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GOLDEN MILE RESOURCES LIMITED

ABN 35 614 538 402

**Financial Report for the Half Year Ended
31 December 2021**

GOLDEN MILE RESOURCES LIMITED
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GOLDEN MILE RESOURCES LIMITED REVIEW OF OPERATIONS

Golden Mile Resources (ASX: G88) (“Golden Mile” or “Company”) is pleased to report on the Company’s activities for the six-month period ended 31 December 2021. Golden Mile’s work programs during the reporting period have focussed on base metal exploration at the Company’s Yarrabee Project and Metallurgical test work at its Quicksilver Nickel Project continued.

Since the end of the period, the Company has entered into JV with Kin Mining Limited (“Kin”) whereby Kin can earn up to 80% in the Company’s Leonora Projects that include Benalla, Monarch and Ironstone Well. During the period, the conditions precedent to activate the operative provisions of the Gidgee Project farm-in agreement between the Company and Gateway Mining Limited (“Gateway”) were satisfied. Subject to the terms of the farm-in agreement, Gateway now has the right to earn an 80% interest in the Gidgee Project.



Figure 1: Golden Mile’s project locations in Western Australia.

1. YARRAMBEE PROJECT (NI-CU-PGE & CU-ZN)

Golden Mile’s 100% owned Yarrabee base metals (Cu-Zn-Ni) project is a regionally significant landholding covering prospective portions of the Narndee Igneous Complex (NIC) approximately 500km north-east of Perth, within the Murchison Region of Western Australia (Figure 2).

**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

With more than 800km² under tenure, Golden Mile is the largest landholder across the NIC, prospective for Ni-Cu-PGE mineralisation (e.g. Voisey’s Bay, Nova, Julimar), and volcanogenic massive sulphide (VMS) Cu-Zn mineralisation (e.g. Golden Grove, DeGrussa). Yarrambee is located adjacent to Aldoro Resources’ (ASX: ARN) Namdee Project.

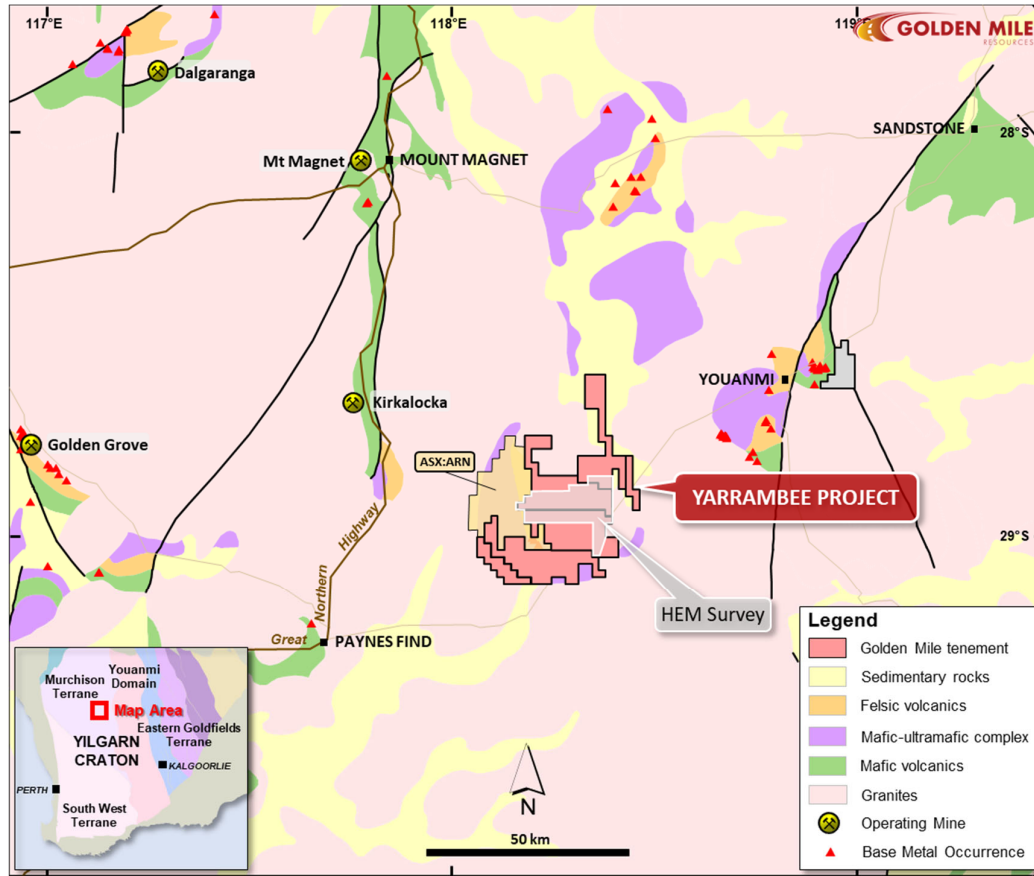


Figure 2: Golden Mile’s Yarrambee Base Metals Project, Murchison Region, WA.

During the reporting period the Company announced the results of a 1,342 line-kilometre, helicopter airborne electromagnetic geophysical survey (“HEM”). The HEM identified 48 conductors interpreted to be related to sulphide accumulations in the basement (*G88 ASX Announcement 7 July 2021*)¹. The Company then completed moving loop ground EM (“MLEM”) surveys over selected HEM anomalies the Company believed to be prospective Cu-Ni-PGE and VMS Cu-Zn mineralisation. The results of the MLEM were used to further refine targets for reverse circulation (“RC”) drill testing that was subsequently completed in December 2021.

A total of seven RC drill holes were completed for 1,168m with the Company still awaiting assays results.

2. Leonora Gold Project

Golden Mile’s Leonora Gold Project comprises a regionally significant tenement package focussed on the Ironstone Well, Monarch and Benalla gold projects located east of the Leonora mining centre in the prolific Eastern Goldfields of Western Australia (*Figure 3*).

The Company’s Leonora Gold projects are along strike from and surrounded by significant gold production, development and exploration projects including St Barbara’s Gwalia Project (ASX: SBM) and Kin Mining’s Cardinia Project (ASX: KIN).

