



TRUSCOTT
MINING CORPORATION LIMITED

ABN: 31 116 420 378

CONDENSED INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2022

CORPORATE DIRECTORY

Directors

PN Smith *Executive Chairman*
MJ Povey *Executive Director*
EE Smith *Non-Executive Technical Director*

Company Secretary

MJ Povey

Auditor

SW Audit
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Stock Exchange Listing

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DIRECTORS' REPORT

Your Directors present the financial report for the company for the half-year ended 31 December 2022.

DIRECTORS

The names of Directors who held office during the half-year and up to the date of signing this report, unless otherwise stated are:

Peter Neil Smith	Executive Chairman
Michael Jarvis Povey	Executive Director and Company Secretary
Ewan Edward Smith	Non-Executive Director

REVIEW OF OPERATIONS

The net loss of the company for the half year after providing for income tax amounted to \$316,459.

There has been a deterioration in the after-tax net result from a loss of \$190,828 for the half year to 31 December 2021 to net after tax loss of \$316,459 for the half year to 31 December 2022. The main contributors to this were: compliance costs up \$26,210 (54%); directors' performance rights up \$31,815 (79%) as per independent valuation; consultants up \$9,941 (141%).

RIGHTS ISSUES

At the company's 2022 AGM on 30 November 2022 the following performance rights issues were approved:

6,150,000 Class O Performance Rights to the executive directors in lieu of directors' fees;
2,300,000 Class P Performance Rights to the executive Directors to recognise sacrifices made by them on behalf of the Company.

No funds were raised from the issue of these rights, but there was a saving in cash outflows as a result of the issue of the Class O Performance Rights amounting to \$144,000.

AFTER BALANCE DATE EVENT

The Directors are not aware of any matter or circumstance since the end of the half year that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

SUMMARY

Truscott is now, positioned to drive value, through realisation of significant intangible assets in the form of new knowledge, by the carriage of research and development initiatives to commercialisation.

The new knowledge attained by Truscott, including advances in the modelling of strike slip mineralisation, means that the timing of transformation to commercialisation is primarily dependent on gold sector market considerations, and ability of the Company to raise sufficient capital.

Subject to the foregoing commentary, the company stands ready to advance the drill out and development of its lead high grade gold project – Westminster. The required drill program discipline, to provide for ore resource extension drilling, is supported by Truscott's findings from substantial research and development work.

Truscott has provided for further expansion of business by the selection of the North Tennant Creek and Barkly reconnaissance areas within structurally preferred locations. Reconnaissance exploration programs using modelling, with attributes of intelligent design, are targeting substantive zones of mineralisation.

Using the new models and search techniques, an extensive strike length of anomalous mineralisation has been located on the Barkly Project, indicating the possibility of a significant new discovery.

DIRECTORS' REPORT (continued)

STATUS OF EXPLORATION ACTIVITIES

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status: Development Schedule Planned

The Westminster Project area contains a historical mineral resource. There is further potential to define additional ore bodies within a substantial mineralised zone with over two kilometres of strike length and repetitions of lines of mineralisation. The mineralisation is polymetallic in character, though Truscott expects development to be based on the high-grade gold tenor without accounting for other metal credits.

The structural architecture of the system provides for a large-scale system of mineralisation with further complete multiple zones of shearing exhibited at intervals to the north of the primary target zone for the establishment of mining operations.

Planning has commenced to provide for the establishment of an increased mining operations lease holding, sufficient in size to provide for the area necessary to support mining operations. A natural gas supply pipeline passes through the corner of the extended lease and the Tennant Creek power station is located five hundred metres to the south.

Project Status: Late-Stage Reconnaissance Exploration

Barkly Project Area (Truscott: EL31579 – 100%)

The Barkly exploration region is currently receiving interest from some major exploration and mining companies. Truscott as an established explorer in the area, works with a comparative advantage to the late comers, who will be dependent on geophysical data. The company having written the mathematics to model the structural setting and to provide a context for exploration work.

A first application and test for the use of the mathematical modelling by Truscott, has provided confirmation of its potential to drive mineral discovery. Truscott interprets the centre of the Barkly Project as being a large fold structure that fits in both scale and position with the company's modelling. Within the large fold a series of smaller or parasitic folds provide further context for understanding the expected control settings for the location of mineralisation.

