



## **GREAT SOUTHERN MINING LIMITED**

ABN 37 148 168 825

### **Interim Financial Report**

**For the Half-Year Ended 31 December 2021**



# TABLE OF CONTENTS

## **Table of Contents**

<b>CORPORATE DIRECTORY .....</b>	<b>1</b>
<b>DIRECTORS' REPORT .....</b>	<b>2</b>
<b>AUDITOR'S INDEPENDENCE DECLARATION .....</b>	<b>8</b>
<b>CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME .....</b>	<b>9</b>
<b>CONDENSED STATEMENT OF FINANCIAL POSITION .....</b>	<b>10</b>
<b>CONDENSED STATEMENT OF CASH FLOWS .....</b>	<b>11</b>
<b>CONDENSED STATEMENT OF CHANGES IN EQUITY .....</b>	<b>12</b>
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>13</b>
<b>DIRECTORS' DECLARATION .....</b>	<b>24</b>
<b>INDEPENDENT AUDITOR'S REVIEW REPORT .....</b>	<b>25</b>

## CORPORATE DIRECTORY

### Directors

John Terpu  
(Executive Chairman)

Kathleen Bozanic  
(Independent Non-executive Director)

Andrew Caruso  
(Independent Non-executive Director)

Matthew Blake  
(Independent Non-executive Director)

### Company Secretary

Mark Petricevic

### Registered Office and Principal Place of Business

Suite 4, 213 Balcatta Road  
Balcatta WA 6021  
Telephone: (08) 9240 4111  
Facsimile: (08) 9240 4054  
Email: [admin@gsml.com.au](mailto:admin@gsml.com.au)  
Website: [www.gsml.com.au](http://www.gsml.com.au)

### Solicitors

Allion Partners Pty Ltd  
863 Hay Street  
Perth WA 6000

### Auditors

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

### Share Register

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000  
Telephone: (within Australia): 1300 554 474  
Telephone: (outside Australia): +61 (02) 280 7100  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

### Securities Exchange Listing and domicile

Great Southern Mining Limited is an Australian Company limited by shares and listed on the Australian Securities Exchange (ASX: GSN).

## DIRECTORS' REPORT

Your directors submit the financial report of Great Southern Mining Limited (GSN or the Company) for the half-year ended 31 December 2021. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### DIRECTORS

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

**John Terpu – Executive Chairman**

**Kathleen Bozanic B.Com, CA, AICD – Non-executive Director**

**Andrew Caruso B.Eng (Mining)(Hons), – Non-executive Director**

**Mr Matthew Blake B.Com, Grad Dip. Applied Finance & Investment – Non-executive Director** *Appointed 21 July 2021.*

#### Company Secretary

Mark Petricevic CA, AGIA, B.Com

### OPERATING AND FINANCIAL REVIEW

The half-year ended 31 December 2021 saw the Company continue its exploration activities at its Southern Star and Amy Clarke Prospects (part of the Duketon Gold Project), the East Laverton Nickel Project and at Edinburgh Park in north Queensland.

An overview of the activities for the period is below:

#### WESTERN AUSTRALIA

##### Duketon Gold Project - Southern Star

The half year saw the commencement of the Company's maiden drill program at Southern Star with a total of 4,656m of Reverse Circulation (RC) drilled. The drilling was designed to establish continuity of mineralisation along strike and to define

the extent of mineralisation to the north, south and at depth (Refer ASX Announcements 2/8/21, 25/8/21, and 11/10/21).

The results to date have been exceptional with the best intercepts being:

- **68m @ 1.9 g/t Au** from 61m incl. **4m @ 15.3 g/t Au** from 89m and **5m @ 7.0 g/t Au** from 114m in 21SSRC0036;
- **59m @ 2.1 g/t Au** incl. **9m @ 4.5 g/t Au** and **16m @ 3.2 g/t Au** from 53m in 21SSRC0009;
- **17m @ 7.0 g/t Au** incl. **2m @ 56.7 g/t Au** incl. **1m @ 109 g/t Au** from 111m in 21 SSRC0039;
- Multiple intersections in 21SSRC0002, drilled along strike **12m @ 1.0 g/t Au** incl. **2m @ 3.9 g/t Au** from 69m; and **14m @ 1.1 g/t Au** incl. **3m @ 3.0 g/t Au** from 84m; and **12m @ 0.7 g/t Au** incl. **1m @ 3.7 g/t Au** from 114m; and **38m @ 0.6 g/t Au** incl. **2m @ 4.5 g/t Au** from 140m;
- **46m @ 1.2 g/t Au** incl. **11m @ 3.4 g/t Au** from 40m and **4m @ 6.1 g/t Au** from 24m in 21SSRC00011;
- **1m @ 49.4 g/t Au** from 127m and **7m @ 1.4 g/t Au** from 143m incl. **3m @ 2.7g/t Au** in 21SSRC0038;
- **36m @ 1.1g/t Au** incl. **4m @ 3.3 g/t Au** in 21SSRC003;
- **19m @ 1.8 g/t Au** incl. **6m @ 3.9 g/t Au** from 64m and **4m @ 3.8 g/t Au** from surface in 21SSRC0001;
- **15m @ 2.1 g/t Au** from 113m including **2m @ 12.5 g/t Au** in 21SSRC0012; and
- **15m @ 1.1 g/t Au** from 41m incl. **4m @ 3.3g/t Au** and **15m @ 1.0 g/t Au** from 69m incl. **2m @ 3.0g/t Au** in 21SSRC0037.

Not only was the drilling successful in confirming the grade continuity and depth potential of Southern Star, the Company noted the discovery of high-grade gold mineralisation, 200m south of the previously known extent of mineralisation with **17m @ 7.0 g/t Au** from 111m incl. **2m @ 56.7g/t Au** incl. **1m @ 109.0 g/t Au** encountered in hole 21SSRC0039.