**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

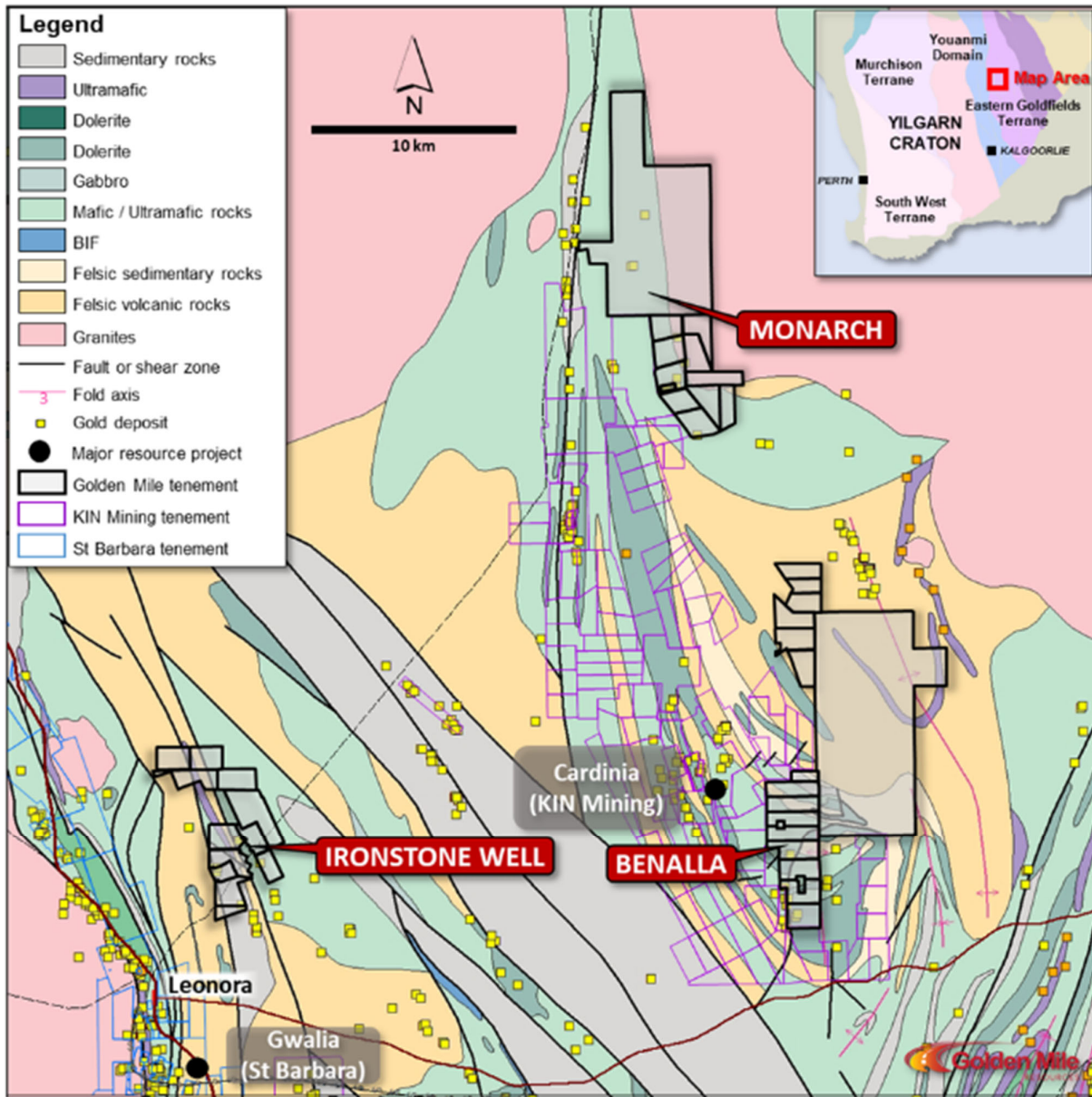


Figure 3: Golden Mile's Leonora Gold Project, geology and gold prospects, Western Australia.

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**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

In January 2022 the Company finalised an Earn-in and Joint Venture Agreement with KIN Mining Ltd (ASX: KIN; "KIN JV") over the Company's Leonora Gold Projects, located adjacent to Kin's tenure (*Figure 3; KIN ASX Announcement 21 January 2022*)¹.

The Leonora Gold Project comprises three main project areas, Benalla, Ironstone Well and Monarch. Under the terms of the agreement, Kin will manage exploration and have the right to earn an initial 60% interest in the Leonora Gold Projects and move to 80% under certain conditions.

3. Yuinmery Gold Project

The Yuinmery Project (tenement E57/1043) is located in the Youanmi Gold Mining District, approximately 10km east of the historical Youanmi Gold Mine (ASX: RXL and VMC), and adjacent to the Yuinmery Cu-Au Project (ASX: ERL).

