



Half Year Financial Report
31 December 2021

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Corporate Directory

ACN 100 714 181

ASX CODE

KRR

King River Resources Limited shares are listed on the Australian Stock Exchange (ASX)

DIRECTORS

Anthony Barton Chairman

Greg MacMillan Director

Leonid Charuckyj Director

COMPANY SECRETARY

Greg MacMillan
Kathrin Gerstmayr

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BANKERS

ANZ Banking Corporation
77 St George's Terrace
Perth WA 6000

SHARE REGISTER

Automic Group
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Perth WA 6000

AUDITORS

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

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Directors' Report

The directors submit their report for King River Resources Limited ("King River" or "the Company") and its controlled entities ("the Group" or "the Consolidated entity") for the half year ended 31 December 2021.

DIRECTORS

The names and details of the Company's directors in office during the half year and until the date of this report are as follows: The directors were in office for the entire period unless otherwise stated.

Anthony Barton

Chairman

Appointed 21st May 2007

Mr Barton has been involved in founding and growing a number of successful listed public companies. He has extensive experience in capital markets, corporate finance, funds management and venture capital and has had advisory roles in the incorporation and listing of many Australian based resource companies.

Mr Barton is the founding Executive Chairman of the boutique investment bank Australian Heritage Group. He is a graduate of the Royal Melbourne Institute of Technology with a Bachelor of Business (Accountancy) degree and has in excess of 40 years of commercial experience having also acted in senior executive and director capacities for two leading Australian stockbroking firms

Leonid Charuckyj

Director

Appointed 13th December 2011

Mr. Charuckyj (B.E. and M.Eng-Sc. Melbourne University) has had extensive experience over a broad range of technical, engineering, management and corporate roles including senior positions in government, public and private industry both in Australia and overseas. Focus has been on the environmental, pollution control and waste management industries and on the energy and mining industries amongst others.

This has included such diverse roles as representing Australia as an expert engineering advisor in the Middle East, developing and commercialising new technologies (both in the public company arena and for major international groups), and managing all aspects of an industrial minerals development from mine and processing to product development and marketing.

Gregory MacMillan

Director - Appointed 2nd July 2014

Company Secretary - Appointed 9th August 2012

Mr MacMillan has wide ranging corporate, financial, capital markets and commercial experience in excess of 30 years. Mr MacMillan has held the positions of director, company secretary, chief financial officer, and corporate finance executive in numerous companies across the finance, mining and commercial sectors. Mr MacMillan holds a Bachelor of Business degree, is a Certified Practising Accountant and a Chartered Company Secretary.

COMPANY SECRETARY

Kathrin Gerstmayr

Joint Company Secretary - Appointed 4th April 2019

Ms. Gerstmayr commenced her career working for a chartered accounting and business advisory firm, before moving into finance roles in a variety of industries. She holds a Bachelor of Commerce degree (Professional Accounting and Marketing Management), Graduate Diploma of Applied Corporate Governance and a Graduate Diploma of Financial Planning. Kathrin is a member of CPA Australia and the Governance Institute of Australia.

CORPORATE STRUCTURE

King River is a company limited by shares that is incorporated and domiciled in Australia. King River Resources Limited has the fully owned subsidiaries Speewah Mining Pty Ltd, Treasure Creek Pty Ltd, Kimberley Gold Pty Ltd, Whitewater Minerals Pty Ltd and High Purity Metals Ltd. The Group has prepared a consolidated financial report incorporating the entities that it controlled during the financial half year, being 100% owned subsidiaries.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

King River has three projects being the High Purity Alumina (HPA) Project, the Speewah Project and the Mt Remarkable and Tennant Creek Gold Projects.

The HPA Project is held through its wholly owned subsidiary High Purity Metals (HPM) aims to become a significant world producer of 99.999% (5N) Aluminium Precursor products and 99.99% (4N) HPA. HPM is positioning itself in the rapidly developing Electric Vehicle battery, LED and optics industries. HPM is focused on developing the stand alone HPA Project. HPM

Directors' Report

is committed to commercialising the 5N Aluminium Precursor and 4N HPA opportunities in a way that maximises the return on investment for our shareholders. The current focus is a 2,000tpa 5N Aluminium Precursor Plant to minimise the CAPEX for entry into the market with a high rate of return.

