

NickelX Limited
(formerly New Energy
Metals Ltd)

ACN 631 513 696

Interim Financial Report
For the half year ended 31
December 2020

TABLE OF CONTENTS

Directors' report	3
Auditor's independence declaration	7
Financial report	
Consolidated Statement of profit or loss and other comprehensive income	8
Consolidated Statement of financial position	9
Consolidated Statement of changes in equity	10
Consolidated Statement of cash flows	11
Notes to consolidated financial statements	12
Directors' declaration	17
Independent auditor's report	18

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

DIRECTORS' REPORT

NickelX Limited Update to 31 December 2020

NickelX Limited's ("NickelX" or "the Company") primary focus has been on targeting and securing high-grade battery minerals projects located in world class geological districts utilising the Company's in-house database and intellectual property. The commodities of interest have been, and continue to be, the energy metals of nickel, lithium, copper and cobalt.

On the 30th June 2020, the Company signed a binding Heads of Agreement (HOA) with VRX Silica Limited (VRZ) and Zenith Minerals Limited (ZNC) for the 100% acquisition of the Biranup Nickel Project and the Ponton Nickel Project, covering a total of ~500km² located in the world class Albany Fraser Belt. The acquisition is conditional upon the company completing an Initial Public Offering (IPO) and listing on the Australian Securities Exchange (ASX).

During the period, the Company completed an Information Memorandum (IM) to raise seed capital to progress the acquisition and subsequent IPO of the Company and appointed CPS Capital Pty Ltd as Lead Manager to the seed capital Raising and IPO.

In October and November 2020, the Company completed two Tranches of Seed Capital Raising via the issue of 6,000,000 shares at the price of 10c per share to raise \$600,000 (before costs), and appointed Independent Advisors CSA Global (Geology), BDO Perth (Accounting) and Steinepreis Paganin (Legal) for the compilation of a prospectus in preparation for the Initial Public Offering.

The Board of Directors in consultation with its advisors changed the name of the Company from New Energy Metals Limited to NickelX Limited, to accurately reflect our focus on Nickel Sulphide exploration and project generation, including but limited to Mergers and acquisitions. The change of name was approved at the Annual General Meeting held on 28 January 2021.

Subsequent to the reporting period, the Company is pleased to report the appointment of experienced mining executive Jonathan Downes as Independent Non-Executive Chairman.

Mr Downes has more than 25 years' experience in the mining industry and has worked in various geological and corporate capacities. Mr Downes has experience with nickel, gold and base metals and has also been intimately involved with numerous private and public capital raisings. Mr Downes was a founding director of Hibernia Gold (now Molly Mines Ltd) and Siberia Mining Corporation Ltd and is currently a director of Galena Mining Limited, Ironbark Zinc Limited and is a non-executive director of Corazon Mining Limited.

The Company is now fully focussed on the compilation of a prospectus for an IPO and ASX listing, targeting the March Quarter of 2021.

