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Kula Gold Limited

and its controlled entities

ABN 83 126 741 259

Half-year report

for the half-year ended 30 June 2022

Corporate Information

Board of Directors

Mr Mark Stowell	Chairman
Mr Simon Adams	Non-Executive Director
Mr Mark Bojanjac	Non-Executive Director
Mr John Hannaford	Non-Executive Director

Company Secretary
Mr Keith Bowker

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Suite 2, 20 Howard Street
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Email: cosec@kulagold.com.au
Website: www.kulagold.com.au

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PO Box Z5207, St Georges Terrace
PERTH, WA 6831

Auditor
Elderton Audit Pty Ltd
Level 2, 267 St Georges Terrace
PERTH WA 6000
Tel: +61 8 6555 9500

Share Registry
Link Market Services Limited
Level 12, 680 George Street
SYDNEY NSW 2000
Tel: 1300 554 474 or +61 2 8280 7111

Stock Exchange Listings
Australian Securities Exchange
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code
KGD

Berlin Stock Exchange: BE Code: 7KL

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Half-year report
for the half-year ended 30 June 2022

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Directors' report

The directors submit herewith the financial report of Kula Gold Limited ("Kula" or "the Company") and its controlled entities ("the Group") for the half-year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors of the Company during or since the end of the half-year are:

Mr Mark Stowell	Chairman
Mr Simon Adams	Non-Executive Director
Mr Mark Bojanjac	Non-Executive Director
Mr John Hannaford	Non-Executive Director

The above named directors held office during and since the end of the half-year.

Review of operations

The loss of the Group for the half-year ended 30 June 2022, after accounting for income tax, amounted to $812,973 (30 June 2021 $808,302).

During the half-year, the Company continued with its mineral exploration activities in Western Australia.

Boomerang Kaolin Deposit (Southern Cross Region WA) 100%

During the period under review, RC drilling of the Boomerang Kaolin Deposit was completed at the 100% owned Marvel Loch-Airfield Project. Logging of the RC holes outlined that the white kaolin clays had an average vertical thickness of 29m, intercepted from around 5.7m vertically below surface.

Two diamond drill holes were completed to obtain necessary samples for required metallurgical testwork, which is being managed by Sedgeman and is currently ongoing.

HGMC were appointed to complete a resource estimate on the extensive kaolinised area outlined during the RC program with the Company announcing a maiden JORC resource of 93.3mt of kaolinised pegmatite subsequent to the period end.

The Company will now commence commercialisation studies to progress towards development of the Project.

Brunswick Project (South West Region, WA) 100%

The Company commenced electromagnetic surveys across two key targets during the period under review. The Brunswick Project is in the Western Gneiss Terrain within Australia's Southwest and is prospective for Archean gold and copper (Shenton Ridge and Hippy Lady Prospects), epithermal gold (Donnybrook Gold Mine Prospect), porphyry gold and copper (White Sands Prospect) and 'Julimar-style' nickel, copper and platinum group elements and gold mineralisation (Hippy Lady Prospect).

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Positive results from soil sampling and rock chip sampling at the Donnybrook Gold Mine Prospect (which hosts the historical Donnybrook Gold Mine) revealed a strong, continuous gold-in-soil anomaly of over 250m wide and extending over 650m along strike (open in both directions). The soil sampling program also resolved an area of anomalous copper values, which does not appear to be spatially related to the gold mineralisation.

The Company recognised a new prospect area, White Sands, where gold micronuggets were panned from a suspected volcanic tuff, which provides evidence for extrusive volucanism. Geologically speaking, this is an extremely exciting find for the Company. Volcanism of this kind has not been previously recognised in the region, nor has the heat & metal source for the epithermal gold mineralisation at Donnybrook Gold Mine been determined. Geologists of the Company, theorise that the volcanism at White Sands could be the geological driver of the Donnybrook Gold Mine epithermal system; the presence of gold micronuggets at White Sands suggests that there is potential for gold mineralisation within a volcanic pipe-like structure.

If White Sands is mineralised, at the time of volcanism, it is possible that interaction of the resultant gold-bearing hydrothermal fluids with meteoric fluids facilitated the epithermal gold mineralisation at the Donnybrook Gold Mine (located just 6km away). Recognition of a potential porphyry gold-copper system near the town of Donnybrook means there is also potential for other nearby, undiscovered epithermal gold deposits.

