclassified subsequently to profit or loss		-	
Total comprehensive loss for the year		(1,574,057)	(45,775)
Basic loss per ordinary share from operations attributable to the owners		(0.01)	(0.09)
Basic and diluted weighted average number of ordinary shares outstanding		109,262,422	488,397

The accompanying notes form part of these financial statements.

5. Statement of Financial Position

As At 30 September 2022

		30 September 2022	31 March 2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash at bank	8	6,233,332	8,235,792
Trade and other receivables	9	204,942	79,096
TOTAL CURRENT ASSETS		6,438,274	8,314,888
NON-CURRENT ASSETS			
Property, plant and equipment	10	135,784	3,923
Exploration, evaluation and development assets	11	10,581,749	9,241,242
Other assets	12	15,799	95,477
TOTAL NON-CURRENT ASSETS		10,733,333	9,340,642
TOTAL ASSETS		17,171,607	17,655,530
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	506,891	140,029
TOTAL CURRENT LIABILITIES		506,891	140,029
NON-CURRENT LIABILITIES			
Borrowings	14	108,694	47,282
TOTAL NON-CURRENT LIABILITIES		108,694	47,282
TOTAL LIABILITIES		615,586	187,311
NET ASSETS		16,556,022	17,468,219
EQUITY			
Issued capital	15	19,615,908	19,615,908
Reserves	16	1,351,860	690,000
Retained earnings		(4,411,746)	(2,837,689)
TOTAL EQUITY		16,556,022	17,468,219

The accompanying notes form part of these financial statements.

6. Statement of Changes in Equity

For the Half - Year Ended 30 September 2022

2022

	Note	Issued Shares \$	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 April 2022		19,615,908	(2,837,689)	690,000	17,468,219
Loss for the year		-	(1,574,057)	-	(1,574,057)
Other comprehensive income		-	-	-	-
Total other comprehensive income		-	-	-	-
Transactions with owners in their capacity as owners		-	-	-	-
Share based payment transactions		-	-	661,860	661,860
Shares issued during the year		-	-	-	-
Transaction costs		-	-	-	-
Balance at 30 September 2022		19,615,908	(4,411,746)	1,351,860	16,556,022

2021

	Note	Ordinary Shares \$	Retained Earnings \$	Option Reserve \$	Total \$
Balance at 1 April 2021		493,227	(769,585)	-	(276,358)
Loss for the year		-	(45,775)	-	(45,775)
Other comprehensive income		-	-	-	-
Total other comprehensive income		-	-	-	-
Transactions with owners in their capacity as owners		-	-	-	-
Balance at 30 September 2021		493,227	(815,360)	-	(322,133)

The accompanying notes form part of these financial statements.

7. Statement of Cash Flows

For the Half - Year Ended 30 September 2022

	Note	Six months ended 30 September 2022 \$	Six months ended 30 September 2021 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		42,010	-
Other receipts		194,628	-
Payments to suppliers and employees		(885,487)	502,321
Interest Received		-	-
Income tax (paid)/received		-	-
Net cash provided by/(used in) operating activities		(946,463)	502,321
CASH FLOW FROM INVESTING ACTIVITIES			
Payment of E&E costs		(2,891,375)	26,024
Purchase of property plant and equipment		(140,604)	(1,961)
Loans to related parties - payments made		(14,820)	-
Net cash provided by/(used in) investing activities		(3,017,160)	24,063
CASH FLOW FROM FINANCING ACTIVITIES			
Net receipts from related parties		-	52,865
Proceeds from Issued Shares		9,631,673	-
Net cash provided by/(used in) financing activities		11,003,424	52,865
Net increase/(decrease) in cash held		5,729,027	473,518
Cash at the start of the period		504,305	30,787
Cash at the end of the period	8	6,233,332	504,305

The accompanying notes form part of these financial statements.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

1 Corporate Information

Infinity Mining Limited ("the Company") is a publicly listed on the Australian Securities Exchange (ASX). The nature of the operations and the principal activities of the Company are described in the Directors' Report. The financial report covers Infinity Mining Limited as an individual entity. Infinity Mining Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Infinity Mining Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 12 December 2022.

Comparatives are consistent with prior years, unless otherwise stated.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

2 Summary of Significant Accounting Policies

(a) Basis for Preparation

These general-purpose interim consolidated financial statements for the half-year reporting period ended 30 September 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Infinity Mining Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 31 March 2022, together with any public announcements made during the following half-year.

(b) Revenue and other income

Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

Interest Income

Interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised. Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation and amortisation

Property, plant and equipment, is depreciated on a diminishing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20%
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Cash

Cash comprises cash on hand.

