



Financial Report

for the half-year ended 30 June 2021

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CORPORATE INFORMATION

Company

West African Resources Limited

ABN

70 121 539 375

Directors

Richard Hyde (Executive Chairman and CEO)
Lyndon Hopkins (Executive Director and COO)
Rod Leonard (Lead Independent Director)
Libby Mounsey (Non-Executive Director)
Nigel Spicer (Non-Executive Director)
Stewart Findlay (Non-Executive Director)

Company Secretary

Padraig O'Donoghue

Principal place of business

Level 1, 1 Alvan Street
Subiaco WA 6008 Australia

Registered office

Level 1, 1 Alvan Street
Subiaco WA 6008 Australia
T: +61 (8) 9481 7344

Burkina Faso office

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Parcelles 07, Lot 22, Section SL,
Ouagadougou, Burkina Faso
T: +226 25 36 73 84

Website

www.westafricanresources.com

Share registry

Computershare Investor Services Pty Ltd
Level 11, 172 St George's Terrace
Perth WA 6000 Australia
T: +61 (8) 9323 2000

Auditors

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000 Australia

Security exchange

Australian Securities Exchange Ltd (ASX)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial report of West African Resources Limited (the "Company") and its controlled subsidiaries (the "Group", "West African" or "WAF") for the half-year ended 30 June 2021.

BOARD OF DIRECTORS

The names of Directors of the Company who held office during the half year and until the date of this report are presented below. Directors were in office for the entire period unless otherwise stated.

Richard Hyde	Executive Chairman and Chief Executive Officer
Lyndon Hopkins	Executive Director and Chief Operating Officer
Rod Leonard	Lead Independent Non-Executive Director
Nigel Spicer	Non-Executive Director
Stewart Findlay	Non-Executive Director
Libby Mounsey	Non-Executive Director

COMPANY SECRETARY

Padraig O'Donoghue	Company Secretary and Chief Financial Officer
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PRINCIPAL ACTIVITIES

The principal activities of the Group during the half year were:

- development and mining of the Group's key asset, the Sanbrado Gold Project ("Sanbrado"), located in Burkina Faso;
- advancing the feasibility study of the Toega gold deposit, located 14 km from Sanbrado; and
- mineral exploration in Burkina Faso.

West African Resources Limited owns a 90% beneficial interest in Société des Mines de Sanbrado SA ("SOMISA"), which owns 100% of Sanbrado. The government of Burkina Faso retains a 10% carried interest in SOMISA.

REVIEW OF FINANCIAL RESULTS FOR THE HALF YEAR

SUMMARY

		1st half 2021 \$'000	1st half 2020 \$'000
Revenue		266,771	58,847
Profit after tax		73,257	3,753
Operating cash flow		101,067	51,092
Free cash inflow / (outflow)		48,813	(43,988)
Net debt		88,435	131,306
	Unit		
Gold ounces sold (ounces)	oz	113,632	22,221
Average sales price per ounce	US\$/oz	1,805	1,733
All in sustaining cost ("AISC") per ounce sold	US\$/oz	943	n/a

REVENUE, EARNINGS, AND UNIT COST PERFORMANCE

Revenue for the half year was 354% higher than the comparative period due to 411% more ounces sold, offset by an 11% lower average AUD gold price. The higher ounces sold reflect that Sanbrado poured first gold in March 2020 of the comparative period and gold production in the comparative period was only from open pit mining whereas gold production in the 1st half of 2021 was from both the open pits and the high-grade M1 South underground mine.

	Unit	1st half 2021	1st half 2020
Gold revenue	A\$'000	265,999	58,570
Gold ounces sold	oz	113,632	22,221
Average sales price per ounce AUD	A\$/oz	2,341	2,636
Average sales price USD	US\$/oz	1,805	1,733
Average FX rate used for USD conversion	AUD/USD	0.7710	0.6573

Profit after tax of \$73,257,000 for the half year compares favourably to the \$3,753,000 amount of the comparative period reflecting the higher revenue, as explained above, and that Sanbrado commenced commercial production in May 2020 of the comparative period.

Finance expenses of \$14,855,000 were recorded in the half year versus \$7,512,000 in the comparative period. This 98% increase mainly reflects the accounting treatment to capitalise the Sanbrado project financing costs to mines under construction until the project reached commercial production in May 2020.

The 'Adjusted operating cost', 'all-in sustaining cost' (AISC), and 'all-in cost' are per-ounce cost performance metrics recommended by the World Gold Council for use in the gold mining industry, but they are not defined by Australian Accounting Standards Board rules (i.e. they are non-AASB measures). WAF follows the World Gold Council's guidelines in the calculation of these metrics.

The following table presents these non-AASB per ounce performance metrics for the Group including the underlying costs from which they are calculated. Comparatives are not presented for the comparative period, being the first half of 2020, as Sanbrado only commenced operation in May of that year and therefore such unit cost comparison between these two periods is not meaningful.