Rankin Dome Project (Southern Cross WA) 100%

Subsequent to the period end, the Company announced that it had entered into a binding Farm-In Agreement with Australian Critical Minerals Pty Ltd ("ACM") in respect of the Company's non-core Rankin Dome Project comprising of three tenements being E77/2709, E77/2753 and E77/2768.

Westonia Gold Project (Southern Cross WA) 100%

The Company completed a maiden exploration program over the central portion of E77/2766 returning auger geochemical results of up to 125ppb platinum, palladium and up to 35ppb of gold, as well as 1.85g/t gold in a quartz vein rock sample from a lateritic breakaway.

Subsequent events

Subsequent to the half-year under review, the Company undertook the following activities:

- On 18 July 2022, the Company issued 2,800,000 unlisted employee incentive options exercisable at $0.06 on or before the expiry date of 1 July 2026. The options were issued under the capacity of the Company's incentive option plan (approved by shareholders at the 2021 annual general meeting). 50% of the options issued vested immediately and the remaining 50% will vest 12 months from the issue date, subject to meeting conditions outlined in the terms of the incentive option plan.

- On 20 July 2022, the Company announced its maiden JORC resource of 93.3mt of kaolinized granite at its 100% owned Boomerang Kaolin deposit near Marvel Loch/Southern Cross in Western Australia. The Company will continue its work on commercialisation studies to identify production strategies for Metakaolin and uses within the green construction industry.

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- On 3 August 2022, the Company announced a non-renounceable pro-rata entitlement offer to eligible shareholders on a one (1) fully paid ordinary share for every four (4) fully paid shares held at an issue price of $0.02 each to raise approximately $1.08m before costs.

  The funds raised will be put towards continued commercialisation studies at the Boomerang Kaolin Project as well as continuing exploration and evaluation work at the Company's other emerging projects at Westonia, Marvel Loch and Donnybrook and for working capital purposes.

- On 9 August 2022, the Company announced that it has entered into a binding Farm-In Agreement with Australian Critical Minerals Pty Ltd ("ACM") in respect of the Company's non-core Rankin Dome Project comprising of three tenements being E77/2709, E77/2753 and E77/2768.

  ACM can earn up to an undivided 51% stage 1 interest in the Ranking Dome Project, subject to conditions precedent (including the completion of mutual due diligence, ACM undertaking a capital raising of at least $4,500,000 and successfully being quoted on the Australian Securities Exchange by 31 March 2023.

  ACM can earn the stage 1 interest through undertaking exploration and incurring exploration expenditure of $200,000, which shall include at least 2,000m of RC drilling, within 24 months of satisfying all the conditions precedent.

  Following the completion of the stage 1 interest, the Company and ACM will have formed a joint venture, where the Company will have the option to retain its 49% interest and contribute to the development of the Rankin Dome Project.

Auditor's independence declaration

The auditor's independence declaration is included on page 4 of the half-year report.

Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest dollar, unless otherwise indicated.

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

On behalf of the Directors



Mr Mark Stowell
Chairman
31 August 2022
Perth, Western Australia

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Auditor's Independence Declaration

To those charged with the governance of Kula Gold Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2022 there have been no contraventions of:

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

This declaration is in respect of Kula Gold Limited and the entities it controlled during the period.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay Nabeel
Director

31 August 2022
Perth
Western Australia

ELDERTON

AUDIT PTY LTD

Independent Auditor's Review Report

To the members of Kula Gold Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Kula Gold Limited, which comprises the consolidated condensed statement of financial position as at 30 June 2022, the consolidated condensed statement of profit or loss and other comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 Kula Gold Limited's financial position as at 30 June 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*. As the auditor of Kula Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Kula Gold Limited would be in the same terms if given to the directors as at the time of this auditor's review report.

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Conclusion

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 Kula Gold Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of Kula Gold Limited's financial position as at 30 June 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 *Corporations Regulations 2001*.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay Nabeel
Audit Director

31 August 2022

Perth
Western Australia

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Directors' declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

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

On behalf of the Directors



Mr Mark Stowell
Chairman
31 August 2022
Perth, Western Australia

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Condensed consolidated statement of profit or loss and other comprehensive income

for the half-year ended 30 June 2022

	Note	Consolidated Half-year ended 30 June 2022 $	Consolidated Half-year ended 30 June 2021 $
Continuing operations			
Other income	4	31,406	4,889
Administration expenses		(338,041)	(248,324)
Share-based payments	9.1	(29,182)	(45,132)
Exploration and evaluation expenditure		(476,228)	(519,735)
Finance costs		(928)	-
Loss before tax		(812,973)	(808,302)
Income tax expense		-	-
Loss for the period	5	**(812,973)**	**(808,302)**
Other comprehensive expense			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive loss for the period		**-**	**-**
Total comprehensive loss for the period		**(812,973)**	**(808,302)**
Loss attributable to:			
Owners of Kula Gold Limited		**(812,973)**	**(808,302)**
Total comprehensive loss attributable to:			
Owners of Kula Gold Limited		**(812,973)**	**(808,302)**
Loss per share from continuing operations:			
Basic and diluted (cents per share)	6	(0.38)	(0.49)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Condensed consolidated statement of financial position
as at 30 June 2022