The Speewah project covers Australia's largest vanadium-in-magnetite deposit hosting potential for high purity alumina, Vanadium, Titanium and Iron extraction. Speewah also holds the high grade Windsor fluorite deposit, with end uses in the steel, aluminium and chemical industries. King River continues to evaluate the Speewah Vanadium-Titanium deposit to expand its specialty metals focus to become a high purity vanadium pentoxide (V₂O₅) and titanium dioxide (TiO₂) producer to take advantage of future expansions in the vanadium flow battery energy storage, Al-Ti-V super alloy and TiO₂ pigment markets. King River is also re-evaluating its Speewah Windsor Fluorspar deposit for the production of acid grade fluorspar (CaF₂) and its use in making products for the battery supply chain.

King river also continues its focus as an exploration mining company on its gold projects located at Mt Remarkable in the Kimberley region of northern Western Australia and at Tennant Creek in the Northern Territory. Mt Remarkable is a high grade epithermal gold discovery providing excellent opportunity for additional high-grade gold discoveries and the Tennant Creek asset is prospective to identify high grade gold targets.

REVIEW & RESULTS OF CONSOLIDATED OPERATIONS

The consolidated entity recorded an operating loss after income tax of \$1,302,893 for the half year ended 31 December 2021 (2020: \$355,568 loss). There was no dividend declared or paid during the half year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Contributed Equity

During the half year there were no significant changes to the Company's contributed equity:

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There were no significant events following the balance date that affected the Company's equity or state of affairs.

AUDITOR INDEPENDENCE

Section 307C of the Corporation Act 2001 requires our auditors, Ernst & Young, to provide the directors of the Company with an Independence Declaration in relation to the review of the consolidated financial report. This Independence Declaration is disclosed on page 6 of this report and forms part of this directors' report for the half year ended 31 December 2021.

Signed in accordance with a resolution of the directors



Greg MacMillan
Director

10 March 2022



**Building a better
working world**

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Auditor's Independence Declaration to the Directors of King River Resources Limited

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

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

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

Ernst & Young

Timothy Dachs
Partner

10 March 2022

Directors' Declaration

In accordance with a resolution of the directors of King River Resources Limited, I state:

In the opinion of the directors:

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

The declaration is signed in accordance with a resolution of the Board of Directors.



Greg MacMillan
Director

10 March 2022

Statement of Comprehensive Income

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Notes	Consolidated	
		For the half year ended 31 Dec 2021	For the half year ended 31 Dec 2020
		\$	\$
Interest income	3(a)	2,047	2,719
Other income	3(b)	-	49,731
Directors' and Employee benefit expenses		(69,788)	(65,700)
Compliance costs	3(c)	(92,018)	(103,303)
Depreciation expense		(30,039)	(36,798)
Finance costs		(2,007)	(639)
Insurance expense		(26,260)	(21,916)
Other administration expenses	3(d)	(209,528)	(179,767)
HPA Project development		(722,884)	-
Share-based payments	4	(43,601)	-
Write-off of capitalised exploration expense	6	(108,815)	105
Loss before income tax expense		(1,302,893)	(355,568)
Income tax expense		-	-
Net loss after income tax benefit for the period		(1,302,893)	(355,568)
Other Comprehensive Income		-	-
Total Comprehensive Loss for the period		(1,302,893)	(355,568)
Total Comprehensive Loss for the period is attributable to:			
Owners of King River Resources Limited		(1,302,893)	(355,568)
		(1,302,893)	(355,568)
Loss per share			
Loss per share (cents)	11	(0.08)	(0.02)
Diluted loss per share (cents)		(0.08)	(0.02)

The accompanying notes form part of these consolidated financial statements.

Statement of Financial Position

AS AT 31 DECEMBER 2021

		Consolidated	
		31 December 2021	30 June 2021
	Notes	\$	\$
Assets			
Current Assets			
Cash and cash equivalents		4,537,346	6,124,217
Trade and other receivables	10	98,578	423,130
Other current assets		102,941	34,412
Total Current Assets		4,738,865	6,581,759
Non-Current Assets			
Deferred exploration expenditure	9	18,966,954	18,173,969
Plant & Equipment		17,298	207,540
Right of use asset		51,502	76,552
Total Non-Current Assets		19,035,754	18,458,061
Total Assets		23,774,619	25,039,820
Liabilities			
Current Liabilities			
Trade and other payables	10	228,304	213,033
Lease liability		19,078	33,435
Total Current Liabilities		247,382	246,468
Non-Current Liabilities			
Lease liability		36,572	43,395
Total Non-Current Liabilities		36,572	43,395
Total Liabilities		283,954	289,863
Net Assets		23,490,665	24,749,957
Equity			
Issued capital	7	49,408,241	49,408,241
Reserves		1,941,716	1,898,115
Accumulated losses		(27,859,292)	(26,556,399)
Total Equity		23,490,665	24,749,957

The accompanying notes form part of these consolidated financial statements.