CALCULATION OF PER OUNCE UNIT COSTS		Financial Statement reference*	1st half 2021 \$'000
Underlying costs			
OP mining cost			40,122
UG mining cost			13,715
Processing cost			27,778
Site administration cost			14,317
Change in inventory			(8,605)
Royalties & production taxes			16,135
Refining and by-product			(13)
Subtotal = Adjusted operating cost			103,448
Rehabilitation			911
Capital development		Note 9	18,155
Sustaining capital		Note 9	10,004
Sustaining leases		CF	2,680
Corporate		P/L	2,480
Share-based payments		P/L	1,248
Subtotal = All-in sustaining cost (or AISC)			138,926
Exploration non-sustaining			4,656
Capex non-sustaining		Note 9	1,494
Total = All-in cost		A\$ '000	145,076
Cost performance metrics per gold ounce sold		Unit	
Adjusted operating cost		A\$/oz	910
All-in sustaining cost		A\$/oz	1,223
All-in cost		A\$/oz	1,277
Average FX rate used for USD unit costs		AUD/USD	0.7710
Adjusted operating cost per ounce		US\$/oz	702
All-in sustaining cost (AISC) per ounce		US\$/oz	943
All-in cost per ounce		US\$/oz	984

RECONCILIATION OF ADJUSTED OPERATING COST TO GROUP FINANCIAL STATEMENTS		Financial Statement reference*	1st half 2021 \$'000
Cost of sales		P/L	125,952
(Less)/plus items:			
Depreciation		Note 4	(25,140)
Non-cash inventory movements		Note 4	3,126
By-product credits			(490)
Adjusted operating costs			103,448

* The financial Statement references in above tables are abbreviated as follows:
P/L = Consolidated Statement of Profit or Loss and Other Comprehensive Income
CF = Consolidated Statement Of Cash Flows

CASH FLOW AND BALANCE SHEET

Total assets as at 30 June 2021 were approximately in line with the previous period end (31 December 2020) while total liabilities were 20% lower. The reduction in total liabilities was mainly due to Syndicated Debt Facility repayments of US\$64,125,000 made during the half year.

The Group's free cashflow improved from a \$43,992,000 outflow in the comparative period to a \$48,813,000 inflow during the current half year and net debt decreased by 33% during the half year.

	30 June 2021 \$'000	31 December 2020 \$'000
CALCULATION OF NET DEBT		
Loans and borrowings	148,658	226,333
Less: Cash and cash equivalents	(60,223)	(95,027)
Net debt	88,435	131,306

	1st half 2021 \$'000	1st half 2020 \$'000
CALCULATION OF FREE CASH FLOW		
Net decrease in cash held in the period	(34,838)	(4,963)
Add / (subtract):		
Proceeds of borrowings	-	(37,832)
Repayments of borrowings	84,173	-
Proceeds from exercise of share options	(544)	(1,197)
Payments for share issue costs	22	4
Free cash inflow / (outflow)	48,813	(43,988)

Property plant and equipment increased by \$8,413,000 in the half year mainly related to ongoing works on the tailings and water storage facilities at Sanbrado. Exploration and evaluation assets increased by \$4,146,000 in the half year to advance the Toega feasibility study.

OPERATING REVIEW FOR THE HALF YEAR

SANBRADO PRODUCTION STATISTICS

The 1st half 2021 production statistics for Sanbrado are contained in the following table. Comparatives are not presented for the comparative period, being the first half of 2020, as Sanbrado only commenced production in May of that year.

PRODUCTION STATISTICS FOR SANBRADO	Unit	Six-months ended 30 June 2021
OP mining		
Total movement	BCM '000	4,731
Total movement	kt	12,326
Strip ratio	w:o	7.5
Ore mined	kt	1,449
Mined grade	g/t	1.8
Contained gold	oz	83,425
UG mining		
Ore mined	kt	166
Mined grade	g/t	9.2
Contained gold	oz	48,949
Processing		
Ore milled	kt	1,525
Head grade	g/t	2.6
Recovery	%	94.0
Gold produced	oz	119,433
Gold poured	oz	119,104
Gold sold	oz	113,632

OPEN PIT MINING

Open pit mining during the half year continued at the M5 South and M1 South pits, and at the M1 North pit (refer to figure 1).

UNDERGROUND MINING

Underground mining continued to ramp up during the half year. During the period 1,657m of underground development was completed and the decline was developed a further 322m, increasing the vertical depth by 44m to 341m below surface. Development of a second panel was completed during the half year to improve operational flexibility and provide more continuous ore production.

PROCESSING

The process plant continued its reliable performance during the half year, processing ore from both open pits and underground. A photo of the processing plant is provided in figure 2, below.

GROWTH

The Toega feasibility studies and permitting work progressed to plan during the half year. Diamond and RC resource definition drilling was largely completed by the end of the half year. Drilling results are expected to be reported in Q3 2021. Environmental and social studies advanced with the collection of dry season baseline data and commencement of wet season aquatic and water studies. On 9 March 2021 West African released a 10-year production plan that incorporates mining from the Toega gold deposit for processing at Sanbrado.