	Note	Consolidated 30 June 2022 $	Consolidated 31 Dec 2021 $
ASSETS			
Current assets			
Cash and cash equivalents		513,146	2,138,935
Receivables and other assets		130,296	152,177
Total current assets		**643,442**	**2,291,112**
Non-current assets			
Property, plant and equipment		59,079	-
Right-of-use assets		17,895	26,769
Exploration tenement	7	925,993	408,189
Total non-current assets		**1,002,967**	**434,958**
Total assets		**1,646,409**	**2,726,070**
LIABILITIES			
Current liabilities			
Trade and other payables		231,149	520,999
Provisions		2,520	5,292
Lease liability		17,895	17,895
Total current liabilities		**251,564**	**544,186**
Non-current liabilities			
Provisions		31,000	31,000
Lease liability		1,645	10,501
Total non-current liabilities		**32,645**	**41,501**
Total liabilities		**284,209**	**585,687**
Net assets		**1,362,200**	**2,140,383**
Equity			
Share capital	8	152,838,508	152,838,508
Reserves	9	579,187	549,805
Accumulated losses		(152,055,495)	(151,247,930)
Equity attributable to:			
Owners of Kula Gold Limited		1,362,200	2,140,383
Non-controlling interest		-	-
Total equity		**1,362,200**	**2,140,383**

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Condensed consolidated statement of changes in equity
for the half-year ended 30 June 2022

Consolidated	**Issued capital $**	**Share-based payment reserve $**	**Consolidation reserves $**	**Total reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 January 2021	**150,279,804**	**65,000**	**398,758**	**463,758**	**(149,602,408)**	**1,141,154**
Loss for the period	-	-	-	-	(808,302)	(808,302)
Total other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(808,302)	(808,302)
Net proceeds from issue of shares	873,103	-	-	-	-	873,103
Share based payments	-	45,132	-	45,132	-	45,132
Balance at 30 June 2021	**151,152,907**	**110,132**	**398,758**	**508,890**	**(150,410,710)**	**1,251,087**
Balance at 1 January 2022	**152,838,508**	**151,047**	**398,758**	**549,805**	**(151,247,930)**	**2,140,383**
Loss for the period	-	-	-	-	(812,973)	(812,973)
Total other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(812,973)	(812,973)
Reversal of an unclaimed equity contribution received from Geopacific Resources Ltd	-	-	5,608	5,608	-	5,608
Share-based payments	-	29,182	-	29,182	-	29,182
Lapsed employee incentive options	-	(5,408)	-	(5,408)	5,408	-
Balance at 30 June 2022	**152,838,508**	**174,821**	**404,366**	**579,187**	**(152,055,495)**	**1,362,200**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed consolidated statement of cash flows
for the half-year ended 30 June 2022

	Consolidated	
	Half-year ended	
	30 June 2022 $	30 June 2021 $
Cash flows from operating activities		
Payments to suppliers and employees	(197,819)	(823,588)
Net cash used in operating activities	**(197,819)**	**(823,588)**
Cash flows from investing activities		
Purchases of property, plant and equipment	(59,079)	-
Payments for exploration and evaluation expenditure	(1,368,891)	-
Net cash used in investing activities	**(1,427,970)**	-
Cash flows from financing activities		
Net proceeds from issue of shares	-	873,104
Net cash provided by financing activities	**-**	**873,104**
Net (decrease)/increase in cash and cash equivalents	**(1,625,789)**	**49,516**
Cash and cash equivalents at the beginning of the period	2,138,935	1,188,957
Cash and cash equivalents at the end of the period	**513,146**	**1,238,473**

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements
for the half-year ended 30 June 2022

1. General information

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the presentation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2021 annual financial report for the financial year ended 31 December 2021. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going concern

The condensed consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the half year ended 30 June 2022, the Group incurred a loss from continuing operations of $812,973 (2021: $808,302), and recorded net cash outflows from operating and investing activities of $1,625,789 (2021: $823,588). At 30 June 2022, the Group had net current assets of $391,878 (31 December 2021: $1,746,926 with a cash balance of $513,146 (31 December 2021: $2,138,935).