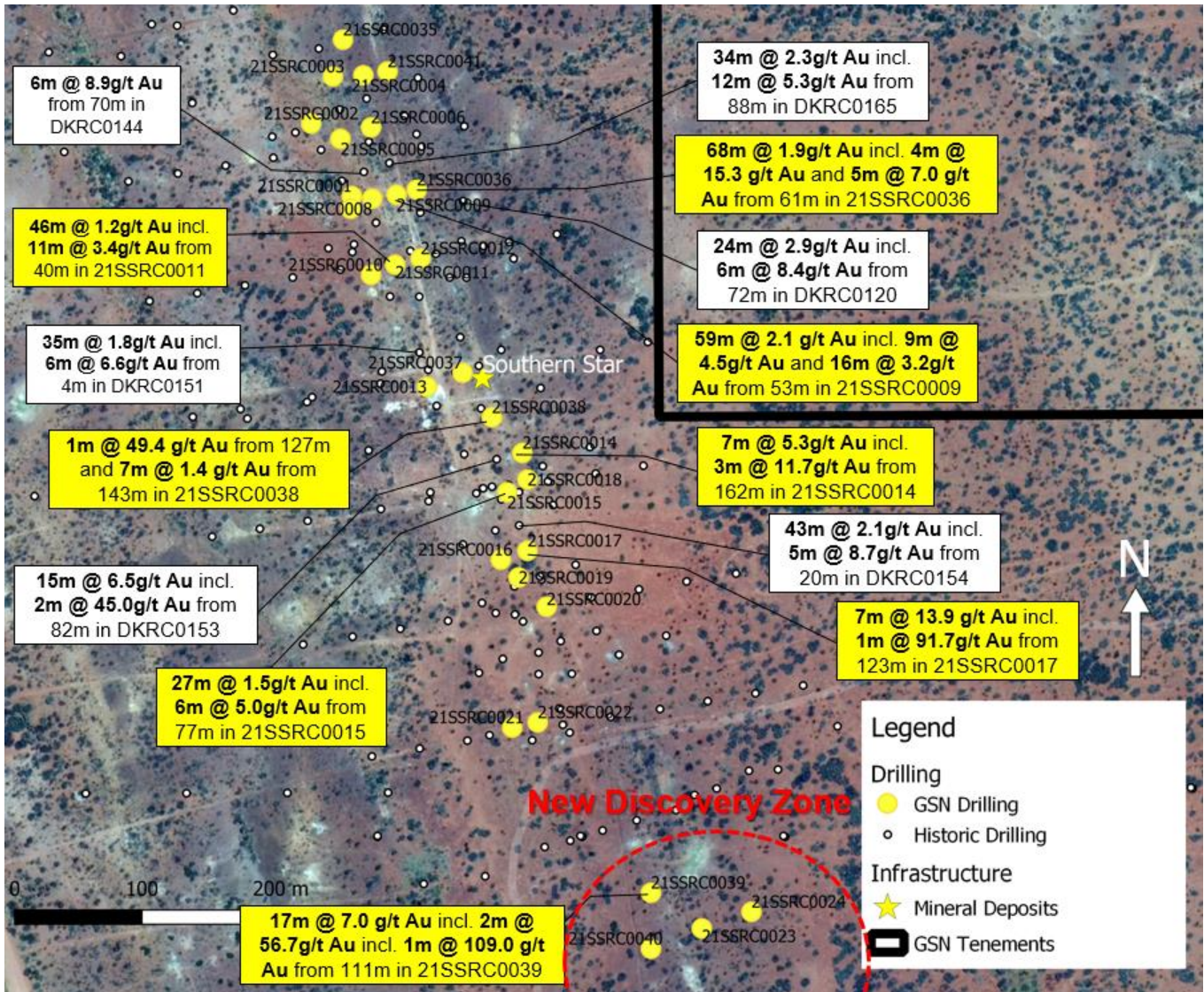


Figure 1 - Plan view of drilling results at Southern Star. Only intercepts greater than 40-gram metres are labelled. Refer to ASX announcements 2/2/21, 2/8/21, and 23/8/21.

The Company is exceptionally pleased with these results as GSN tenure extends for a total of 6.7km of strike on this known mineralised trend within E38/3501 (Figure 1) and 5.6km of strike extent on E38/3818 for a total of 12.3km of strike length. GSN has only explored a small fraction of this mineralised trend to date. Drilling to the south of the “new discovery zone” is virtually non-existent and the quartz dolerite unit has not been targeted. GSN are highly encouraged by the recent developments.

Thick, high-grade gold intercepts were encountered along the strike length of the known mineralisation which remains open in all directions.

## Duketon Gold Project - Regional Targets

During the half-year the Company also completed a 4,754m RC program at four regional targets in the Duketon Belt. Standout intersections at each target include:

- **8m @ 2.1 g/t Au** from 32m including **4m @ 3.7 g/t Au** at Ogilvie's
- **5m @ 3.3 g/t Au** from 49m including **1m @ 12.3 g/t Au** at Golden Boulder
- **7m @ 1.5 g/t Au** including **3m @ 2.5 g/t Au** at One Weight Wonder
- **7m @ 1.2 g/t Au** from 121m including **2m @ 3.3 g/t Au** at Erlistoun.

In January 2022, the Company was advised that the tenements subject to an Option to purchase, being E38/3488 and E38/3477, were not granted to the underlying holder and as such, GSN did not exercise its Option to acquire the tenements. GSN's Duketon Belt tenure is approximately 268km<sup>2</sup>.

## Duketon Gold Project - Amy Clarke

A 649-soil sample program was undertaken in two phases during May-June 2021 covering a 4.3-km long and 900m wide area over a prospect area known as Amy Clarke. Kilometre-scale gold in soil anomalies were delineated with coherent higher responses (plus 8ppb Au) detected within the center of the broader halo at the Amy Clarke Prospect (Refer ASX Announcement 28/9/21, Figure 7). The soil anomaly strikes almost the entire 4.3km survey area with distinct clusters of higher response forming 'hotspots' up to 400m in width and 700m long.

The results were announced to the market on 17/1/22. The drilling was regarded as highly successful and multiple holes encountered gold anomalism that form a coherent gold trend. The trend can be traced north-south through the prospect and every drill line, bar one, intersected gold anomalism. This newly defined gold trend also correlates well with the previously identified gold in soil trend.

Significant assay results include:

- A standout assay result of **8m @ 6.73 g/t Au** from 32m including **4m @ 12.5 g/t Au** in 21ACAC147;
- **4m @ 0.55 g/t Au** from surface in 21ACAC007;
- **4m @ 0.52 g/t Au** from 44m in 21ACAC029;

- **4m @ 2.13 g/t Au** from surface in 21ACAC038; and
- **4m @ 1.23 g/t Au** from surface in 21ACAC055;

The standout intersection of 8m @ 6.73 g/t Au from 32m including 4m @ 12.5 g/t Au in 21ACAC147 is significant on multiple lines of evidence. Firstly, it forms part of a much larger anomaly which has excellent correlation with kilometre-scale gold in soil anomaly (Figure 2). The intersection is the first high-grade gold discovered in the Amy Clarke area, with grades in line with those found in gold deposits throughout the Goldfields, demonstrating that Amy Clarke may host a gold deposit of economic significance.