(j) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

(I) Share Based Payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods. The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

* during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

* from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability. Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

(m) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the asset is not available for use, it is not depreciated or amortised. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the period in which the decision to abandon that area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(n) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The Company has incurred a net loss of \$2,264,057 during the half-year ended 30 September 2022 (net loss 2021: \$45,775), and experienced net cash outflows from operating activities of \$599,869 (2021: \$60,230). At the date of this report, the Directors are satisfied there are reasonable grounds to believe that, having regard to the Company's financial position and the Director's belief that the Company will be able to meet its obligations as and when they fall due.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Company not be able to continue as a going concern.

(o) New Accounting Standards and Interpretations

The Company has adopted all standards the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

(p) Compliance with International Financial Reporting Standards ("IFRS")

The financial report also complies with IFRS as issued by the International Accounting Standards Board.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

2 Summary of Significant Accounting Policies

(q) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had or may have on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain and geographic regions in which the Company operates.

(r) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

(a) Fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

3 Critical Accounting Estimates and Judgments

(b) Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

(c) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

A review of impairment indicators is carried out on a regular basis. There is significant estimation and judgement in assessing impairment indicators.

The key areas of judgement and estimation include:

- * Recent exploration and evaluation results and resource estimates.
- * Environmental issues that may impact on the underlying tenements.
- * Critical economic factors that have an impact on the planned operations and carrying values of assets and liabilities.

The Company assessed the carrying value of its exploration expenditure for indicators of impairment and concluded that impairment of the project was not required.

(d) Capitalisation of exploration and evaluation expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at \$ 10,581,749.

4 Segment information

For management purposes, the Company is organised into one main operating segment, which involves exploration for gold and other minerals. All of the Company's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Infinity Mining Limited. The financial results from this segment are equivalent to the consolidated financial statements of the Company as a whole. Total revenue earned by the Company is generated in Australia and all the Company's non-current assets reside in Australia.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

5 Revenue and Other Income

	30 September 2022 \$	30 September 2021 \$
Other Income		
- Interest income	24,483	-
- Covid-19 Cashflow boost	-	-
- Exploration expenditure reimbursement	17,527	-
	42,010	-

6 Results for the Year

	30 September 2022 \$	30 September 2021 \$
Insurance - Directors & Officers	79,677	-
Audit and accounting costs	47,000	15,000
Director Fees	157,500	-

7 Income Tax

(a) The major components of tax expense (income) comprise:

	30 September 2022 \$	30 September 2021 \$
Current tax		
Current tax	-	-
Deferred tax	-	-
Total	-	-

(b) Reconciliation of income tax to accounting profit:

	30 September 2022 \$	30 September 2021 \$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2021: 30%)	(472,217)	(13,733)

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

8 Cash at Bank

	30 September 2022	31 March 2022
	\$	\$
Cash at bank	6,233,332	8,235,792

9 Trade and Other Receivables

	30 September 2022	31 March 2022
	\$	\$
GST receivable	162,392	79,096
Trade and other debtors	42,550	-
	204,942	79,096

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

10 Plant and equipment

	30 September 2022	31 March 2022
	\$	\$
Office Equipment		
At cost	6,803	6,080
Accumulated depreciation	(3,274)	(2,157)
Total Office equipment	3,530	3,923
Vehicles		
At cost	38,000	-
Accumulated depreciation	(979)	-
Total Vehicles	37,021	-
Plant & Equipment		
At cost	100,000	-
Accumulated depreciation	(4767)	-
Total Plant & Equipment	95,233	-
Total plant and equipment	135,784	3,923

(a) Movements in carrying amounts of Plant and equipment

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current reporting period:

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

10 Plant and equipment

	Office Equipment \$	Vehicles \$	Plant and Equipment \$	Total \$
Six months ended 30 September 2022				
Balance at the beginning of the period	4,467	-	-	3,923
Additions	-	38,000	100,000	138,000
Depreciation expense	(1,117)	(979)	(4,767)	(6,863)
Balance at 30 September 2022	3,530	37,021	95,233	135,784

	Plant and Equipment \$	Total \$
Year ended 31 March 2022		
Balance at the beginning of year	6,080	6,080
Depreciation expense	(2,157)	(2,157)
Balance at 31 March 2022	3,923	3,923

11 Exploration, evaluation and development assets

	30 September 2022 \$	31 March 2022 \$
Exploration and evaluation	10,517,044	9,241,242

	Exploration and evaluation \$	Total \$
Six months ended 30 September 2022		
Balance at beginning of the period	9,241,242	9,241,242
Expenditure incurred	1,340,507	1,275,802
Additions of tenement assets	-	-
Balance at 30 September 2022	10,581,749	10,517,044
Year ended 31 March 2022		
Balance at beginning of the period	81,328	81,328
Expenditure incurred	1,517,858	1,517,858
Additions of tenement assets	7,642,056	7,642,056
Balance at 31 March 2022	9,241,242	9,241,242

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. Tenements acquired during the period are as a result of the initial public offering. The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

12 Other Assets

	30 September 2022	31 March 2022
	\$	\$
Prepaid Directors & Officers Insurance	15,799	95,477

13 Trade and Other Payables

	30 September 2022	31 March 2022
	\$	\$
CURRENT		
Trade payables	506,891	140,029
Other payables	-	-
	506,891	140,029

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

	30 September 2022	31 March 2022
	\$	\$
NON-CURRENT		
Unsecured liabilities:	-	-
Other payables	108,694	47,282
Total non-current borrowings	108,694	47,282
Total borrowings	108,694	47,282

During the current and prior year, there were no defaults or breaches on any of the loans.