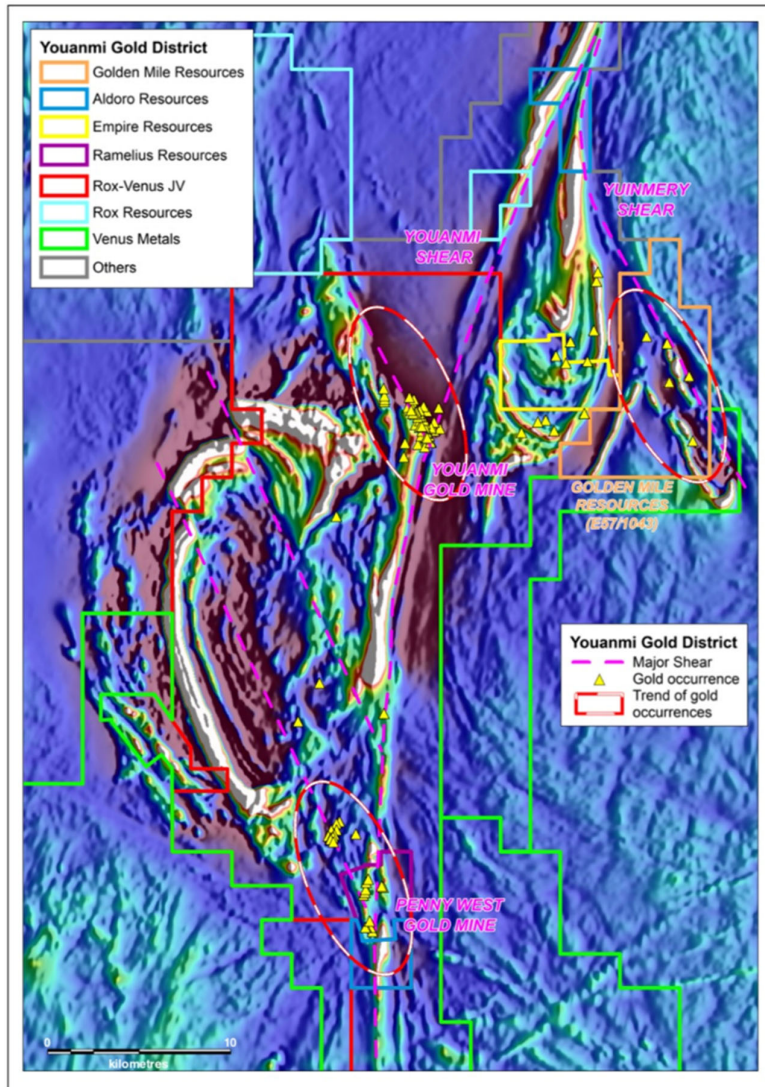


Figure 4: Airborne magnetic image of Youanmi Gold District showing trend of gold occurrences and proximity of the project to the Youanmi Gold Project and the Currans North Gold Project (Venus Metals Corporation Limited/Rox Resources Limited), and the Penny North Gold Project (Spectrum Metals Limited)

The region is traversed by the north to north-northeast trending Youanmi Shear Zone, a major crustal structure that marks the boundary between the Murchison and Southern Cross domains. Gold mineralisation in the region (e.g., at Youanmi and Penny West) appears to be correlated with secondary northwest trending structures intersecting the main Youanmi Shear (*Figure 4*).

The Yuinmery Project area contains approximately 9km strike length of the Yuinmery Shear, a northwest trending structure that intersects the regional Youanmi Shear. This sheared granite-greenstone contact is considered to represent a favourable structural target for gold mineralisation.

Whilst Golden Mile's primary focus for the Yuinmery Project is gold mineralisation, the Company notes the recent exploration results at Empire Resources' (ASX: ERL) neighbouring Yuinmery Copper-Gold Project and the potential for the Yuinmery Greenstone Belt to host Cu-Au deposits such as Empire's Just Deserts deposit (2.52Mt @ 1.31% Cu, 0.49g/t Au and 1.76g/t Ag).

4. Quicksilver Nickel-Cobalt Project

The Quicksilver Nickel-Cobalt Project is located near the wheatbelt town of Pingaring in the South West Mineral Field of Western Australia, approximately 280 km southeast of Perth (*Figure 5*).

The Project comprises one granted exploration license (E70/4641) and one granted prospecting license (P70/1723) that are 100% owned by the Company and collectively cover a total area of approximately 50 km².



Figure 5: Golden Mile's Quicksilver Project, Western Australia

The Project tenements cover approximately 15 kilometres of mafic-ultramafic greenstone stratigraphy prospective for nickel mineralisation that is primarily located on privately owned farmland in an area with excellent local infrastructure, including easy access to grid power, sealed roads, and a railway line to key ports.

A total indicated and inferred resource estimate of 26.3 Mt @ 0.64% Ni & 0.04% Co (cut-off grade >0.5% Ni or >0.05% Co) has been reported for the Quicksilver deposit.

GOLDEN MILE RESOURCES LIMITED REVIEW OF OPERATIONS

The Company engaged leading nickel laterite process engineers Wood Mining and Metals Australia (“Wood”) to explore potential beneficiation to upgrade the Quicksilver mineralisation for direct sale via one of the numerous nearby ports, or toll treatment through a suitable refinery.

During the period, based on recommendations from the Wood review, the Company has commenced further metallurgical test work using existing samples stored by the Company. This test work is based on developing and optimising a low energy conceptual beneficiation flowsheet. Bureau Veritas in Perth commenced the metallurgical program focused on two composite samples with the program ongoing at the end of the period.

6. Darlot Project

Golden Mile’s Darlot Project located approximately 110km north of Leonora, comprises a single exploration tenement (E37/1248) immediately adjacent to the Darlot Gold Mine, owned and operated by RED5 Limited (ASX: RED).

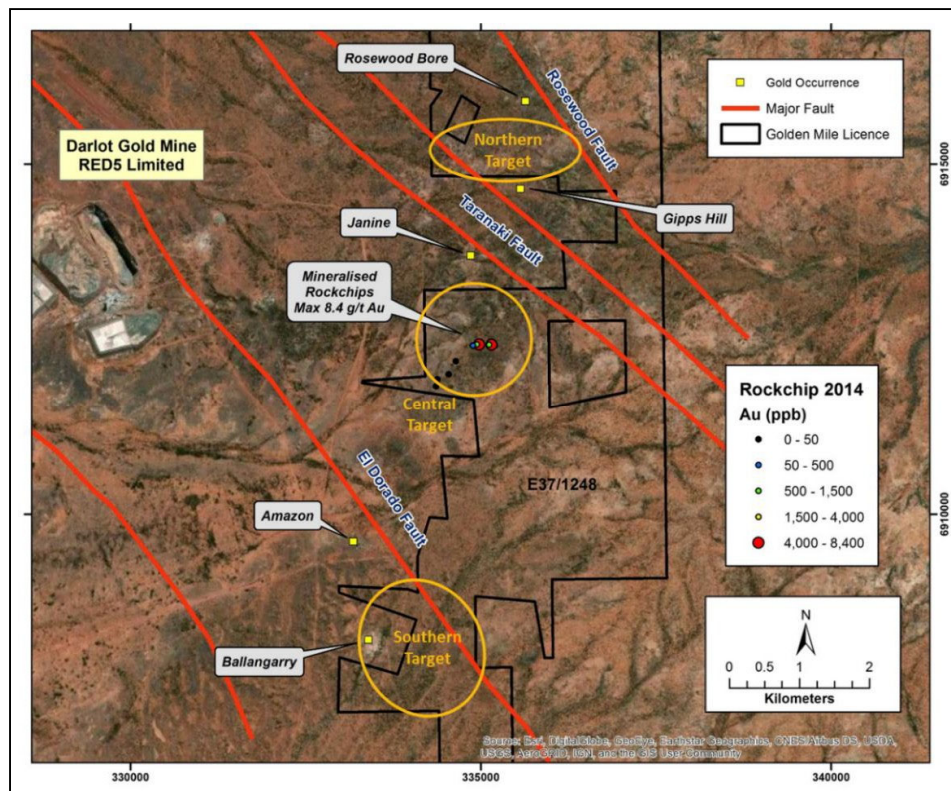


Figure 6: Golden Mile’s Darlot tenement E37/1248 and target areas

The Darlot Gold Project is interpreted to contain strike extensions of several key structures that control gold mineralisation in the Darlot goldfield. However, despite being adjacent to a major gold mine, the tenement has seen limited modern exploration with some gold anomalism detected that has never been systematically followed-up.