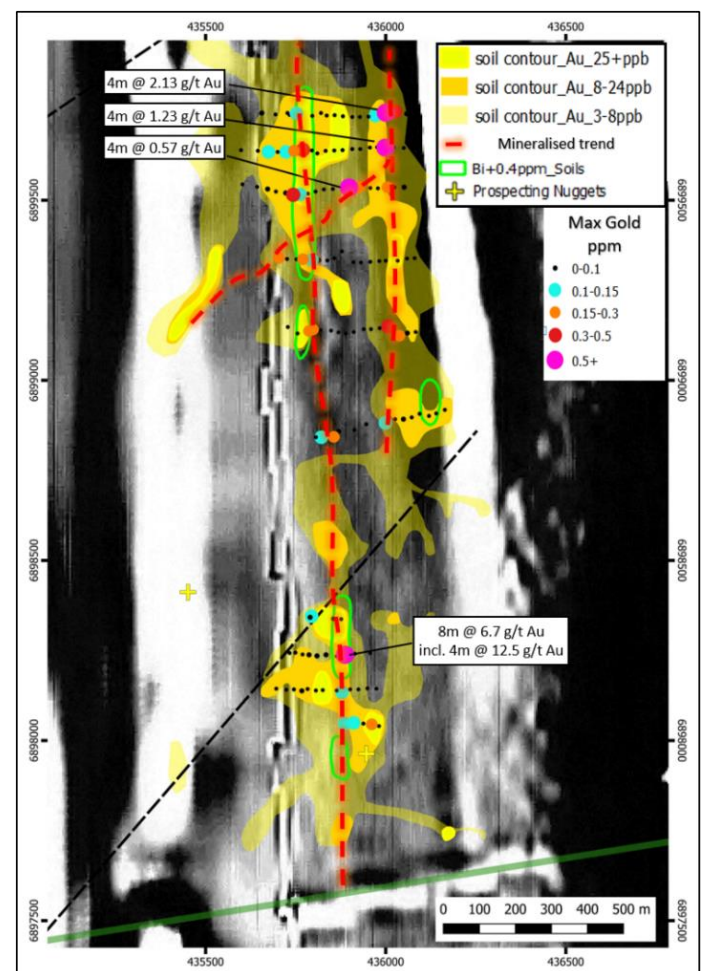


Figure 2: Recent maximum gold in aircore drilling with soil anomalies at Amy Clarke over TM12VD magnetic data, highlighting the position of anomalism relative to the magnetic low channel and cross cutting north-east structures.

## East Laverton Nickel Project

The Company announced the results of the broad spaced Moving-Loop Electro-Magnetic (MLEM) survey, the first of its kind over the Diorite Hill magmatic complex at its 100% owned East Laverton Nickel Project. The survey covered over 70km<sup>2</sup>.

The survey was designed and modelled by Bill Amann from leading exploration and geophysical consultants Newexco Exploration Pty Ltd (Newexco), who have been instrumental in the discovery of numerous major nickel sulphide deposits in Western Australia over the last 20 years including Flying Fox, Spotted Quoll and Nova. The survey returned three bedrock conductors with the largest conductor being 2km x 1km and shown in Figure 3. The prominent bedrock conductor identified is in close proximity to the edge of the interpreted Diorite Hill magmatic complex, which is a favourable position for massive sulphide accumulation.

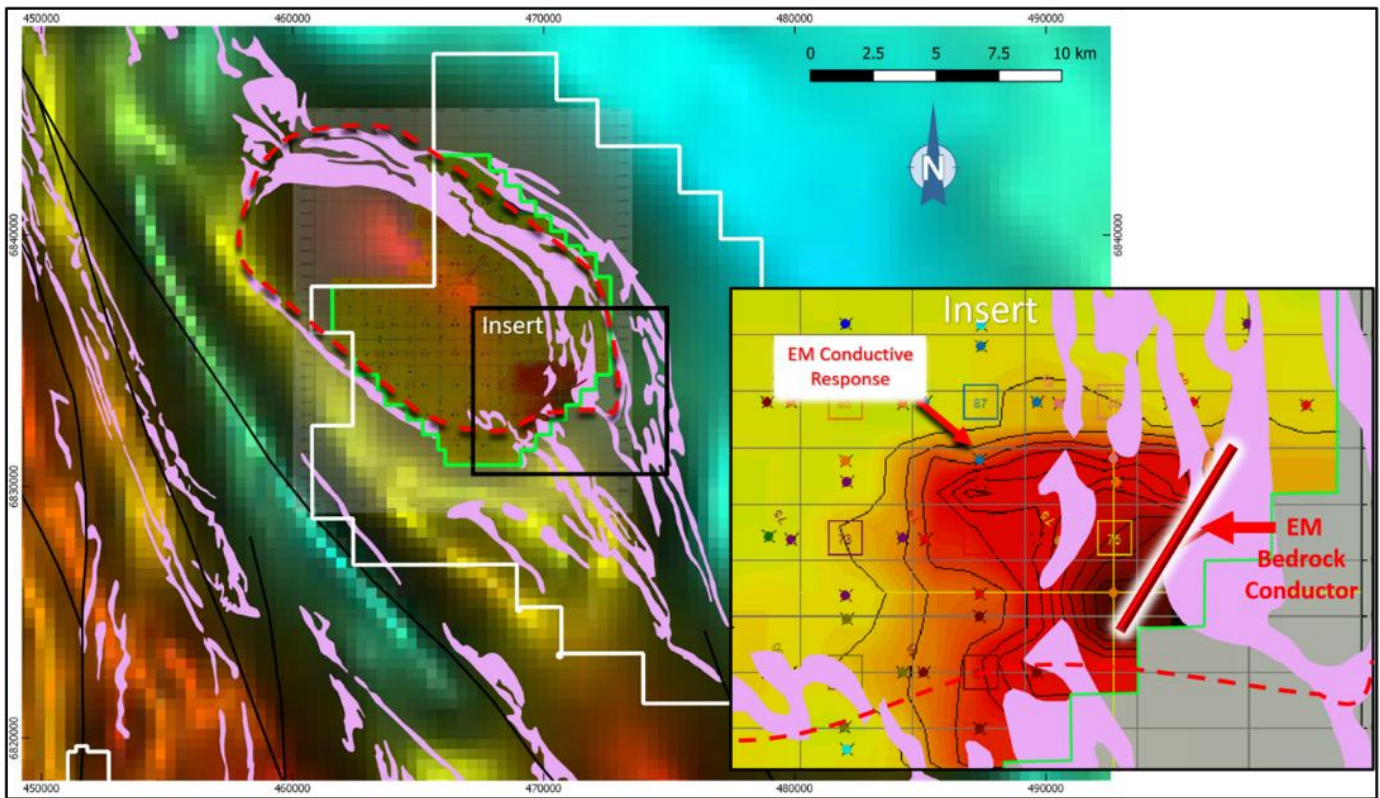


Figure 3 – South-east modelled EM bedrock conductor relative to the Diorite Hill magmatic complex, overlaid with GSWA gravity and GSWA interpreted ultramafic units. Insert highlights the preliminary modelled bedrock conductor.

Regional gravity data clearly shows the Diorite Hill magmatic complex with the bedrock conductor highlighting the potential for a blind discovery of a nickel deposit. Funds from the recent placement were allocated to conduct a closer spaced Electro-Magnetic (EM) survey designed to further refine the orientation of the newly identified bedrock conductors with drill testing as soon as practical, as recommended by Newexco. The survey will also extend south to examine if any other conductive sources are present.