15 Issued Capital

	30 September 2022	31 March 2022
	\$	\$
109,262,422 (2022: 108,812,422) Ordinary shares	20,409,782	20,409,782
Share issue costs	(793,874)	(793,874)
Total	19,615,908	19,615,908

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

15 Issued Capital

(a) Ordinary shares

	30 September 2022 No.	30 September 2021 No.
At the beginning of the reporting period	108,812,422	488,397
Shares issued during the period	450,000	-
Share issued in consideration for the acquisition of exploration assets	-	-
Shares Issued during the period for Cash	-	-
At the end of the reporting period	<u>109,262,422</u>	<u>488,397</u>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

(b) Capital Risk Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt. There has been no change to capital risk management policies during the year.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio, the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares. The Board monitors a range of financial metrics including return on capital employed and gearing ratios. A key objective of the Company's capital risk management is to maintain compliance with the covenants attached to the Company's debts. Throughout the year, the Company has complied with these covenants.

16 Reserves

(a) Share-based payment reserve

The Company has issued share options on specified terms. The cost of these items is measured by reference to their fair value at the date at which they are granted and expensed over the vesting period. The fair value is determined using Option valuation models.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

17 Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Infinity Mining Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(a) Reconciliation of earnings to profit or loss from continuing operations

	30 September 2022	30 Sept 2021
	\$	\$
Total Comprehensive Income (loss)	(1,574,057)	(45,775)
Loss attributable to non-controlling interest	-	-
Earnings used to calculate basic EPS from continuing operations	<u>(1,574,057)</u>	<u>(45,775)</u>

(b) Earnings used to calculate overall earnings per share

	30 September 2022	30 Sept 2021
	\$	\$
Earnings used to calculate overall earnings per share	<u>(1,574,057)</u>	<u>(45,775)</u>

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	30 September 2022	30 Sept 2021
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>109,262,422</u>	<u>488,397</u>

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

17 Earnings per Share

(d) Anti-dilutive options on issue

Anti-dilutive options on issue not in dilutive EPS calculation. Diluted earnings per share is not reflected for discontinuing operations as the result is anti-dilutive in nature.

	30 September 2022	30 Sept 2021
	No.	No.
Earnings/ (Loss) per share	<u>(0.01)</u>	<u>(0.09)</u>

18 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments. The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Investments in listed shares
- Trade and other payables

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of Infinity Mining Limited's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Infinity Mining Limited's activities.

The day-to-day risk management is carried out by Infinity Mining Limited's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements. The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place. Mitigation strategies for specific risks faced are described below:

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

18 Financial Risk Management

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets. The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities. Financial guarantee liabilities are treated as payable on demand since Infinity Mining Limited has no control over the timing of any potential settlement of the liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables and contract assets

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Board receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Company's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

18 Financial Risk Management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

(ii) Sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of $\pm 1\%$, \$6,233 and (31 March 2022: $\pm 1\%$, \$8,235), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports. The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

19 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Infinity Mining Limited during the period are as follows:

	30 September 2022	30 September 2021
	\$	\$
Director Fees	157,500	-

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

20 Auditors' Remuneration

	30 September 2022 \$	30 September 2021 \$
Remuneration of the auditor Vincents Assurance & Risk Advisory, for:		
- Audit fees for the review of financial reports.	17,000	42,500
Total	17,000	42,500

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 September 2022 (31 March 2022: None).

22 Related Parties

(a) The Company's main related parties are as follows:

The entity, which exercises significant influence over the Company, is Macarthur Minerals Limited which is incorporated in Australia and owns 21.57% (31 March 2022: 20.74%) of Infinity Mining Limited. Included in the loss for the year is \$483,428 (31 March 2022: loss \$231,571) attributable to Macarthur Minerals Limited.

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		Balance outstanding	
	Purchases	Owed to the company	Owed by the company
	\$	\$	\$
Entities with significant influence			
Macarthur Minerals Limited	403,195	64,706	-
Zanil Pty Ltd	502,902	-	-

24 Share-based Payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

At 30 September 2022 Infinity Mining Limited has the a share-based payment scheme for employees and consultants:

(a) Options granted

On 21 December 2021- 25,000,000 options were issued with an exercise price of \$0.30, as a result of the initial public offering.

