

Neometals Ltd
A.C.N. 099 116 631

Half-Year Report
for the 6 months ended 31 December 2020

The directors of Neometals Ltd ("**Company**") ("**Neometals**") submit herewith the financial report of Neometals and its subsidiaries ("**Group**") ("**Consolidated Entity**") for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

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

Mr S. Cole	– Appointed 24 July 2008
Mr D. Reed	– Appointed 20 December 2001
Mr C. Reed	– Appointed 20 December 2001
Dr N. Streltsova	– Appointed 14 April 2016
Mr D. Ritchie	– Appointed 14 April 2016
Mr L. Guthrie	– Appointed 27 September 2018
Dr J. Purdie	– Appointed 27 September 2018

REVIEW OF OPERATIONS

Neometals innovatively develops opportunities in minerals and advanced materials essential for a sustainable future. With a focus on the energy storage megatrend, the strategy focuses on de-risking and developing long life projects with strong partners and integrating down the value chain to increase margins and return value to shareholders.

Neometals has four core projects with large partners that span the battery value chain:

Recycling and Resource Recovery:

- Lithium-ion Battery Recycling – a proprietary process for recovering cobalt and other valuable materials from spent and scrap lithium batteries. Pilot plant testing completed with plans well advanced to conduct demonstration scale trials with 50:50 JV partner SMS group, working towards a development decision in early 2022; and
- Vanadium Recovery – sole funding the evaluation of a potential 50:50 joint venture with Critical Metals Ltd to recover vanadium from processing by-products ("**Slag**") from leading Scandinavian Steel maker SSAB. Underpinned by a 10-year Slag supply agreement, a decision to develop sustainable European production of high-purity vanadium pentoxide is targeted for December 2022.

Downstream Advanced Materials:

- Lithium Refinery Project – evaluating the development of India's first lithium refinery to supply the battery cathode industry with potential 50:50 JV partner Manikaran Power, underpinned by a binding life-of-mine annual offtake option for 57,000 tonnes per annum of Mt Marion 6% spodumene concentrate, working towards a development decision in 2022.

Upstream Industrial Minerals:

- Barrambie Titanium and Vanadium Project - one of the world's highest-grade hard-rock titanium-vanadium deposits, working towards a development decision in mid-2021 with potential 50:50 JV partner IMUMR.

CORE PROJECTS



Lithium Battery Recycling Project

(Neometals 100%, SMS earning into 50% through Primobius GmbH incorporated JV)

Neometals has developed a sustainable process flowsheet targeting the recovery of battery materials contained in production scrap and end-of-life lithium-ion batteries (**LIBs**) that might otherwise be disposed of in land fill or processed in high-emission pyrometallurgical recovery circuits. Neometals' process flowsheet ("**LIB Recycling Technology**") targets the recovery of valuable materials from consumer electronic batteries (devices with lithium cobalt oxide (**LCO**) cathodes), and nickel-rich EV and stationary storage battery chemistries (lithium-nickel-manganese-cobalt (**NMC**) cathodes). The LIB Recycling Technology is designed to recover cobalt, nickel, lithium, copper, iron, aluminium, carbon and manganese into saleable products that can be reused in the battery supply chain.

A 2019 scoping study, based on earlier bench scale test-work, highlighted robust project economics. Data from the successfully concluded pilot trial ("**Pilot**") is guiding current demonstration trials as well as engineering and feasibility studies.

The LIB Recycling Technology, comprises two stages:

1. Shredding and beneficiation to physically separate components and remove metal casings, electrode foils and plastics ("**Shredding and Sorting**"); and
2. Leaching, purification and precipitation to deliver predominantly refined chemical products via the hydrometallurgical processing facility ("**Refining**").

JV with SMS

Neometals has entered into an incorporated 50:50 joint venture (“**JV**”) with SMS group GmbH (“**SMS group**”), called Primobius GmbH (“**Primobius**”). Primobius has been incorporated to co-fund and complete final stage evaluation before the parties jointly commercialise the LIB Recycling Technology.

Should the JV decide to commence construction of a commercial plant, a positive financial investment decision would involve Neometals contributing technical and commercial know how to the JV and SMS contributing to the engineering design, fabrication, operation and maintenance of future recycling plants. SMS will also, on a best endeavour’s basis, procure debt financing for no less than 50% of the capital expenditure.