During the reporting period Golden Mile continued to seek strategic partners to follow up targets spatially associated with the southeast strike extensions of key structures in the Darlot goldfield and proximal to known gold occurrences (Figure 6):

- a) Northern Target – Taranaki Fault Zone (TFZ) adjacent to the historic Rosewood Bore and Gipps Hill gold mines

**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

- b) Central Target– south of the TFZ and the Janine gold occurrence where RED5 has reported grab samples containing up to 21.9g/t Au (refer RED ASX announcement 11 November 2019)¹. The area also contains mineralised rock chip samples with up to 8.4g/tAu associated with quartz veins and mullock dumps (refer G88 ASX Announcement 25 May 2020)¹. Assay results from Golden Mile’s soil sampling over the Central Target highlighted several gold anomalies with results up to 232ppb Au (refer Figure 7 and G88 Announcement 25 August 2020)¹.

A limited 1,100m AC Drilling program by the Company in late 2020 focussed on the Central Target Area. The relatively shallow holes were drilled to blade refusal in an area of little to no cover, with several narrow zones of gold mineralisation intersected including (refer Figure 7 and G88 ASX Announcement 12 January 2021)¹:

- DAC003 4m @ 0.18g/t Au from 12m and 8m @ 0.59g/t Au from 16m
- DAC015 3m @ 0.17g/t Au from 28m (*End of hole intercept)
- DAC020 4m @ 0.24g/t Au from 28m (*End of hole intercept).

- c) Southern Target – Along the SE extension of the El Dorado Fault, (associated with mineralisation at Darlot) and proximal to the Amazon and Ballangary gold occurrences.

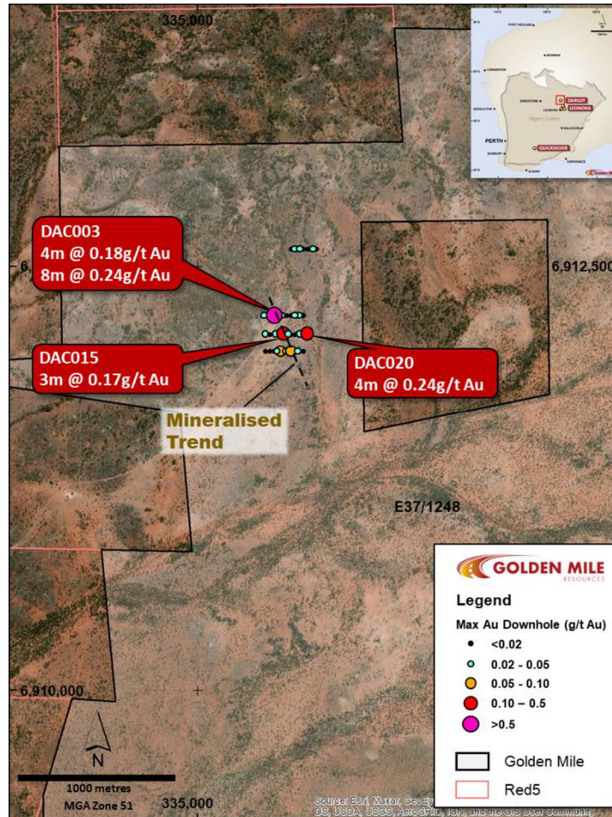


Figure 7: Golden Mile’s Darlot Project, Central Target. AC drilling intercepts >0.1 g/t Au mine

7. Gidgee Project

The Gidgee Project is located in the NE Goldfields of Western Australia and comprises two exploration licences (E57/1040 and E57/1039) covering ground to the west of the historical Gum Creek (Gidgee) Goldfield. The

GOLDEN MILE RESOURCES LIMITED REVIEW OF OPERATIONS

tenements are approximately 75km north of the town of Sandstone and are considered prospective for gold and base metals mineralisation.

Golden Mile has a binding conditional farm-in agreement granting Gateway (ASX: GML) the right to acquire an 80% interest in the Gidgee Project conditional upon the Company obtaining appropriate exemptions under the Mining Act 1978 (WA) in relation to the expenditure conditions on the tenements comprised in the Gidgee Project (Condition precedent).

During the period the Company announced that it had received approvals granting clear access to further exploration at the Gidgee Project and has met the Condition Precedent required to activate the operative provisions of the Gidgee Farm-in Agreement with Gateway. These conditions having now been met, by the terms of the farm-in agreement Gateway has the right to acquire an 80% interest in the Gidgee Project (refer G88 ASX announcement 23 July 2020)¹

All material results contained in this report have previously been reported in separate ASX releases. For more information, please visit the Company's website: <https://www.goldenmileresources.com.au/> or the ASX website: <https://www.asx.com.au/asx/share-price-research/company/G88>.

Note 1: Refer ASX announcement on the said date for full details of these results. Golden Mile is not aware of any new information or data that materially affects the exploration results set out in the announcement on the said date and all material assumptions and technical parameters underpinning any estimates continue to apply and have not materially changed.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Mile Resources Ltd (ASX: G88) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Mile Resources Ltd (ASX: G88) believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Persons Statement

The information in this report that relates to Exploration Results is based upon and fairly represents information compiled by Mr Jordan Luckett, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Luckett is a part-time employee of the Company. Mr Luckett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Luckett consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based upon and fairly represents information and supporting documentation prepared by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services Pty Ltd.

Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" the JORC Code). Mr Payne consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements referenced in this announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT**

The Directors of Golden Mile Resources Limited (the "Company") submit herewith the interim Financial Report on the Company for the half year ended 31 December 2021.

To comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

Details of the Directors of the Company in office at any time during or since the end of the financial period and at the date of this report are:

Mr R Grivas	Non-Executive Chairman
Mr G Button	Non-Executive Director (appointed 2 August 2021)
Mr F Cannavo	Non-Executive Director (appointed 2 August 2021)
Mr P Grundy	Non-Executive Director
Mr J Merrillees	Executive Director (resigned 17 December 2021)
Mr C Marriott	Non-Executive Director (resigned 2 August 2021)

Company Secretary

Ms N Taylor	Company Secretary (appointed 20 January 2022)
Mr J Stedwell	Company Secretary (resigned 20 January 2022)

Principal Activities

The Company holds the rights to several resource tenements in Western Australia and is actively exploring the tenements for gold, nickel-cobalt and related resources.

Operating Results and Financial Position

During the period, the Company made a loss \$467,933 (2020: \$482,985). The focus during the period was on exploration activities and securing tenements for exploration.

During the period the Company spent cash of \$378,611 (2020: \$387,655) on exploration activities. A summary of the Company's exploration activities precedes this report. Additional capital of \$1,550,833 was raised from the issue of shares and share options, before costs.

As a result of operations, the Company's net assets amounted to \$3,693,866 (30 June 2021: \$2,731,639), including current assets of \$1,658,380 (30 June 2021: \$1,056,894). Exploration assets amounted to \$2,649,387 (30 June 2021: \$1,890,593). The Company expended \$451,375 (2020: \$286,349) and \$378,611 (2020: \$387,655) on operating and investing activities respectively during the period, with cash and cash equivalents closing at \$1,567,034 (30 June 2021: \$966,860).

Significant changes in the state of affairs

During the half year the Company placed 31,000,000 fully paid ordinary shares and 666,666 share options in share placements raising \$1,550,833 before costs.

There were no other significant changes in the Company's state of affairs.

After Balance Date Events

Subsequent to the period end the Company entered into an Earn-in and Joint Venture Agreement with KIN Mining Ltd (ASX: KIN) ("KIN"). Under the terms of the agreement KIN can earn an interest in the Ironstone Well, Monarch and Benalla projects as follows:

Stage 1

KIN must incur expenditure of not less than \$250,000 on the JV area within 18 months of commencement of the agreement before it can withdraw. KIN may earn a 60% interest in the JV area by incurring \$750,000 Exploration Expenditure within 36 months of commencement. At completion of Stage 1, the Company can elect to form a Joint Venture with KIN with participating interests of 60% KIN, 40% Golden Mile Resources Ltd, or allow KIN to progress to Stage 2.

Stage 2

KIN may earn an 80% interest in the JV area by incurring a further \$1,250,000 Exploration Expenditure on the JV area within a further 36 months. On completion of Stage 2 the Company may elect to form an 80%/20% Joint Venture or grant KIN the right to form the Joint Venture.

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT**

Stage 3

Standard terms and conditions for JV participation to be managed by KIN.

On 14 January 2022 the Company announced the issue of 2,000,000 fully paid ordinary shares and 8,000,000 listed share options. The ordinary shares were issued to director Frank Cannavo at an issue price of \$0.05 per share, raising \$100,000. The share options were issued to shareholders who acquired shares in the September capital raise on a 1 share option for 2 shares subscribed basis. Both issues were approved at the AGM held on 17 December 2021.

On the same day the Company also announced the issue of 3,500,000 listed share options. These options were approved at the AGM held on 17 December 2021 and were issued to the lead manager for the September capital raise.

Other than the matters noted above, in the review of Operating Results and Financial Position above, the Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Environmental Regulations

The Company's activities involve exploration activities on WA mining tenements and therefore would be subject to the WA laws and regulations relating to such activities including environmental approvals as may be required from time to time under the *Mining Act 1978*.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

Signed in accordance with a resolution of the Directors made pursuant to s.306 (3) of the *Corporations Act 2001*.

On behalf of the Directors



Mr R Grivas
Non-Executive Chairman
15 March 2022

Auditor's independence declaration

As lead auditor for the review of the half year financial report of Golden Mile Resources Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Golden Mile Resources Limited.



HLB Mann Judd
Chartered Accountants

Melbourne
15 March 2022



Nick Walker
Partner

hlb.com.au

HLB Mann Judd (VIC Partnership) ABN 20 696 861 713

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HLB Mann Judd (VIC Partnership) is a member of HLB International, the global advisory and accounting network

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	31 December 2020 \$
Continuing operations			
Interest income		69	323
Exploration expenditure		(33,723)	(1,989)
Impairment of exploration and evaluation assets		(21,402)	(46,274)
Directors' fees and salaries and wages		(222,875)	(271,158)
General and administrative expenses		(70,000)	(53,072)
Corporate expenses		(110,580)	(79,014)
Other expenses		(9,422)	(31,801)
Loss before income tax		(467,933)	(482,985)
Income tax expense		-	-
Net Loss for the period		(467,933)	(482,985)
Other Comprehensive income/(loss)			
Other comprehensive loss net of tax		-	-
Total comprehensive (loss)		(467,933)	(482,985)
Net (loss) for the period is attributable to:			
Non-controlling interest		-	-
Owners of Golden Mile Resources Limited		(467,933)	(482,985)
		(467,933)	(482,985)
Total comprehensive (loss) for the period is attributable to:			
Non-controlling interest		-	-
Owners of Golden Mile Resources Limited		(467,933)	(482,985)
		(467,933)	(482,985)
Basic (loss) per share (cents per share)	6	(0.30)	(0.44)
Diluted (loss) per share (cents per share)	6	(0.30)	(0.44)

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
Current Assets			
Cash and cash equivalents	3	1,567,034	966,860
Trade and other receivables		68,478	71,297
Prepayments		22,868	18,737
Total Current Assets		1,658,380	1,056,894
Non-Current Assets			
Exploration and evaluation assets	2	2,649,387	1,890,593
Total Non-Current Assets		2,649,387	1,890,593
Total Assets		4,307,767	2,947,487
Current Liabilities			
Trade and other payables		613,901	206,355
Provisions		-	9,493
Total current liabilities		613,901	215,848
Total Liabilities		613,901	215,848
Net Assets		3,693,866	2,731,639
Equity			
Issued capital	4	10,964,588	9,619,308
Accumulated losses		(8,163,985)	(7,753,330)
Reserves	5	893,263	865,661
Total Equity		3,693,866	2,731,639