Field reconnaissance, in its early phase, has proceeded in the first instance to undertake surface rock chip sampling in accordance with predicted locations for mineralisation. The leakage of mineralisation along five hundred metres of a shear zone evaluated to date has generated remarkably consistent results for pathfinder elements Copper (Cu), Lead (Pb) and Arsenic (As). The anomalous results provide a first indication of the potential for a significant body of gold and sulphide mineralisation below or adjacent to the initial sample zone.

Project Status: Mid-Stage Reconnaissance Exploration

North Tennant Project Area (Truscott: EL32111 – 100%)

The company selected the North Tennant Project area using the same criteria as that applied to the Barkly Project area and exhibits the same structural characteristics. Truscott has also interpreted the centre of the North Tennant Project as being a large fold structure that fits in both scale and position with the company's modelling. Within the large fold a series of smaller or parasitic folds provide further context for understanding the expected control settings for the location of mineralisation.

The North Tennant project follows the Barkly Project in terms of its sequencing of exploration work. Application and testing, using the mathematical modelling developed by Truscott, has commenced with early work confirming the presence of the expected strike slip elements crossing the Project area.

The next stage of reconnaissance work will use fractal level two models to provide a focus for undertaking initial field observations to better understand the landforms and assimilate structural observations. More detailed modelling of fractal three shall then follow for the purpose of targeting zones for surface sampling.

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 5 for the half-year ended 31 December 2022.

This report is signed in accordance with a resolution of the Directors.



Peter N Smith

Executive Chairman

Dated this 11th day of April 2023



Executive Director

Michael J Povey

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

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

SW Audit

SW Audit
Chartered Accountants

Richard Gregson

Richard Gregson
Partner

Perth, 11th April 2023

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2022

	Notes	31 December 2022 \$	31 December 2021 restated \$
Other income	2	318	75,105
Expenses			
Consultants		(17,000)	(7,059)
Directors' deferred remuneration		(72,000)	(72,000)
Directors' performance rights		(72,427)	(40,612)
Depreciation		(348)	(763)
Loss on share-based payments		(57,704)	-
Superannuation expenses		(681)	(703)
Wages and salaries		(6,490)	(7,040)
Compliance and regulatory expenses		(75,565)	(49,355)
Other expenses		(14,562)	(13,305)
Loss before income tax		(316,459)	(115,732)
Income Tax (expense)/benefit		-	-
Loss for the period		(316,459)	(115,732)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the period		(316,459)	(115,732)
Total loss attributable to members of the Company		(316,459)	(115,732)
Earnings per share			
From continuing operations:			
Basic loss per share (cents per share)		(0.200)	(0.077)
Diluted loss per share (cents per share)		(0.200)	(0.077)
Earnings per share has been restated for the impact of the restatements above to remove the effect of anti-dilution and the adjustments above as at 31 December 2021.			

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Notes	31 December 2022 \$	30 June 2022 \$
Current Assets			
Cash and cash equivalents		268,915	59,596
Trade and other receivables		168,360	105,502
Other assets		21,011	7,188
Total Current Assets		458,286	172,286
Non-Current Assets			
Trade and other receivables		41,100	41,100
Property, plant & equipment		4,407	4,989
Deferred exploration & evaluation expenditure	3	2,621,062	2,392,195
Total Non-Current Assets		2,666,569	2,438,284
Total Assets		3,124,855	2,610,570
Current Liabilities			
Trade and other payables	4	295,354	46,424
Total Current Liabilities		295,354	46,424
Non-Current Liabilities			
Trade and other payables	4	1,274,370	1,276,528
Loan – director	10	170,500	165,500
Total Non-Current Liabilities		1,444,870	1,442,028
Total Liabilities		1,740,224	1,488,452
Net Assets		1,384,631	1,122,118
Equity			
Issued capital	5	9,565,049	9,233,528
Reserves		583,086	335,635
Accumulated losses		(8,763,504)	(8,447,045)
Total Equity		1,384,631	1,122,118