Statement of Cash Flows

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	For the half year ended 31 Dec 2021	For the half year ended 31 Dec 2020
	\$	\$
Cash Flows from Operating Activities		
Gross interest received	2,047	2,719
Payment for HPA Project development	(387,183)	-
Payment to suppliers and employees	(491,680)	(479,196)
Interest and other finance costs paid	(2,007)	(639)
Other – security deposit	(12,155)	-
Net cash used in operating activities	(890,978)	(477,116)
Cash Flows from Investing Activities		
Research & Development tax incentive received	382,464	-
Payment for exploration and evaluation	(1,057,175)	(1,853,956)
Payment of property, plant & equipment	-	(44,794)
Net cash used in investing activities	(674,711)	(1,898,750)
Cash Flows from Financing Activities		
Proceeds from issue of shares	-	9,861,240
Payment of share issue costs	-	(187,368)
Payment of borrowings	-	(500,000)
Payment of leases	(21,182)	(31,582)
Net cash from financing activities	(21,182)	9,142,290
Net decrease in cash and cash equivalents	(1,586,871)	6,766,424
Cash and cash equivalents at beginning of half year	6,124,217	578,179
Cash and Cash Equivalents at end of half year	4,537,346	7,344,603

The accompanying notes form part of these consolidated financial statements.

Statement of Changes in Equity

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Consolidated for the half years ended	Notes	Issued Capital \$	Equity Benefits Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2020		39,734,369	1,884,120	(24,022,561)	17,595,928
Prior period adjustment	2(d)			(1,564,996)	(1,564,996)
Balance at 1 July 2020 - restated		39,734,369	1,884,120	(25,587,557)	16,030,932
Loss for the period		-	-	(355,568)	(355,568)
Total comprehensive loss for the period		-	-	(355,568)	(355,568)
Transactions with owners in their capacity as owners:					
Issue of Shares - 27 July 2020 - Placement		2,000,000	-	-	2,000,000
Issue of Shares - 19 August 2020 - SPP		7,861,239	-	-	7,861,239
Capital Raising Fee net tax		(187,367)	-	-	(187,367)
Balance at 31 December 2020		49,408,241	1,884,120	(25,943,125)	25,349,237
Balance at 1 July 2021		49,408,241	1,898,115	(26,556,399)	24,749,957
Loss for the period		-	-	(1,302,893)	(1,302,893)
Total comprehensive loss for the period		-	-	(1,302,893)	(1,302,893)
Transactions with owners in their capacity as owners:					
Loan Plan Shares		-	43,601	-	43,601
Balance at 31 December 2021		49,408,241	1,941,716	(27,859,292)	23,490,665

The accompanying notes form part of these consolidated financial statements.

Notes to the Half Year Consolidated Financial Statements

1. CORPORATE INFORMATION

King River Resources Limited ("King River" or "the Company") is a company limited by shares incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. These consolidated financial statements are presented in Australian dollars. The condensed financial report was authorised for issue by the directors on 10 March 2022 in accordance with a resolution of the directors. The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

(a) Basis of Preparation

This general purpose condensed financial report for the half-year ended 31 December 2021 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the most recent annual financial report for the year ended 30 June 2021.

It is also recommended that the half year financial report be considered together with any public announcements made by King River and its controlled entities during the half year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the ASX Listing Rules.

The accounting policies and methods of computation are the same as those adopted in the Annual Financial Report for 2021 except for the effects of the new standards as mentioned in Note 2 (c).

(b) Going Concern Basis of Preparation

The Group incurred a net loss after income tax of \$1,302,893 for the half year ended 31 December 2021 (June 2021: \$968,842) and a net cash outflow of \$1,586,871 (June 2021: \$5,546,038 inflow). As at 31 December 2021 the Group had cash and cash equivalents of \$4,537,346 (June 2021: \$6,124,217) and a net current asset surplus of \$4,491,483 (June 2021: \$6,335,291 surplus).

The directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Group will be able to continue to pay its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis.

(c) Significant accounting policies

New and amended Accounting Standards and Interpretations adopted

From 1 July 2021, the Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Adoption of these standards and interpretations did not have any effect on the financial position or performance of the Group.