## Cox's Find and Mt Weld

Following the completion of the drilling program at Cox's Find earlier in 2021, the Company entered negotiations with the vendor of the Project regarding the potential return of the tenements. A Deed of Cancellation and Return of the Cox's Find tenements (M38/170, M38/578, and M38/740) was entered in August 2021 to relieve the Company of its obligation to pay the deferred payment of \$800,000.

Consistent with sensible capital allocation for exploration programs, the Board considered the divestment of the Cox's Find Project as the preferred option given the project did not warrant immediate allocation of exploration capital following the acquisition of the highly prospective Southern Star and Duketon Belt tenure. The Company paid the Vendor \$100,000 in cash to complete the transaction.

Consistent with this strategy, GSN also disposed of the non-core Mt Weld tenements (E38/2442, E38/2587, and E38/2856) and sold the mining information to a 3rd party for \$50,000 in cash.

## QUEENSLAND

Exploration continued during the quarter at the Edinburgh Park Project located 100km south-east of Townsville in Northern Queensland. GSN's >1,000km<sup>2</sup> landholding surrounds the >1Moz Mt Carlton Gold-Silver-Copper mine.

During the quarter, the focus continued on the northern parts of the tenement with prospects at Molongle, Edinburgh Castle and Mt Dillon being worked up with mapping and geochemical soil sampling programs. These prospects will complement the targets previously announced to the ASX at Fish Creek (15/4/20) and Leichhardt Creek (18/3/21). Significant progress has been made with Land Access at Edinburgh Park. Agreements have been signed with 3 landowners that cover the prospects at Leichhardt Creek, Fish Creek, Molongle, Mt Dillion and part of Edinburgh Castle. A Heritage Agreement has been negotiated with the lawyers for the Traditional Owners and is awaiting signing by their Board after the traditional law time break.

A drill proposal has been prepared for the Fish Creek prospect to complement the previous drilling proposal for the Molongle prospect. These are now presently subject to peer review.

## CORPORATE MATTERS

### Result of Operations

The loss from ordinary activities of the Company for the half-year ended 31 December 2021 was \$1,264,000 (31 December 2020: \$1,115,414). The Company's current asset surplus increased to \$1,773,883 from a deficiency of \$62,502 at 30 June 2021. Cashflow outflows from operating and investing activities for the 31 December 2021 totalled \$2,858,232 (31 December 2020: outflow of \$2,692,836).

On 21 July 2021 the Company appointed Mr Matthew Blake as a Non-executive Director.

The Company announced on 11 August 2021 the successful completion of an oversubscribed placement of 50,640,000 shares at \$0.05 each to raise \$2,532,000 (before costs). As part of the placement the Company also agreed to issue 12,660,000 Listed Options to Placement Participants and 2,500,000 Listed Options to the lead manager of the Placement and 2,000,000 Listed Options to an adviser for corporate services in relation to the Placement (together referred to as "Placement Options").

The Placement Options were issued in October 2021 following approval at an Extraordinary General Meeting of Shareholders held 29 September 2021.

The Company announced on 13 December 2021 the successful completion of an oversubscribed placement of 26.67 million shares at \$0.06 each to raise \$1,600,000 (before costs). As part of the placement the Company also agreed to issue 13.33 million Listed Options to Placement Participants.

### Events Subsequent to Reporting Date

In January 2022, the Company announced the resignation of Chief Executive Officer, Sean Gregory. The following securities, issued under the Company's Long-Term Incentive Plan, lapsed on his resignation:

- 500,000 Unlisted Options exercisable at \$0.15 expiring 30 June 2024, vesting after 24 months of service. 500,000 Unlisted Options exercisable at \$0.20 expiring 30 June 2025, vesting after 36 months of service.



- Performance Rights 6,000,000 performance rights comprising three equal tranches of 2,000,000 performance rights which vest, upon a 20- trading day VWAP exceeding \$0.25, \$0.35 and \$0.45.
- 9,000,000 Unlisted Options issued on 5/10/21.
- A further 1,500,000 Unlisted Options exercisable at \$0.10 each and 1,000,000 Unlisted Options exercisable at \$0.20 each lapsed upon resignation of a geologist in Queensland.

### Coronavirus impact

The impact of the Coronavirus (COVID-19) pandemic is ongoing and whilst it has little financial impact on the Company up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above, there has not been any material matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

### Auditor’s Independence Declaration

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 review of the interim financial report. This Independence Declaration is set out on the next page and forms part of this directors’ report for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Directors.



**John Terpu**

**Executive Chairman**

**Perth WA**

25 February 2022

.....**END OF DIRECTORS REPORT**.....

### COMPETENT PERSON AND FORWARD-LOOKING STATEMENTS

It is recommended that the half year report is read in conjunction with the 30 June 2021 annual financial report of Great Southern Mining Limited together with any public announcements made by the Company during the half year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the Corporation Act 2001.

The information in this report that relates to Exploration Results and Mineral Resources is based on the information of the Competent Persons listed in each public announcement. Each of the Competent Persons have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons under the JORC Code (2012). Previously announced information is cross referenced to the original announcements. In these cases, the Company is not aware of any new information or data that materially affects the information presented and that the technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Great Southern Mining Limited for the half-year ended 31 December 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  
25 February 2022



**M R Ohm**  
Partner

**h**l**b.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

# CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Half-Year ended 31 December 2021 \$	Half-Year ended 31 December 2020 \$
<b>INTEREST AND OTHER INCOME</b>	2	70	333
<b>EXPENSES</b>			
Administration expenses	2	(315,925)	(234,312)
Consulting fees		(62,767)	(21,980)
Directors' benefits		(172,113)	(147,825)
Employee benefits expense	2	(283,889)	(275,520)
Legal fees		(36,535)	(55,647)
Marketing fees		(48,336)	(74,989)
Finance costs	2	(5,097)	(14,107)
Depreciation expense		(31,532)	(32,208)
Exploration and evaluation expenditure not capitalised	2	(149,294)	(80,193)
Share based payment expense		(158,582)	(178,968)
		<u>(1,264,070)</u>	<u>(1,115,747)</u>
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		(1,264,000)	(1,115,414)
Income tax expense		-	-
<b>NET LOSS FOR THE YEAR</b>		<u>(1,264,000)</u>	<u>(1,115,414)</u>
<b>OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX</b>		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<u><u>(1,264,000)</u></u>	<u><u>(1,115,414)</u></u>
<b>BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)</b>		(0.26)	(0.27)

The accompanying notes form part of these financial statements.

## CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	31 December 2021 \$	30 June 2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,446,572	1,382,875
Other assets		13,650	30,237
<b>Total Current Assets</b>		<b>2,460,222</b>	<b>1,413,112</b>
<b>NON-CURRENT ASSETS</b>			
Other receivables		33,167	30,665
Plant and equipment		160,856	177,309
Right of use asset	12	139,078	167,068
Exploration and evaluation expenditure	4	8,300,566	7,300,529
<b>Total Non-Current Assets</b>		<b>8,633,667</b>	<b>7,675,571</b>
<b>TOTAL ASSETS</b>		<b>11,093,889</b>	<b>9,088,683</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	434,080	452,786
Deferred consideration	6	-	800,000
Borrowings		20,000	20,000
Lease liability	13	56,667	56,677
Employee benefits		175,592	146,151
<b>Total Current Liabilities</b>		<b>686,339</b>	<b>1,475,614</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		100,000	110,000
Lease liability	13	86,813	114,955
<b>Total Non-Current Liabilities</b>		<b>186,813</b>	<b>224,955</b>
<b>TOTAL LIABILITIES</b>		<b>873,152</b>	<b>1,700,569</b>
<b>NET ASSETS</b>		<b>10,220,737</b>	<b>7,388,114</b>
<b>EQUITY</b>			
Issued capital	7	35,169,281	31,291,441
Reserves	8	2,342,737	2,123,954
Accumulated losses		(27,291,281)	(26,027,281)
<b>TOTAL EQUITY</b>		<b>10,220,737</b>	<b>7,388,114</b>

The accompanying notes form part of these financial statements.

## CONDENSED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	31 December 2021	31 December 2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(935,929)	(598,534)
Interest received	70	79
Interest on motor vehicle leases	(11,947)	(11,946)
Interest paid on related party loan	-	(7,570)
Net cash (used in) operating activities	<u>(947,806)</u>	<u>(617,971)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for plant and equipment	(13,139)	(88,465)
Payments for exploration and evaluation expenditure	(1,852,288)	(1,986,400)
Proceeds from divestment of assets	55,000	-
Payment to vendor	(100,000)	-
Net cash (used in) investing activities	<u>(1,910,427)</u>	<u>(2,074,865)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares (net of costs)	3,919,930	2,904,180
Proceeds from exercise of listed options	2,000	337,500
Proceeds from exercise of unlisted options	-	50,000
Payment of amount owing to Director related entity	-	(500,000)
Repayment of lease liability	-	(25,350)
Net cash provided by financing activities	<u>3,921,930</u>	<u>2,766,330</u>
Net increase in cash held	1,063,697	73,494
Cash at beginning of period	1,382,875	3,067,758
<b>Cash at end of period</b>	<b>3</b> <u>2,446,572</u>	<u>3,140,758</u>

The accompanying notes form part of these financial statements.

## CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Issued Capital \$	Accumulated Losses \$	Unlisted Option Reserve \$	Performance Rights Reserve \$	Listed Option Reserve \$	Total \$
<b>Company</b>							
Balance at 1 July 2020		28,112,640	(21,462,007)	274,601	-	1,357,374	8,282,608
Loss for the period		-	(1,115,414)	-	-	-	(1,115,414)
Total Comprehensive Loss		-	(1,115,414)	-	-	-	(1,115,414)
<i>Transaction recorded directly in equity</i>							
Issue of Share Capital	7	3,522,500	-	-	-	-	3,522,500
Unlisted Options Issued During the Period	10	-	-	138,268	-	-	138,268
Performance Rights Issued during the period	11	-	-	-	40,701	-	40,701
Listed Options Issued During the Period	9	-	-	-	-	150,000	150,000
Capital Raising costs	7	(346,199)	-	-	-	-	(346,199)
		3,176,301	-	138,268	40,701	150,000	3,505,269
<b>Balance at 31 December 2020</b>		<b>31,288,941</b>	<b>(22,577,421)</b>	<b>412,869</b>	<b>40,701</b>	<b>1,507,375</b>	<b>10,672,463</b>
Balance at 1 July 2021		31,291,441	(26,027,281)	538,143	63,896	1,521,914	7,388,113
Loss for the year		-	(1,264,000)	-	-	-	(1,264,000)
Total Comprehensive Loss		-	(1,264,000)	-	-	-	(1,264,000)
<i>Transaction recorded directly in equity</i>							
Issue of Share Capital	7	4,134,000	-	-	-	-	4,134,000
Unlisted Options Issued During the Period	10	-	-	118,837	-	-	118,837
Performance Rights Issued during the period	11	-	-	-	39,748	-	39,748
Listed Options Issued During the Period	9	-	-	-	-	60,199	60,199
Capital Raising costs	7	(256,160)	-	-	-	-	(256,160)
		3,877,840	-	118,837	39,748	60,199	4,096,624
<b>Balance at 31 December 2021</b>		<b>35,169,281</b>	<b>(27,291,281)</b>	<b>656,980</b>	<b>103,644</b>	<b>1,582,113</b>	<b>10,220,737</b>

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Nature of operations

Great Southern Mining Limited's (the Company) principal activities include the exploration and evaluation of projects held in the Laverton region of Western Australia and the Mt Carlton and Palmer River regions of North Queensland.

### (b) Basis of preparation

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements were authorised for issue on 25 February 2022.

The interim financial statements do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2021 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and Corporations Act 2001.

The accounting policies and methods of computations adopted are consistent with those of the previous financial year and corresponding interim reporting period. The accounting policies are also consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, unless otherwise noted. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

### (c) Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgments, estimates

and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's financial report for the year ended 30 June 2021 unless otherwise stated.

### (d) Going Concern

During the half-year the Company incurred a net loss of \$1,264,000 (31 December 2020: loss of \$1,115,414). Net cash outflows from operating and investing activities during the period were \$2,858,233 (31 December 2020: cash outflows of \$2,692,836).

Given the potential funding options and cash management initiatives noted below, the Directors believe the going concern basis is appropriate:

- The Company will continue to exercise appropriate cash management and monitoring of operating cashflows according to exploration success. Future exploration expenditure is generally discretionary in nature and exploration activities may be slowed or suspended as part of the Company's cash management strategy.
- The Company has demonstrated its ability to raise capital via equity placements to shareholders during the period. Given the strong support of substantial shareholders and the prospectivity of the Company's current projects, the Directors are confident that any future capital raisings will be successful.
- In December 2021 the Company announced a successful capital raising of \$1.6 million (before costs) by way of share placement. The funds will be used to fund planned exploration activities and meet working capital commitments.

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cast significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its 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.

**(e) Impact of COVID-19 pandemic**

The impact of the COVID-19 pandemic continues to pose a number of global socio-political, economic and health risks that may cause an impact on the Company's operations. The potential for the pandemic to be ongoing with unforeseen impacts is high. The Company has implemented procedures to protect the wellbeing of staff and contractors and ensure business continuity. The Company continues to monitor and respond to the risk of the pandemic commensurate with the risks in accordance with the Government recommendations and health advice.