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	Issued capital	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
At 1 July 2020		7,459,602	345,790	(6,545,487)	1,259,905
Loss for the period		-	-	(482,985)	(482,985)
Other comprehensive income/(loss)		-	-	-	-
Total comprehensive income/(loss) for the period		-	-	(482,985)	(482,985)
Transactions with owners in their capacity as owners:					
Issue of shares, net of costs		1,591,513	-	-	1,591,513
Share based payments					
- option expense		-	142,464	-	142,464
- cost of issuing shares		(91,716)	91,716	-	-
Expiry of share options		-	(21,930)	21,930	-
As at 31 December 2020		8,959,399	558,040	(7,006,542)	2,510,897
	Note	Issued capital	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
At 1 July 2021		9,619,308	865,661	(7,753,330)	2,731,639
Loss for the period		-	-	(467,933)	(467,933)
Other comprehensive income/(loss)		-	-	-	-
Total comprehensive income/(loss) for the period		-	-	(467,933)	(467,933)
Transactions with owners in their capacity as owners:					
Issue of shares, net of costs	4	1,417,881	12,279	-	1,430,160
Share based payments					
- cost of issuing shares	5	(72,601)	72,601	-	-
Options lapsed	5	-	(10,818)	10,818	-
Expiry of share options	5	-	(46,460)	46,460	-
As at 31 December 2021		10,964,588	893,263	(8,163,985)	3,693,866

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	31 December 2020 \$
Cash flows from operating activities			
Government grants received		-	15,906
Payments to suppliers and employees (net of GST)		(451,444)	(302,578)
Interest received		69	323
Net cash (used in) operating activities		<u>(451,375)</u>	<u>(286,349)</u>
Cash flows from investing activities			
Exploration and evaluation expenditure and acquisition		(378,611)	(387,655)
Net cash (used in) investing activities		<u>(378,611)</u>	<u>(387,655)</u>
Cash flows from financing activities			
Proceeds from issue of shares		1,550,833	1,691,783
Cost of issuing shares		(120,673)	(100,270)
Net cash provided by financing activities		<u>1,430,160</u>	<u>1,591,513</u>
Net increase / (decrease) in cash held		600,174	917,509
Cash and cash equivalents at the beginning of the period		<u>966,860</u>	<u>624,725</u>
Cash and cash equivalents at the end of the period		<u><u>1,567,034</u></u>	<u><u>1,542,234</u></u>

The above statement should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION

This general purpose interim 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* as appropriate for profit-oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include all the 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 Company as the full financial report.

It is recommended that the half-year report be read in conjunction with the annual report for the period ended 30 June 2021 and considered together with any public announcements made by the Company during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations of the ASX listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report, with the exception of the new accounting standards applied for the first time.

The financial statements were authorised for issue by the Directors on 15 March 2022.

The Company's principal activities are the exploration for and evaluation gold and nickel-cobalt resources in Western Australia.

Going Concern

For the half year ended 31 December 2021 the Company has made a loss of \$467,933, and expended cash reserves of \$451,444 in operations and \$378,611 in exploration activities. At 31 December 2021 the Company has cash reserves of \$1,567,034 and tenement commitments within the next 12 months of \$876,650 as at 31 December 2021. The Company has entered into a Earn-In and Joint Venture Agreement with KIN Mining Limited (ASX: KIN) in which it is expected that KIN Mining Ltd will meet the expenditure commitments of the Leonora Gold projects, reducing the expected commitments by \$327,596. The Company has sufficient cash reserves to meet the remaining commitments and its current year expenditure plans to develop the projects. Additional funding may be required where the Company wants to expand its expenditure programmes within the 12 months from the date of this report.

Notwithstanding this the financial report has been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business at the amounts stated in the financial report, for the following reasons:

- The Company has the ability to raise additional capital without shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Group has a history of successfully raising funds.
- The Company can reduce planned project expenditure to manage its cash flows to ensure it meets its obligations as and when they fall due.

On the basis that sufficient funding is expected to be raised to meet the Company's expenditure forecast, the directors consider that the Company remains a going concern and these financial statements have been prepared on this basis.

Should the Company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the consolidated entity not continue as a going concern.

Comparatives

Where necessary, comparative information has been reclassified or repositioned for consistency with current year disclosures.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

2. EXPLORATION AND EVALUATION ASSETS

	31 December 2021	30 June 2021
(a) Reconciliation of movements during period	\$	\$
Costs carried forward in respect of areas of interest at cost	1,890,593	604,792
Tenements and projects acquired	-	1,704
Exploration and evaluation expenditure capitalised during the period	780,195	1,364,232
Impairment of exploration and evaluation assets	(21,401)	(80,135)
Costs carried forward in respect of areas of interest	2,649,387	1,890,593

(b) Critical Judgements

The ultimate recoupment of capitalised expenditure in relation to each area of interest is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas the results of which are still uncertain.

(c) Commitments for expenditure

To maintain current rights of tenure to the exploration tenements, the Company is required to meet the minimum expenditure requirements of the Department of Mining. Minimum expenditure commitments may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts. The Company has committed to spend a total of \$2,628,790 over the periods of the granted permit areas in respect of these exploration programs. Expenditure commitment is for the term of the permit renewal. The total commitment in relation to the permits is as follows:

	31 December 2021	30 June 2021
	\$	\$
Expenditure commitments within 1 year	865,676	865,676
Expenditure commitments 2 – 5 years	1,763,114	1,763,114
	2,628,790	2,628,790

(d) Impairment

At 30 June 2021 the Company reviewed its projects and its available resources. Based on planned focus upon the Yuinmery, Darlot, Ironstone Well and Leonora East projects it was determined that all other projects should be impaired. During the period additional evaluation work was carried out on the Quicksilver project, and this expenditure was capitalised in accordance with the Company's accounting policy. The expenditure incurred on all other projects during the current half year does not meet the criteria for recognition as an asset set out in AASB 6 and has been written off to profit or loss.

