



TEMPUS

R E S O U R C E S

ABN 70 625 645 338

TEMPUS RESOURCES LIMITED
CONSOLIDATED INTERIM FINANCIAL REPORT
(Prepared by Management - Unaudited)

FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER
2020

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020**



(Prepared by Management - Unaudited)

	Notes	For the three months ended		For the six months ended	
		31 December 2020 \$	31 December 2019 \$	31 December 2020 \$	31 December 2019 \$
Revenue		550	5,095	1,028	17,855
Directors' and employee benefits expense		(80,376)	(80,242)	(143,126)	(139,435)
Legal and other professional fees		(144,280)	(172,950)	(237,006)	(214,037)
Regulatory fees		(161,893)	(44,576)	(194,303)	(65,891)
Finance costs		(27,204)	-	(27,204)	-
Advertising and marketing expenses		(43,750)	(34,653)	(59,249)	(34,653)
Project evaluation		-	(473,605)	-	(822,976)
Ecuador claim		(228,071)	-	(228,071)	-
Depreciation expense		(1,960)	-	(1,960)	-
Share based payments	9(ii)	(420,867)	(158,380)	(450,735)	(181,857)
Impairment expense		(900)	-	(4,542)	-
Foreign exchange loss		(4,717)	-	(6,888)	-
Other expenses		(63,033)	(38,313)	(119,520)	(53,761)
Loss before income tax		(1,176,501)	(997,624)	(1,471,576)	(1,494,755)
Income tax expense		-	-	-	-
Loss for the period		(1,176,501)	(997,624)	(1,471,576)	(1,494,755)
Other comprehensive income/(loss)					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(104,816)	(41,086)	(210,863)	(41,086)
Total other comprehensive income/(loss)		(104,816)	(41,086)	(210,863)	(41,086)
Total comprehensive loss for the period		(1,281,317)	(1,038,710)	(1,682,439)	(1,535,841)
Loss attributable to:					
Non-controlling interests		(90)	(14)	(468)	(14)
Members of the parent		(1,176,411)	(997,610)	(1,471,108)	(1,494,741)
		(1,176,501)	(997,624)	(1,471,576)	(1,494,755)
Total comprehensive loss attributable to:					
Non-controlling interests		(90)	(14)	(468)	(14)
Members of the parent		(1,281,227)	(1,038,696)	(1,681,971)	(1,535,827)
		(1,281,317)	(1,038,710)	(1,682,439)	(1,535,841)
Loss per share					
- Basic loss per share (cents)		(1.46)	(2.50)	(1.91)	(3.91)
- Diluted loss per share (cents)		(1.46)	(2.50)	(1.91)	(3.91)

The accompanying notes form part of this interim financial report.

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



(Prepared by Management - Unaudited)

	Notes	31 December 2020 \$	30 June 2020 \$
ASSETS			
Current assets			
Cash and cash equivalents		2,439,974	3,559,362
Trade and other receivables		184,149	93,980
Other assets		108,159	47,644
Total current assets		2,732,282	3,700,986
Non current assets			
Exploration and evaluation	5	9,668,485	5,611,482
Other assets		308,675	258,070
Right of use asset		47,593	-
Total non current assets		10,024,753	5,869,552
Total assets		12,757,035	9,570,538
LIABILITIES			
Current liabilities			
Trade and other payables		758,322	635,598
Provisions	6	214,001	-
Total current liabilities		972,323	635,598
Non current liabilities			
Provisions	7	2,439,494	2,681,523
Lease liability		46,633	-
Total non current liabilities		2,486,127	2,681,523
Total liabilities		3,458,450	3,317,121
Net assets		9,298,585	6,253,417
EQUITY			
Issued capital	8	13,425,854	9,044,007
Reserves	9	966,707	960,196
Accumulated losses		(5,067,843)	(3,725,121)
Equity attributable to owners of the Company		9,324,718	6,279,082
Non-controlling interest		(26,133)	(25,665)
Total equity		9,298,585	6,253,417

The accompanying notes form part of this financial report.

