



TEMPUS

R E S O U R C E S

ABN 70 625 645 338

TEMPUS RESOURCES LIMITED

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

(PREPARED BY MANAGEMENT – UNAUDITED)

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021

EXPRESSED IN AUSTRALIAN DOLLARS

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying condensed consolidated interim financial statements of Tempus Resources Limited, as at, and for the three month period ended 30 September 2021 have been prepared by and are the responsibility of management.

No audit or review to verify the accuracy or completeness of the information contained in these interim financial statements has been performed.

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021**



(Prepared by Management - Unaudited)

	Notes	30 September 2021 \$	30 September 2020 \$
Other income		140	478
Directors' and employee benefits expense		(153,706)	(62,750)
Legal and other professional fees		(178,207)	(133,085)
Management consulting fees		(54,338)	-
Regulatory fees		(21,558)	(32,410)
Advertising and marketing expenses		(65,207)	(15,499)
Foreign exchange loss		(9,158)	(2,171)
Share based payments expense	8(b)	(7,255)	(29,868)
Interest expense		(1,554)	-
Impairment expense		-	(3,642)
Depreciation expense		(9,367)	-
Other expenses		(115,147)	(16,128)
Loss before income tax		(615,357)	(295,075)
Income tax expense		-	-
Loss for the period		(615,357)	(295,075)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		121,206	(106,047)
Other comprehensive loss for the period, net of tax		121,206	(106,047)
Total comprehensive loss for the period		(494,151)	(401,122)
Loss of the period attributable to:			
Owners of the Company		(614,686)	(294,697)
Non-controlling interests		(671)	(378)
		(615,357)	(295,075)
Total comprehensive loss attributable to:			
Owners of the Company		(493,480)	(400,744)
Non-controlling interests		(671)	(378)
		(494,151)	(401,122)
Loss per share			
- Basic loss per share (cents)		(0.56)	(0.40)
- Diluted loss per share (cents)		(0.56)	(0.40)

The accompanying notes form part of this unaudited interim financial report.

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF
FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**



(Prepared by Management - Unaudited)

	Notes	30 September 2021 \$	30 June 2021 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,342,195	1,018,950
Trade and other receivables		131,198	247,097
Other assets		256,058	91,116
Total current assets		4,729,451	1,357,163
Non-current assets			
Exploration and evaluation	5	13,681,100	11,493,499
Right-of-use asset		134,033	141,311
Other assets		328,011	323,554
Total non-current assets		14,143,144	11,958,364
Total assets		18,872,595	13,315,527
LIABILITIES			
Current liabilities			
Trade and other payables		606,529	902,734
Provisions	6(a)	233,727	224,027
Lease liability		36,326	36,946
Total current liabilities		876,582	1,163,707
Non-current liabilities			
Provisions	6(b)	2,496,492	2,325,778
Lease liability		96,493	102,879
Total non-current liabilities		2,592,985	2,428,657
Total liabilities		3,469,567	3,592,364
Net assets		15,403,028	9,723,163
EQUITY			
Issued capital	7	21,194,428	15,027,667
Reserves	8	1,546,692	1,418,231
Accumulated losses		(7,312,427)	(6,697,741)
Equity attributable to owners of the Company		15,428,693	9,748,157
Non-controlling interest		(25,665)	(24,994)
Total equity		15,403,028	9,723,163

The accompanying notes form part of this unaudited interim financial report.

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF
CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021**



(Prepared by Management - Unaudited)

	Issued Capital	Share based payment reserve	Foreign exchange reserve	Accumulated Losses	Non- controlling interest	Total
Balance at 1 July 2021	15,027,667	1,630,271	(212,040)	(6,697,741)	(24,994)	9,723,163
Loss for the period	-	-	-	(614,686)	(671)	(615,357)
Other comprehensive income	-	-	121,206	-	-	121,206
Total comprehensive loss for the period	-	-	121,206	(614,686)	(671)	(494,151)
Issue of capital (net of costs)	6,166,761	-	-	-	-	6,166,761
Share based payments	-	7,255	-	-	-	7,255
Balance at 30 September 2021	21,194,428	1,637,526	(90,834)	(7,312,427)	(25,665)	15,403,028
Balance at 1 July 2020	9,044,007	1,130,822	(170,626)	(3,725,121)	(25,665)	6,253,417
Loss for the period	-	-	-	(294,697)	(378)	(295,075)
Other comprehensive income	-	-	(106,047)	-	-	(106,047)
Total comprehensive loss for the period	-	-	(106,047)	(294,697)	(378)	(401,122)
Issue of capital (net of costs)	2,752,517	(135,029)	-	-	-	2,617,488
Share based payments	-	29,868	-	-	-	29,868
Balance at 30 September 2020	11,796,524	1,025,661	(276,673)	(4,019,818)	(26,043)	8,499,651

