



ABN 87 604 406 377

Interim Financial Statements
for the six months ended
31 December 2022

Corporate Directory

Directors

Mr Peter Lester
Non-Executive Chairman

Mr Alasdair Cooke BSc (Hons)
Non-Executive Director

Mr Gregory Cochran
Managing Director

Company Secretary

Mr Steven Jackson BEc

Principal Registered Office in Australia

Suite 1
245 Churchill Avenue
Subiaco WA 6008

Share Registry

Link Market Services
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Auditor

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
Spring Street
Perth WA 6000

Solicitors

Fairweather Corporate Lawyers
Suite 2, 589 Stirling Highway
Cottesloe WA 6011

Bankers

Bankwest Limited
Bankwest Place
300 Murray Street
Perth WA 6000

Website

www.auroraenergymetals.com

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The Directors present their report together with the financial report of Aurora Energy Metals Limited ("the Company" or "AEM") and the Company and its controlled entities ("Group" or "Consolidated Entity"), for the half-year ended 31 December 2022.

1. Directors and Company Secretary

The Directors and Company Secretary in office at any time during or since the end of the half-year are:

Mr Peter Lester – Non-Executive Chairman
Mr Gregory Cochran – Managing Director and Chief Executive Officer
Mr Alasdair Cooke – Non-Executive Director
Mr Steven Jackson – Company Secretary

2. Review of Operations

Aurora Energy Metals is an Australian company focused on the exploration and development of its Aurora Energy Metals Project in Oregon, USA. The Project hosts a defined uranium resource and is prospective for lithium.

3. Principal Activities

The principal activity of the Group during the half-year was mineral exploration.

There were no significant changes in the nature of the Group's principal activities during the half-year.

4. Operating Results

The operating loss of the Group attributable to equity holders of the Company for the half-year ended 31 December 2022 amounted to \$4,576,382 (2021: \$220,907).

5. Events Since the End of the Half-year

There are no matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6. Likely Developments and Expected Results of Operations

The Group will continue pursue activities on its project in order to maximise shareholder returns.

7. Significant Changes in State of Affairs

In the opinion of the Directors, other than stated under Review of Operations, and Events Since the End of the Half-year, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review and subsequent to the financial year end.

8. Lead Auditors Independence Declaration under Section 307c of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 14 and forms part of the Directors' Report for the period ended 31 December 2022.

*On behalf of the Board of
Aurora Energy Metals Limited*

Dated at Perth this 15 March 2023.

Signed in accordance with a resolution of the Directors.



Gregory Cochran
Managing Director

AURORA ENERGY METALS AND ITS CONTROLLED ENTITIES

In the opinion of the directors:

- (a) the financial statements and notes set out on pages 6 to 13 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 2022 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



Gregory Cochran
Managing Director

Perth
15 March 2023

	Note	31-Dec-22 \$	31-Dec-21 \$
Professional fees		(82,036)	(41,283)
Employee benefit expense	2	(308,489)	(46,137)
Exploration expenditure		(3,921,518)	(115,164)
Foreign currency gains/(losses)		(1,092)	-
Other expenses	2	(263,247)	(18,323)
Loss before income tax		(4,576,382)	(220,907)
Income tax benefit / (expense)		-	-
Loss after income tax for the period		(4,576,382)	(220,907)
Loss is attributable to:			
Equity holders of the Company		(4,576,382)	(220,907)
Loss for the period		(4,576,382)	(220,907)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation reserve		35,418	1,872
Total other comprehensive loss for the period		35,418	1,872
Total comprehensive loss for the period		(4,540,964)	(219,035)
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic and diluted earnings / (loss) per share (cents per share)	9	(3.21)	(0.03)

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

	Note	31-Dec-22 \$	30-Jun-22 \$
Assets			
<i>Current assets</i>			
Cash and cash equivalents		2,134,569	7,317,279
Trade and other receivables		302,188	66,199
Total current assets		2,436,757	7,383,478
<i>Non-current assets</i>			
Property, plant and equipment	4	418,583	2,376
Total non-current assets		418,583	2,376
Total assets		2,855,340	7,385,854
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables		216,276	292,041
Total current liabilities		216,276	292,041
Total liabilities		216,276	292,041
Net assets		2,639,064	7,093,813
Equity			
Issued capital	3	11,493,277	11,496,079
Reserves		607,045	482,611
Accumulated losses		(9,461,258)	(4,884,877)
Total equity attributable to shareholders of the Company		2,639,064	7,093,813