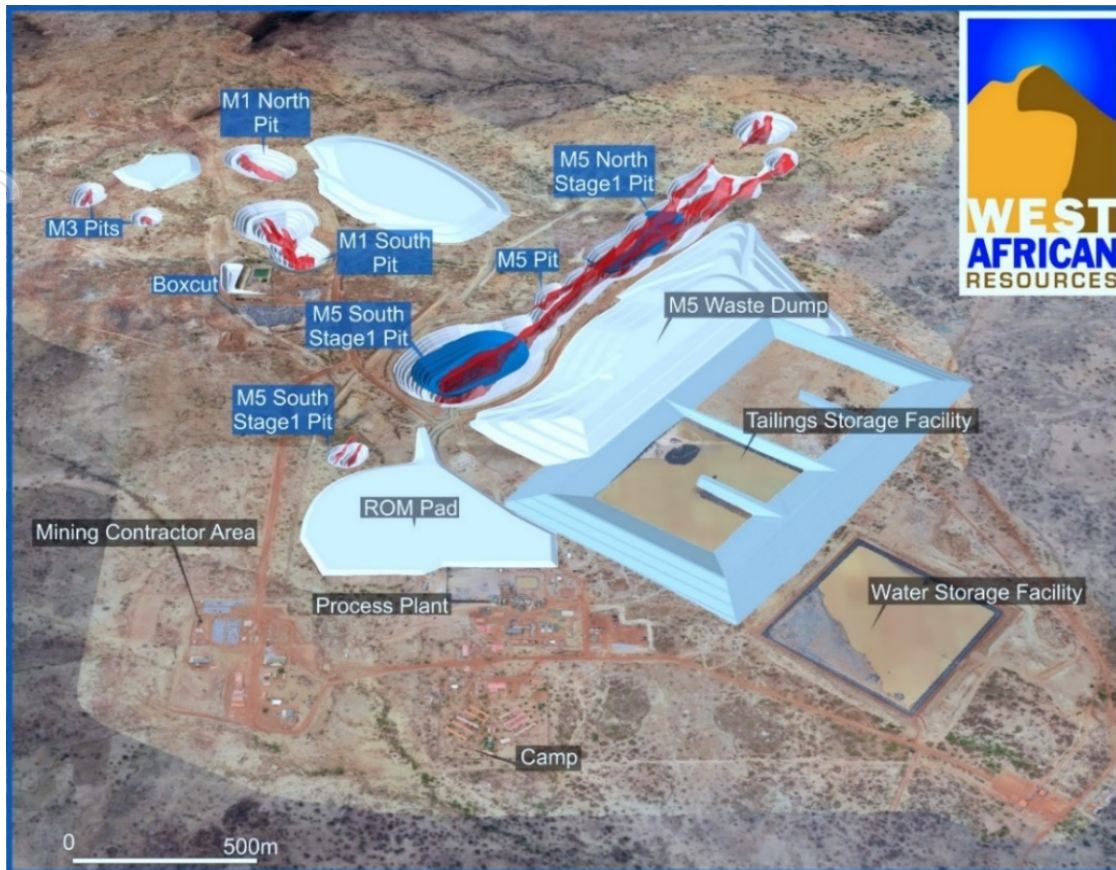


figure 1 - Sanbrado layout



figure 4 – Sanbrado process plant

DIVIDENDS

No dividends were paid or declared payable by West African Resources Limited during the half year (30 June 2020: nil) however 90%-owned subsidiary SOMISA S.A made a EUR 1.7 million (A\$2,688,000) profit distribution in relation to the government of Burkina Faso's 10% minority interest (30 June 2020: nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes to the state of affairs of the Group during or since the six-months ended 30 June 2021, not otherwise disclosed in this report.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in "ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191", issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and accompanying financial statements. Amounts in the Directors' Report and accompanying financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars, or in certain noted cases, to the nearest dollar. All amounts are in Australian dollars, unless otherwise stated.

AUDITOR INDEPENDENCE

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This written Auditor's Independence Declaration is set out on page 30 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.



RICHARD HYDE
Executive Chairman & CEO
Perth, 26 August 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Note	Half-year 2021 \$'000	Half-year 2020 \$'000
Revenue from continuing operations	3	266,770	58,847
Cost of sales	4(a)	(125,952)	(31,780)
Exploration and evaluation expenses		(1,114)	(1,059)
Corporate and technical services		(2,480)	(2,264)
Share-based payments		(1,248)	(1,240)
Other expenses	4(b)	(3,023)	(386)
Finance expenses		(14,855)	(7,512)
Forex realised loss		(1,153)	(748)
Forex unrealised loss		(4,583)	(1,278)
Profit before tax		112,362	12,580
Income tax expense	5	(39,105)	(8,827)
Profit after tax		73,257	3,753
OTHER COMPREHENSIVE INCOME:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		16	(1,587)
Other comprehensive profit (loss), net of income tax		16	(1,587)
Total comprehensive profit for the period		73,273	2,166
Profit attributable to:			
Owners of the parent		65,227	2,866
Non-controlling interest		8,030	887
		73,257	3,753
Total comprehensive profit attributable to:			
Owners of the parent		65,243	1,279
Non-controlling interest		8,030	887
		73,273	2,166
Basic profit per share (cents per share)	6	7.3	0.3
Diluted profit per share (cents per share)	6	7.2	0.3

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	30 June 2021 \$'000	31 December 2020 \$'000
CURRENT ASSETS			
Cash and cash equivalents		60,896	95,027
Trade and other receivables	7	33,899	22,635
Inventories	8	66,174	51,950
Financial assets		39	39
Total current assets		161,008	169,651
NON-CURRENT ASSETS			
Property, plant and equipment	9	338,000	329,587
Right-of-use assets	10	13,804	16,220
Exploration and evaluation assets	11	19,401	15,255
Total non-current assets		371,205	361,062
TOTAL ASSETS		532,213	530,713
CURRENT LIABILITIES			
Trade and other payables	12	38,914	40,479
Deferred revenue		24,528	23,957
Loans and borrowings	13	136,049	132,664
Lease liabilities		4,855	4,581
Current tax payables		28,340	20,819
Total current liabilities		232,686	222,500
NON-CURRENT LIABILITIES			
Loans and borrowings	13	12,609	93,669
Lease liabilities		8,819	11,225
Provisions	14	11,439	9,406
Deferred tax liabilities	15	22,040	21,648
Total non-current liabilities		54,907	135,948
TOTAL LIABILITIES		287,593	358,448
NET ASSETS		244,620	172,265
EQUITY			
Issued capital	16	165,787	165,263
Reserves	17	5,115	3,851
Retained earnings (losses)		61,443	(3,885)
Equity attributable to owners of the parent		232,345	165,229
Non-controlling interest		12,275	7,036
TOTAL EQUITY		244,620	172,265

