



Half Yearly Report

31 December 2021

Cokal Limited ACN 082 541 437
Half Yearly Report for the period ended 31 December 2021

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Corporate Information

DIRECTORS

Domenic Martino
Karan Bangur
David (Allen) Delbridge

COMPANY SECRETARY

Louisa Youens
Miranda Yuan

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

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STOCK EXCHANGE LISTING

Australian Securities Exchange Ltd
ASX Code: CKA

INTERNET ADDRESS

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AUSTRALIAN BUSINESS NUMBER

ABN 55 082 541 437

Directors' Report

The directors hereby present the following half-year report for the period ended 31 December 2021 for Cokal Limited ("Cokal" or the "Company") and its subsidiaries (the "Group").

The following persons were directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

- Domenic Martino – Non-Executive Director;
- Karan Bangur – Non-Executive Director;
- David (Allen) Delbridge – Non-Executive Director.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial period were focused on the identification and development of coal projects within the highly prospective Central Kalimantan coking coal basin in Indonesia.

OPERATING RESULTS

For the half-year ended 31 December 2021, the loss for the consolidated entity after providing for income tax was US\$3,820,969 (31 December 2020: US\$1,646,566).

DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid or recommended during the financial period.

CHANGES IN CAPITAL

There has been a US\$580,462 increase in share capital in the current financial period.

During the period, 12,500,000 shares were issued on conversion of options with an exercise price of AU\$0.05 and 1,000,000 shares were issued on conversion of options with an exercise price of AU\$0.045.

866,667 shares were issued to the Chief Executive Officer as part consideration for salaries owing.

At 31 December 2021 there were 938,948,980 shares on issue, and 77,500,000 unexpired options.

Directors' Report (Continued)

REVIEW OF OPERATIONS

Cokal Limited (ASX:CKA; Cokal or the **Company**) is an Australian listed company with the objective of becoming a metallurgical coal producer with a global presence. Cokal has interests in four projects in Central Kalimantan, Indonesia, each with known resources of metallurgical coal.

Bumi Barito Mineral (BBM) Mine

BBM Mineral Resources and Reserve Statement

The Company's Annual Resources and Reserves Statement was announced on 28 September 2021. The resource and reserve were estimated in a professional and competent manner in accordance with the principles and definitions of the JORC Code (2012).

Coal Resources Estimate as at 30 June 2021

As at 30 June 2021, the BBM Project has a Mineral Resources Estimate as defined in the table below.

Project	2021 Resources - Mt				2020 Resources - Mt				Annual change	
	Measured	Indicated	Inferred	Total	Measured	Indicated	Inferred	Total	Mt	%
BBM	18.8	22.9	218.5	260.2	18.2	21.6	221.7	261.5	- 1.3	- 0%

Note: The reported Ore Reserves and Mineral Resources represent the total tonnages for BBM, of which Cokal has a 60% interest. The reported Mineral Resources and Ore Reserves were calculated using a price of US\$170/t for coking coal and US\$145/t for PCI. Totals may not add due to rounding. Mineral Resources are reported inclusive of Ore Reserves. Cut-off grade: minimum coal seam thickness of 0.30m.

Coal Reserves Estimate as at 30 June 2021

As at 30 June 2021, the BBM Project has a Mineral Reserves Estimate as defined in the table below.

Project	2021 Reserves (in-situ) - Mt			2020 Reserves (in-situ) - Mt			Annual change	
	Proven	Probable	Total	Proven	Probable	Total	Mt	%
BBM	13.9	9.3	23.1	12.3	6.6	18.9	+ 4.2	+ 22%

Note: The reported Ore Reserves and Mineral Resources represent the total tonnages for BBM, of which Cokal has a 60% interest. The reported Mineral Resources and Ore Reserves were calculated using a price of US\$170/t for coking coal and US\$145/t for PCI. Totals may not add due to rounding. Cut-off grade: minimum coal seam thickness of 0.30m.

Note that all Reserves are a subset of the Resource.

Changes in Mineral Resources and Ore Reserves were driven by continuing technical work undertaken at BBM, updated long-term coal price assumptions, and refinement of life-of-mine operating assumptions, including operating costs and development capital expenditure.

Compliance Statement

This report contains information relating to a Mineral Resource extracted from the Company's ASX market announcement dated 28 September 2021 'Annual Mineral Resource and Reserve Statement', containing the competent person consent of Mr Luki Wilianto, an employee of Cokal Limited, reported previously in accordance with the JORC Code (2012) and available for viewing at www.cokal.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed.

This report contains information relating to a Mineral Reserve extracted from the Company's ASX market announcement dated 28 September 2021 'Annual Mineral Resource and Reserve Statement', containing the competent person consent of Mr David (Allen Clive) Delbridge, an employee of Cokal Limited, reported previously in accordance with the JORC Code (2012) and available for viewing at www.cokal.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed.

Directors' Report (Continued)

BBM HIGHLIGHTS

Highlights for the half year ended 31 December 2021 include:

- Mining contract signed;
- Fuel and explosives contracts agreed;
- Batu Tuhup site selected for barge loading;
- Engineering underway for Batu Tuhup stockpile and jetty facilities;
- Downriver ISP site selected at Buntok;
- Initial Survey of site at Buntok is concluded
- USD\$20 million BBM funding in place;
- Mohing river bridge construction held up by difficult materials supply due to heavy rain;
- Additional equipment deployed on road before Mohing river to upgrade it while the bridge is completed;
- Additional equipment with rock breakers deployed to break through the 20m high andesite dike blocking the access road from Batu Tuhup to Pit 3;
- Chemical cracking with Drilling used to supplement rock breaking equipment;
- Coal haulage contract agreed upon administrative process underway;
- Decision made to mobilise mining contractor via Krajan requiring upgrade of the Krajan camp which is now operational;
- Repair of 7km road Krajan to BBM Pit 3 now underway;
- Platts has completed a value-in-use assessment for BBM coking and PCI coal with favourable results.