The Directors have considered the on-going impact of the COVID-19 pandemic. Based on information currently available the Directors believe there is no further impact on the impairment of the assets.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

3. CASH AND CASH EQUIVALENTS

	31 December 2021	30 June 2021
	\$	\$
Cash at bank	1,567,034	966,860

4. ISSUED CAPITAL

(a) Reconciliation of issued capital	31 December 2021		30 June 2021	
	Number of shares	\$	Number of shares	\$
Ordinary shares – fully paid (no par value)	171,018,268	10,964,588	140,018,268	9,619,308

Ordinary shares	Shares	Price	\$
		\$	
At 30 June 2021	140,018,268		9,619,308
Placement of shares	1,000,000	0.05*	38,554
Share purchase plan	30,000,000	0.05	1,500,000
Cost of issuing equity	-	-	(193,274)
As at 31 December 2021	171,018,268		10,964,588

* Shares were issued at \$0.05 per share. The shares were issued with a free attaching option for every 2 shares purchased. Accordingly, a value of \$0.0229 was applied to each share option, and \$11,446 allocated to Issued share options

(b) Terms and conditions of issued capital

Ordinary shares

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

At 31 December 2021, there were no partly paid shares outstanding. Ordinary shares have no par value. The Company does not have a limit on number of shares authorised.

Share options

Share options do not entitle the holder to participate in dividends and the proceeds on winding up of the Company. The holder is not entitled to vote at General Meetings. As at 31 December 2021 there remained 37,906,609 share options outstanding.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

5. RESERVES

	31 December 2021	30 June 2021
	\$	\$
Option reserve (a)	236,887	224,608
Share based payment reserve (b)	656,376	641,053
	893,263	865,661

(a) Option reserve

<i>Movement in reserve</i>	Share options issued	Price \$	\$
At 30 June 2021	21,739,944	0.05	224,608
Listed options (G88O)	166,666	0.05	833
Listed options (G88O)	500,000	0.0229	11,446
As at 31 December 2021	<u>22,406,610</u>		<u>236,887</u>

Nature and Purpose of Reserves

The reserve is used to record cash received and allocated to the issue of share options, other than issued for services provided.

Option details

<i>Option series</i>	<i>Expiry date</i>	<i>Exercise price</i>
G88O	23 September 2023	\$0.10

Option valuation inputs

As noted in the table above 500,000 share options were issued as free attaching options to shares issued for cash. Accordingly, \$11,446 of the share proceeds was allocated to the cost of the options issued. The basis of the share option valuation was as follows:

Issue date	24 August 2021
Expiry date	23 September 2023
Share price at issue date	\$0.05
Exercise price \$	\$0.10
Risk free rate	0.025%
Volatility	117%
Fair value at grant date \$/option	\$0.0229

(b) Share based payment reserve

<i>Movement in reserve</i>	\$	\$
At beginning of the period	641,053	345,790
Share based payments – services received	-	175,378
Acquisition of exploration interests	-	50,100
Equity raising costs	72,601	91,715
Options expired during the period	(46,460)	(21,930)
Options lapsed without vesting during the period	(10,818)	-
At end of the period	<u>656,376</u>	<u>641,053</u>

Nature and Purpose of Reserves

The reserve is used to record the value of equity instruments issued to employees and directors as part of their remuneration, and other parties as part of compensation for their services.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Share based payments during the half-year

In September 2021 the Company completed a share placement. The Company issued 3,500,000 share options to the Broking firm as part of the capital raising costs in addition to the 6% cash paid in commission. The share options had an exercise price of \$0.10 and expiry date of 23 September 2023. The share options were valued at \$0.0207 cents per share option and the total cost of \$72,601 was capitalised costs of issued capital.

Option valuation inputs

Issue date	14 January 2022
Expiry date	23 September 2023
Share price at issue date	\$0.051
Exercise price \$	\$0.10
Risk free rate	0.57%
Volatility	118%
Fair value at grant date \$/option	\$0.0207

6. LOSS PER SHARE

	2021 CENTS	2020 CENTS
Basic (loss) per share	(0.30)	(0.44)
Diluted (loss) per share	(0.30)	(0.44)
	\$	\$
Net loss from continuing operations attributable to the owners of Golden Mile Resources Ltd used in calculation of basic and diluted earnings per share.	(467,933)	(482,985)
	Number	Number
Basic		
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share	157,838,980	109,564,557
Diluted		
Weighted average number of ordinary shares and convertible redeemable cumulative preference shares outstanding and performance rights during the period used in the calculation of basic loss per share	157,838,980	109,564,557

7. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

Other than the exploration commitments set out in note 2(c) the Company has no other capital commitments.

(b) Operating leases

The Company provided notice to end its office rental agreement in February 2021 and subsequently entered into a 6-month rolling rental agreement. At 31 December 2021 the Company had 3 months outstanding on its rolling agreement. It has no other operating lease obligations.

8. SEGMENT INFORMATION

The Company has adopted AASB 8 *Operating Segments* whereby segment information is presented using a 'management approach'. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The principal business and geographical segment of the Company is mineral exploration within Western Australia.

The Board of Directors reviews internal management reports at regular intervals that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board of Directors to make strategic decisions including assessing performance and in determining allocation of resources.

9. DIVIDENDS

No dividends were proposed or paid during the period.

10. EVENTS OCCURRING AFTER REPORTING DATE

Subsequent to the period end the Company entered into an Earn-in and Joint Venture Agreement with KIN Mining Ltd (ASX: KIN) ("KIN"). Under the terms of the agreement KIN can earn an interest in the Ironstone Well, Monarch and Benalla projects as follows:

Stage 1

KIN must incur expenditure of not less than \$250,000 on the JV area within 18 months of commencement of the agreement before it can withdraw. KIN may earn a 60% interest in the JV area by incurring \$750,000 Exploration Expenditure within 36 months of commencement. At completion of Stage 1, the Company can elect to form a Joint Venture with KIN with participating interests of 60% KIN, 40% Golden Mile Resources Ltd, or allow KIN to progress to Stage 2.

Stage 2

KIN may earn an 80% interest in the JV area by incurring a further \$1,250,000 Exploration Expenditure on the JV area within a further 36 months. On completion of Stage 2 the Company may elect to form an 80%/20% Joint Venture or grant KIN the right to form the Joint Venture.