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

	Contributed equity	Accumulated losses	Foreign currency translation reserve	Share-based payments reserve	Total equity
	\$	\$	\$	\$	\$
Total equity at 1 July 2022	11,496,079	(4,884,877)	5,397	477,213	7,093,813
Loss for the period	-	(4,576,382)	-	-	(4,576,382)
Foreign currency translation	-	-	35,418	-	35,418
Total comprehensive loss for the period	-	(4,576,382)	35,418	-	(4,540,964)
Transactions with owners in their capacity as owners:					
Share issue net of issue costs	(2,802)	-	-	-	(2,802)
Share based payments	-	-	-	89,017	89,017
	(2,802)	-	-	89,017	86,215
Total equity at 31 December 2022	11,493,277	(9,461,258)	40,815	566,230	2,639,064

	\$	\$	\$	\$	\$
Total equity at 1 July 2021	3,068,678	(2,970,583)	10,758	-	108,853
Loss for the period	-	(220,907)	-	-	(220,907)
Foreign currency translation	-	-	1,872	-	1,872
Total comprehensive loss for the period	-	(220,907)	1,872	-	(219,035)
Transactions with owners in their capacity as owners:					
Share issue net of issue costs	232,723	-	-	-	232,723
Share based payments	-	-	-	7,194	7,194
	232,723	-	-	7,194	239,917
Total equity at 31 December 2021	3,301,401	(3,191,490)	12,630	7,194	129,735

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

	31-Dec-22 \$	31-Dec-21 \$
Cash flows from operating activities		
Cash paid to suppliers and employees	(642,761)	(28,728)
Payment for exploration and evaluation expenditure	(4,151,946)	(85,416)
Net cash used in operating activities	(4,794,707)	(114,144)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(420,619)	(2,878)
Net cash used in investing activities	(420,619)	(2,878)
Cash flows from financing activities		
Capital raising net of costs	(2,802)	214,723
Borrowings	-	10,000
Net cash used in / provided by financing activities	(2,802)	224,723
Net decrease / increase in cash and cash equivalents	(5,218,128)	107,701
Cash and cash equivalents at beginning of period	7,317,279	79,059
Effect of exchange rates on cash holdings in foreign currencies	35,418	-
Cash and cash equivalents at the end of the period	2,134,569	186,760

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. Segment information

The Group operates only in one reportable segment, being exploration. Results are analysed as a whole by the chief operating decision maker. Consequently, revenue, profit net assets and total assets for the operating segment are reflected in this financial report.

2. Expenses from continuing operations

	31 Dec 2022 \$	31 Dec 2021 \$
Employee benefit expense		
Wages	5,962	24,064
Directors fees	211,937	14,879
Share based payments expense	89,017	7,194
Other employment costs	1,573	-
	308,489	46,137
	\$	\$
Exploration expenditure		
Exploration costs	3,921,518	115,164
	3,921,518	115,164
	\$	\$
Other expenses		
Corporate costs	68,779	2,292
Premises and insurance	56,071	14,495
Travelling costs	26,033	14
Depreciation	4,412	26
Other operating expenses	107,952	1,496
	263,247	18,323

3. Contributed equity

	31 December 2022		30 June 2022	
	Number of shares	\$	Number of shares	\$
Issued capital	142,610,990	11,888,178	142,610,990	11,888,178
Cost of share issue	-	(394,901)	-	(392,099)
	142,610,990	11,493,277	142,610,990	11,496,079

	31-Dec-22 Shares	30-Jun-22 Shares	31-Dec-22 \$	30-Jun-22 \$
Issues of ordinary shares during the period				
Balance at the beginning of the period	142,610,990	758,849,327	11,496,079	3,068,678
Placement at 1.32 cents per share	-	15,253,594	-	201,500
Placement at 1.32 cents per share	-	1,892,506	-	25,000
Conversion of loan at 1.32 cents per share	-	757,002	-	10,000
Conversion of accrued fees at 1.32 cents per share	-	605,603	-	8,000
Placement at 1.32 cents per share	-	43,527,631	-	575,000
Effect of 1-for-8 share consolidation	-	(718,274,673)	-	-
Initial public offering at 20 cents per share	-	40,000,000	-	8,000,000
Capital raising costs	-	-	(2,802)	(392,099)
Balance at the end of the period	142,610,990	142,610,990	11,493,277	11,496,079

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

4. Property, plant & equipment

At 30 June 2022

	Freehold land	Freehold buildings	Furniture & fittings	Motor vehicles	Plant & equipment	Computer Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Cost	-	-	-	-	-	2,878	2,878
Accumulated depreciation	-	-	-	-	-	(502)	(502)
Net book amount	-	-	-	-	-	2,376	2,376