BBM PROJECT ACTIVITIES

98 Km Mine Access and Coal Haul Road

- BBM is repairing the eastern 46km of this road and has progressed 19 km to date from km52 to km71;
- So far this has required the construction of two significant bridges, over Toloh River and Merah River, and seven culverts;
- Heavy rain for a protracted period prevented delivery of logs used for culverts and bridges;
- Logs recovered from previous bridges and from road clearing have been used where possible;
- Road clearing is being widened to 18m to allow for 10 to 12m running width, adequate shoulders and drains;
- Across bridges, the road width will be reduced to 9m to minimise construction costs;
- Agreement negotiated on the joint maintenance of the 52km shared section of the road. A drone has been purchased to survey the road.

Directors' Report (Continued)



Km 54 to Km 59

Maintenance of sub-base by motor grader after past 2 day rain, no water ponding on road surface found, graded surface to fall is normal.



On going compaction fr Km 55 to Km57 after topping with layers of red soil .



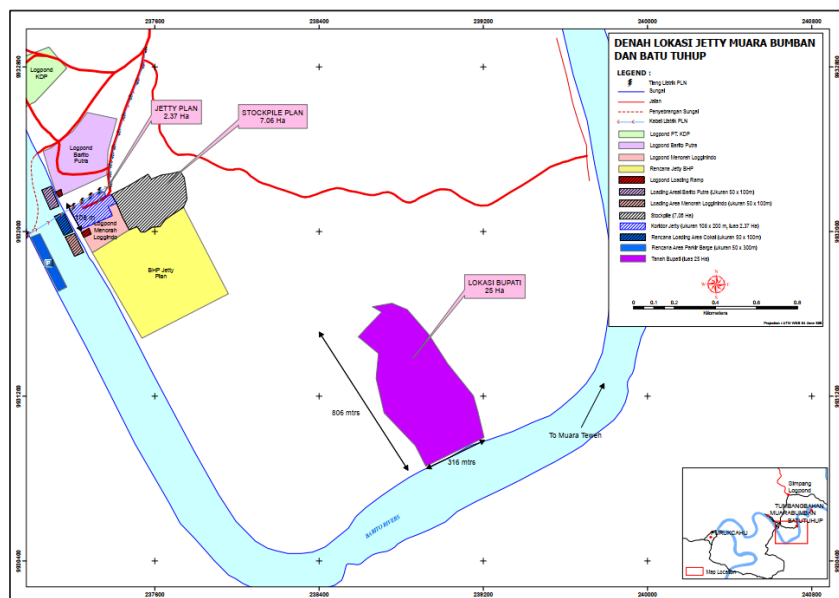
Km62 to Km64

Site clearing to >18m width from Toloh Bridge to Merah river completed.

Directors' Report (Continued)

Jetty Location for Barge Loading

- BBM has a rental agreement in place with an existing operating jetty owner/operator to use its jetty to load coal onto barges for the initial period while its permanent jetty is being built;
- This jetty shall also be used for mobilisation of equipment and fuel for BBM and its contractors;
- BBM has already acquired land for its permanent jetty and is currently working to develop its own jetty site at Batu Tuhup which is 1.5km from the rented jetty;
- At these locations river channel depth is more than 2.5m all year long enabling uninterrupted barging using shallow draft self propelled barges;
- The permanent jetty site has a river frontage of 316m and river width more than 150m;
- BBM has obtained a single user jetty permit for this site;
- Detailed engineering is underway for coal stockpiles, barge loader and facilities at the Batu Tuhup site.



Batu Tuhup Jetty Location (purple)