Stage 3

Standard terms and conditions for JV participation to be managed by KIN.

On 14 January 2022 the Company announced the issue of 2,000,000 fully paid ordinary shares and 8,000,000 listed share options. The ordinary shares were issued to director Frank Cannavo at an issue price of \$0.05 per share, raising \$100,000. The share options were issued to shareholders who acquired shares in the September capital raise on a 1 share option for 2 shares subscribed basis. Both issues were approved at the AGM held on 17 December 2021.

On the same day the Company also announced the Company announced the issue of 3,500,000 listed share options. These options were approved at the AGM held on 17 December 2021 and were issued to the lead manager in the September capital raise.

Other than the above, the Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

11. CONTINGENT LIABILITIES

The Company has entered into various tenement purchase agreements that include net smelter royalty obligations as consideration payable in the event that certain parameters are achieved. These parameters are production based such that the royalty is only paid when production commences.

There are no other matters which the Company considers would result in a contingent liability as at the date of this report.

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' DECLARATION**

In the opinion of the Directors of Golden Mile Resources Limited (the "Company"):

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the financial 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, based on the factors disclosed in note 1 to the Financial Statements under Going Concern.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Non-Executive Chairman

15 March 2022
Melbourne

Independent Auditor's Review Report to the Members of Golden Mile Resources Limited
Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Golden Mile Resources Limited ("the Company"), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Golden Mile Resources 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 31 December 2021 and of its 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*.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 Going Concern in the half-year financial report, which indicates that the Company incurred a net loss of \$467,933 during the period ended 31 December 2021. As stated in Note 1 Going Concern, these events or conditions, along with other matters as set forth in Note 1 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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 our 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 in the same terms if given to the directors as at the time of this auditor's review report.

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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 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 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 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.



HLB Mann Judd
Chartered Accountants

Melbourne
15 March 2022



Nick Walker
Partner

**GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS**

For the period ended 31 December 2021

PROJECT	TENEMENT	STATUS/GRANT DATE	EXPIRY DATE	% OWNERSHIP	SUBSEQUENT EVENTS
Ironstone Well East	P37/8922	14/09/2019	13/09/2021	100%	None
Ironstone Well	P37/8484	23/01/2015	22/01/2023	100%	None
	P37/8610	20/04/2016	19/04/2024	100%	None
	P37/8611	20/04/2016	19/04/2024	100%	None
	P37/8612	20/04/2016	19/04/2024	100%	None
	P37/8615	05/05/2016	04/05/2024	100%	None
	P37/9047	01/02/2020	31/01/2022	100%	None
	P37/9050	01/02/2020	31/01/2022	100%	None
	P37/9051	01/02/2020	31/01/2022	100%	None
	P37/9052	01/02/2020	31/01/2022	100%	None
	P37/9053	01/02/2020	31/01/2022	100%	None
	M37/1341	28/10/2021	27/10/2040	100%	None
Leonora East	P37/8298	16/12/2013	15/12/2021	100%	None
	P37/8299	16/12/2013	15/12/2021	100%	None
	P37/8300	16/12/2013	15/12/2021	100%	None
	P37/8305	16/12/2013	15/12/2021	100%	None
	P37/9054	14/01/2021	13/01/2023	100%	None
	P37/9055	14/01/2021	13/01/2023	100%	None
	P37/9056	14/01/2021	13/01/2023	100%	None
	P37/9057	14/01/2021	13/01/2023	100%	None
	P37/9058	14/01/2021	13/01/2023	100%	None
	P37/9059	14/01/2021	13/01/2023	100%	None
	P37/9060	01/02/2020	31/01/2022	100%	None
	P37/9061	01/02/2020	31/01/2022	100%	None
Kaikoura	E37/1215	26/08/2015	25/08/2025	100%	None
Quicksilver	E70/4641	7/10/2014	6/10/2024	100%	None
	P70/1723	15/06/2021	14/06/2022	100%	None
Leonora North	E37/1225	01/12/2015	30/11/2025	100%	None
	P37/8515	05/06/2015	04/06/2023	100%	None
	P37/8762	06/04/2021	05/04/2021	100%	None
	P37/8763	06/04/2021	05/04/2021	100%	None
	P37/8764	06/04/2021	29/03/2021	100%	None
	P37/8765	06/04/2021	05/04/2021	100%	None
	P37/8766	06/04/2021	05/04/2021	100%	None
	P37/8767	06/04/2021	05/04/2021	100%	None
Yuinmery	P57/1043	11/10/2016	10/10/2021	100%	None
Darlot	E37/1248	05/07/2016	04/07/2021	100%	None
Gidgee	E57/1039-I	31/07/2015	18/07/2022	100%	None
	E57/1040-I	31/07/2015	16/07/2022	100%	None
Yarrabee	E59/2529	30/04/2021	29/04/2026	100%	None
	E59/2530	30/04/2021	29/04/2026	100%	None
	E59/2531	30/04/2021	29/04/2026	100%	None

**GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS**

E59/2532	30/04/2021	29/04/2026	100%	None
E59/2533	30/04/2021	29/04/2026	100%	None
E59/2542	20/07/2021	19/07/2026	100%	None

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**GOLDEN MILE RESOURCES LIMITED
CORPORATE DIRECTORY**

Board of Directors

Mr Rhoderick Grivas (Non-Executive Chairman)
Mr Grant Button (Non-Executive Director)
Mr Frank Cannavo (Non-Executive Director)
Mr Phillip Grundy (Non-Executive Director)

Company Secretary

Ms Nova Taylor

Registered Office

Level 5
126 Phillip Street
Sydney NSW 2000
Telephone: (08) 6383 6508

Share Registry

Automic Registry Services
Level 3, 30 Holt Street
Surry Hills, NSW 2012, AUSTRALIA
Telephone: 1300 288 664 (local) +61 2 9698 5414 (international)

Auditor

HLB Mann Judd
Level 9, 575 Bourke Street
Melbourne VICTORIA 3000 AUSTRALIA

Solicitors to the Company

Moray & Agnew Lawyers
Level 6, 505 Little Collins Street
Melbourne, VIC 3000, AUSTRALIA

Stock Exchange Listing

Golden Mile Resources Limited shares are listed on the Australian Securities Exchange, code G88.