Project Development Progress

During the period, Primobius made strong progress towards developing Europe’s largest sustainable LIB recycling plant.

Demonstration Plant

The JV has completed the design and procurement phases of its recycling demonstration plant (“**DP**”) located within the SMS manufacturing centre in Hilchenbach, Germany. Primobius has received permits for construction of the DP which will process spent and scrap LIBs at a rate of 1t per day. All equipment other than a crystalliser is now located in Germany and preparations are underway for installation on site.

The DP trial schedule sees commissioning and operation of the shredding and beneficiation circuit first, followed by the hydrometallurgical refining circuit commencing in Q2 2021. Scrap LIBs and partially processed ‘black mass’ has been secured from potential automotive industry partners. The DP will serve as a showcase where product outputs can be evaluated by potential customers, partners and off-takers. Specifically, the DP will provide an opportunity for carmakers, consumer electronics and battery manufacturers to verify Primobius’ capability to safely, sustainably and ethically dispose of hazardous LIBs. In addition to ‘battery disposal’, the LIB Recycling Technology also re-generates materials for the production of new sustainable batteries and will satisfy all regulatory custody, carbon footprint, certification and stewardship obligations.

As it relates to product offtake, Primobius goes into its DP trial with confidence from pilot trial data that the key payables (nickel and cobalt sulphate) are higher purity than required by Chinese national specifications for cathode use. Each product generated during DP trials, low and high value, will be used for evaluation trials with potential off-takers. Multiple dialogues are being progressed concurrently and several product evaluation programs are in place with industry participants.

Feasibility and Site Studies

Preparatory activities for the Class 3 feasibility study (“**FS**”) were undertaken during the period. Comprehensive FS activities are underway with the engineering cost study scheduled to provide operational and capital cost estimates, based on data generated during DP operations, by October 2021.

Primobius has been progressing its site selection study for future commercial operations with several possible locations shortlisted in and around the Germany. The central part of Europe offers compelling advantages in terms of proximity to vehicle and LIB manufacturing plants and product off-takers. Site selection developments will advance hand in hand with commercial/partner development activities and the FS will be based on the recommended site. See ‘Next Steps’ below for an indicative project development timeline.

Commercial Activities

Running in parallel to DP and feasibility development activities are a number of Primobius feedstock and offtake dialogues with industry participants. Securing feed for the DP and for future commercial plants is a high priority. With feed for the DP now secured from automotive sources, the focus swings 100% to scrap and end of life LIB cell sourcing for commercial activities.

Specific to this objective, Primobius recently entered into a memorandum of understanding (“**MoU**”) with Slovakian LIB cell manufacturing company, InoBat Auto j.s.a. (“**InoBat**”), for joint recycling activities using feed sourced from InoBat pilot and commercial cell production activities. The MoU provides an evaluation framework towards a potential Primobius-InoBat commercial operation that will run a commercial LIB recycling facility in Central/Eastern Europe.

InoBat is a member of the IPM Group of companies, focusing mainly on infrastructure and technology related investments in Europe, primarily in Slovakia, where it is establishing LIB demonstration and production lines with applications in the electric vehicle sector.

Initial processing of InoBat pilot battery production scrap would occur in a recycling ‘spoke’ facility. This is anticipated to be followed by hydrometallurgical refining of the spoke output (“Black Mass”) in a ‘hub’ facility to generate battery cathode raw materials.

The InoBat MoU is a significant step towards commercial operations for Primobius and represents the first of many pathways to near-term cashflow. Reaching preliminary development terms with a battery producer so quickly after Primobius’ establishment is a very positive endorsement on the status of the project and the industrial scalability of the Primobius recycling solution.