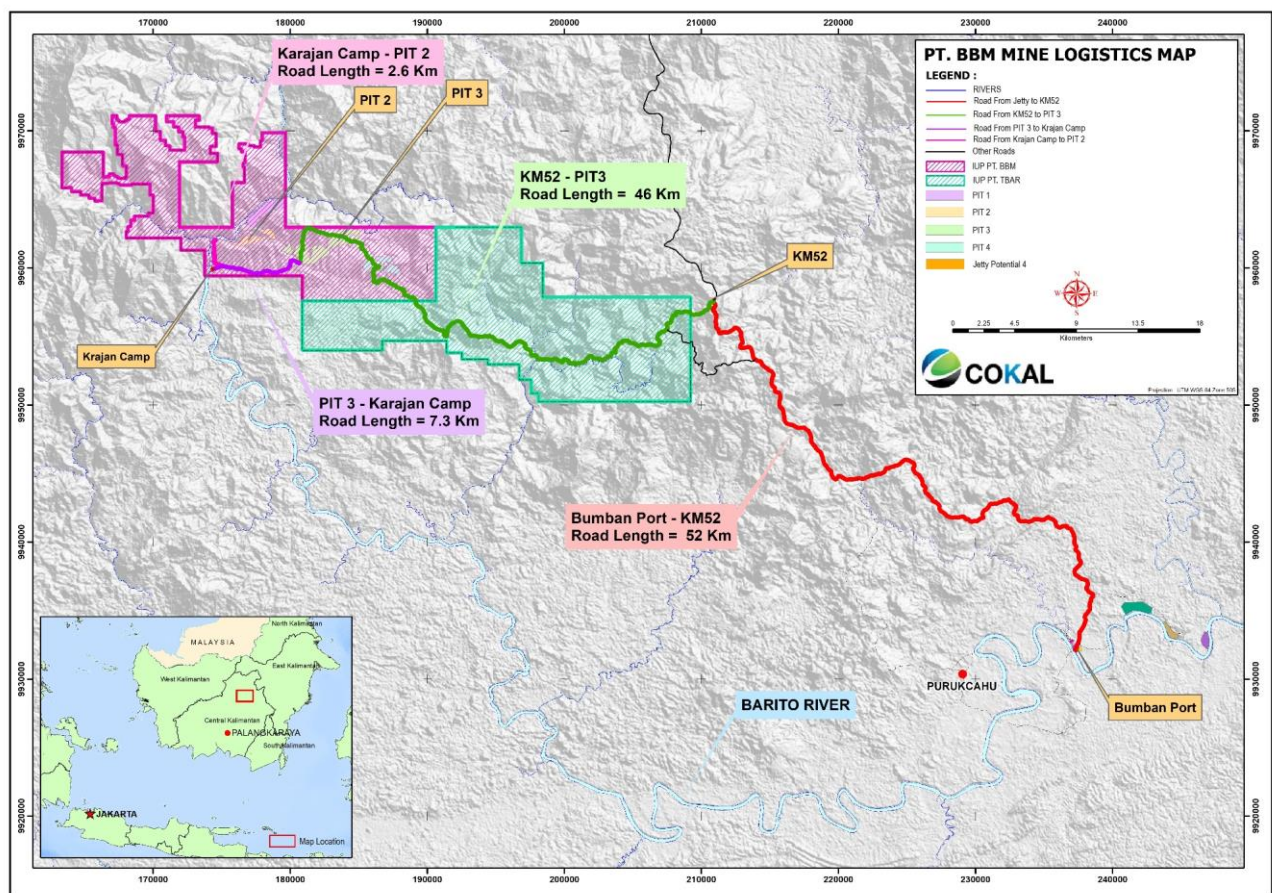


Water depth gauges installed at Batu Tuhup

Directors' Report (Continued)

Platts Benchmarking of BBM Coal

- Platts reviewed BBM coal quality and assessed its value in the international market;
- Positive aspects of BBM coal is low ash, low volatiles, low sulfur, high vitrinite content and ultra low phosphorus;
- Platts assessed BBM coking coal to be premium low vol hard coking coal (HCC) most likely used in a blend in blast furnaces;
- Attractive in the Chinese market where the spot price in June 2021 for premium low vol HCC was above US\$300/t cif;
- Platts assessed BBM PCI coal as premium PCI;
- Rated BBM PCI coal justifies a 10% premium over top value PCI coal.



Logistics Map

Overview of Logistics

- A 98km road will be used to transport coal from BBM Pit 3 to Batu Tuhup, bypassing 175km of river;
- 52km of this road is already in regular use with 46km under repair;
- At Batu Tuhup the river depth exceeds 2.5m all year round;
- 3,100t shallow draft, self propelled barges will carry coal 111km from BBM's Batu Tuhup jetty to its proposed ISP in Buntok area
- At Buntok ISP coal will be transhipped in-river to 8,000t barges for the 474km voyage to Tabaneo anchorage;
- An intermediate stockpile (ISP) will be created at Buntok, about half way to the mouth of the river;
- The ISP at Buntok will provide a buffer between river barging and ship loading at Tabaneo;
- The appropriate site for an ISP at Buntok has been selected and initial survey are conducted

Directors' Report (Continued)

BBM Contracts

Substantial progress has been made in the suite of contracts required to bring BBM into production:

- A contract for the mining contractor has been signed for overburden removal, coal mining and equipment hire;
- Negotiations for drill and blast and explosive supply and storage contracts have been concluded and are being integrated into the mining contract arrangements;
- Fuel supply contracts have been completed and include fuel storage facilities at the port and mine;
- A contract has been signed with 2 forestry company KDP & Barito Putra to supply logs to the project and use them to construct culverts and bridges as required;
- The long haul coal transportation contract to take coal from the mine 98km to permanent jetty is finalised including the site proposed for setting up the base camp and workshop for the preferred contractor, administrative process underway..

Land Rehabilitation

- BBM has a requirement to rehabilitate 200 hectares of disturbed land by July 2022 out of a total 1500 ha to be rehabilitated;
- To date 75 ha has been cleared and 45 ha planted with approved crops;
- Clearing is proceeding at 15 ha/month;
- Planting is proceeding at 10 ha/month;
- Progress is on track.

Other

- Labour sourcing for BBM continues;
- Sites have been surveyed for the Intermediate Coal Stockpile (ISP) at Buntok where coal will be transhipped to load ocean-going vessels;

Intermediate Stockpile and Barge Loader

At the end of the 98km coal haul road from Pit 3 BBM to Batu Tuhup, Cokal has already surveyed and acquired title ownership land for developing its permanent jetty. This jetty will have a capacity of 1,000t/h. Coal handling at the jetty will be designed to minimise coal degradation. The stockpiles at the jetty will have a capacity of one month of coal production. It is important that coking coal quality is not allowed to deteriorate in product stockpiles either by handling or extended storage. Initially BBM will load coal through the Karya Delta Permai (KDP) facility at Bumban under a rental agreement alongside to infrastructure development at its permanent jetty location.

The permanent jetty will also house 2 x 2000KL Fuel Tanks. Consultants are engaged already for engineering and design process.

Coal Evacuation to Market

Cokal will haul product coal 98km from the mine to an barge loader at Batu Tuhup Jetty to bypass the most difficult parts of the Upper Barito River. Negotiations with existing local and international operators ongoing who will be contracted to use shallow draft, self propelled 3,100t barges which can operate in 2.5m deep water to deliver coal from BBM's Batu Tuhup Jetty to the proposed ISP in BUNTOK further to which coal will be transported to ships at Taboneo anchorage using conventional barges.

Tambang Benua Alam Raya (TBAR) Project

Cokal has secured regulatory approval for the IUP (exploration licence) upgrade process application to a Production and Operation IUP, equivalent to a mining licence. This requires Cokal to assess the deposit and prepare a plan to develop it within a two year timeframe. On 26 June 2020 Cokal secured a one year delay, and subsequently receive a further delay to 20 September 2022 for the commencement of that two year period while it develops the BBM deposit.

Outcrop mapping of four seams over 17km strike length indicates potential for a substantial resource of high grade coking coal in this deposit. No exploration activity was conducted by Cokal during the half-year. An exploration drilling program for TBAR is being formulated to be undertaken as soon as BBM mine development is underway.