The accompanying notes form part of this unaudited interim financial report.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021



(Prepared by Management - Unaudited)

Notes	30 September 2021 \$	30 September 2020 \$
Cash flows from operating activities		
Interest received	140	510
Payments to suppliers and employees	(738,697)	(235,421)
Payments for exploration and evaluation	(1,855,120)	(1,887,498)
Interest paid	(812)	-
Net cash outflow from operating activities	(2,594,489)	(2,122,409)
Cash flows from financing activities		
Proceeds from issue of shares	6,276,900	2,500,000
Share issue costs paid	(300,127)	(144,163)
Proceeds from options exercised	-	40,000
Lease liability repayments	(9,075)	-
Net cash inflow from financing activities	5,967,698	2,395,837
Net increase in cash held	3,373,209	273,428
Cash and cash equivalents at the beginning of the financial period	1,018,950	3,559,362
Effect of exchange rate changes on cash and cash equivalents	(49,964)	(28,037)
Cash at the end of the financial period	4,342,195	3,804,753

The accompanying notes form part of this unaudited interim financial report.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

1. Corporate information

These condensed consolidated interim financial statements represent those of Tempus Resources Limited (the "Company") and its controlled entities (the "consolidated entity" or "Group") at the end of, or during the quarter to 30 September 2021. The financial statements are presented in Australian dollars, which is Tempus Resources Limited's functional and presentation currency. Foreign operations are translated into Australian dollars using the exchange rates at the reporting date.

Tempus Resources Limited is a listed public company limited by shares, listed on the Australian Stock Exchange (ASX:TMR) and the TSX-Venture Exchange (TSXV: TMRR), incorporated in Australia and with a registered office at Level 2, 22 Mount Street, Perth, Western Australia, 6000, Australia.

Management's Responsibility for Condensed Consolidated Interim Financial Statements

The accompanying condensed consolidated interim financial statements of Tempus Resources Limited (the "consolidated entity" or "Group") are the responsibility of the Management and Board of Directors of the Group. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and reflect management's best estimate and judgements based on currently available information. Management is also responsible for a system of internal controls, which is designed to provide reasonable assurance that assets are safeguarded, liabilities are recognised, and that financial information is relevant and reliable. The Board of Directors are responsible for ensuring that management fulfils its responsibilities in respect of financial reporting and internal control. The Audit Committee of the Board of Directors, comprised of independent Directors, meets periodically with management and the Company's independent auditors to discuss auditing matters and financial reporting issues. In addition, the Audit Committee reviews the annual financial statements and provides a recommendation to the Board of Directors on their approval.

These condensed consolidated interim financial statements were authorised by the Board of Directors of the Company on November 15, 2021.

2. Principal activities

The principal activity of the consolidated entity during the period was mineral exploration, with gold projects located within Canada and Ecuador.

3. Basis of preparation

Statement of compliance

The condensed consolidated interim financial statements is a general purpose financial report that has been prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements does not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the audited annual financial report for the period ended 30 June 2021.

The accounting policies and methods of computation adopted in the preparation of these condensed consolidated interim financial statements are consistent with those adopted and disclosed in the Group's 2021 audited annual financial report for the year ended 30 June 2021 and are consistent with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the Accounting Standards Board ("IASB") and interpretations of the International Reporting Interpretations Committee ("IFRC").

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

Critical accounting judgments, estimates and assumptions

The Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

Following is a summary of the key assumptions concerning the future and other key sources of estimation at reporting date that have not been disclosed elsewhere in these financial statements.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Share based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

COVID-19 pandemic

Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographical regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets requirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of the provision.

Tax claim provision

A provision has been made for the present value of anticipated costs associated with amounts payable on an open tax claim. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Due to the uncertainty associated with such tax claims, there is a possibility that the final outcome may differ significantly at a future date.