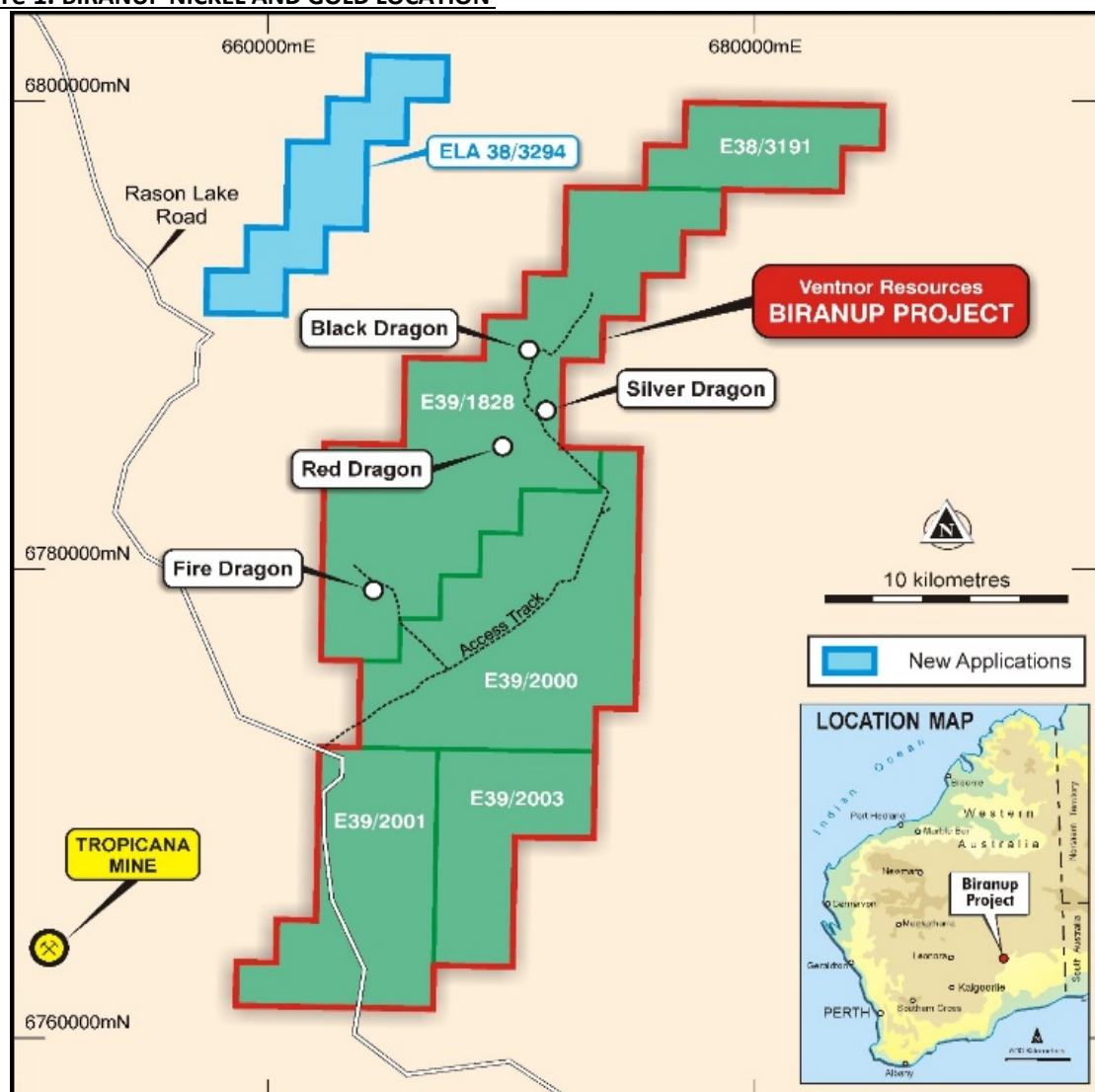
DIRECTORS' REPORT

NickelX's lead project summary is below:

(1) Biranup Nickel Project Summary

- Located in the world class Albany Fraser Belt, host to Tropicana (10m ounces Au), Nova (25K t Ni-Cu)
- Drill ready granted tenements cover ~400km² with no Native Title or Pastoral Lease claims
- Extensive exploration database valued at ~\$10M
- 20 priority Nova-type Nickel-Copper targets generated from SPECTREM (EM) surveys (developed to detect massive sulphides under cover) within the project area.
- 4 high priority and drill ready Nickel-Copper targets under cover
- The Nickel-Copper targets are widespread with little systematic and/or dedicated work

Figure 1. BIRANUP NICKEL AND GOLD LOCATION



MR M GAUCI

Managing Director – NickelX Limited

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

DIRECTORS' REPORT

The Directors present their report together with the financial report of NickelX Limited and its related subsidiaries ("the Company") for the half year ended 31 December 2020 and auditor's report thereon.

Directors names

The names of the directors in office at any time during or since the end of the period are:

Mr. Matthew Gauci (appointed 7 February 2019)

Dr. Oliver Kreuzer (appointed 7 February 2019)

Dr. Kris Butera (appointed 7 February 2019)

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Results

The loss of the Company for the period after providing for income tax amounted to \$143,554 (2019: \$15,538).

Review of operations

The Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the Company's state of affairs that occurred during the period, other than those referred to elsewhere in this report.

Principal activities

The principal activity of the Company during the period was mineral exploration targeting high grade projects in the new energy metals sector.

No significant change in the nature of these activities occurred during the period.

After balance date events

Subsequent to the reporting period, the Company executed a variation to the Binding Term Sheet with VRX Silica Limited to extend the Exclusivity Period under Section 9 of the Agreement to 30 June 2021. This is subject to and conditional upon NickelX expending the minimum expenditure on the Tenements by 31 March 2021 as set out in the Binding Term Sheet.

The Company appointed an experienced mining executive Jonathan Downes as Independent Non-Executive Chairman.