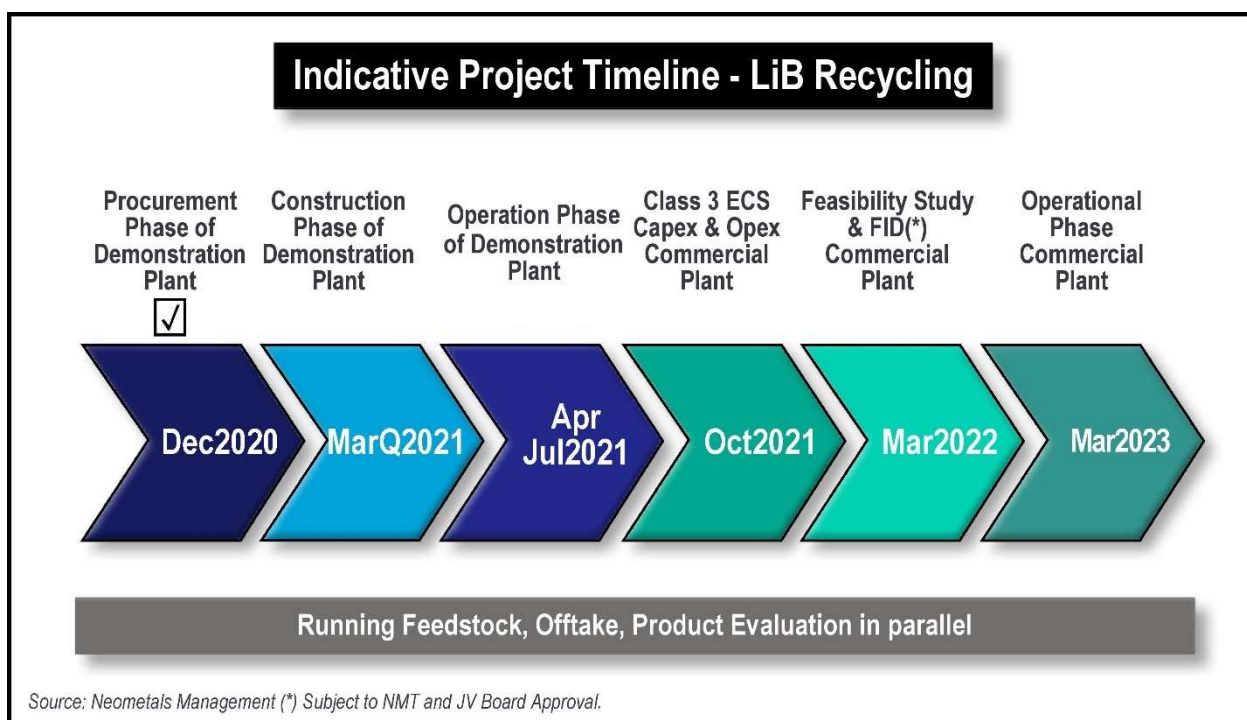


Figure 1 - Indicative LiB recycling timeline



**Vanadium Recovery Project ("VRP")
(Earning into 50:50 Joint Venture)**

Neometals and unlisted Scandinavian-focussed explorer, Critical Metals Ltd ("**Critical**"), are jointly evaluating the feasibility of recovering high-purity vanadium products from high-grade vanadium-bearing steel by-product ("**Slag**") in Scandinavia. Under the formal collaboration agreement between the parties, Neometals is to fund and manage the evaluation activities, up to consideration of an investment decision. A positive investment decision will lead to a 50:50 incorporated joint venture ("**JV**") with Critical.

Critical has executed a conditional agreement ("**Slag Supply Agreement**") with SSAB EMEA AB and SSAB Europe Oy, subsidiaries of SSAB ("**SSAB**"), a steel producer that operates steel mills in Scandinavia (*for full details refer to Neometals ASX announcement dated 6th April 2020*). Slag is a by-product of SSAB's steel making operations. The Slag Supply Agreement provides a secure basis for the evaluation of an operation capable of processing 200,000 tonnes of Slag per annum without the need to build a mine and concentrator like existing primary producers.

The VRP offers a compelling business case for Neometals which is underpinned by:

1. Exceptional grade (reference grade of 3.93% V₂O₅ under the Slag Supply Agreement);
2. Robust economics (scoping study outcomes highlighted a first quartile position on the cost curve (*for full details refer to ASX announcement entitled "Vanadium Recovery Project – Scoping Study Results" released on 24th June 2020*);
3. Processing flowsheet utilises conventional equipment at atmospheric pressure and mild temperatures;
4. Potentially saleable by-product generation; and
5. Likely very low or net zero greenhouse gas footprint given the absence of mining and a processing route requiring the sequestration of CO₂.

Key activities under the evaluation program comprise hydrometallurgical flowsheet optimisation including pilot plant trials to recover vanadium from the Slag, feasibility studies, site selection, market evaluation and grade confirmation.