A summary of the Company options issued as a result of Initial Public Offering is as follows:

2022 Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Expired during the year
21 December 2021	10 June 2023	0.30	-	25,000,000	-	-	-
2022 Grant Date	Balance at the end of the year						
21 December 2021	25,000,000						

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

24 Share-based Payments

(b) Share-based payment arrangements

Total expenses recognised in profit or loss for the year relating to share-based payment arrangements are \$661,860 (2021: \$690,000) relating to the acquisition of exploration & evaluation assets.

(c) Options outstanding

As at the date of exercise, the weighted average share price of options exercised during the year was \$0.30 (2021: \$nil). The weighted average remaining contractual life of options outstanding at year end was 0.58 years (2021: nil). The weighted average exercise price of outstanding options at the end of the reporting period was \$0.30.

(d) Weighted average fair value of options granted

The weighted average fair value of the options granted during the year was \$ 0.30 (2021: \$ -). These values were calculated by using a Black-Scholes option pricing model applying the following inputs:

Grant date:	21 December 2021
Expiry date:	10 June 2023
Share price at grant date (\$):	0.20
Exercise price (\$):	0.30
Weighted average life of the option (years):	0.58
Expected share price volatility:	89.00
Risk-free interest rate:	0.32%

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future movements.

The share price as at 30 September 2022 was \$ 0.24.

25 Events Occurring After the Reporting Date

- (a) 5,618,750 and 10,000,000 ordinary shares were released from Escrow in accordance with ASX Listing Rule 3.10A and quoted on the ASX pursuant with ASX Listing Rule 2.8.5 respectively on 5 October 2022 and 12 December 2022.
- (b) On 8 November 2022, Infinity Mining Civil Pty Ltd was incorporated as 100% subsidiary of the Company.
- (c) On 22 November 2022, the Company entered into the Sale Purchase Agreement (SPA) with TasEx Geological Services Pty Ltd (Seller) to acquire 100% interest in tenements E45/5847, E46/1373, E45/5720 and tenement applications E45/6237 and E45/6281 for a total purchase price of \$300,000. \$50,000 was payable in cash and \$250,000 in 862,069 consideration shares issued on 28 November 2022 with a deemed price of \$0.29 per share and subject to voluntary escrow restriction with a condition that upon each Completion either of the Exploration Tenements or of each one of the Applications, the holding lock corresponding to the relevant Purchase Price will be released.

8. Notes to the Financial Statements

For the Half - Year Ended 30 September 2022

25 Events Occurring After the Reporting Date

- (d) Since 30 September 2022 and up to the date of this report, a total of 2,442,500 options issued as part of the 25,000,000 IPO attaching unquoted options with an exercise price of \$0.30 expiring on 10 June 2023, were exercised.

The financial report was authorised for issue on 12 December 2022 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

26 Statutory Information

The registered office and principal place of business of the company is:

Infinity Mining Limited

Suite 1G

40-52 McDougall Street

MILTON 4066

9. Directors' Declaration

In the opinion of the Directors:

1. The financial statements and notes for the half-year ended 30 September 2022 are in accordance with the *Corporations Act 2001*, including:
 - a. giving a true and fair view of the financial position as at 30 September 2022 and of its performance for the half-year ended on that date; and
 - b. complying with Australian Accounting Standard AASX 134 Interim Financial Reporting, International Financial Reporting Standard, IAS 34 Interim Financial Reporting and the Corporations Regulations 2001, and other mandatory professional reporting requirements.
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.

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



Alan Joseph Phillips
Executive Chairman

Dated: 12 December 2022

Independent Auditor's Review Report

To the members of Infinity Mining Limited

Conclusion

We have reviewed the half-year financial report of Infinity Mining Limited (the Company), which comprises the statement of financial position as at 30 September 2022, the statement of comprehensive income, statement of changes equity and statement of cash flows for the half-year then ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of the Company's financial position as at 30 September 2022 and of its performance for the half-year ended on that date
- (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 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.

Responsibility of the Directors for the Half-Year Financial Report

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

Auditor's Responsibility 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 Company's financial position as at 30 September 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*.

brisbane. adelaide. canberra. gold coast. melbourne. sydney. sunshine coast.

Level 34, 32 Turbot Street, Brisbane QLD 4000 t 61.7 3228 4000 f 61.7 3228 4099
PO Box 13004, George Street, Brisbane QLD 4003 w www.vincents.com.au

ABN 44 387 658 295 | Liability limited by a scheme approved under Professional Standards Legislation.

assurance & risk advisory | business advisory | corporate advisory | financial advisory | forensic services | insolvency & reconstruction | lending solutions



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.



Victor Usan
Director
Vincents Assurance & Risk Advisory

Brisbane QLD
12 December 2022