Directors' Report (Continued)

CORPORATE ACTIVITY

Agreements with International Commodity Trade Pte Ltd (ICT)

Cokal has concluded a binding commitment for a US\$20 million debt financing facility for development of the BBM Coking Coal Project with ICT (refer to ASX announcement on 14 July 2021). The First drawdown for US\$20 million of the debt facility from ICT has been received by Cokal on 20 July 2021.

A Coal Marketing Agreement was also completed for the marketing of Cokal's coal to the international market and to assist in financing coal stockpiles when they are at the river jetty.

Amendment to Coal Marketing Agreement

The Company has executed a conditional amendment to the International Coal Marketing Agreement (as announced on 14 July 2021), subject to shareholder approval, providing further certainty of coal sales and assisting in the funding of the Company's working capital.

The International Coal Marketing Agreement is proposed to be amended to enable ICT, a related party, to acquire coal directly from BBM under the agreement and on the same terms as other customers. The coal is priced in USD and using the following pricing mechanism:

- Pricing will be linked to appropriate Index Prices (the "Index Prices") for seaborne traded Coking and PCI Coals which will be obtained from a recognised market data provider (Platts or equivalent); and
- The Index Price is adjusted for coal quality and specification and any freight differentials.

The amendment is conditional upon receiving shareholder approval.

Annual General Meeting

The Annual General Meeting of Shareholders of Cokal Limited was held on 29 November 2021 with all resolutions passed by poll.

COVID-19

Both Indonesian and Australian operations have responded to the COVID-19 virus pandemic. Staff and contractors have been minimally impacted and operations continue as planned. There have been some delays with site visits and finalising contracts due to travel restrictions.

The Company has a focus on the well-being of its staff, contractors and the broader community and has implemented measures to ensure their well-being including; health screening and temperature monitoring, spatial distancing protocols, a high level of hygiene, change in flow of staff to and from the local community, and the minimisation of staff in the Jakarta and Sydney administrative offices.

Directors' Report (Continued)

SUBSEQUENT EVENTS TO 31 DECEMBER 2021

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

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration forms part of the Directors' Report and can be found on page 27.



Domenic Martino
Chairman
Sydney, 16 March 2022

Cokal Limited
Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2021

	Note	31 December 2021 US\$	31 December 2020 US\$
Other income	2	464	-
Employee benefits expenses		(468,849)	(413,525)
Depreciation and amortisation	3	(93,152)	(95,913)
Production expenses		(377,452)	(233,197)
Finance costs	3	(35,216)	(12,243)
Legal expenses		(15,414)	(12,291)
Pre-tenure exploration expenditure		(333,940)	(411,747)
Administration and consulting expenses		(269,668)	(160,246)
Royalty expense		(60,000)	-
Capital participation fee	11	(2,167,742)	-
Share based payments		-	(307,404)
Loss before income tax expense		(3,820,969)	(1,646,566)
Income tax expense		-	-
Loss for the period		(3,820,969)	(1,646,566)
Other comprehensive income		-	-
Total comprehensive loss for the period		(3,820,969)	(1,646,566)
Loss per share for loss attributable to owners of Cokal Ltd	Note	Cents	Cents
Basic Loss per Share	4	(0.40)	(0.17)
Diluted Loss per Share	4	(0.40)	(0.17)

The above Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Financial Position

as at 31 December 2021

	Note	31 December 2021 US\$	30 June 2021 US\$
Current Assets			
Cash and cash equivalents		487,916	169,543
Short term deposits		141,724	141,610
Other current assets		189,040	180,682
Total Current Assets		818,680	491,835
Non-Current Assets			
Property, plant and equipment	6	1,556,471	389,802
Exploration and evaluation assets	7	1,606,585	25,332,305
Mines under development	8	23,746,613	-
Right of use assets	10	151,220	166,799
Other non-current assets		8,748	25,724
Total Non-Current Assets		27,069,637	25,914,630
TOTAL ASSETS		27,888,317	26,406,465
Current Liabilities			
Trade and other payables	9	14,434,660	15,938,811
Lease liabilities	10	100,067	61,857
Borrowings	11	2,068,257	3,856,550
Total Current Liabilities		16,602,984	19,857,218
Non-Current Liabilities			
Lease liabilities	10	14,549	37,956
Borrowings	11	8,000,000	-
Total Non-Current Liabilities		8,014,549	37,956
TOTAL LIABILITIES		24,617,533	19,895,174
NET ASSETS		3,270,784	6,511,291
Equity			
Issued capital	12	95,721,944	95,141,482
Reserves	13	6,503,604	6,503,604
Accumulated losses		(98,954,764)	(95,133,795)
TOTAL EQUITY		3,270,784	6,511,291

The above Interim Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Changes in Equity For the half-year ended 31 December 2021

	Issued capital	Translation Reserve	Share Based Payment Reserve	Accumulated losses	Total
	US\$	US\$	US\$	US\$	US\$
At 1 July 2021	95,141,482	(1,426,642)	7,930,246	(95,133,795)	6,511,291
Total comprehensive loss for the period					
Loss for the period	-	-	-	(3,820,969)	(3,820,969)
Other comprehensive income	-	-	-	-	-
	-	-	-	(3,820,969)	(3,820,969)
Transactions with owners in their capacity as owners					
Conversion of options	487,218	-	-	-	487,218
Share based payments	93,244	-	-	-	93,244
	580,462	-	-	-	580,462
At 31 December 2021	95,721,944	(1,426,642)	7,930,246	(98,954,764)	3,270,784

	Issued capital	Translation Reserve	Share Based Payment Reserve	Accumulated losses	Total
	US\$	US\$	US\$	US\$	US\$
At 1 July 2020	95,095,642	(1,426,645)	7,622,842	(92,436,969)	8,854,870
Total comprehensive loss for the period					
Loss for the period	-	-	-	(1,646,566)	(1,646,566)
Other comprehensive income	-	-	-	-	-
	-	-	-	(1,646,566)	(1,646,566)
Transactions with owners in their capacity as owners					
Share based payments	-	-	307,404	-	307,404
	-	-	307,404	-	307,404
At 31 December 2020	95,095,642	(1,426,645)	7,930,246	(94,083,535)	7,515,708