NOTE 2: LOSS BEFORE INCOME TAX EXPENSE	Note	Half-Year Ended 31 December 2021 \$	Half-Year Ended 31 December 2020 \$
The following revenue and expense items are relevant in explaining the financial performance for the year.			
<b>Interest and other income</b>			
Interest income – other parties		70	333
<b>Expenses</b>			
<i>Included in administration expenses are the following material items:</i>			
- Rent and outgoings paid	(a)	(54,837)	(31,056)
- Accounting and audit fees		(32,985)	(16,077)
- ASX fees		(68,875)	(53,450)
- Subscriptions		(35,879)	(22,586)
- Share registry		(14,061)	(14,978)
- Conferences, travel and accommodation		(14,342)	(29,053)
Finance costs		(5,097)	(14,107)
Employee benefits expense	(b)	(283,889)	(275,520)
Exploration and evaluation expenditure not capitalised	(c)	(149,294)	(76,599)

- a) The Company rents properties in Perth, Laverton and Townsville. Of this balance, \$27,990 was paid to a Director related entity during the half year to December 2021 (2020: \$27,528).
- b) Of the employee remuneration expenses for the half-year to 31 December 2021 above, \$23,270 represents amounts paid in superannuation contributions (2020: \$17,210).
- c) These costs relate to expenditure for tenement applications and other incidental costs incurred that are not directly attributable to exploration activities and have therefore been expensed as incurred. The amount includes \$100,000 paid to the Vendor of Cox's Find in August 2021 in relation to the return of the mining leases. In addition, the balance includes \$63,204 (2020: \$51,034) of geologists' time that was not directly attributable to exploration activities and has therefore been expensed as incurred.

NOTE 3: CASH AND CASH EQUIVALENTS	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Cash on hand and at bank	2,446,572	1,382,875

Cash at bank earns interest at floating rates on daily bank deposit rates.

<b>NOTE 4: EXPLORATION AND EVALUATION EXPENDITURE</b>	<b>Half-Year ended 31 December 2021 \$</b>	<b>Year ended 30 June 2021 \$</b>
Cost brought forward in respect of areas of interest in the exploration and evaluation stage	7,300,529	6,387,818
Expenditure capitalised during the year	1,800,037	2,572,760
Impairment of exploration expenditure	-	(2,460,049)
Cost carried forward	<u>9,100,566</u>	<u>6,500,529</u>
Deferred Consideration relating to Cox's Find Gold Project	(a) -	800,000
Return of Cox's Find Gold Project to Vendor	(a) (800,000)	-
	<u>8,300,566</u>	<u>7,300,529</u>

(a) In August 2021 the Company successfully negotiated with the Vendor to return the Cox's Find Gold Project (Project) through the payment of a \$100,000 cancellation fee (refer Note 2). The effect of the transaction was to release the Company of the obligation to pay Deferred Payment 1 (which was included as a current liability as at 30 June 2021 – refer Note 6), Deferred Payment 2 and the Royalty Agreement.

Under the Sale and Purchase agreement the Vendor registered a mortgage over the Project and tenements. These mortgages were discharged following the return of the tenements to the Vendor in August 2021.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation or sale of respective areas.

<b>NOTE 5: TRADE AND OTHER PAYABLES</b>	<b>Half-Year ended 31 December 2021 \$</b>	<b>Year ended 30 June 2021 \$</b>
Trade creditors	158,084	179,620
Accruals and other payables	275,996	273,166
	<u>434,080</u>	<u>452,786</u>

All trade and other payables are non-interest bearing and are normally settled on 30-day terms. All amounts are short-term. The carrying values of trade payables and other payables are considered to be a reasonable approximation of fair value.

<b>NOTE 6: DEFERRED CONSIDERATION</b>	<b>Half-Year ended 31 December 2021 \$</b>	<b>Year ended 30 June 2021 \$</b>
Deferred consideration - Current - Cox's Find Acquisition	-	<u>800,000</u>

Refer to Note 4 for further information on the extinguishment of the deferred consideration payable.

NOTE 7: ISSUED CAPITAL	Note	Half-Year ended 31 December 2021		Year ended 30 June 2021	
		No.	\$	No.	\$
Issued capital comprises Fully Paid Ordinary Shares		532,367,086	35,169,281	455,020,420	31,291,441
Movement during the period	<b>Date</b>	<b>No.</b>	<b>\$</b>	<b>No.</b>	<b>\$</b>
Balance at beginning of the period		455,020,420	31,291,441	408,095,772	28,112,639
Exercise of listed options	20-Jul-20	-	-	1,000,000	50,000
Issue of shares to advisers	02-Oct-20	-	-	124,648	15,000
Exercise of listed options	28-Oct-20	-	-	750,000	37,500
Exercise of listed options	09-Nov-20	-	-	6,000,000	300,000
Placement of shares	27-Nov-20	-	-	39,000,000	3,120,000
Exercise of listed options	21-Jan-21	-	-	50,000	2,500
Placement of shares	(a) 19-Aug-21	50,640,000	2,532,000	-	-
Exercise of listed options	27-Oct-21	40,000	2,000	-	-
Placement of shares	(a) 22-Dec-21	26,666,666	1,600,000	-	-
Share issue costs		-	(256,160)	-	(346,198)
Balance at the end of the period		532,367,086	35,169,281	455,020,420	31,291,441

- a) 50,640,000 Fully Paid Ordinary Shares placed at \$0.05 each raising \$2.53 million before costs. The placement involved issuing 12,660,000 free attaching Listed Options (GSNOA).
- b) 26,666,666 Fully Paid Ordinary Shares placed at \$0.06 each raising \$1.6 million before costs. The placement involved issuing 13,333,333 free attaching Listed Options (GSNOA).

NOTE 8: RESERVES	9 - Listed Option Reserve		10 - Unlisted Option Reserve		11 - Performance Rights Reserve	
	Half-Year ended 31 December 2021	Year ended 30 June 2021	Half-Year ended 31 December 2021	Year ended 30 June 2021	Half-Year ended 31 December 2021	Year ended 30 June 2021
	\$	\$	\$	\$	\$	\$
Balance at beginning of the financial year	1,521,914	1,357,374	538,143	274,601	63,896	-
Change during the period	60,199	164,540	118,837	263,542	39,748	63,896
Balance at end of the financial year	1,582,113	1,521,914	656,980	538,143	103,644	63,896
Total balance of reserves at balance date is:	2,342,737	2,123,954				

NOTE 9: LISTED OPTION RESERVE	Note	Half-Year ended 31 December 2021		Year ended 30 June 2021	
		No.	\$	No.	\$
Listed Options on issue		187,937,567	1,582,114	157,484,222	1,521,915
Movement during the period					
Balance at beginning of the period		157,484,222	1,521,915	132,004,212	1,357,375
Issue of listed options following placement	(a)	06-Jul-20		17,500,000	-
Lead Manager Options on placement	(a)	06-Jul-20		2,500,000	50,000
Exercise of listed options		23-Sep-20		(750,000)	-
Exercise of listed options	(b)	09-Nov-20		(6,000,000)	-
Issue of listed options following placement	(c)	20-Nov-20		9,750,010	-
Lead Manager Options on placement	(c)	20-Nov-20		2,000,000	100,000
Exercise of listed options		21-Jan-21		(50,000)	-
Issue of listed options to advisers	(d)	19-Mar-21		500,000	14,000
Issue of listed options to advisers	(d)	09-Apr-21		30,000	540
Lead Manager Options on placement	(e)	29-Sep-21	2,500,000	35,000	-
Issue of listed options following placement	(e)	29-Sep-21	12,660,000	-	-
Exercise of listed options		27-Oct-21	(40,000)	-	-
Issue of listed options to advisers	(e)	29-Sep-21	2,000,000	25,199	-
Issue of listed options following placement	(f)	22-Dec-21	13,333,345	-	-
Balance at the end of the period		187,937,567	1,582,114	157,484,222	1,521,915

All Listed Options on issue have an exercise price of \$0.05 on or before 4 September 2022.