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to be focused on meeting the Group's business objectives and is mindful of the funding requirements to meet these objectives.

The Directors consider the basis of going concern to be appropriate for the following reasons:

- the current cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- given the Company's market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets; and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Group's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company's working capital.

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The Directors are confident that the Company can continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis. However, should the Company be unable to raise further required funding, there is uncertainty which may cast doubt as to whether or not the Company will be able to continue as a going concern and whether it will realise it assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

2. Operating segments

The Group operates in only one segment being mineral exploration in Western Australia.

3. Dividends

No dividends were paid or declared for the half-year ended 30 June 2022 and the directors have not recommended the payment of a dividend.

4. Other income

	30 June 2022 $	30 June 2021 $
Cost recovery of certain administration expenses	31,384	4,889
Interest on term deposit	22	-
	31,406	**4,889**

5. Loss for the period

	30 June 2022 $	30 June 2021 $
Other income	(31,406)	(4,889)
Depreciation	8,874	8,874
Employee benefit expenses	144,509	87,869
Exploration and evaluation expenditure	476,228	519,735
Interest on right-of-use liabilities	928	-
Professional and consulting expenses	78,779	75,386
Share-based payments	29,182	45,132
Other administration expenses	105,879	76,195
	812,973	**808,302**

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6. Loss per share

	30 June 2022 cents per share	30 June 2021 cents per share
Basic and diluted	**(0.38)**	**(0.49)**

6.1 Basic and diluted loss per share

The basic loss per share amounts is calculated by dividing the loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The diluted loss per share amount is considered the same as the basic loss per share amount given there are no in the money options on issue at the date of this report.

	30 June 2022 $	30 June 2021 $
Loss for the period attributable to Owners of Kula Gold Limited	**(812,973)**	**(808,302)**

	30 June 2022 No.	31 Dec 2021 No.
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**215,175,632**	**165,345,714**

7. Exploration tenement

	30 June 2022 $	31 Dec 2021 $
Balance at beginning of the period	408,189	-
Expenditure incurred during the period	517,804	408,189
	925,993	408,189

The Company is of the view that the only tenement that meets the criteria of Aus7.2 of AASB 6 is the Boomerang Kaolin project on tenement E77/2621 where the Company subsequent to the end of the period announced a 93.3mt JORC resource.

8. Share capital

	30 June 2022 $	31 Dec 2021 $
Fully paid ordinary shares	**152,838,508**	**152,838,508**

Fully paid ordinary shares	30 June 2022		31 Dec 2021	
	No.	$	No.	$
Balance at beginning of period	215,175,632	152,838,508	155,805,632	150,279,805
Share placement	-	-	59,370,000	2,734,800
Share issue costs	-	-	-	(176,097)
	215,175,632	**152,838,508**	**215,175,632**	**152,838,508**

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9. Reserves

	30 June 2022 $	31 Dec 2021 $
Share-based payment reserve (i)	174,821	151,047
Consolidation reserve (ii)	404,366	398,758
	579,187	**549,805**

(i) The share-based payments reserve is used to recognise the grant date fair value of options issued.

(ii) The consolidation reserve represents the difference between the minority interest recognised and the equity contributions received from Geopacific Resources Ltd.

9.1 Movement in share-based payment reserve

	No.	30 June 2022 $	31 Dec 2021 $
Balance at start of the period	3,700,000	151,047	105,915
Share-based payment expense (iii)	-	29,182	45,132
Lapsed employee incentive options (iv)	(175,000)	(5,408)	-
	3,525,000	**174,821**	**151,047**

(iii) The fair value of the unlisted employee incentive options are valued using the Black-Scholes option valuation methodology. The inputs and key variables for the valuation are outlined in the Company's annual financial report for the financial year ended 31 December 2001.

(iv) During the period, 150,000 unlisted employee incentive options, exercisable at $0.06 on or before 1 July 2026 valued at $4,368 and 25,000 unlisted employee incentive options, exercisable at $0.085 on or before 1 August 2025 valued at $1,040 lapsed during the period.