New and revised accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

4. Segment information

The consolidated entity operates within three geographical segments within mineral exploration and extraction being Australia, Canada and Ecuador. The segment information provided to the chief operating decision maker is as follows:

Three months ended 30 September 2021	Corporate Activities AUSTRALIA \$	Exploration Activities CANADA \$	Exploration Activities ECUADOR \$	Consolidated \$
Segment revenue	12	128	-	140
Total revenue				140
Segment result before income tax	(530,538)	(84,819)	-	(615,357)
Loss before income tax				(615,357)
At 30 September 2021				
Segment assets	3,538,173	13,113,989	2,220,433	18,872,595
Total assets				18,872,595
Segment liabilities	220,390	2,869,134	380,043	3,469,567
Total liabilities				3,469,567
Three months ended 30 September 2020	Corporate Activities AUSTRALIA \$	Exploration Activities CANADA \$	Exploration Activities ECUADOR \$	Consolidated \$
Segment revenue	137	341	-	478
Total revenue				478
Segment result before income tax	(280,124)	(14,951)	-	(295,075)
Loss before income tax				(295,075)
At 30 June 2021				
Segment assets	2,244,664	9,059,928	2,010,935	13,315,527
Total assets				13,315,527
Segment liabilities	386,071	2,880,911	325,382	3,592,364
Total liabilities				3,592,364

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

	Consolidated	
	30 September 2021	30 June 2021 *
	\$	\$
5. Exploration and evaluation		
A summary of the exploration and evaluation asset is as follows:		
Opening balance	11,493,499	5,611,482
Acquisitions during the period	-	-
Expenditure incurred during the period	1,835,764	6,107,099
Impairments	-	(4,542)
Changes in rehabilitation	134,286	(316,740)
Foreign exchange movements	217,551	96,200
Closing balance	<u>13,681,100</u>	<u>11,493,499</u>

* Relates to the 12-month period ending 30 June 2021.

	Consolidated	
	30 September 2021	30 June 2021
	\$	\$
6. Provisions		
(a) Current		
Ecuador provision (i)	228,731	219,238
Other provisions	4,996	4,789
	<u>233,727</u>	<u>224,027</u>

(i) A claim for tax liabilities associated with a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

	Consolidated	
	30 September 2021	30 June 2021*
	\$	\$
(b) Non-current		
Rehabilitation-Blackdome		
Opening balance	2,325,778	2,681,523
Unwinding of discount	-	(48,880)
Changes in rehabilitation estimate	134,286	(284,009)
Foreign exchange movements	36,428	(22,856)
	<u>2,496,492</u>	<u>2,325,778</u>

* Relates to the 12 month period ending 30 June 2021.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management – Unaudited)

7. Issued Capital

Ordinary shares – fully paid

Consolidated	
30 September 2021	30 June 2021
\$	\$
21,194,428	15,027,667
<u>21,194,428</u>	<u>15,027,667</u>

(i) Ordinary Shares

Details	No. of shares	Issue price \$	\$
Opening balance: 30 June 2021	98,744,613		15,027,667
– 19 August 2021 – Public Relation Services	1,232,000	0.1780	220,000
– 27 August 2021 – Capital Raising	14,000,000	0.2835	3,969,000
– 27 August 2021 – Capital Raising	10,990,000	0.2100	2,307,900
– Capital raising costs	-		(330,139)
Closing balance: 30 September 2021	<u>124,966,613</u>		<u>21,194,428</u>

8. Reserves

Share based payments reserve
Foreign currency reserve

Consolidated	
30 September 2021	30 June 2021
\$	\$
1,637,526	1,630,271
(90,834)	(212,040)
<u>1,546,692</u>	<u>1,418,231</u>

(a) Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

(b) Reconciliation of share based payments reserve

Consolidated	
30 September 2021	30 June 2021
\$	\$
Opening balance	1,630,271
– Options – recognised in equity (share issue costs)	-
– Performance rights – recognised as an expense	7,255
– Options – recognised as an expense	-
– Transfer to retained earnings upon cancellation of performance rights	-
– Transfer to issued capital upon conversion of performance rights	-
Closing balance 30 September 2021	<u>1,637,526</u>
	<u>1,630,271</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

8. Reserves (continued)

Performance rights

During the period, the Company granted 400,000 performance rights, with a total value of \$102,000.

After taking into account the probabilities of vesting criteria being met and the expected vesting date, the value expensed in relation to these performance rights during the period was \$4,707 with the remaining amount to be expensed over the vesting period. The expense realised in respect to performance rights is intended to reflect the best available estimate of the number of performance rights expected to vest.

The following performance rights issued during the period were valued based on the share price at grant date as they did not have market-based vesting conditions.

Grant date	Expiry date	Share price at grant date \$	Number of PRs #	Value per PR \$	Total Value \$	Probability* %	Fair Value \$	Vesting date note
16/08/2021	19/08/2023	0.255	200,000	0.255	51,000	50	2,942	1
16/08/2021	19/08/2023	0.255	200,000	0.255	51,000	30	1,765	2
					<u>102,000</u>		<u>4,707</u>	

* The probability estimated by management is over the expiry date of the performance shares

Vesting conditions:

1. Upon completion of a Mineral Resource estimate (conforming to the JORC Code 2012 Edition or any such subsequent JORC Code) equivalent to 500,000 Oz at a minimum grade of 1g/tonne Au on any mineral deposit in Canada that is validly owned by the Company or its Related Bodies Corporate.
2. Upon completion of an economic prefeasibility study or higher in relation to any project in Canada that is validly owned by the Company or its Related Bodies Corporate.