- Following the General Meeting of Shareholders held on 3 July 2020, 20,000,000 Listed Options (GSNOA) were issued.
- Listed Options exercised by John Terpu, Executive Chairman in November 2020.
- On 20 November 2020, the GSN announced it completed a successful placement raising A\$3.12 million before costs. The placement involved issuing 39,000,000 Fully Paid Ordinary Shares at A\$0.08 each plus 1 free attaching Listed Option (GSNOA) for every 4 placement shares. 2,000,000 Listed Options were issued to the Lead Managers on the placement.
- Listed Options issued to advisers. The Listed Options were issued on the same terms as those already on issue.
- On 11 August 2021, GSN announced it completed a successful placement raising A\$2.5 million before costs. The placement involved issuing 50.64 million Fully Paid Ordinary Shares at A\$0.05 each plus 1 free attaching Listed Option (GSNOA) for every 4 placement shares. As part of the Placement, the Lead Manager was issued 2,500,000 Listed Options with an adviser being issued 2,000,000 Listed Options. All Listed Option issues the subject of this placement were approved for issue by shareholders at a general meeting held 29 September 2021.
- On 22 December 2021, GSN announced it completed a successful placement raising A\$1.6 million before costs. The placement involved issuing 26.66 million Fully Paid Ordinary Shares at A\$0.06 each plus 1 free attaching Listed Option (GSNOA) for every 2 placement shares.

**NOTE 10: UNLISTED OPTION RESERVE**

	Half-Year ended 31 December 2021		Year ended 30 June 2021	
	No.	\$	No.	\$
Opening Balance	10,900,000	538,143	8,000,000	274,601
Issued during the period	15,250,000	38,308	5,900,000	263,542
Recognition of prior issued unlisted options	-	80,529	-	-
Cancelled / lapsed during the period	-	-	(2,000,000)	-
Exercised during the period	-	-	(1,000,000)	-
	<u>26,150,000</u>	<u>656,980</u>	<u>10,900,000</u>	<u>538,143</u>

Grant Date	Expiry Date	Ex. Price (\$)	Balance at start of reporting period	Granted during the period	Converted during the period	Cancelled during the period	Balance at period end	Vested at period end	Assumptions	FV at Grant Date (\$ cents per option)	Amount recognised during the period
10/07/20	30/06/22	0.05	600,000	-	-	-	600,000	600,000	A	0.12	-
10/07/20	30/06/23	0.05	600,000	-	-	-	600,000	-	A	0.12	18,940
04/09/20	30/06/23	0.10	500,000	-	-	-	500,000	500,000	B	0.07	6,128
04/09/20	30/06/24	0.15	500,000	-	-	-	500,000*	-	C	0.07	8,233
04/09/20	30/06/25	0.20	500,000	-	-	-	500,000*	-	D	0.07	5,562
04/09/20	30/06/23	0.10	1,000,000	-	-	-	1,000,000*	-	B	0.07	20,128
04/09/20	30/06/25	0.20	1,000,000	-	-	-	1,000,000*	-	D	0.08	-
06/10/20	31/12/22	0.05	600,000	-	-	-	600,000	600,000	E	0.10	-
06/10/20	31/12/23	0.10	600,000	-	-	-	600,000	600,000	E	0.09	21,539
05/10/21	refer below	0.10	-	15,250,000	-	-	15,250,000*	-	refer below		38,307
<b>Total</b>			<b>5,900,000</b>	<b>15,250,000</b>	-	-	<b>21,150,000</b>	<b>2,300,000</b>			<b>118,837</b>

Assumptions used in the valuation of Unlisted Options on issue during the period are as follows:

Valuation assumptions	A	B	C	D	E	F
Grant date	10-Jul-20	04-Sep-20	04-Sep-20	04-Sep-20	06-Oct-20	05-Oct-21
Share price at date of grant	\$ 0.160	\$ 0.120	\$ 0.120	\$ 0.120	\$ 0.105	\$ 0.047
Volatility	84%	84%	84%	84%	106%	91%
Expiry date	between 30/6/22 and 30/6/23)	30-Jun-23	30-Jun-24	30-Jun-25	between 31/12/22 and 31/12/23)	24 months after vesting or at cessation of employment
Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil
Risk free investment rate	0.26%	0.26%	0.26%	0.26%	0.26%	0.10%
Vesting probability	n/a	n/a	n/a	n/a	n/a	n/a
Weighted average remaining contractual life (yrs)	1.5	2.0	3.0	4.0	2.0	3.0

\*Refer to Note 16 for details of the Unlisted Options that have lapsed since 31 December 2021 following the resignation of two employees.

**NOTE 11: PERFORMANCE RIGHTS**

	Half-Year ended 31 December 2021		Year ended 30 June 2021	
	No	\$	No	\$
Balance at beginning of the year	6,000,000	63,896	-	-
Change during the period	-	39,748	6,000,000	63,896
Balance at end of the year	6,000,000	103,644	6,000,000	63,896

Performance rights on issue during the period are shown below:

Tranche	Grant Date	Expiry Date	Exercise Price	Balance at start of reporting period	Granted during the period	Converted during the period	Cancelled during the period	Balance at period end	Vested at period end	FV at grant date (\$)	Amount recognised as at 31 December 2021
1	02-09-20	(a)	-	2,000,000	-	-	-	2,000,000	-	88,500	58,798
2	02-09-20	(a)	-	2,000,000	-	-	-	2,000,000	-	48,000	31,890
3	02-09-20	(a)	-	2,000,000	-	-	-	2,000,000	-	19,500	12,956
<b>Total</b>				<b>6,000,000</b>	-	-	-	<b>6,000,000</b>	-	<b>156,000</b>	<b>103,644</b>

- a) Performance Rights are convertible into Shares on a one for one basis for no consideration upon exercise by the holder on or before the date which is 2 years after issue being 2 September 2022.

The weighted average remaining contractual life of performance rights outstanding at 31 December 2021 was 0.83 years (30 June 2021: 1.18 years). The achievement of future vesting conditions is reassessed each reporting period.