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

(d) Prior period adjustment

During the 2021 financial year management reviewed the accounting treatment applied to Research and Development (R&D) Tax Incentives received by the Group and accounted for as government grants in line with AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. In accordance with the Group's stated accounting policy, government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is offset against the related asset. In prior years, R&D Tax Incentives received relating to Deferred Exploration Expenditure were recognised in income. Accordingly, a prior year adjustment has been processed to reclassify relevant amounts to Deferred Exploration Expenditure. The impact of the restatement on the accumulated loss at 30 June 2019 is \$1,564,996. The Statement of Comprehensive Income for year ended 30 June 2020 has not been restated as the impact was not considered material. The receipt of the Research and Development tax

Notes to the Half Year Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (continued)

(d) Prior period adjustment (continued)

refund relating to an asset is recognised as cash inflow from investing activities. The comparative information in the Statement of Cash Flows has been restated for this reclassification adjustment.

All Deferred Exploration Expenditure relating to R&D Tax Incentives received prior to 2014 was written off in 2013 when the Group determined that the Deferred Exploration Expenditure relating to the processing of vanadium and titanium was fully impaired.

Below summarises the impact of the adjustment on the Statement of Financial Position as at 30 June 2020:

Statement of Financial Position	Balance as at 30 June 2020 (pre-correction) \$	Prior period correction \$	Restated balance as at 30 June 2020 \$
Non-Current Assets			
Deferred exploration expenditure	17,720,539	(1,564,996)	16,155,543
Total Non-Current Assets	17,867,571	(1,564,996)	16,302,575
Total Assets	18,503,442	(1,564,996)	16,938,446
Net Assets	17,595,928	(1,564,996)	16,030,932
Equity			
Accumulated losses	(24,022,561)	(1,564,996)	(25,587,557)
Total Equity	17,595,928	(1,564,996)	16,030,932

Consolidated

For the half year ended 31 Dec 2021 \$	For the half year ended 31 Dec 2020 \$
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3. INCOME AND EXPENSES

(a) Interest income

Interest income	2,047	2,719
	2,047	2,719

(b) Other income

Exploration incentive grant	-	41,411
Fuel tax credits	-	8,320
	-	49,731

(c) Compliance costs

Accounting/Audit fees	(26,183)	(20,247)
ASX/ASIC fees	(25,538)	(45,973)
Share registry fees	(13,871)	(24,033)
Legal fees	(26,426)	(13,050)
	(92,018)	(103,303)

Notes to the Half Year Consolidated Financial Statements

3. INCOME AND EXPENSES (continued)

	Consolidated	
	For the half year ended 31 Dec 2021	For the half year ended 31 Dec 2020
(d) Other administration expenses		
Administration & bookkeeping fees	(50,857)	(41,752)
Investor relations & HPA Project marketing	(79,247)	(60,303)
Office expenses	(62,573)	(68,754)
Other expenses	(16,851)	(8,958)
	(209,528)	(179,767)

4. SHARE BASED PAYMENTS

(a) Recognised share-based payment expenses

On 14 August 2019 the Company issued 10,000,000 Loan Plan Shares to the Chief Geologist at the market price of 3.2 cents per share. The PFS was completed on 16 June 2021, of which 5,000,000 shares were released from escrow on 1 July 2021. 5,000,000 of the shares are subject to trading restrictions will be escrowed until the of a bankable feasibility study. The shares have been funded by a limited recourse loan from the Company with a 4-year term and zero interest rate, the loan is repayable at the end of the term or from the proceeds of any shares sold after escrow release. In the event that any shares sold are less than 3.2 cents the Company will only recoup the value of the shares sold at the respective price in repayment of the loan, or part thereof.

The Loan Plan Shares have been accounted for as an in-substance option award. The fair value of the equity instrument granted was estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the shares were granted. The value brought to account as a share-based payment expense in the half year ended 31 December 2021 was \$43,601.

5. SEGMENT INFORMATION

The Consolidated Entity operates in one geographical area being Australia and in the exploration and mineral industry for the period to 31 December 2021. The Chief Operating Decision Makers are the Board of Directors and management of the Group. There is only one operating segment identified being exploration and mineral activities in Australia based on internal reports reviewed by the Chief Operating Decision Makers in assessing performance and allocation of resources. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements.

6. WRITE-OFF OF CAPITALISED EXPLORATION EXPENSE

During the half year ended 31 December 2021, the following tenement licences were allowed to expire or were surrendered and the total capitalised tenement costs in the amount of \$108,815 incurred were written off.