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Issued capital \$'000	Retained earnings (losses) \$'000	Foreign currency translation reserve \$'000	Share- based payments reserve \$'000	Non- controlling interest \$'000	Total \$'000
Balance at 1 January 2020	162,919	(93,940)	(543)	7,916	(2,121)	74,231
Profit after tax	-	2,866	-	-	887	3,753
Other comprehensive loss for the period	-	-	(1,587)	-	-	(1,587)
Total comprehensive profit (loss) for the period	-	2,866	(1,587)	-	887	2,166
Shares issued net of transaction costs	1,193	-	-	-	-	1,193
Transfer to non-controlling interest	-	85	-	-	(85)	-
Share-based payments	-	-	-	1,265	-	1,265
Reclassification of expired options	-	312	-	(312)	-	-
Balance at 30 June 2020	164,112	(90,677)	(2,130)	8,869	(1,319)	78,855
Balance at 1 January 2021	165,263	(3,885)	(6,096)	9,947	7,036	172,265
Profit after tax	-	65,227	-	-	8,030	73,257
Other comprehensive profit for the period	-	-	16	-	-	16
Total comprehensive profit for the period	-	65,227	16	-	8,030	73,273
Shares issued net of transaction costs	524	-	-	-	-	524
Transfer to non-controlling interest	-	101	-	-	(101)	-
Share-based payments	-	-	-	1,248	-	1,248
Subsidiary minority interest profit distribution	-	-	-	-	(2,690)	(2,690)
Balance at 30 June 2021	165,787	61,443	(6,080)	11,195	12,275	244,620

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	30 June 2021 \$'000	30 June 2020 \$'000
OPERATING ACTIVITIES		
Receipts from customers	267,207	86,429
Payments to suppliers and employees	(140,445)	(31,685)
Income tax paid	(25,403)	-
Interest received	185	233
Interest paid	(477)	(3,952)
Other income	-	67
Net cash inflow from operating activities	101,067	51,092
INVESTING ACTIVITIES		
Payments for property, plant and equipment	(29,961)	(67,056)
Capitalised exploration and evaluation expenditure	(3,728)	(16,371)
Capitalised interest paid during construction	-	(7,738)
Net cash outflow from investing activities	(33,689)	(91,165)
FINANCING ACTIVITIES		
Proceeds from exercise of share options	544	1,197
Proceeds from borrowings	-	37,832
Repayment of borrowings	(84,173)	-
Subsidiary minority interest profit distribution	(2,690)	-
Payments for share issue costs	(22)	(4)
Payments for lease liabilities	(2,680)	(1,193)
Interest paid on borrowings	(8,718)	-
Financing costs	(4,477)	(2,233)
Transaction costs related to loans and borrowings	-	(489)
Net cash inflow (outflow) from financing activities	(102,216)	35,110
Net decrease in cash held	(34,838)	(4,963)
Cash at the beginning of the financial period	95,027	83,584
Effect of exchange rate changes on the balance of cash held in foreign currencies	707	4,545
Cash at the end of the financial period	60,896	83,166

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2021

1 BASIS OF PREPARATION

A. BASIS OF ACCOUNTING

This general-purpose financial report for the interim half-year reporting period ended 30 June 2021 is presented in Australian dollars and has been prepared in accordance with Accounting Standard 134 Interim Financial Reporting and the Corporation Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2020 and any public announcements made by West African Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX Listing Rules.

B. ROUNDING OF AMOUNTS

The Company is of a kind referred to in Rounding Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars (\$000's), unless otherwise stated.

C. PRINCIPLES OF CONSOLIDATION

The consolidated interim financial statements comprise the financial statements of the Group. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which West African Resources Limited has control.

D. ADOPTION OF NEW AND REVISED STANDARDS

The Directors have reviewed all of the new and revised Standards and Interpretations on issue not yet adopted by the Group for the period ended 30 June 2021. The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standard's Board that are mandatory to the current reporting period.

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

1 BASIS OF PREPARATION (CONTINUED)

E. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of this interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the following key judgements, estimates and assumptions were made by management in applying the Group's accounting policies:

Date of commencement of commercial production

Setting the pre-determined levels of operating capacity intended by management for deciding when development of the Sanbrado gold project was completed and production started. This date is known as the 'date of commencement of commercial production' and is used for establishing when project costs of an operating nature are no longer capitalised to mines under construction and when depreciation and amortisation of the associated assets commences. Commercial production for Sanbrado commenced in May 2020.

Accounting for leases

- Assessing contracts to determine whether they contain a lease and if so, whether they also contain non-lease components.
- Estimating the useful lives and depreciation rates of right-of-use assets.
- Setting the discount rate of the lease contracts, which is used in the calculation of lease liabilities.