The remaining expense of \$2,548 is in relation to performance rights granted in previous periods that are expensed over the vesting period.

The vesting of all performance rights granted is also conditional upon the holder's continued employment with the consolidated entity.

Performance rights outstanding at reporting date:

Opening balance 1 July 2021	3,226,000
Performance rights issued during the period	400,000
Performance rights lapsed/forfeited during the period	(2,400,000)
Performance rights expired during the period	(260,000)
Closing balance 30 September 2021	<u>966,000</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

8. Reserves (continued)

Options

During the period, there were no options granted.

Options outstanding at reporting date:

Grant date	Expiry date	Exercise price \$	30 September 2021	30 June 2021
3 August 2018	3 August 2022	0.25	4,000,000	4,000,000
22 June 2020	25 June 2023	0.15	3,000,000	3,000,000
22 June 2020	25 June 2022	0.135	338,953	338,953
22 June 2020	25 June 2022	0.185	514,873	514,873
7 July 2020	10 September 2023	0.37	100,000	100,000
30 November 2020	14 December 2023	0.29	1,500,000	1,500,000
30 November 2020	14 December 2023	0.37	1,500,000	1,500,000
18 December 2020	18 December 2022	0.274	283,800	283,800
14 May 2021	14 May 2023	0.165	362,264	362,264
			11,599,890	11,599,890

9. Commitments for expenditure

Capital

There are no capital commitments at 30 September 2021 (30 June 2021: nil).

Exploration and evaluation

The consolidated entity is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however they are expected to be fulfilled in the normal course of operations.

	30 September 2021 \$	30 June 2021 \$
The company has tenement rental and expenditure commitments payable of:		
- Not later than 12 months	126,311	161,995
- Between 12 months and 5 years	1,448,509	1,217,815
- More than 5 years	1,018,848	1,032,091
	2,593,668	2,411,901

10. Dividends

There were no dividends paid, recommended or declared during the period (30 June 2021: nil).

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)

(Prepared by Management - Unaudited)

11. Contingent assets and liabilities

Contingent assets

The consolidated entity had no contingent assets as at 30 September 2021 and 30 June 2021.

Contingent liabilities

The Group acquired a 100% interest in No. 75 Corporate Ventures Ltd in the prior year. No. 75 Corporate Ventures Ltd holds 100% interest in the rights over the Blackdome project in Canada. There is significant uncertainty as to what future liabilities will arise in relation to potential closure and rehabilitation costs, contingent on determination of costs through completion of the closure and reclamation plans required by the Ministry of Energy, Mines and Petroleum Resources in Canada. All known costs that currently can be reliably measured have been recognised in provisions as disclosed in Note 6(b). The outcome and costs resulting from the approved rehabilitation plan as required by the Ministry of Energy, Mines and Petroleum Resources, cannot be measured sufficiently at this time.

The Group's subsidiary, Condor Gold S.A., recognised a claim for tax liabilities in regards to a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. There is significant uncertainty as to what future liabilities will arise in relation to this claim as the matter is still preliminary and is contingent on the outcome determined by the tax authority, affecting the amount required to settle the claim which cannot be measured with sufficient reliability at this time. All known costs that currently can be reliably measured have been recognised as a liability, as disclosed in Note 6(a). As more information is obtained regarding the claim from the tax authority, judgements and estimates may increase or decrease the possible impact on the Group's financial statements.

The consolidated entity had no other contingent liabilities as at 30 September 2021 and 30 June 2021.

12. Events after the reporting date

It was announced on 26 October 2021 that 366,000 performance rights that were previously issued to Directors and Management expired on 25 October 2021. 2,400,000 performance rights which lapsed during the quarter, expired on 25 October 2021.

On 12 November 2021, 4,000,000 unlisted options were issued to Aesir Capital Pty Ltd as consideration for services provided for the two capital raisings that occurred in May and August 2021. This consists of 3,000,000 unlisted options exercisable at \$0.20 and 1,000,000 unlisted options exercisable at \$0.25 expiring on 12 November 2024.

Whilst exploration activities have been able to continue, the impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is continually developing and is dependent on measures imposed by Australian, Canadian and Ecuadorian Governments, and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and economic stimulus that may be provided.

Management are not aware of any matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity the results of those operations, or the state of affairs of the consolidated entity in future financial years.