The above Interim Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Cash Flows

For the half-year ended 31 December 2021

	Note	31 December 2021 US\$	31 December 2020 US\$
Cash Flows from Operating Activities			
Receipt from customers		75,000	-
Payments to suppliers and employees		(3,832,949)	(1,080,714)
Interest and other income received		464	-
Capital participation fee paid		(1,367,742)	-
Finance costs paid		(35,216)	(6,854)
Net cash outflow from operating activities		(5,160,443)	(1,087,568)
Cash Flows from Investing Activities			
Payment for property, plant and equipment		(1,199,216)	(28,780)
Payments for mines under development		(20,893)	-
Net cash outflow from investing activities		(1,220,109)	(28,780)
Cash Flows from Financing Activities			
Proceeds on exercise of options		487,218	-
Proceeds from borrowings	11	8,000,000	506,735
Repayment of borrowings		(1,788,293)	-
Net cash inflow from financing activities		6,698,925	506,735
Net increase/(decrease) in cash and cash equivalents		318,373	(609,613)
Cash and cash equivalents at beginning of period		169,543	779,717
Cash and cash equivalents at end of period		487,916	170,104

The above Interim Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021

NOTE 1 GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General Information

The consolidated financial statements of Cokal Limited for the half-year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 16 March 2022 and cover the consolidated entity (the "Group", "Cokal" or "Company") consisting of Cokal Limited and its subsidiaries.

Cokal Limited (the parent and ultimate parent of the Group) is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the director's report.

b) Basis of preparation

This 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*.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual report for the year ended 30 June 2021 together with any public announcements made by the Group during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations of the ASX listing rules. In addition, results for the half-year ended 31 December 2021 are not necessarily indicative of the results that may be expected for the financial year ending 30 June 2022.

The financial statements are presented in the US Dollars.

Apart from the changes in accounting policies noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

c) Going concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

For the half year ended 31 December 2021 the Group recorded a loss of US\$3,820,969 (31 December 2020: loss of US\$1,646,566) and, net operating cash outflows of US\$5,160,443 (31 December 2020: US\$1,087,568).

As at 31 December 2021, the Group's current liabilities exceeded the current assets by US\$15,784,304 (30 June 2021: US\$19,365,383).

As at 31 December, the Group's arrears of trade and other payables means its ability to continue as a going concern is dependent on creditors, including management and the directors, extending payment terms, providing informal financial support and not demanding payment of amounts owed to them in excess of the Group's available funds at the time. At the date of this report, no creditor or lender of the Group have made demands for payment.

During the half year the Group concluded a binding commitment for a US\$20m debt financing facility for development of the Bumi Barito Mineral (BBM) Coking Coal Project with International Commodity Trade Pte Ltd ("ICT"). The Group has received the first tranches totalling US\$8 million of the debt facility from ICT. In addition, the group completed a binding International Coal Marketing Agreement, also entered into with ICT, enabling BBM to market its coal to the international market and assisting BBM in financing its coal stockpile at the river jetty. Under this arrangement, financing of 80% of the coal value is received upon completion of the loading of coal to barges from the BBM Intermediate Stockpile jetty (ISP).

A portion of the current liabilities are payable over time and from production. The Group has a commission payable of US\$9,261,535 based on an agreement with Alpine Invest Holdings Ltd. This amount is re-payable at the greater of US\$10,000 per month and US\$2.00 per tonne of coal sold by BBM and TBAR on a monthly basis. An amount of US\$2 million payable to BMA is also included in current liabilities and is to be repaid based on US\$ 10 per tonne, if the coal price is greater than US\$ 110 per tonne, or 10 % of the coal price if less than US\$ 110 per tonne.

The Directors are confident given the current progress towards mining at BBM that the Group will be successful in its endeavours to develop the larger BBM project. The directors believe that the commencement of operations at the BBM project (and the forecast generating of operating cash inflows) will enable it to satisfy its working capital requirements (including its arrears of trade and other payables). This being the case, the directors have a reasonable expectation that the Group's creditors will continue to extend payment terms, provide informal financial support and not demand payment of amounts owed to them in excess of the Group's available funds. As a result, the financial report has been prepared on a going concern basis.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

(c) Going concern (Cont'd)

The 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 should the Group be unsuccessful in raising funds to enable it to realise its assets and discharge its liabilities in the ordinary course of business.

d) New Accounting Standards Implemented

i. Changes in accounting policy and disclosures

The Group has not early adopted other standard, interpretation or amendment that has been issued but is not yet effective.

ii. Accounting Standards and Interpretations issued but not yet effective

The Group has adopted all the mandatory new and amended Accounting Standards issued that are relevant to its operations and effective for the current reporting period. There was no material impact on the financial report as a result of the mandatory new and amended Accounting Standards adopted.

e) Critical accounting estimates

Details of critical accounting estimates and judgements about the future made by management at the end of the reporting period are set out below:

Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment to determine whether future economic benefits are likely, from either exploration or sale, or whether activities have not yet reached a stage which permits a reasonable assessment of the existence of technically feasible and commercially viable reserves. The determination of reserves and resources in itself and estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the statement of comprehensive income in the period when the new information becomes available.

At reporting date, certain tenements have reached a renewal date or will reach a renewal date in the next 12 months. These tenements remain current until an official government expiry notice is issued. The directors are of the opinion that while they are due for renewal, as no expiry notice has been received they remain current. If renewal is not forthcoming, the amounts capitalised will likely be de-recognised.