Exploration and evaluation costs

On a case-by-case basis, assessing whether the acquisition costs of particular mineral properties will be expensed or whether it is appropriate to capitalise them as exploration and evaluation (E&E) assets.

Valuation of rehabilitation provision

- Estimating the future cash flows to settle mine restoration obligations.
- Setting the discount rate used in the calculation of the rehabilitation provision.

Property, plant and equipment

- Setting the useful lives and depreciation rates for plant and equipment.
- Assessing assets for impairment of their carrying value.

Group consolidation

Setting the functional currency used for each entity in the Group.

Income tax

- Interpreting tax legislation in a number of countries.
- Estimating future tax outcomes.

Classification of borrowings

Estimating future cash flows which impact on the classification of the syndicated debt facility as current versus non-current borrowings.

Share-based payments

- Estimating the fair value of the share-based payments at the date at which they are granted.
- Estimating number of share-based payment awards to employees that will ultimately vest at each reporting date.

Value added tax receivable

Estimating the amount recoverable and timing of recovery from the Burkina Faso government of VAT receivables.

1 BASIS OF PREPARATION (CONTINUED)

F. REVENUE

The Group primarily generates revenue from the sale of gold bullion. Sales revenue is recognised when ownership of the metal is transferred to the buyer. This typically occurs when physical bullion, from a contracted sale, is transferred from the Group's metal account to the metal account of the buyer.

Where the Group receives provisional payments from buyers in advance of transfer of ownership, the Group classifies the provisional payment as a deferred revenue liability until ownership is transferred and the associated revenue is recognised.

G. INCOME TAXES

The income tax expense or benefit for the period is based on the profit or loss for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted as at balance date.

Deferred tax is provided on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxation profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that the future tax profits will be available against which deductible temporary differences will be utilised. The amount of the benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in the income taxation legislation and the anticipation that the economic unit will derive sufficient future assessable income to enable the benefits to be realised and comply with the conditions of deductibility imposed by law.

H. OTHER TAXES

Revenues, expenses and assets are recognised net of the amount of value added taxes ("VAT") except:

- when the VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of VAT included.

Australian goods and services tax ("GST") is a type of VAT.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the taxation authority.

I. CASH AND CASH EQUIVALENTS

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

1 BASIS OF PREPARATION (CONTINUED)

J. INVENTORIES

Ore stockpiles, gold in circuit and finished goods (being gold doré and gold bullion) inventories are valued at the lower of weighted average cost and net realisable value. Costs include direct production costs and an appropriate allocation of attributable overheads. Depreciation and amortisation attributable to production of the inventory are also included in the cost of inventory.

Inventories of consumable supplies and spare parts are valued at the lower of weighted average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

K. PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment ("PP&E") is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses. The cost of an item of PP&E consists of the purchase price, applicable borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The carrying amount of the PP&E is reviewed at each balance sheet date to assess whether there is any indication that the assets may be impaired. If any such indication exists, then the recoverable amount of the assets is estimated. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposal of PP&E are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

Mines under construction

Expenditure on the construction, installation, and completion of infrastructure facilities for mining properties is capitalised to mines under construction. The 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. The capitalised amount is net of proceeds from the sale of ore extracted during the construction phase to the extent that it is considered integral to the development of the mine. Any costs incurred in testing the assets to determine if they are functioning as intended, are capitalised, net of any proceeds received from selling any product produced while testing. Where these proceeds exceed the cost of testing, any excess is recognised in the statement of profit or loss and other comprehensive income.

After reaching pre-determined levels of operating capacity intended by management, known as 'commencement of commercial production', the assets included in mines under construction are transferred out of mines under construction to their appropriate PP&E category and depreciation and amortisation commence.

Depreciation

Depreciation of non-mine specific PP&E is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives determined as follows:

Land and buildings	3 to 10 years
Office equipment	3 to 10 years
Plant and equipment	3 to 10 years
Light vehicles	3 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

1 BASIS OF PREPARATION (CONTINUED)

L. EXPLORATION AND EVALUATION

Mineral exploration and evaluation ("E&E") costs are expensed as incurred. Acquisition costs related to mineral properties will normally be expensed but will be assessed on a case-by-case basis and if appropriate may be capitalised. These acquisition costs are only carried forward as an E&E asset to the extent that they are expected to be recouped through the successful development or sale of the mineral property. Accumulated acquisition costs in relation to abandoned mineral properties are written off in full against profit or loss in the period in which the decision to abandon is made.

Where a decision has been made to proceed with development in respect of a particular area of interest, the associated E&E assets are transferred to PP&E and all future E&E costs for the area of interest are classified as PP&E within either mines under construction or mine development assets, as appropriate.

M. BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2 SEGMENT REPORTING

A. DESCRIPTION OF SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board and the executive management team in assessing performance and in determining the allocation of resources.

The operating segments of the Group are as follows:

- (a) **Mining Operations:** in the current period comprise the Sanbrado Gold Project operations located in Burkina Faso.
- (b) **Exploration:** in the current period comprises exploration and evaluation activities in locations other than Sanbrado.