Other than the points noted above, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, and the results of those operations, or the state of affairs of the Company in future financial years.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
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DIRECTORS' REPORT

Likely developments

The Company expects to maintain the present status and level of operations.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnification of officers

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer of the Company.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the half year ended 31 December 2020 is provided with this report.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Signed in accordance with a resolution of the board of directors.

Director: _____


Matthew Gauci

Dated this 26th day of February 2021

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF NICKELX LIMITED

As lead auditor for the review of NickelX Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

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

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



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 26 February 2021

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Note	31 December 2020 \$	31 December 2019 \$
Revenue and other income			
Other income	2	46	25,129
		<u>46</u>	<u>25,129</u>
Less: expenses			
Corporate and administrative expenses	3	(85,896)	(39,099)
Project costs	4	(57,704)	(1,568)
		<u>(143,600)</u>	<u>(40,667)</u>
Profit / (loss) before income tax expense		(143,554)	(15,538)
Other comprehensive income for the period		-	-
Total comprehensive income		<u>(143,554)</u>	<u>(15,538)</u>

The accompanying notes form part of these consolidated financial statements.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31 December 2020 \$	30 June 2020 \$
Current assets			
Cash and cash equivalents	5	471,924	11,233
Trade and other receivables		<u>2,303</u>	<u>1,200</u>
Total current assets		<u>474,227</u>	<u>12,433</u>
Total assets		<u>474,227</u>	<u>12,433</u>
Current liabilities			
Trade and other payables		<u>57,994</u>	<u>26,247</u>
Total current liabilities		<u>57,994</u>	<u>26,247</u>
Total liabilities		<u>57,994</u>	<u>26,247</u>
Net assets/(net asset deficiency)		<u>416,233</u>	<u>(13,813)</u>
Equity			
Share capital	6	742,950	169,350
Accumulated losses		<u>(326,717)</u>	<u>(183,163)</u>
Total equity/(deficiency in equity)		<u>416,233</u>	<u>(13,813)</u>

The accompanying notes form part of these consolidated financial statements.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR HALF YEAR ENDED 31 DECEMBER 2020

	Contributed Equity \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2019	143,350	(118,349)	25,001
Profit/(loss) for the period	<u>-</u>	<u>(15,538)</u>	<u>(15,538)</u>
Total comprehensive income for the period	<u>-</u>	<u>(15,538)</u>	<u>(15,538)</u>
Transactions with owners in their capacity as owners:			
Contributions net of costs	25,000	-	25,000
Share based payments	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total transactions with owners in their capacity as owners	<u>26,000</u>	<u>-</u>	<u>26,000</u>
Balance as at 31 December 2019	<u>169,350</u>	<u>(133,886)</u>	<u>35,464</u>

	Contributed Equity \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2020	169,350	(183,163)	(13,813)
Profit/(loss) for the period	<u>-</u>	<u>(143,554)</u>	<u>(143,554)</u>
Total comprehensive income for the period	<u>-</u>	<u>(143,554)</u>	<u>(143,554)</u>
Transactions with owners in their capacity as owners:			
Contributions net of costs	573,600	-	573,600
Share based payments	<u>-</u>	<u>-</u>	<u>-</u>
Total transactions with owners in their capacity as owners	<u>573,600</u>	<u>-</u>	<u>573,600</u>
Balance as at 31 December 2020	<u>742,950</u>	<u>(326,717)</u>	<u>416,233</u>

The accompanying notes form part of these consolidated financial statements.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2020

	Note	31 December 2020 \$	31 December 2019 \$
Cash flow from operating activities			
Interest received		47	17
Payments to suppliers and employees		<u>(111,854)</u>	<u>(51,398)</u>
Net cash used in operating activities		<u>(111,807)</u>	<u>(51,398)</u>
Cash flow from investing activities			
Related party loans		(1,103)	-
Proceeds from sale of assets		<u>-</u>	<u>25,113</u>
Net cash provided by/(used in) investing activities		<u>(1,103)</u>	<u>25,113</u>
Cash flow from financing activities			
Proceeds from share issue net of costs		<u>573,600</u>	<u>25,000</u>
Net cash provided by financing activities		<u>573,600</u>	<u>25,000</u>
Reconciliation of cash			
Cash at beginning of the period		11,233	29,812
Net increase/(decrease) in cash held		<u>460,690</u>	<u>(1,268)</u>
Cash at end of financial period	5	<u><u>471,924</u></u>	<u><u>28,544</u></u>

The accompanying notes form part of these consolidated financial statements.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

NOTE 1: Basis of preparation of the financial report

These interim financial statements constitute a general purpose financial report and have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB134 ensures compliance with IAS134: Interim Financial Reports. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2020.