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



*(Prepared by
Management -
Unaudited)*

	Issued Capital \$	Share based payment reserve \$	Foreign exchange reserve \$	Accumulated Losses \$	Non- controlling interest \$	Total \$
For the six months ended 31 December 2019						
Balance at 1 July 2019	4,726,886	542,144	-	(1,058,249)	1,381	4,212,162
Loss for the period	-	-	-	(1,494,741)	(14)	(1,494,755)
Other comprehensive income	-	-	(41,086)	-	-	(41,086)
Total comprehensive (loss) / income for the period	-	-	(41,086)	(1,494,741)	(14)	(1,535,841)
Issue of capital (net of costs)	942,484	-	-	-	-	942,484
Share based payments	-	85,657	-	-	-	85,657
Balance at 31 December 2019	5,669,370	627,801	(41,086)	(2,552,990)	1,367	3,704,462
For the six months ended 31 December 2020						
Balance at 1 July 2020	9,044,007	1,130,822	(170,626)	(3,725,121)	(25,665)	6,253,417
Loss for the period	-	-	-	(1,471,108)	(468)	(1,471,576)
Other comprehensive income	-	-	(210,863)	-	-	(210,863)
Total comprehensive (loss) / income for the period	-	-	(210,863)	(1,471,108)	(468)	(1,682,439)
Issue of capital (net of costs)	4,246,818	30,054	-	-	-	4,276,872
Transfer to issued capital on issue of shares	135,029	(135,029)	-	-	-	-
Transfer to retained earnings upon cancellation of performance rights	-	(128,386)	-	128,386	-	-
Share based payments	-	450,735	-	-	-	450,735
Balance at 31 December 2020	13,425,854	1,348,196	(381,489)	(5,067,843)	(26,133)	9,298,585

The accompanying notes form part of this financial report.

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



(Prepared by Management - Unaudited)

Notes	For the three months ended		For the six months ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	\$	\$	\$	\$
Cash flows from operating activities				
Interest received	518	10,188	1,028	23,388
Payments to suppliers and employees	(354,816)	(434,818)	(590,237)	(620,507)
Payments for exploration and evaluation	(2,006,703)	(1,083,721)	(3,894,200)	(1,681,182)
Interest paid	(244)	-	(244)	-
Net cash outflow from operating activities	(2,361,245)	(1,508,351)	(4,483,653)	(2,278,301)
Cash flows from investing activities				
Bonds paid	(31,501)	(111,971)	(31,501)	(111,971)
Cash acquired on acquisition of subsidiaries	-	67,095	-	67,095
Net cash outflow from investing activities	(31,501)	(44,876)	(31,501)	(44,876)
Cash flows from financing activities				
Proceeds from issue of shares	1,294,619	-	3,794,619	-
Share issue costs paid	(272,873)	(7,919)	(417,036)	(7,919)
Proceeds from options exercised	-	-	40,000	-
Lease liability repayments	(2,950)	-	(2,950)	-
Net cash inflow/ (outflow) from financing activities	1,018,796	(7,919)	3,414,633	(7,919)
Net increase in cash held	(1,373,950)	(1,561,146)	(1,100,521)	(2,331,096)
Cash at the beginning of the financial period	3,804,754	3,344,416	3,559,362	4,114,366
Effect of exchange rate changes on cash and cash equivalents	9,170	(730)	(18,867)	(730)
Cash at the end of the financial period	2,439,974	1,782,540	2,439,974	1,782,540

The accompanying notes form part of this financial report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020

(Prepared by Management - Unaudited)

1. Corporate information

These consolidated financial statements represent those of Tempus Resources Limited (the “Company”) and its controlled entities (the “consolidated entity” or “Group”) at the end of, or during the quarter and half year to 31 December 2020. The financial statements are presented in Australian dollars, which is Tempus Resources Limited’s functional and presentation currency.