B. SEGMENT INFORMATION

	Mining operations \$'000	Exploration \$'000	Other \$'000	Total \$'000
Half-year 2020				
Total segment revenue	58,570	15	261	58,846
Total segment expenses	31,780	1,059	2,264	35,103
Total segment results	26,790	(1,043)	(2,003)	23,744
Segment assets at 30 June 2020	416,023	18,087	35,158	469,268
Segment liabilities at 30 June 2020	105,895	137	284,382	390,414
Half-year 2021				
Total segment revenue	266,660	(17)	127	266,770
Total segment expenses	125,952	1,114	2,480	129,546
Total segment results	140,708	(1,130)	(2,354)	137,224
Segment assets at 30 June 2021	481,764	20,609	29,840	532,213
Segment liabilities at 30 June 2021	156,495	587	130,511	287,593

Segment result is reconciled to the profit before income tax as follows:

	Half-year 2021 \$'000	Half-year 2020 \$'000
Total segment results	137,224	23,744
Share-based payments	(1,248)	(1,240)
Finance expenses	(14,855)	(7,512)
Other expenses	(3,023)	(386)
Net foreign exchange losses	(5,736)	(2,026)
Profit before income tax	112,362	12,580

All metal sales during the period were made to MKS (Switzerland) SA.

3 REVENUE

Metal sales
Interest received
Other income

Half-year 2021 \$'000	Half-year 2020 \$'000
266,488	58,570
185	210
97	67
266,770	58,847

4 EXPENSES

(a) Cost of sales

Production expenses
Royalties and other selling costs
Depreciation and amortisation
Changes in inventory (cash)
Changes in inventory (non-cash)

Half-year 2021 \$'000	Half-year 2020 \$'000
95,932	28,531
16,611	3,706
25,140	5,405
(8,605)	(1,923)
(3,126)	(3,939)
125,952	31,780

(b) Other expenses

Accretion of rehabilitation provision
Depreciation and amortisation
Withholding tax expense

127	20
15	39
2,881	327
3,023	386

5 INCOME TAX

A. INCOME TAX RECOGNISED IN PROFIT OR LOSS

Current tax
Deferred tax
Under provided in prior period

Half-year 2021 \$'000	Half-year 2020 \$'000
33,730	-
1,440	8,827
3,935	-
39,105	8,827

5 INCOME TAX (CONTINUED)

B. NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE

	Half-year 2021 \$'000	Half-year 2020 \$'000
Accounting profit before tax	112,362	12,580
Income tax expense at 30%	33,709	3,774
Add (Deduct):		
Non-deductible expenses	1,774	1,117
Effect of differences in foreign tax rates	(3,274)	371
Effect of differences in foreign exchange	-	(534)
Deferred tax movement re borrowing costs	-	(233)
Other permanent adjustment	2,938	2,396
Movement in unrecognised deferred tax assets	23	372
Over and under - deferred tax benefit	(1,009)	-
Over and under - current tax expense	4,944	-
Temporary differences not recognised	-	785
Tax losses utilised not previously brought to account	-	779
Income tax expense	39,105	8,827

C. UNRECOGNISED DEFERRED TAX BALANCES

	Half-year 2021 \$'000	Half-year 2020 \$'000
(a) Unrecognised deferred tax assets		
Annual leave provision	64	71
Accrued expenses	-	14
Employee provisions	-	70
Long service leave provision	16	10
Borrowings	17,601	15,980
Leases	81	104
Tax losses	13,717	14,214
Section 40-880 undeducted losses	21	150
(b) Unrecognised deferred tax liabilities		
Prepayments	-	(1)
Right-of-use assets	(76)	(103)
Borrowing costs	(700)	(753)
Net unrecognised deferred tax asset	30,724	29,756

6 EARNINGS PER SHARE

	Half-year 2021 \$	Half-year 2020 \$
Basic profit per share (cents per share)	7.3	0.3
Diluted profit per share (cents per share)	7.2	0.3
The profit and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:		
Profit for the period attributable to owners of the parent	65,227,000	2,866,000
Weighted average number of shares outstanding during the period used in calculations of basic profit per share	881,934,119	871,182,765
Weighted average number of diluted shares outstanding during the period used in calculations of diluted profit per share	892,258,581	878,053,198

7 TRADE AND OTHER RECEIVABLES

	30 June 2021 \$'000	31 December 2020 \$'000
Current		
Prepayments	1,163	2,945
Other receivables	32,736	19,690
	33,899	22,635

Other receivables include value added tax receivable from the Burkina Faso government of \$32,513,000 (31 December 2020: \$19,275,000).

8 INVENTORIES

	30 June 2021 \$'000	31 December 2020 \$'000
Ore stockpiles	28,293	24,895
Finished goods	22,588	14,131
Gold in circuit	2,212	2,278
Consumable supplies and spares	13,081	10,646
	66,174	51,950

All components of inventories were valued at weighted average cost (31 December 2020: weighted average cost).