These interim financial statements were approved by the Board of Directors on 26th February 2021.

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

All monetary values are reported in Australian Dollar unless otherwise stated.

(a) Accounting Standards and Interpretations issued but not yet effective

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Going concern

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

As disclosed in the financial statements, the Company incurred losses of \$143,554, net cash outflows from operating activities of \$111,807 and has a cash and cash equivalents balance of \$471,924 for the half year ended 31 December 2020.

During the period, the Company raised \$600,000 in seed capital through the issue of ordinary shares. The Company earns no revenue. The ability of the Company to continue as a going concern is dependent on it being able to successfully raise further debt or capital funding.

The COVID-19 pandemic, announced by the World Health Organisation on 21 January 2020, is having a negative impact on world stock markets, currencies and general business activity. The Group has developed a policy and is evolving procedures to address the health and wellbeing of employees, consultants and contractors in relation to COVID-19. The timing and extent of the impact and recovery from COVID-19 is unknown but it may have an impact on activities and potentially impact the ability of the entity to raise capital in the current prevailing market conditions.

These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

The Directors believe that there are reasonable grounds to believe that the Company will continue as a going concern, after consideration of the following factors:

- The Company has the intention to issue additional shares (or other securities) to raise funds of \$5million through an initial public offering ('IPO') on the Australian Stock Exchange (ASX) during the first quarter of 2021;
- Directors and other key management personnel may agree to accept equity in lieu of cash fees or defer fees until such time as the Company has sufficient cash to make payment; and
- The Company has the ability to scale down its operations in order to curtail expenditure, in the event capital raisings are delayed or insufficient cash is available to meet projected expenditure.

The Directors have prepared a cash flow forecast for the next 12-month period reflecting the need for further funding as mentioned above. While the Directors are confident that they will be able to raise further capital, the funding, timing and extent is uncertain.

In the event that the funding of an amount necessary to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to contain the operating and investment activities as mentioned above.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustment relating to the recoverability and classification of the asset carrying amounts or the classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

	December 2020	December 2019
NOTE 2: OTHER INCOME	\$	\$
Interest received	46	22
Proceeds from sale of assets ⁽¹⁾	-	25,113
	46	25,135

- (1) In the prior period the Company acquired a Singaporean entity, Prospect Cobalt Pte Ltd. This transaction was accounted for as an asset acquisition. During the financial year ended 30 June 2020, the Company resolved to liquidate the entity and its subsidiary and dispose of any assets held resulting in the above proceeds from sale being received in October 2019.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	December 2020	December 2019
NOTE 3: CORPORATE AND ADMINISTRATIVE EXPENSES	\$	\$
Compliance and legal costs	54,802	64,018
Corporate advisory	22,103	8,000
General administrative expenses	8,991	12,364
	<u>85,896</u>	<u>85,382</u>

	December 2020	December 2019
NOTE 4: PROJECT COSTS	\$	\$
Consulting fees	57,704	3,131
Other project costs	-	437
	<u>57,704</u>	<u>3,568</u>

	December 2020	June 2020
NOTE 5: CASH AND CASH EQUIVALENTS	\$	\$
Cash at bank	<u>471,924</u>	<u>11,233</u>

	Number of ordinary shares	\$
<i>Movement in issued capital during the period:</i>		
Opening balance at 1 July 2019	18,250,004	143,350
Issue of promoter and placement shares	2,500,000	25,000
Capital raising costs	-	-
Share based payments	100,000	1,000
Closing balance at 30 June 2020	<u>20,850,004</u>	<u>169,350</u>

Opening balance at 1 July 2020	20,850,004	169,350
Placement shares	200,000	20,000
Issue of seed placement - Tranche 1	1,800,000	180,000
Issue of seed placement - Tranche 2	4,000,000	400,000
Capital raising costs	-	(26,400)
Share based payments	-	-
Closing balance at 31 December 2020	<u>26,850,004</u>	<u>742,950</u>

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

NOTE 7: COMMITMENTS AND CONTINGENT LIABILITIES

There were no commitments or contingent liabilities which would require disclosure at the end of the period, other than those listed below:

Binding Term Sheet with VRX Silica Ltd

The Company executed a binding term sheet on 19 June 2020 with VRX Silica Ltd ("VRX") where the Company agrees to acquire 100% of the issued capital of Ventnor Gold Pty Ltd ("Ventnor"). Ventnor holds the application and tenements for the Biranup Nickel Project.