Mine under development assets

The Group uses its judgement to assess the stage of each mine under development to determine when a mine moves into the production phase, this being when the mine is substantially complete and ready for its intended use. The Group considers various relevant criteria to assess when the production phase is considered to have commenced. At this point, all related amounts are reclassified from 'Mines under development' to 'Mines in production'. Some of the criteria used to identify the production start date include, but are not limited to:

1. Level of capital expenditure incurred compared with the original development cost estimate;
2. Completion of a reasonable period of testing of the mine plant and equipment;
3. Ability to produce metal in saleable form (within specifications);
4. Ability to sustain ongoing production of metal; and
5. Positive cash flow position from operations.

When a mine development project moves into the production phase, the capitalisation of certain mine development costs and pre-production revenues cease and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development. It is also at this point that amortisation commences.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 2 OTHER INCOME

	31 December 2021	31 December 2020
	US\$	US\$

Interest income	464	-
Total other income	464	-

NOTE 3 LOSS FOR THE PERIOD

	31 December 2021	31 December 2020
	US\$	US\$

Loss before income tax includes the following specific expenses:

Depreciation on plant and equipment	32,547	31,497
Depreciation on right of use assets	60,605	64,416
Salaries and wages	328,390	351,184
Share-based payments (options)	-	307,404
Finance costs		
Interest on borrowings	31,474	6,854
Interest on lease liabilities	3,742	5,389

NOTE 4 LOSS PER SHARE

	31 December 2021	31 December 2020
Loss attributable to owners of Cokal Limited used to calculate basic and diluted loss per share (US\$)	(3,820,969)	(1,646,566)
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	938,948,980	923,382,313
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share	938,948,980	923,382,313
Basic loss per share (cents per share)	(0.40)	(0.17)
Diluted loss per share (cents per share)	(0.40)	(0.17)

* Options are considered anti-dilutive as the Group is loss making. Options could potentially dilute earnings per share in the future. As at 31 December 2021, there were 77,500,000 (31 December 2020: 105,000,000) unlisted options on issue.

NOTE 5 DIVIDENDS AND FRANKING CREDITS

There were no dividends paid or recommended during the half-year period ended 31 December 2021 (31 December 2020: Nil). There were no franking credits available to the shareholders of the Group.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 6 PROPERTY, PLANT AND EQUIPMENT

31 December 2021	Land	Computer equipment	Furniture and office equipment	Motor Vehicle	Capital Works in Progress	Total
	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 1 July 2021	189,139	31,463	22,066	7,754	139,380	389,802
Additions	350,321	10,552	56,807	96,143	685,393	1,199,216
Depreciation expense	-	(5,243)	(25,622)	(1,682)	-	(32,547)
Carrying amount at 31 December 2021	539,460	36,772	53,251	102,215	824,773	1,556,471

NOTE 7 EXPLORATION AND EVALUATION ASSETS

	31 December 2021 US\$	30 June 2021 US\$
Non-Current		
Exploration and evaluation expenditure capitalised - exploration and evaluation phases	1,606,585	25,332,305
Movements in carrying amounts		
Balance at the beginning of the period	25,332,305	25,232,849
Site related expenses during the period	20,893	99,456
Transfer to Mine under development	(23,746,613)	-
Carrying amount at the end of the period	1,606,585	25,332,305

The carrying amount of exploration and evaluation (E&E) assets at 31 December 2021 represents only the TBAR project. The value of the exploration and evaluation expenditure carried forward in respect of the BBM Project will be capitalised on the balance sheet as a Mine Under Development, as pre-production activities to gain access to mineral reserves have commenced and funding is in place.

The ultimate recoupment of expenditure relating to the exploration and evaluation phase is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

NOTE 8 MINES UNDER DEVELOPMENT

	31 December 2021 US\$	30 June 2021 US\$
Mines under Development		
Non-Current		
Mines under Development	23,746,613	-
Movements in carrying amounts		
Balance at the start of the year	-	-
Transferred from exploration and evaluation asset	23,746,613	-
Carrying amount at the end of the period	23,746,613	-

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 8 MINES UNDER DEVELOPMENT (con'd)

Mines under development include aggregate expenditure in relation to mine construction, mine development, exploration and evaluation expenditure where development decisions have been made and acquired mineral interests.

Expenditure incurred in constructing a mine by, or on behalf of, the Group is accumulated separately for each area of interest in which economically recoverable reserves and resources have been identified. This expenditure includes direct costs of construction, drilling costs and removal of overburden to gain access to the ore, borrowing costs capitalised during construction and an appropriate allocation of attributable overheads.

Mines under development are accumulated separately for each area of interest in which economically recoverable reserves have been identified and a decision to develop has occurred. This expenditure includes all capitalised exploration and evaluation expenditure in respect of the area of interest, direct costs of development, an appropriate allocation of overheads and where applicable borrowing costs capitalised during development. When mining of the area of interest can commence, the aggregated capitalised costs are classified under non-current assets as mines in production or an appropriate class of property, plant and equipment.

Mines in production represent the aggregated exploration and evaluation expenditure and capitalised development costs in respect of areas of interest in which mining is ready to or has commenced. Mine development costs are deferred until commercial production commences, at which time they are amortised on a units-of-production basis over the ore reserves or resources. Once production commences, further development expenditure is classified as part of the cost of production, unless substantial future economic benefits can be established.

NOTE 9 TRADE AND OTHER PAYABLES

	31 December 2021 US\$	30 June 2021 US\$
Current		
Trade and other payables	4,848,125	6,379,293
Revenue in advance	325,000	250,000
Commission payable	9,261,535	9,261,535
Employee benefit	-	47,983
	14,434,660	15,938,811

Revenue in advance

BBM has entered into an agreement with PT Slumber Global Energy ("SGE") to monetise near-term coal production. SGE will advance BBM a total of US\$2.0M as consideration for Cokal appointing SGE as Exclusive Sales Agent for domestic Indonesian coal sales whereby SGE will undertake the marketing and sales of 0.6Mt BBM coal sold into the Indonesian domestic market for a period of 2 years from the date of first delivery of coal to SGE.

Commission payable

The fair value of the commission payable to Alpine Invest Holdings Ltd has been determined using the extinguished value of borrowings with Platinum Partners taking into consideration the performance risk associated with future production levels.