9 PROPERTY, PLANT AND EQUIPMENT

	Mine development assets \$'000	Mines under construction \$'000	Capital in progress \$'000	Land and buildings \$'000	Office equipment \$'000	Plant and equipment \$'000	Light vehicles \$'000	Total \$'000
Cost and accumulated depreciation	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2020								
Gross carrying amount at cost	100,427	-	11,527	31,137	298	205,828	4,021	353,238
Accumulated depreciation	(6,601)	-	-	(2,074)	(273)	(13,183)	(1,520)	(23,651)
Net carrying amount	93,826	-	11,527	29,063	25	192,645	2,501	329,587
30 June 2021								
Gross carrying amount at cost	120,315	-	11,076	31,173	298	217,675	4,123	384,660
Accumulated depreciation	(18,271)	-	-	(3,536)	(287)	(22,522)	(2,044)	(46,660)
Net carrying amount	102,044	-	11,076	27,637	11	195,153	2,079	338,000
Carrying value								
Year ended 31 December 2020								
At the beginning of the period	-	242,477	-	51	56	85	32	242,701
Transfers from mine under construction	69,783	(308,014)	-	30,951	-	204,178	3,102	-
Transfers to inventory	-	(28,669)	-	-	-	-	-	(28,669)
Additions	25,582	100,719	11,527	-	-	-	-	137,828
Depreciation expensed for the period	(6,885)	-	-	(2,005)	(24)	(12,100)	(660)	(21,674)
Depreciation capitalised for the period	-	41	-	(16)	(8)	(17)	-	-
Change in rehabilitation provision	5,062	-	-	-	-	-	-	5,062
Effects of movement in foreign exchange	284	(6,554)	-	82	1	499	27	(5,661)
Net of accumulated depreciation	93,826	-	11,527	29,063	25	192,645	2,501	329,587
Half-year ended 30 June 2021								
At the beginning of the period	93,826	-	11,527	29,063	25	192,645	2,501	329,587
Transfers within PP&E	-	-	(10,797)	-	-	10,797	-	-
Additions	18,155	-	11,497	92	-	1,420	110	31,274
Depreciation expensed for the period	(11,551)	-	-	(1,449)	(14)	(9,258)	(522)	(22,794)
Change in rehabilitation provision	1,913	-	-	-	-	-	-	1,913
Effects of movement in foreign exchange	(299)	-	(1,151)	(69)	-	(451)	(10)	(1,980)
Net of accumulated depreciation	102,044	-	11,076	27,637	11	195,153	2,079	338,000

10 RIGHT-OF-USE ASSETS

	Property \$'000	Equipment \$'000	Total \$'000
Balance at 1 January 2020	32	8,103	8,135
Additions	359	10,838	11,197
Depreciation charge for the year	(92)	(3,073)	(3,165)
Effects of movement in foreign exchange	-	53	53
Balance at 31 December 2020	299	15,921	16,220
Balance at 1 January 2021	299	15,921	16,220
Depreciation charge for the period	(45)	(2,316)	(2,361)
Effects of movement in foreign exchange	-	(55)	(55)
Balance at 30 June 2021	254	13,550	13,804

11 EXPLORATION AND EVALUATION ASSETS

	Half-year ended 30 June 2021 \$'000	Year ended 31 December 2020 \$'000
Balance at the start of the period	15,255	-
Additions	4,182	15,255
Effects of movement in foreign exchange	(36)	-
Balance at the end of the period	19,401	15,255

During the period, the Group recognised \$4,182,000 of exploration and evaluation asset additions relating to the Toega gold deposit (31 December 2020: \$15,255,000). The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

12 TRADE AND OTHER PAYABLES

	30 June 2021 \$'000	31 December 2020 \$'000
Trade payables	23,930	24,418
Accruals	14,542	15,366
Other payables	442	695
	38,914	40,479

13 LOANS AND BORROWINGS

	30 June 2021 \$'000	31 December 2020 \$'000
Current	136,049	132,664
Non-current	12,609	93,669
	148,658	226,333

A. SYNDICATED DEBT FACILITY

	30 June 2021 \$'000	31 December 2020 \$'000
Current	135,840	132,455
Non-current	-	81,488
	135,840	213,943

Syndicated debt facility denominated in USD arranged by Taurus Mining Finance for the development of the Sanbrado gold project, which is secured against the assets of the Group. Interest is charged at 7.75% per annum and scheduled monthly repayments commenced on 31 March 2021. On balance date, the amount due was US\$110.875 million and no additional drawings are available (31 December 2020: balance due was US\$175.0 million). The Group is also obligated to pay a product fee under the facility (refer to note 19(i)). Estimates of future cash flows used for classification of the debt facility between current and non-current may differ from the actual outcomes in the next reporting period.

B. SUPPLIER LOAN FACILITIES

	30 June 2021 \$'000	31 December 2020 \$'000
Current	209	209
Non-current	12,609	12,181
	12,818	12,390

In 2019 a loan facility was entered into with Byrncut Burkina Faso SARL as a component of the Sanbrado underground mining services contract. The facility has a limit of US\$10 million and interest is charged at a rate of 9.75% per annum. Interest is payable half-yearly and the principal is due 6 months before termination of the 5-year services contract. The balance outstanding under the facility at 30 June 2021 was US\$9.6 million inclusive of accrued interest (31 December 2020: US\$9.6 million).

14 PROVISIONS

Non-current

Long service leave provision
Rehabilitation provision

30 June 2021 \$'000	31 December 2020 \$'000
53	44
11,386	9,362
11,439	9,406

Reconciliation of movements in rehabilitation provision:

Balance at the start of the period
Increase in rehabilitation provision during the period
Effects of movement in foreign exchange
Balance at the end of the period

Half-year ended 30 June 2021 \$'000	Year ended 31 December 2020 \$'000
9,362	4,218
2,041	5,182
(17)	(38)
11,386	9,362

The Group's rehabilitation provision is the best estimate of the present value of the future cash flows required to settle the Sanbrado mine site restoration obligations at the reporting date, based on current legal requirements and technology. The amount provided each period is also capitalised as an asset under mine development assets in property, plant and equipment.