There are a number of conditions precedent for settlement to occur including completion of appropriate due diligence, obtaining the necessary approvals and the Company preparing and lodging a prospectus with ASIC, completing the capital raising and obtaining approval from the ASX for quotation of its securities on the official list of ASX.

Should the conditions precedent be satisfied, consideration payable includes:

- 6,250,000 fully paid ordinary shares to VRX in the capital of the Company at a deemed issue of \$0.20 per Share at settlement of the acquisition
- \$200,000 cash at the delineation of a JORC compliant inferred Resources of no less than 7.5Mt at a grade of 2% nickel and 0.5% copper on the land comprising the tenements;
- \$200,000 cash at the completion of a preliminary feasibility study with respect to the project demonstrating an ability to operate the project as a commercially viable enterprise; and
- \$500,000 cash at the first commercial extraction of any minerals, mineral products, ore or concentrates, in whatever form, from the project.

Binding Heads of Agreement with Black Dragon Energy (Aus) Pty Ltd

The Company executed a binding heads of agreement on 23 June 2020 with Black Dragon Energy (Aus) Pty Ltd, a wholly owned subsidiary of Zenith Minerals Limited ("ZNC") where the Company agrees to acquire a 100% legal and beneficial interest in the Tenement, Mining Information Statutory Licences ("nickel prospectivity database" or "Assets").

There are a number of conditions precedent for settlement to occur including completion of appropriate due diligence, obtaining the necessary approvals and the Company preparing and lodging a prospectus with ASIC, completing the capital raising and obtaining approval from the ASX for quotation of its securities on the official list of ASX.

Should the conditions precedent be satisfied, consideration payable by the Company includes:

- \$15,000 as reimbursement for costs incurred in connection with the development of the tenement;
- Shares in the Company to the value of \$100,000 at a deemed issue price equal to the offer price under the capital raising (condition precedent); and
- A royalty of 1.5% of the net smelter return on all minerals, mineral products and concentrates, produced and sold from the Assets.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

NOTE 7: COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Lead Manager and Broker Mandate with CPS Capital Group Pty Ltd

The Company executed a binding Mandate on 6 November 2020 with CPS Capital Group Pty Ltd ('CPS Capital') who will act as the Lead Manager and Broker for NickelX's IPO and ASX listing.

Upon the successful completion of the seed placement, NickelX will issue CPS Capital 2,400,000 options. These options will have an expiry term of four years with an exercise price of 25 cents. In addition, fees payable to CPS Capital for managing the seed placement and IPO include 2% management fee and 4% placement fee plus GST where applicable.

NOTE 8: RELATED PARTY TRANSACTIONS

Other than as presented below, there were no material changes to the Group's related party transactions to those disclosed in the 30 June 2020 Annual Report.

Other transactions with Key Management Personnel

During the half year to 31 December 2020, Matthew Gauci (Managing Director) participated in the seed placement and subscribed for 200,000 shares at \$0.10.

Mr Oliver Kreuzer, a Director of the Company is also a Director of CGSG Corporate Geoscience Group (CGSG). \$36,821 was paid to CGSG for consulting and professional services for the period ended 31 December 2020. \$6,000 was outstanding and payable to CGSG as at 31 December 2020.

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the reporting period, the Company executed a variation to the Binding Term Sheet with VRX Silica Limited to extend the Exclusivity Period under Section 9 of the Agreement to 30 June 2021. This is subject to and conditional upon NickelX expending the minimum expenditure on the Tenements by 31 March 2021 as set out in the Binding Term Sheet.

The Company appointed an experienced mining executive Jonathan Downes as Independent Non-Executive Chairman.

Other than the points noted above, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, and the results of those operations, or the state of affairs of the Company in future financial years.

NICKELX LIMITED (formerly NEW ENERGY METALS LTD)
ACN 631 513 696

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements and notes, as set out on pages 12 to 16 are in accordance with the Corporations Act 2001 and:

(a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and

(b) give a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the interim period ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

Director:  _____
Matthew Gauci

Dated this 26th day of February 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of NickelX Limited (formerly New Energy Metals Ltd)

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of NickelX Limited (the Company) and its subsidiaries (the Group), 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 and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

Basis for conclusion

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

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

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

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

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

BDO Audit (WA) Pty Ltd



Jarrad Prue

Director

Perth, 26 February 2021