Tempus Resources Limited is a listed public company limited by shares, incorporated in Australia and with a registered office at Level 2, 22 Mount Street, Perth, Western Australia, 6000, Australia.

2. Principal activities

The principal activity of the consolidated entity during the period was mineral exploration.

3. Basis of preparation

Statement of compliance

The interim report is a general purpose financial report that has been prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The interim financial report does not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the period ended 30 June 2020.

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are consistent with those adopted and disclosed in the Company’s 2020 annual financial report for the year ended 30 June 2020 and are consistent with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

Critical accounting judgments, estimates and assumptions

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

Following is a summary of the key assumptions concerning the future and other key sources of estimation at reporting date that have not been disclosed elsewhere in these financial statements.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Share based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

COVID-19 pandemic

Judgement has been exercised in considering the impacts that the 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, staffing and geographical regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets requirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of the provision.

Tax claim provision

A provision has been made for the present value of anticipated costs associated with amounts payable on an open tax claim. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Due to the uncertainty associated with such tax claims, there is a possibility that the final outcome may differ significantly at a future date.

New and revised accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

4. Segment information

The consolidated entity operates within three geographical segments within mineral exploration and extraction being Australia, Canada and Ecuador. The segment information provided to the chief operating decision maker is as follows:

Three month ended 31 December 2020	Corporate Activities AUSTRALIA \$	Exploration Activities CANADA \$	Exploration Activities ECUADOR \$	Consolidated \$
Segment revenue	178	372	-	550
Total revenue				<u>550</u>
Segment result before income tax	(889,987)	(58,443)	(228,071)	(1,176,501)
Loss before income tax				<u>(1,176,501)</u>
At 31 December 2020				
Segment assets	1,587,887	9,050,411	2,118,737	12,757,035
Total assets				<u>12,757,035</u>
Segment liabilities	261,256	2,839,929	357,265	3,458,450
Total Liabilities				<u>3,458,450</u>
Three month ended 31 December 2019				
Segment revenue	5,095	-	-	5,095
Total revenue				<u>5,095</u>
Segment result before income tax	(992,166)	(5,458)	-	(997,624)
Loss before income tax				<u>(997,624)</u>
At 30 June 2020				
Segment assets	907,432	6,810,801	1,852,305	9,570,538
Total assets				<u>9,570,538</u>
Segment liabilities	384,226	2,761,760	171,135	3,317,121
Total Liabilities				<u>3,317,121</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

4. Segment information (continued)

Six month ended 31 December 2020	Corporate Activities AUSTRALIA \$	Exploration Activities CANADA \$	Exploration Activities ECUADOR \$	Consolidated \$
Segment revenue	315	713	-	1,028
Total revenue				<u>1,028</u>
Segment result before income tax	(1,170,111)	(73,394)	(228,071)	(1,471,576)
Loss before income tax				<u>(1,471,576)</u>
At 31 December 2020				
Segment assets	1,587,887	9,050,411	2,118,737	12,757,035
Total assets				<u>12,757,035</u>
Segment liabilities	261,256	2,839,929	357,265	3,458,450
Total Liabilities				<u>3,458,450</u>
Six month ended 31 December 2019				
	Exploration and Corporate Activities AUSTRALIA \$	Exploration Activities CANADA \$	Exploration Activities ECUADOR \$	Consolidated \$
Segment revenue	17,855	-	-	17,855
Total revenue				<u>17,855</u>
Segment result before income tax	(1,489,297)	(5,458)	-	(1,494,755)
Loss before income tax				<u>(1,494,755)</u>
At 30 June 2020				
Segment assets	907,432	6,810,801	1,852,305	9,570,538
Total assets				<u>9,570,538</u>
Segment liabilities	384,226	2,761,760	171,135	3,317,121
Total Liabilities				<u>3,317,121</u>