15 DEFERRED TAX LIABILITIES

Deferred tax liabilities

Trade and other receivables
Property, plant and equipment
Trade and other payables
Borrowings
Borrowing costs
Net deferred tax liabilities

30 June 2021 \$'000	31 December 2020 \$'000
154	7
11,187	6,911
(1,514)	175
5,524	7,070
6,689	7,485
22,040	21,648

16 ISSUED CAPITAL

	30 June 2021 \$'000	31 December 2020 \$'000
Fully paid ordinary shares	165,787	165,263

	Half-year ended 30 June 2021	Year ended 31 December 2020
(a) Number of shares	No.	No.
At start of period	878,682,646	870,478,852
Issue of shares on exercise of Performance Rights	2,906,427	303,794
Issue of shares on exercise of options	1,578,419	7,900,000
Balance at end of period	883,167,492	878,682,646
(b) Value of shares	\$'000	\$'000
At start of period	165,263	162,919
Issue of shares on exercise of Performance Rights	-	-
Issue of shares on exercise of options	544	2,369
Share issue costs	(20)	(25)
Balance at end of period	165,787	165,263

17 RESERVES

	30 June 2021 \$'000	31 December 2020 \$'000
Reserves	5,115	3,851

	Half-year ended 30 June 2021 \$'000	Year ended 31 December 2020 \$'000
Reserves comprise the following:		
(a) Foreign currency translation reserve		
At start of period	(6,096)	(543)
Currency translation differences	16	(5,553)
Balance at end of period	(6,080)	(6,096)
(b) Share-based payments reserve		
At start of period	9,947	7,916
Share-based payments expense	1,248	2,343
Reclassification of expired options	-	(312)
Balance at end of period	11,195	9,947

17 RESERVES (CONTINUED)

Nature and purpose of reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record the Group's exchange differences arising from the translation of loans to foreign subsidiaries that are expected to be repaid in the long term and the translation of the financial statements of foreign subsidiaries.

(b) Shared-based payments reserve

The shared-based payments reserve is used to recognise the fair value of options issued by the Company to Directors, employees and other suppliers or consultants that are not exercised or expired.

18 DIVIDENDS

No dividends were paid or declared payable by West African Resources Limited during the half year (30 June 2020: nil) however 90%-owned subsidiary SOMISA S.A made a EUR 1.7 million (A\$2,688,000) profit distribution in relation to the government of Burkina Faso's 10% minority interest (30 June 2020: nil).

19 CONTINGENT LIABILITIES

(i) Product fee

Under the syndicated debt facility the Group has a contractual commitment to pay a fee on the first 1,250,000 ounces of gold refined from the Sanbrado Gold project (the "Product Fee"). The Product Fee for each ounce of gold refined is calculated as the spread between the LBMA quoted am fix price on the date the refined gold is credited to the Group's metals account and the lowest LBMA quoted gold price (am fix or pm fix) during the preceding 8 business day period.

The Group has the option to buy back the Product Fee commitment at any time by paying cash consideration equal to the net present value (applying a 5% annual discount rate, and assuming the timing of gold production as set out in the mine production schedule) of the pre-agreed price per ounce for the remaining committed ounces.

During the period the Group incurred US\$2,418,000 (A\$3,127,000) of Product Fees in relation to 113,632 ounces of refined gold (30 June 2020: A\$1,107,000) that are recorded under 'finance expenses' in the 'statement of profit or loss and other comprehensive income'. This represents an average payment per ounce of US\$21.28. The Group had 1,018,275 ounces remaining under the Product Fee commitment at 30 June 2021 (31 December 2020: 1,131,907).

(ii) Other contingent liabilities

There were no other material contingent liabilities at the end of the half year (31 December 2020: nil).

20 INTEREST IN SUBSIDIARIES

Summarised financial information for Société des Mines de Sanbrado SA before intragroup eliminations is set out below.

	Half-year 2021 \$'000	Half-year 2020 \$'000
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Revenue	265,999	58,570
Profit for the period:		
Attributable to owners of the parent	72,269	7,987
Attributable to non-controlling interest	8,030	887
	80,299	8,874
STATEMENT OF CASH FLOWS		
Net cash from operating activities	129,602	61,798
Net cash used in investing activities	(28,306)	(69,586)
Net cash from (used in) financing activities	(81,969)	53,901
	19,327	46,113
	Half-year ended 30 June 2021 \$'000	Year ended 31 December 2020 \$'000
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	144,186	88,692
Non-current assets	352,084	327,425
	496,270	416,117
Liabilities		
Current liabilities	321,467	236,947
Non-current liabilities	52,055	192,349
	373,522	429,296
Equity		
Attributable to owners of the parent	110,473	(11,861)
Attributable to non-controlling interest	12,275	(1,318)
	122,748	(13,179)

21 SUBSEQUENT EVENTS AFTER THE BALANCE DATE

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

DIRECTORS' DECLARATION

In the opinion of the Directors:

- a. The interim financial statements and notes of the consolidated entity 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 30 June 2021 and of its performance for the half-year then ended; and
 - (ii) complying with Australian Accounting Standards 134: Interim Financial Reporting, the Corporations Regulations 2001, and other mandatory professional reporting requirements.
- 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 signed in accordance with a resolution of the Board of Directors.



RICHARD HYDE
Executive Chairman & CEO
26 August 2021

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of West African Resources Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia
26 August 2021

B G McVeigh
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of West African Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of West African Resources Limited ("the company") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 30 June 2021 is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility 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 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 the consolidated entity's financial position as at 30 June 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
26 August 2021



B G McVeigh
Partner