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2022

	Issued Capital \$	Accumulated Losses \$	Rights Reserve \$	Total \$
Balance at 1 July 2021 (As previously reported)	8,883,173	(5,689,365)	295,473	3,489,281
Prior year error (Note 1)	-	(85,830)	85,830	-
Balance at 1 July 2021 (restated)	8,883,173	(5,775,195)	381,303	3,489,281
Shares issued during the 6 months	210,000	-	-	210,000
Transaction costs during the 6 months	(14,829)	-	-	(14,829)
Rights converted to shares	155,184	-	(155,184)	-
Rights expired during the 6 months	-	39,847	(39,847)	-
Rights issued during the 6 months	-	-	109,516	109,516
Loss attributable to the members for the 6 months after restatement	-	(115,732)	-	(75,885)
Balance at 31 December 2021 (Restated)	9,233,528	(5,851,080)	295,788	3,678,236
Balance at 1 July 2022	9,233,528	(8,447,045)	335,635	1,122,118
Shares issued during the 6 months	325,028	-	-	325,029
Transaction costs during the 6 months	(20,187)	-	-	(20,188)
Rights converted to shares	26,680	-	(26,680)	-
Rights issued during the 6 months	-	-	274,131	274,131
Loss attributable to the members for the 6 months	-	(316,459)	-	(316,459)
Balance at 31 December 2022	9,565,049	(8,763,504)	583,086	1,384,631

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2022

	31 December 2022 \$	31 December 2021 \$
Cash flows from operating activities		
Payments to suppliers, consultants, and employees	(147,111)	(98,924)
Interest received	318	9
Net cash provided by operating activities	(146,793)	(98,915)
Cash flows from investing activities		
Net credit for exploration and evaluation expenditure	82,543	34,217
R & D tax incentive	(36,271)	(22,000)
Payment for office equipment	-	(2,634)
Net cash used in investing activities	46,272	9,583
Cash flows from financing activities		
Proceeds of borrowings	25,000	-
Repayment of borrowings	(20,000)	(31,000)
Proceeds from share issues	325,028	210,000
Capital raising costs	(20,188)	(14,829)
Net cash provided in financing activities	309,840	164,171
Net increase in cash held	209,319	74,839
Cash and cash equivalents at the beginning of the period	59,596	62,650
Cash and cash equivalents at the end of the period	268,915	137,489

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

1 BASIS OF PREPARATION

These general purpose condensed interim financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Truscott Mining Corporation Ltd. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2022, together with any public announcements made during the half-year.

These condensed interim financial statements were authorised for issue on 11th April, 2023.

Accounting Policies

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2022.

Adoption of new and revised standards

Standards and Interpretations applicable to current interim period

The Company has adopted all new and amended standards and interpretations applicable for the current period. The adoption of these standards and interpretations had no material impact on these financial statements or on the financial position or performance of the Company.

The Company has not elected to early adopt any other new standards or amendments that are issued but not yet effective. If required, comparative financial statements will be adjusted or reclassified to conform to the current period presentation.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2022 annual report.

Material Uncertainty Related to Going Concern

For the half year ended 31 December 2022, the Company made a loss of \$316,459, and had net cash outflows from operating and investing activities of \$100,521 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows respectively.

As a result of the need for continued cash outflows from operating and investing activities the directors have assessed the Company's ability to continue as a going concern and to pay its debts as and when they fall due. The Company's ability to fund exploration commitments and for use as working capital is dependent upon raising additional capital now and in future years, selling assets, or deriving revenue from existing operations.

The Directors of the Company advise the following initiatives have been taken or are being pursued/considered to raise additional funding:

1. The Company continues invest into a significant research and development program with commensurate rebates and returns on outgoing expenditure of circa \$175,000 for 2022/23;
2. The Westminster Gold Project is well advanced for taking to potential joint venture partners against a background of continued substantial increases in gold and metal prices; and
3. The Company is planning a further capital raising this financial year to raise in the vicinity of \$500,000 before costs.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

Material Uncertainty Related to Going Concern (Cont'd)

4. The Directors are accepting reduced consulting fees and have deferred part payment for consulting services and fully deferred payment of Directors fees until the Company has the cash resources to pay these in full; and
5. The Directors will continue the practice of loaning funds to the Company and operating from their private offices at no cost to the Company, as required.

Accordingly, the Directors have prepared the financial statements on a going concern basis. As such, the financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

There is a material uncertainty that casts significant doubt on whether the Company will continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial report.