**31 December
2020**
\$

**30 June
2020¹**
\$

5. Exploration and evaluation

A summary of the exploration and evaluation asset is as follows:

Opening balance	5,611,482	254,886
Acquisitions during the period	-	3,266,911
Expenditure incurred during the period	4,560,153	1,574,236
Impairments	(4,542)	(407,063)
Changes in rehabilitation	(155,117)	1,023,031
Foreign exchange movements	(343,491)	(100,519)
Closing balance	<u>9,668,485</u>	<u>5,611,482</u>

¹ Relates to the 12 month period ending 30 June 2020.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

	31 December 2020 \$	30 June 2020 \$
6. Current provision		
Ecuador provision (i)	214,001	-
	<u>214,001</u>	<u>-</u>

- (i) A claim for tax liabilities associated with a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

	31 December 2020 \$	30 June 2020 \$
7. Non current provisions		
Rehabilitation - Blackdome		
Opening balance	2,681,523	-
Recognised on acquisition	-	1,729,039
Changes in rehabilitation estimate	(124,312)	1,023,031
Foreign exchange movements	(117,717)	(70,547)
	<u>2,439,494</u>	<u>2,681,523</u>

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

	31 December 2020 \$	30 June 2020 \$
8. Issued capital		
Ordinary shares – fully paid (i)	13,425,854	9,044,007
	<u>13,425,854</u>	<u>9,044,007</u>

(i) Ordinary shares

Date	No. of shares	Issue price \$	\$
At 1 July 2020:	69,780,283		9,044,007
– 3 July 2020 – Conversion of options	200,000	0.20	65,029
– 3 July 2020 – Public relations services	550,000	0.20	110,000
– 28 August 2020 – Capital raising	8,064,517	0.31	2,500,000
– 28 August 2020 – In lieu of capital raising fees	567,742	0.31	176,000
– 10 September 2020 - Public relations services	250,000	0.35	87,500
– 10 September 2020 – Shares issued under Exploration agreement	100,000	0.35	35,000
– 18 December 2020 – Private placement share issue	4,730,000	0.27	1,294,619
– 29 December 2020 – Share issue under option agreement	2,173,910	0.24	521,738
– Capital raising costs	-		(408,039)
At the end of the reporting period	<u>86,416,452</u>		<u>13,425,854</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

	31 December 2020	30 June 2020
	\$	\$
9. Reserves		
Foreign currency reserve (i)	(381,489)	(170,626)
Share based payments reserve (ii)	1,348,196	1,130,822
	<u>966,707</u>	<u>960,196</u>

(i) Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

(ii) Share based payments reserve

Reconciliation of share based payments reserve

Opening balance 1 July 2020	1,130,822
Options – recognised in equity (share issue costs)	30,054
Performance rights – recognised as an expense	98,325
Options – recognised as an expense	352,410
Transfer to issued capital upon issue of shares	(135,029)
Transfer to retained earnings upon cancellation of performance rights	(128,386)
Closing balance 31 December 2020	<u>1,348,196</u>

Performance rights

During the period, the Company granted 300,000 performance rights, with a total fair value of \$91,910. This figure represents the fair value at grant date before considering the best available estimates of the number of performance rights with non market-based vesting conditions that are expected to vest.

After taking into account the probabilities of vesting criteria being met and the expected vesting date, the value expensed in relation to these performance rights during the period was \$35,112 with the remaining amount to be expensed over the vesting period. The expense realised in respect to performance rights is intended to reflect the best available estimate of the number of performance rights expected to vest. The remaining expense of \$63,213 is in relation to performance rights granted in previous periods that are expensed over the vesting period.

The following performance rights issued during the period were valued using a Hoadley ESO5 pricing model with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Expected volatility	Dividend yield	Number of PRs	Value per PR	Total Value	Vesting date note
		\$	%	%	#	\$	\$	
28/08/2020	10/09/2022	0.325	94.74	-	100,000	0.2691	26,910	3

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

9. Reserves (continued)

The following performance rights issued during the period were valued based on the share price at grant date as they did not have market-based vesting conditions.