Alpine Invest Holdings Ltd Commitment

During May 2020 the Company consented to the assignment of the Platinum Loans to Alpine Invest Holdings Ltd (Alpine). It was agreed as a term of the consent to the assignment that immediately upon transfer of the Platinum Loans to Alpine, that the loans are deemed released and Alpine discharges and releases Cokal and each Cokal Group Company from their liability to make payment of the Platinum Loans totalling \$9,261,535 on the following terms:

- each of the Subsequent Conditions is irrevocably satisfied or otherwise waived;
- the royalty payable to Alpine under the Royalty Deed will be the greater of:
 1. USD 10,000 per month; and
 2. USD 2.00 per tonne of coal sold by BBM and TBAR on a monthly basis;
- the maximum royalty payment of USD 40million payable under the Royalty Deed remains the same and will be payable through the first 20 million tonnes of coal produced and sold by both BBM and TBAR; and all other conditions stated in the Royalty Deed shall remain the same.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 10 LEASES

	31 December 2021 US\$	30 June 2021 US\$
a) Right of use assets – office and motor vehicles		
Opening balance	166,799	141,725
Additions	45,026	157,727
Amortisation	(60,605)	(132,653)
Closing balance	151,220	166,799
b) Lease liabilities		
Current	100,067	61,857
Non current	14,549	37,956
	114,616	99,813

NOTE 11 BORROWINGS

	31 December 2021 US\$	30 June 2021 US\$
Current		
BMA Group loan	2,000,000	2,000,000
Loans payable to directors #	68,257	74,065
Loans payable – non interest bearing	-	276,419
Loans payable – interest bearing	-	1,506,066
Total Current	2,068,257	3,856,550
Non – Current		
Loans payable – interest bearing	8,000,000	-
Total Non – Current	8,000,000	-
Total Borrowings	10,068,257	3,856,550

These loans payable to directors are non-interest bearing and repayable on demand.

BMA Group Loan

On 21 September 2018, Cokal signed a Key Principles of Agreement with PT Bara Mineral Asri (BMA Group) to develop and operate PCI and Coking Coal operations at the BBM Project. Cokal received US\$2.0 million loan from BMA Group to secure the transaction but the BMA Group failed to complete the other funding conditions set out in the Key Principles of Agreement and has also failed to document the loan arrangement with the Group. Therefore, the Group has assessed the loan is repayable on demand and has been disclosed at the face value of the amounts received. It has been agreed that the liability will be repaid based on US\$ 10 per tonne, if the coal price is greater than US\$ 110 per tonne, or 10 % of the coal price if less than US\$ 110 per tonne.

Loans payable – interest bearing

For the year ended 30 June 2021 the loan payable – interest bearing comprised of Aahana Mineral Resources Loan Facility amount totalling US\$745,323 (including accrued interest) and Alpine Invest Holding Ltd Loan Facility amount totalling US\$760,743 (including accrued interest). These two loans total US\$1,506,066 and the amount was repaid during the December 2021 half-year.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 11 BORROWINGS (con'd)

On 14 July 2021 Cokal executed a US\$20m debt financing facility with International Commodity Trade (ICT) for development of the Bumi Barito Mineral (BBM) Coking Cokal Project. As at 31 December 2021, US\$8 million has been drawn down.

A capital participation fee for the debt finance is linked to BBM mining operations and is calculated as follows:

- Total Fee for debt finance of US\$0.20 per BCM of overburden removal at BBM;
- Total Fee for debt finance is capped at a maximum amount of 200,000,000 BCM of overburden work which equates to a maximum amount of US\$40m (this fee includes interest payable);
- The fee is payable on a monthly basis, based on actual overburden removal with a minimum of 2,000,000 BCM of overburden a month (US\$400,000);
- The fee payable must be paid within 8 years and 4 months from the first drawdown date.

The capital participation fee has been incurred from when amounts were drawn down under the facility, resulting in a US\$2,167,742 fee for the period to 31 December 2021

NOTE 12 ISSUED CAPITAL

	31 December 2021 US\$	30 June 2021 US\$
938,948,980 authorised and fully paid ordinary shares (30 June 2021: 924,582,313)	95,721,944	95,141,482

	31 December 2021 Number	US\$
At the beginning of the period	924,582,313	95,141,482
Shares issued on exercise of options	13,500,000	487,218
Shares issued in payment of CEO salary	866,667	93,244
At the end of the period	938,948,980	95,721,944

NOTE 13 RESERVES

	31 December 2021 US\$	30 June 2021 US\$
Share based payments option reserve		
Opening balance	7,930,246	7,622,839
Movement	-	307,407
Closing balance	7,930,246	7,930,246
Translation Reserve		
Opening balance	(1,426,642)	(1,426,642)
Movement	-	-
Closing balance	(1,426,642)	(1,426,642)
	6,503,604	6,503,604

Share Based Payment Option Reserve

The option reserve records the value of options issued as part of capital raisings, and consultant services as well as expenses relating to director, executive and employee share options.

Foreign Currency Translation Reserve

The foreign currency translation reserve represents net exchange differences arising from the translation as a result of foreign operations.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

BBP Vendor Payment

At 31 December 2021, the Group's contingent liabilities include US\$7.95m (30 June 2021: US\$7.95m) in respect of its PT Borneo Bara Prima (BBP) tenement. The amount is payable on the achievement of certain milestones, including but not limited to the establishment of certain JORC Inferred Coal Resources and the issuance of production operation IUPs (licences) and production forestry permits.

BBM Vendor Payment

As part of the Group's acquisition of its interest in the BBM project, it was agreed an amount of US\$10.0 million would be payable within 30 days of the issue of the Production/ Operations IUP (mining license granted under the Indonesian New Mining Law). The Company has subsequently entered into an agreement with the vendor of BBM for these vendor payments to be due on commencement of production. It has now been agreed that an amount of US\$10.5 million (which includes the US\$10m deferred consideration) will be paid via:

1. US\$200,000 within 30 days of signing the agreement (completed);
2. During the first and second year of coal sales to a third party, monthly at a rate of US\$2 per tonne of coal sold;
3. From the third year of coal sales to a third party, monthly at a rate of US\$3 per tonne of coal sold.