Half-year ended 31 December 2022

Opening net book amount	-	-	-	-	-	2,376	2,376
Additions	219,395	141,890	7,596	14,803	34,794	-	418,478
Depreciation charge	-	(1,420)	(140)	(1,244)	(1,124)	(484)	(4,412)
FX movement	3,221	660	(73)	275	(1,942)	-	2,141
Closing Net Book Amount	222,616	141,130	7,383	13,834	31,728	1,892	418,583

At 31 December 2022

Cost or fair value	222,616	142,603	7,523	15,232	32,844	2,878	423,696
Accumulated depreciation	-	(1,473)	(140)	(1,398)	(1,116)	(986)	(5,113)
Net book amount	222,616	141,130	7,383	13,834	31,728	1,892	418,583

5. Dividends

No dividends were declared or paid by the Company.

6. Contingent assets and liabilities

There were no contingent liabilities or contingent assets at 31 December 2022.

7. Capital and other commitments

The Group paid \$96,450 in August 2022 for the on-going renewal of claims at the Company's Aurora project. The Group will be required to pay an amount of approximately \$130,000 in August 2023 and in further years should it wish to retain the existing licences.

There were no other commitments at 31 December 2022.

8. Events occurring after reporting date

There are no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

9. Related parties

Transactions with the related parties are consistent with those disclosed in the 30 June 2022 financial report.

10. Earnings / loss per share

The calculation of basic loss per share at 31 December 2022 was based on the loss attributable to ordinary shareholders of \$4,576,382 (2021: \$220,907) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2022 of 142,610,990 (2021: 96,852,399) calculated as follows:

	31 Dec 2022	31 Dec 2021
	\$	\$
Profit / (loss) attributable to ordinary shareholders		
Profit / (loss) for the year	(4,576,382)	(220,907)
Profit / (loss) attributable to ordinary shareholders	(4,576,382)	(220,907)
Basic profit / (loss) per share		
Basic loss per share (cents per share)	(3.21)	(0.23)
Diluted profit / (loss) per share		
Diluted profit / (loss) per share (cents per share)	n/a	n/a
Weighted average number of shares	142,610,990	96,852,399
Options	-	-
Weighted average number of shares diluted EPS	142,610,990	96,852,399

Basic profit / loss per share

Basic profit or loss per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by weighted average number of ordinary shares outstanding during the period, adjusted for the bonus elements in ordinary shares issued during the period.

Diluted profit / loss per share

Diluted profit or loss per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

11. Basis of preparation

a) Statement of compliance

These general purpose financial statements are for the interim half-year reporting period ended 31 December 2022 and have been prepared in accordance with *Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

The financial report does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made by Aurora Energy Metals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

b) New and amended standards adopted by the Group

The Group has adopted all 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 Group.

c) Basis of measurement

The consolidated financial statements have been prepared on the basis of historical cost, except where revaluation is required in accordance with accounting standards. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise indicated.

d) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars which is also the functional currency of the parent Company. The Group's US subsidiary has a functional currency of United States dollars.

e) Going concern

For the half-year ended 31 December 2022, the Group recorded a loss of \$4,576,382 (2021: loss \$220,907) and experienced net cash outflows from operating activities of \$4,794,707 (2021: outflows \$114,144). At 31 December 2022, the Group had a working capital balance of \$2,220,481 (June 2022: \$7,091,437).

The ability of the Group to continue as a going concern is dependent on a number of factors including:

- the ability to secure funds by raising capital from equity markets;
- managing cash flows in line with available funding; and
- the successful development of its exploration assets.

These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Directors believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The directors have prepared cash flow projections that support the ability of the entity to continue as a going concern;
- The Company can raise additional funds through equity, which it has been able to complete successfully in the past; and
- The Company also has the ability to reduce its expenditure, particularly in regard to exploration expenditure to conserve cash.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differs from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or liabilities that may be necessary if the Group is unable to continue as a going concern.

f) New standards and interpretations not yet adopted

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Company for the half-year ended 31 December 2022.



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF AURORA ENERGY METALS LIMITED

As lead auditor for the review of Aurora Energy Metals Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Aurora Energy Metals Limited and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a light blue horizontal line.

Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth, 15 March 2023



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Aurora Energy Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Aurora Energy Metals Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

We draw attention to Note 11 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a faint, larger 'BDO' logo.

Ashleigh Woodley

Director

Perth, 15 March 2023