Speewah E80/4972	(38,587)
Whitewater E80/5192	(27,293)
Whitewater E80/5193	(42,935)
	(108,815)

Notes to the Half Year Consolidated Financial Statements

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
7. ISSUED CAPITAL		
a) Issue and Paid Up		
Issued and Fully Paid	49,408,241	49,408,241
Total	49,408,241	49,408,241

	31 December 2021		31 December 2020	
	Number of Shares	Amount Paid \$	Number of Shares	Amount Paid \$
b) Movement in shares on issue				
At 1 July	1,553,524,947	49,408,241	1,248,638,553	39,734,369
Issued during the period	-	-	304,886,394	9,861,239
Cost of issue	-	-	-	(187,367)
At 31 December	1,553,524,947 ¹	49,408,241	1,553,524,947 ¹	49,408,241

¹ Number of shares is inclusive of the 10,000,000 Loan Plan Shares accounted for as in-substance options. Refer to Note 4.

	31 December 2021			
	Listed Options		Unlisted Options	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
c) Movement in share options on issue				
At 1 July	152,443,342	6 cents	7,000,000	6 cents
Listed Options expired	-	-	-	-
Listed Options granted	-	-	-	-
At 31 December	152,443,342 ¹	6 cents	7,000,000	6 cents

¹The listed options has an exercise price of \$0.06 and expiry date of 31 July 2022.

8. COMMITMENTS & CONTINGENCIES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
(a) Exploration Expenditure Commitment		
In order to maintain the Group's interest in mining tenements, the Group is committed to meet the minimum expenditure conditions under which the tenements were granted.		
Within 1 year	1,731,800	1,775,350

Notes to the Half Year Consolidated Financial Statements

	Consolidated	
	For the half year ended 31 Dec 2021	For the full year ended 30 June 2021
	\$	\$
9. DEFERRED EXPLORATION EXPENDITURE		
Costs carried forward in respect of:		
Explorations and Evaluations Phase – At Cost		
Balance at beginning of the half year	18,173,969	16,155,543
Expenditure incurred	931,646	2,622,903
Capitalise Tenement cost written off	(108,815)	(180,602)
Research & Development Incentive Received	-	(382,464)
Exploration Incentive Scheme	(29,846)	(41,411)
Total Exploration Expenditure	18,966,954	18,173,969

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas. As at 31 December 2021 there are no indicators of impairment under AASB 6 related to Deferred Exploration Expenditure.

10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	31 December 2021	
	Carrying Value	Fair Value
	\$	\$
Trade and other receivables	98,578	98,578
Trade and other payables	228,304	228,304

	Consolidated	
	For the half year ended 31 Dec 2021	For the full year ended 30 June 21
	\$	\$
11. LOSS PER SHARE		
Loss used in calculation of basic and diluted earnings per share	(1,302,893)	(968,842)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	1,553,524,947	1,515,960,601
Weighted average number of ordinary shares adjusted for effect of dilution	1,553,524,947	1,515,960,601

As at 30 December 2021 the Company has 10,000,000 Loan Plan Shares accounted for as in-substance options (June 2021: 10,000,000), 7,000,000 unlisted options (June 2021: 7,000,000), and 152,443,342 (June 2021: 152,443,342) listed options on issue. These options are not considered to be dilutive as the issue of the shares are contingent on certain vesting conditions or conversion of the options to ordinary shares will decrease the loss per share. There have been no other transactions involving ordinary shares or potential ordinary shares subsequent to the balance date that would significantly change the number of ordinary shares or potential ordinary shares outstanding for the reporting period.

Notes to the Half Year Consolidated Financial Statements

12. EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events following the balance date that affected the Company's equity or state of affairs.

13. RELATED PARTY TRANSACTIONS

Australian Heritage Group Pty Ltd ("AHG"), a company of which Mr Anthony Barton, a Director and Mr Greg MacMillan, a Director and the Company Secretary, have entered into an occupancy and administration agreement with King River Resources in respect of providing occupancy and administration services commencing March 2009. The total value of the occupancy and administration services provided by AHG during the period was \$3,050 (2020: \$2,709). As at 31 December 2021, there is \$450 (2020: \$520) outstanding to pay AHG. All services provided by companies associated with directors were provided on commercial terms.

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

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of King River Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

Directors' responsibilities for the half-year financial report


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

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001*

including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Ernst & Young



Timothy Dachs
Partner
Perth

10 March 2022