Grant date	Expiry date	Share price at grant date	Number of PRs	Value per PR	Total Value	Vesting date note
		\$	#	\$	\$	
28/08/2020	10/09/2022	0.325	100,000	0.325	32,500	1
28/08/2020	10/09/2022	0.325	100,000	0.325	32,500	2

Vesting conditions:

- Upon completion of a Mineral Resource estimate (conforming to the JORC Code 2012 Edition or any such subsequent JORC Code) equivalent to 500,000 Oz at a minimum grade of 1g/tonne Au on any mineral deposit in Canada that is validly owned by the Company or its Related Bodies Corporate.
- Upon completion of an economic prefeasibility study or higher in relation to any project in Canada that is validly owned by the Company or its Related Bodies Corporate.
- Upon the 20-business day volume weighted average price of Shares as traded on the ASX equals or exceeds 60 cents.

In order to comply with the TSX-V policy, it was announced on the 7th December 2020 that 1,264,000 performance rights were cancelled, and as a result the holders of these performance rights will be issued with replacement unlisted options. \$128,386 was reversed during the period ending 31 December 2020.

Grant date	Expiry date	Share price at grant date	Expected volatility	Dividend yield	Number of PRs	Value per PR	Total Value	Vesting date note
		\$	%	%	#	\$	\$	
19/08/2019	18/09/2021	0.14	80	-	230,000	0.0704	16,192	4
18/10/2019	25/10/2021	0.16	80	-	900,000	0.0921	82,890	5
19/08/2019	25/10/2021	0.14	80	-	34,000	0.0704	2,394	6
28/08/2020	10/09/2022	0.325	94.74	-	100,000	0.2691	26,910	7

Director Performance Rights vesting condition

- If at any time the 20-business day volume weighted average price of Tempus shares as traded on the ASX equals or exceeds 45 cents.

Latin America Performance Rights vesting condition

- If at any time the 20-business day volume weighted average price of Tempus shares as traded on the ASX equals or exceeds 44 cents.

Exploration Manager Performance Rights vesting condition

- If at any time the 20-business day volume weighted average price of Tempus shares as traded on the ASX equals or exceeds 45 cents.

President Performance rights vesting condition

- Upon the 20-business day volume weighted average price of Shares as traded on the ASX equals or exceeds 60 cents.

The vesting of all performance rights granted is also conditional upon the holder's continued employment with the consolidated entity.

Performance rights outstanding at reporting date:

Opening balance 1 July 2020	4,390,000
Performance rights issued during the period	300,000
Performance rights cancelled during the period	(1,264,000)
Closing balance 31 December 2020	<u>3,426,000</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

9. Reserves (continued)

Options

During the period, the Company granted 100,000 options, with a total fair value of \$11,610. The Company also granted 3,000,000 options to key management personnel as part of an option incentive plan, with a total fair value of \$340,800. 283,800 options were issued to brokers, for services provided, with a total fair value of \$30,054.

For the options issued during the period, a Hoadley ESO2 valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of Options	Value per Option	Total Value	Vesting terms
		\$	\$	%	%	%	#	\$	\$	
7/07/2020	10/09/2023	0.37	0.37	96.27%	0.265%	-	100,000	0.1161	11,610	Immediately
30/11/2020	14/12/2023	0.29	0.29	100%	0.11%	-	1,500,000	0.1176	176,400	Immediately
30/11/2020	14/12/2023	0.37	0.37	100%	0.11%	-	1,500,000	0.1096	164,400	Immediately
18/12/2020	18/12/2022	0.274	0.274	100%	0.10%	-	283,800	0.1059	30,054	Immediately

Options outstanding at reporting date:

Grant date	Expiry date	Exercise price \$	31 December 2020	30 June 2020
3 August 2018	3 August 2021	0.20	-	200,000
3 August 2018	3 August 2022	0.25	4,000,000	4,000,000
22 June 2020	25 June 2023	0.15	3,000,000	3,000,000
22 June 2020	25 June 2022	0.135	338,953	338,953
22 June 2020	25 June 2022	0.185	514,873	514,873
7 July 2020	10 September 2023	0.37	100,000	-
30 November 2020	14 December 2023	0.29	1,500,000	-
30 November 2020	14 December 2023	0.37	1,500,000	-
18 December 2020	18 December 2022	0.274	283,800	-
			<u>11,237,626</u>	<u>8,053,826</u>

10. Commitments for expenditure

Capital

There are no capital commitments at 31 December 2020 (30 June 2020: nil).

Exploration and evaluation

The consolidated entity is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however they are expected to be fulfilled in the normal course of operations.

	31 December 2020	30 June 2020
	\$	\$
The company has tenement rental and expenditure commitments payable of:		
- Not later than 12 months	441,622	2,118,981
- Between 12 months and 5 years	772,243	802,403
- More than 5 years	1,052,631	1,310,064
	<u>2,266,496</u>	<u>4,231,448</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

11. Dividends

There were no dividends paid, recommended or declared during the period.

12. Events after the reporting date

On the 4 January 2021, it was announced that the Company executed a Property Option/Joint Venture agreement with Robin Gold Corp ("RGC") with respect to the Company's Mineral Creek Gold Project, located in British Columbia, Canada.

On the 8 January 2021, the Company announced that current Managing Director, Mr Brendan Borg had notified the board of his intention to resign, effective from 1 February 2021.

On the 27 January 2021, the Company announced the appointment of Mr Jonathan Shellabear as Non-Executive Director following the resignation of Mr Brendan Borg, effective from 1 February 2021.

Whilst exploration activities have been able to continue, the impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is continually developing and is dependent on measures imposed by Australian, Canadian and Ecuadorian Governments, and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and economic stimulus that may be provided.

The directors are not aware of any matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity the results of those operations, or the state of affairs of the consolidated entity in future financial years.

13. Contingent assets and liabilities

Contingent assets

The consolidated entity had no contingent assets as at 31 December 2020 and 30 June 2020.

Contingent liabilities

The Company acquired a 100% interest in No. 75 Corporate Ventures Ltd in the prior year. No. 75 Corporate Ventures Ltd holds 100% interest in the rights over the Blackdome project in Canada. There is significant uncertainty as to what future liabilities will arise in relation to potential closure and rehabilitation costs, contingent on determination of costs through completion of the closure and reclamation plans required by the Ministry of Energy, Mines and Petroleum Resources in Canada. All known costs that currently can be reliably measured have been recognised in provisions as disclosed in Note 7. The outcome and costs resulting from the approved rehabilitation plan as required by the Ministry of Energy, Mines and Petroleum Resources, cannot be measured sufficiently at this time.

The Company's subsidiary, Condor Gold S.A., recognised a claim for tax liabilities in regards to a portion of the Rio Zara licence that was sold by Condor Gold pre acquisition. There is significant uncertainty as to what future liabilities will arise in relation to this claim as the matter is still preliminary and is contingent on significant variability on the value of potential outcomes. It is possible that future uncertain events and information may arise, affecting the amount required to settle the claim which cannot be measured with sufficient reliability at this time. All known costs that currently can be reliably measured have been recognised as a liability, as disclosed in Note 6. As more information is obtained regarding the claim, judgements and estimates may increase or decrease the possible impact on the Company's financial statements.

The consolidated entity had no other contingent liabilities as at 31 December 2020 and 30 June 2020.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as stated in Note 3 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the quarter and half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors



Alexander Molyneux
Non-Executive Chairman

Date: 16 February 2021