9.2 Movement in consolidation reserve

	30 June 2022 $	31 Dec 2021 $
Balance at start of the period	398,758	398,758
Reversal of an unclaimed equity contribution received from Geopacific Resources Ltd	5,608	-
	404,366	**398,758**

9.3 Options

The following options were in existence at the reporting date:

Option series	Number	Grant date	Exercise price $	Expiry date	Vesting date
KGDOPT10	2,950,000	23 June 2021	0.06	1 July 2026	Vested
KGDOPT12	575,000	16 August 2021	0.085	1 August 2025	Vested

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11. Commitments for expenditure

Exploration expenditure

The minimum annual exploration and evaluation expenditure to keep the Group's tenements in good standing is $486,250.

12. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 31 December 2021 annual financial report.

13. Related party transactions

The Company leases premises at 20 Howard Street, Perth from an entity that is controlled by Mark Stowell (Chairman). The terms of this lease are set at a rate that is considered to be arm's length for comparable premises. The rental income paid for this premises during the half-year period ended 30 June 2022 was $16,229 (2021 $14,381).

The Company hired specialised XRF equipment from an entity that is controlled by Mark Stowell on commercial arm's length terms. The hire fees paid for this equipment during the half-year ended 30 June 2022 was $1,500 (2021 $6,000).

Other than above, the Company had no related party transactions for the half-year ended 30 June 2022.

14. Acquisition of subsidiaries

On 16 May 2022, the Company incorporated a wholly owned subsidiary, Boomerang Kaolin Pty Ltd. This entity was incorporated to identify costs associated with the Boomerang Kaolin project on tenement E77/2621.

15. Subsequent events

- On 18 July 2022, the Company issued 2,800,000 unlisted employee incentive options exercisable at $0.06 on or before the expiry date of 1 July 2026. The options were issued under the capacity of the Company's incentive option plan (approved by shareholders at the 2021 annual general meeting). 50% of the options issued vested immediately and the remaining 50% will vest 12 months from the issue date, subject to meeting conditions outlined in the terms of the incentive option plan.

- On 20 July 2022, the Company announced its maiden JORC resource of 93.3mt of kaolinized granite at its 100% owned Boomerang Kaolin deposit near Marvel Loch/Southern Cross in Western Australia. The Company will continue its work on commercialisation studies to identify production strategies for Metakaolin and uses within the green construction industry.

- On 3 August 2022, the Company announced a non-renounceable pro-rata entitlement offer to eligible shareholders on a one (1) fully paid ordinary share for every four (4) fully paid shares held at an issue price of $0.02 each to raise approximately $1.08m before costs.

  The funds raised will be put towards continued commercialisation studies at the Boomerang Kaolin Project as well as continuing exploration and evaluation work at the Company's other emerging projects at Westonia, Marvel Loch and Donnybrook and for working capital purposes.

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- On 9 August 2022, the Company announced that it has entered into a binding Farm-In Agreement with Australian Critical Minerals Pty Ltd ("ACM") in respect of the Company's non-core Rankin Dome Project comprising of three tenements being E77/2709, E77/2753 and E77/2768.

  ACM can earn up to an undivided 51% stage 1 interest in the Ranking Dome Project, subject to conditions precedent (including the completion of mutual due diligence, ACM undertaking a capital raising of at least $4,500,000 and successfully being quoted on the Australian Securities Exchange by 31 March 2023.

  ACM can earn the stage 1 interest through undertaking exploration and incurring exploration expenditure of $200,000, which shall include at least 2,000m of RC drilling, within 24 months of satisfying all the conditions precedent.

  Following the completion of the stage 1 interest, the Company and ACM will have formed a joint venture, where the Company will have the option to retain its 49% interest and contribute to the development of the Rankin Dome Project.

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APPENDIX 4D

ASX INFORMATION

The information that is required by the Australian Securities Exchange Limited Listing Rule 4.2.A.3 is as follows.

1. Details of the results for this reporting period and the corresponding prior year period are provided elsewhere in this report.
2. Results for announcement to the market

	Change from prior period *	30 June 2022 $	30 June 2021 $
2.1. Revenue from ordinary activities	-	-	-
2.2. Loss from ordinary activities after tax attributable to members	↑ 1%	(812,973)	(808,302)
2.3. Loss for the period attributable to members	↑ 1%	(812,973)	(808,302)
2.4. Dividends (distributions)	N/A	Nil	Nil

* Comparison of six months to 30 June 2022 with six months to 31 Dec 2021

3. Net tangible assets per security

	30 Jun 2022 $	31 Dec 2021 $
3.1. Net Tangible Assets per security	0.006	0.010

4. Control was neither gained nor lost over any entities during the half year.
5. No dividends were paid during the period
6. The Company does not have a dividend re-investment plan.
7. The Company does not have any Associated Companies or Joint Ventures.