Each performance right will vest as an entitlement to one Fully Paid Ordinary Share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse and the eligible participant will have no entitlement to any shares. Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one Fully Paid Ordinary Share to rank pari passu in all respects with existing Fully Paid Ordinary Shares.

Valuation assumptions (per Tranche)	1	2	3
Share price at date of grant	\$0.12	\$0.12	\$0.12
Time to maturity (yrs)	2.0	2.0	2.0
Volatility (%)	90.90%	90.90%	90.90%
Dividend yield (%)	0%	0%	0%
Risk free interest rate (%)	0.26%	0.26%	0.26%
Vesting probability (%)	75%	50%	25%
Fair value at grant date (cents per security)	5.90	4.80	3.90

Following the resignation of the employee subsequent to reporting date, the Performance Rights have lapsed. Refer to Note 16 for more details.

<b>NOTE 12: LEASE ASSETS</b>	<b>Half-Year ended 31 December 2021</b>	<b>Year ended 30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<b>COST</b>		
Opening Balance	275,303	275,303
Additions	-	-
	<u>275,303</u>	<u>275,303</u>
<b>Accumulated depreciation</b>		
Opening Balance	(108,235)	(53,179)
Charge for the period	(27,990)	(55,056)
	<u>(136,225)</u>	<u>(108,235)</u>
<b>Carrying Amount</b>	<u>139,078</u>	<u>167,068</u>
<b>Amounts recognised in Profit and loss</b>		
Depreciation expense on right-of-use asset	(27,990)	(55,056)
Interest expense on lease liabilities	(3,150)	(7,951)
Expense relating to short term leases	(26,847)	(16,383)
Total cash outflow for leases	<u>(57,987)</u>	<u>(79,390)</u>

The Company leases a base of operations, including a shed and office, in Laverton, Western Australia and Townsville, Queensland. The leases have a term of less than one year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

<b>NOTE 13: LEASE LIABILITIES</b>	<b>Half-Year ended 31 December 2021</b>	<b>Year ended 30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<b>LEASE LIABILITIES</b>		
Current	56,667	56,677
Non-Current	86,813	114,955
	<u>143,480</u>	<u>171,632</u>

The Company does not face a significant liquidity risk with regard to its lease liabilities.

The Company leases its registered head office premises. The remaining lease term is 2.5yrs. (30 June 2021: 3yrs).

#### **NOTE 14: CONTINGENT LIABILITIES**

There has been no other material change in contingent liabilities since the last annual reporting date.

## NOTE 15: SEGMENT INFORMATION

The Company undertakes mineral exploration and evaluation work on a number of tenements located in Western Australia and Queensland. Management currently identifies the Company's assets in each location as separate operating segments. The accounting policies adopted for internal reporting are consistent with those adopted for the financial statements.

These operating segments are monitored by the Company's chief operating decision maker and based on internal reports that are reviewed and used by the Board of Directors in making strategic decisions on the basis of available cash reserves and exploration results.

The items which are not capitalised to exploration and evaluation expenditure, and included in the statement of profit or loss and other comprehensive income, relate to the Corporate Segment.

The Company's corporate assets, consisting of its corporate office headquarters, are not allocated to any exploration segment's assets and are therefore disclosed separately.

Segment assets and liabilities are disclosed in the table below:

	Western Australia		Queensland		Corporate		Total	
	Half-Year ended 31 December 2021	Year ended 30 June 2021	Half-Year ended 31 December 2021	Year ended 30 June 2021	Half-Year ended 31 December 2021	Year ended 30 June 2021	Half-Year ended 31 December 2021	Year ended 30 June 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Exploration and Evaluation Expenditure	4,232,309	3,697,489	4,068,257	3,603,040	-	-	8,300,566	7,300,529
Cash and Cash Equivalents	-	-	-	-	2,446,572	1,382,875	2,446,572	1,382,875
Other assets	113,813	100,972	47,044	50,485	185,894	253,822	346,751	405,279
<b>Assets</b>	<b>4,346,122</b>	<b>3,798,461</b>	<b>4,115,300</b>	<b>3,653,527</b>	<b>2,632,467</b>	<b>1,636,697</b>	<b>11,093,889</b>	<b>9,088,685</b>
<b>Liabilities</b>	<b>459,551</b>	<b>1,069,329</b>	<b>37,601</b>	<b>101,304</b>	<b>376,000</b>	<b>495,168</b>	<b>873,152</b>	<b>1,665,801</b>

Other assets include the motor vehicles acquired. Two have been allocated to Western Australia, one is allocated to Queensland.

There have been no changes to classifications or information flow to the CODM during the period.

## NOTE 16: EVENTS AFTER REPORTING DATE

On 26 January 2022 the Company announced the resignation of Chief Executive Officer, Sean Gregory. The following securities, issued under the Company's Long-Term Incentive Plan, lapsed on his resignation:

- 500,000 Unlisted Options exercisable at \$0.15 expiring 30 June 2024, vesting after 24 months of service.
- 500,000 Unlisted Options exercisable at \$0.20 expiring 30 June 2025, vesting after 36 months of service.
- Performance Rights 6,000,000 performance rights comprising three equal tranches of 2,000,000 performance rights which vest, upon a 20- trading day VWAP exceeding \$0.25, \$0.35 and \$0.45.
- 9,000,000 Unlisted Options issued on 5/10/21.
- A further 1,500,000 Unlisted Options exercisable at \$0.10 each and 1,000,000 Unlisted Options exercisable at \$0.20 each lapsed upon resignation of a geologist in Queensland.



## **NOTE 16: EVENTS AFTER REPORTING DATE (CONTINUED)**

### **Coronavirus impact**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and whilst it has little financial impact on the Company up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Apart from the above, there has not been any other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

## **NOTE 17: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS**

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods beginning on or after 1 July 2021. The Company has determined that there are no material impacts of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Company's accounting policies. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## **NOTE 18: FINANCIAL INSTRUMENTS**

The Company has a number of financial instruments which are not measured at fair value in the condensed statement of financial position. The Directors consider that the carrying value of these financial instruments to be a reasonable approximation of their fair value.

## DIRECTORS' DECLARATION

The directors of Great Southern Mining Limited ('the Company') declare that:

In the directors' opinion:

- a. the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory reporting requirements, and giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'John Terpu', written in a cursive style.

**John Terpu**

**Executive Chairman**

**Perth, Western Australia**

25 February 2022

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Great Southern Mining Limited

### **Report on the Condensed Interim Financial Report**

#### *Conclusion*

We have reviewed the accompanying interim financial report of Great Southern Mining Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2021, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Great Southern Mining Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the period ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for conclusion*

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

#### *Material uncertainty related to going concern*

We draw attention to Note 1(d) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Responsibility of the directors for the financial report*

The directors of the company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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*Auditor's responsibility for the review of the financial report*

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the entity's financial position as at 31 December 2021 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim 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**  
**25 February 2022**



**M R Ohm**  
**Partner**