BMA Group loan

On 21 September 2018, Cokal signed a Key Principles of Agreement with PT Bara Mineral Asri (BMA Group) to develop and operate PCI and Coking Coal operations at the BBM Project. Cokal received US\$2.0 million loan from BMA Group to secure the transaction but the BMA Group failed to complete the other funding conditions set out in the Key Principles of Agreement and has also failed to document the loan arrangement with the Group. Therefore, the Group has assessed the loan is repayable on demand and has been disclosed at the face value of the amounts received. It has been agreed that the liability will be repaid based on US\$ 10 per tonne, if the coal price is greater than US\$ 110 per tonne, or 10 % of the coal price if less than US\$ 110 per tonne.

Alpine Invest Holdings Ltd Commitment

During May 2020 the Company consented to the assignment of the Platinum Loans to Alpine Invest Holdings Ltd (Alpine). It was agreed as a term of the consent to the assignment that immediately upon transfer of the Platinum Loans to Alpine, that the loans are deemed released and Alpine discharges and releases Cokal and each Cokal Group Company from their liability to make payment of the Platinum Loans totalling \$9,261,535 on the following terms:

- each of the Subsequent Conditions is irrevocably satisfied or otherwise waived;
- the royalty payable to Alpine under the Royalty Deed will be the greater of:
 1. USD 10,000 per month; and
 2. USD 2.00 per tonne of coal sold by BBM and TBAR on a monthly basis;
- the maximum royalty payment of USD 40million payable under the Royalty Deed remains the same and will be payable through the first 20 million tonnes of coal produced and sold by both BBM and TBAR; and
- all other conditions stated in the Royalty Deed shall remain the same.

International Commodity Trade (ICT) Facility

Cokal Limited has provided a corporate guarantee for payment of the International Commodity Trade (ICT) Facility (refer note 11).

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

NOTE 15 OPERATING SEGMENTS

AASB 8 requires operating segments to be identified on the basis of internal reports that are used by the chief operating decision makers (CODM) in order to allocate resources to the segment and to assess its performance. The CODM of the Group are the Board of Directors. For management purposes, the Group is organised into two main operating segments, which involves the exploration of coal in Indonesia and Australia. The Singapore operation was considered separately for corporate services.

	Australia US\$	Indonesia US\$	Singapore US\$	Total US\$
Segment performance for the half-year ended 31 December 2021				
Revenue				
Other revenue	-	-	-	-
Interest revenue	-	464	-	464
Total segment income	-	464	-	464
Production expenses	-	(377,452)	-	(377,452)
Depreciation and amortisation expenses	(36,622)	(56,530)	-	(93,152)
Finance costs	(1,202)	(34,014)	-	(35,216)
Capital participation fee	-	(2,167,742)	-	(2,167,742)
Other expenses	(418,288)	(568,564)	(161,019)	(1,147,871)
Total segment expenses	(456,112)	(3,204,302)	(161,019)	(3,821,433)
Segment net loss before tax	(456,112)	(3,203,838)	(161,019)	(3,820,969)
Segment assets and liabilities as at 31 December 2021				
Property, plant and equipment	-	1,556,471	-	1,556,471
Exploration and evaluation assets	-	1,606,585	-	1,606,585
Mines under development	-	23,746,613	-	23,746,613
Other assets	29,560	949,088	-	978,648
Total segment assets	29,560	27,858,757	-	27,888,317
Total segment liabilities	9,739,245	14,868,299	9,989	24,617,533

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)

	Australia US\$	Indonesia US\$	Singapore US\$	Total US\$
Segment performance for the half-year ended 31 December 2020				
Revenue				
Other revenue	-	-	-	-
Interest revenue	-	-	-	-
Total segment income	-	-	-	-
Production expenses	(68,607)	(120,339)	(44,251)	(233,197)
Depreciation and amortisation expenses	(40,693)	(55,220)	-	(95,913)
Finance costs	(248)	(11,995)	-	(12,243)
Other expenses	(192,297)	(1,076,762)	(36,154)	(1,305,213)
Total segment expenses	(301,845)	(1,264,316)	(80,405)	(1,646,566)
Segment net loss before tax	(301,845)	(1,264,316)	(80,405)	(1,646,566)
Segment assets and liabilities as at 31 December 2020				
Property, plant and equipment	-	109,624	-	109,624
Exploration and evaluation assets	-	25,266,768	-	25,266,768
Other assets	56,257	472,089	15,062	543,408
Total segment assets	56,257	25,848,481	15,062	25,919,800
Total segment liabilities	9,888,827	7,995,843	519,422	18,404,092

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

Cokal Limited**Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2021 (Continued)**

NOTE 16 EVENTS AFTER THE REPORTING PERIOD

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

Declaration by Directors

In accordance with a resolution of the directors of the Cokal Limited, I state that:

In the opinion of the directors:

- a) The financial statements and notes of the Group for the half-year ended 31 December 2021 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
 - ii. complying with accounting standards and the Corporations Regulations 2001
- 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.

On behalf of the board



Domenic Martino
Chairman

Sydney
16 March 2022

**COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF COKAL LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Cokal Limited. As the lead partner for the review of the financial report of Cokal 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:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 16 March 2022

COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COKAL LIMITED**

Conclusion

We have reviewed the accompanying half year financial report of Cokal Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the 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 Group's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- (b) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Group incurred a net loss of \$3,820,969 and net operating cash outflows of \$5,160,443 during the half year ended 31 December 2021. As of that date, the Group's current liabilities exceeded its current assets by \$15,784,304. As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c) indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Half Year Financial Report

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

For personal use only

**COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COKAL LIMITED**

Auditor's Responsibility for the Review of the Half Year Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the 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 the 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.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 16 March 2022