Restatement of treatment of expired rights

In completing the financials for 30 June 2022 it was noted that the Company was not complying with the conditions of AASB 2 Share-based payments. The Company has restated its Statement of Changes in Equity as shown on page 8 and restated the Statement of Profit or loss and Other Comprehensive Income as below.

Adjustments made to the statement of profit or loss and other comprehensive income For the half year ended 31 December 2021

	As previously presented	Effect of the restatement	As presented
	\$	\$	\$
Other income	114,952	(39,847)	75,096
Consultants	(7,059)	-	(7,059)
Directors' deferred remuneration	(72,000)	-	(72,000)
Directors' performance rights	(40,612)	-	(40,612)
Depreciation	(763)	-	(763)
Superannuation expenses	(703)	-	(703)
Wages & salaries	(7,040)	-	(7,040)
Compliance & regulatory expenses	(49,355)	-	(49,355)
Other expenses	(13,305)	-	(13,305)
Loss before income tax	<u>(75,885)</u>	<u>(39,847)</u>	<u>(115,732)</u>
	As previously presented	Effect of the restatement	As Presented
Loss before income tax	<u>(75,885)</u>	<u>(39,847)</u>	<u>(115,732)</u>
Basic loss per share (cents per share)	(0.70)	(0.07)	(0.77)
Diluted loss per share (cents per share)	(0.70)	(0.07)	(0.77)

Earnings per share has been restated for the impact of the restatements above to remove the effect of anti-dilution and the adjustments above as at 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

2 OTHER INCOME

	31 December 2022 \$	31 December 2021 restated \$
The following revenue items are relevant in explaining the financial performance for the interim period:		
Interest received from other persons	318	9
Gain on remuneration liabilities settled by share based payments	-	75,096
	318	75,105

3 DEFERRED EXPLORATION & EVALUATION EXPENDITURE

	31 December 2022 \$	31 December 2021 \$
Carrying amount at 1 July 2022 – at written-down cost	2,392,195	4,729,180
Deferred exploration and evaluation expenditure during the period – at cost	358,867	121,452
Estimated R & D tax incentive, offset against costs	(130,000)	(56,809)
Carrying amount at 31 December 2022 – at written-down cost	2,621,062	4,729,180

In accordance with AASB 6 the Directors have reviewed whether it is reasonable to continue to carry the deferred exploration and evaluation expenditure in the Company's books at the above values. With regards to AASB 6, the directors considered the below requirements relating to each area of interest:

- (a) are the rights to tenure of the areas of interest current; and
- (b) have at least one of the following conditions been met:
 - i. the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - ii. exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of *economically recoverable reserves*, and active and significant operations in, or in relation to, the area of interest is continuing.

In the six months to 31 December 2022 the Company has incurred exploration expenditure of \$358,867 and has budgeted to incur over \$400,000 of expenditure in the 6 months ending 30 June 2023 with a further \$740,000 of expenditure budgeted for the year ending 30 June 2024.

Up to 31 December 2022 the Company had incurred over \$7,300,000 on its current areas of interest, whilst the book value of those areas, excluding acquisition costs totals \$2,542,955. Book value therefore represents 34.8% of incurred exploration costs.

As all areas of interest are current, the Directors have determined that the Company has met the conditions for (b) i and (b) ii above, therefore the Directors have determined there is no need to consider an impairment to the above amounts.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

4 TRADE AND OTHER PAYABLES

- CURRENT

	31 December 2022 \$	30 June 2022 \$
Sundry payables and accrued expenses	295,354	46,424

- NON-CURRENT

	31 December 2022 \$	30 June 2022 \$
Amounts due to related parties:		
Consulting fees	1,141,092	1,071,250
Directors' fees	133,278	205,278
	1,274,370	1,276,528

The directors have agreed that they will not request payment of the consulting and directors' fees until 30 June 2024, or until the Company has the capacity to pay.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

5 ISSUED CAPITAL

(i) Issued and paid-up capital:

	31 December 2022 Shares	30 June 2022 Shares	31 December 2022 \$	30 June 2022 \$
Fully paid	167,157,060	151,941,544	9,507,345	9,233,528

(ii) Movements in ordinary share capital during the current financial period are as follows:

	31 December 2022 Shares	30 June 2022 Shares	31 December 2022 \$	30 June 2022 \$
Balance at 1 July 2022	151,941,544	151,941,544	9,233,528	9,233,528
Class G Performance Rights converted to shares on 29/07/2022 at 4.9 cents	5,929,000	-	26,680	-
Less: Share issue costs	-	-	(2,343)	-
Non renounceable rights issue	9,286,516	-	325,028	-
Less: Share issue costs	-	-	(17,844)	-
Balance at 31 December 2022	167,157,060	151,941,544	9,565,049	9,233,528

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up. Shareholders are entitled to one vote per share held either in person or by proxy at a meeting of the Company when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the 2022 AGM the shareholders agreed to issue 6,150,000 Class O Performance Rights and 2,300,000 Class P Performance rights to the Directors. These rights did not vest before 1/07/2023 and are subject to milestones being met. These milestones are: an average last sale price of 7 cents for Class O Performance Rights and 8 cents for Class P Performance Rights, on 20 consecutive trade days on the ASX. Both classes of rights expire on 29/11/2026.

(iv) The Company has 5,000,000 4 cent options with an expiry of 24/09/2023 on issue.

(v) Performance rights on issue at 31 December 2022

Class	Vested	Expiry	Number	Milestone met at 31 December 2022
J	Yes	22/11/2023	6,300,000	No
L	Yes	23/11/2024	5,250,000	Yes
M	Yes	4/11/2025	3,200,000	No
N	Yes	4/11/2025	2,000,000	No
O	No	29/11/2026	6,150,000	No
P	No	29/11/2026	2,300,000	No

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

6 SEGEMENT INFORMATION

The Company operated solely in Australia in mineral exploration for the whole of the period.

7 CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets and liabilities as at the date of this report other than minor work to rehabilitate drill sites. The amount involved is not material as drill sites are generally rehabilitated after each drilling program in accordance with Northern Territory Government requirements.

8 EVENTS SUBSEQUENT TO REPORTING DATE

The directors are not aware of any matter or circumstance since 31 December 2022 that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

9 COMMITMENTS

Operating lease commitments

The Company does not have any operating leases.

Capital expenditure commitments

Estimated commitments for which no provisions were included in the financial statements are as follows:

Exploration Expenditure Commitments

The Company has obligations to perform minimum annual exploration work totalling \$168,000 on its properties.

10 Covid 19

Other than restricting access to our mining tenements for research purposes there has not been any material impact on the Company's financial position resulting from Covid 19.

11 RELATED PARTY DISCLOSURES

Transactions with related parties:

Peter N Smith is a director of Resource Investments & Consulting Pty Ltd (RIC) which provided mine engineering and geological services totalling \$86,400 (net of GST) during the 6 months ended 31/12/2022 (6 months ended 31/12/2021 \$92,400). Of the \$86,400, by agreement, the Company has deferred payment of \$51,840 until the Company has the capacity to pay. The total amount deferred, net of GST, by RIC at 31/12/2022 was \$882,124, (31/12/2021 \$770,524). RIC charges less than the full monthly fee as per the contract.

Michael J Povey is the principal of an accounting practice which provided accounting and Company secretarial services totalling \$21,300 (net of GST) during the 6 months ended 31/12/2022 (6 months ended 31/12/2021 \$15,600). Of the \$21,300, by agreement, the Company has deferred payment of \$10,900 until the Company has the capacity to pay. The total amount deferred, net of GST, by Mr Povey at 31/12/2022 was \$160,240, (31/12/2021 \$143,340). Mr Povey charges less than the full monthly fee as per his contract.

RIC has loaned to the Company \$170,500. The loan has no fixed term, no required repayments, and is interest free. RIC has agreed that the full balance is not required to be paid until the Company has the capacity to pay.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements, and accompanying notes set out above, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date.
2. In the directors' opinion 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 the Board of Directors.



Michael J Povey
Executive Director

Dated this 11th April 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TRUSCOTT MINING CORPORATION LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Truscott Mining Corporation Limited (the Company) which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 Company 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 2022 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.

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 & 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the interim financial report, which indicates that the company incurred a net loss of \$316,459 and net cash outflow from operating and investing activities of \$100,521 during the period ended 31 December 2022. As stated in Note 1, these events, and conditions, along with other matters as set forth in Note 1, 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.

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.

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Auditor's Responsibilities 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 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.



SW Audit

Chartered Accountants



Richard Gregson
Partner

Perth, 11th April 2023