Process Metallurgical Test-work

During the period, Neometals successfully demonstrated its proprietary vanadium recovery flowsheet in a continuous mini-pilot (“Mini Pilot”) test-work campaign. The trial was designed to determine leach feed recovery, vanadium chemical purity and residence time to provide inputs into the Class 4 prefeasibility study. The Mini-Pilot was run for ~100 hours during the first week of September 2020 using samples from SSABs Luleå and Oxelösund stockpiles.

Results confirmed excellent vanadium chemical product purity (>99.5% V₂O₅ (chemical grade)), good recoveries (>75%) and low residence time for Neometals’ patent pending hydrometallurgical process for recovering vanadium from Slag. The Mini-Pilot confirmed earlier bench scale findings including vanadium recovery from leach through to solvent extraction (SX) strip liquor, demonstrated a successful process control strategy and has given invaluable insights into minor impurity deportment and their control through the circuit.

Neometals now shifts its attention to the design phase of the larger proposed pilot plant which will leach material from three of SSAB’s steel operations. 30 tonnes of Slag samples from SSAB’s operations at Lulea (Sweden) and Raahe (Finland) have been collected and despatched to enable the pilot plant campaign to be conducted in mid-2021.

Studies

The successful results of the Mini-Pilot campaign have substantially de-risked the Neometals processing flowsheet and has given the Company confidence to commence a pre-feasibility study. During the period Neometals announced that global engineering consultancy, Hatch, was appointed as lead engineering study manager for the AACE Class 4 pre-feasibility study for VRP and this is expected to be completed by the end of June 2021.

Site Selection

During the period Neometals and Critical successfully completed their European site selection study for demonstration (as required) and commercial activities. The City of Pori in Finland was chosen as the preferred location for sustainable vanadium recovery and production. Commitments by Critical and the City of Pori have been formalised in a memorandum of understanding (“MOU”). The MOU sets out the framework under which the parties will work together for the granting of tenure and permits required for the successful establishment of the proposed vanadium processing plant (“Vanadium Recovery Facility” or “VRF”).

Tahkoluoto port in Pori is an excellent location. It is an ice-free harbour with capacity to receive Panamax sized ships. With Pori’s long history as a centre of hydrometallurgical excellence, the VRF will have access to ‘best-in-class’ logistics and infrastructure. Additionally, the Finnish government appears extremely motivated to provide significant support to align with EU targets for ‘Net Zero’ emissions and development of resilient supply chains for critical minerals.



Figure 2 - Location of Pori relative to the SSAB steel operations in Finland and Sweden



Lithium Refinery Project **(Neometals 100%)**

The key purpose of the lithium refinery project (“**LR**”) is to realise value from the Company’s Mt Marion spodumene concentrate offtake option (“**Offtake Option**”). The annual Offtake Option from Mt Marion provides a fixed volume of up to 57,000tpa of 6% spodumene concentrate for conversion into battery grade lithium hydroxide (“**LiOH**”) for supply to LIB cathode and cell makers. The LR has been designed with a flexible capacity of nominally 20,000tpa of LiOH.

The LR represents a strategic option for downstream lithium chemical production when the lithium market returns to a position of strength. Development timelines have been designed to align with projected supply deficits forecast from ~2025 onwards.

Pursuant to the MOU between Neometals and Manikaran Power Limited (“**Manikaran**”), the parties have continued their co-funded evaluation studies on the development of a LR in India. Upon completion of evaluation studies, and subject to agreement on terms, a final investment decision (“**FID**”) will be considered for a 50:50 joint venture (“**JV**”) to progress and develop the LR in India.

A positive FID and formal JV commitment would see Neometals contributing to the venture its ‘life-of-mine’ Offtake Option volume. Additional spodumene feed would be secured, as required, from external sources to meet the LR’s needs depending on nameplate capacity. It is proposed Manikaran will take the lead role in procuring project financing for not less than 50% of the capital expenditure required, securing regulatory approvals and Indian government subsidies (as available), securing a suitable site for the LR and necessary utility and reagent supplies.

December half year activities associated with the Manikaran MOU included:

- Ongoing evaluation under the location study of recommended project site within the Mundra port in the State of Gujarat;
- AACE Class 3 Feasibility Study on track for completion by Primero Group in June Q 2021:
 - Specification sheets have been developed for all products, by-products and reagents
 - Non-Process Infrastructure design has been finalised;
- Progress on the capital cost estimate and process modelling;
- Process design criteria advanced in preparation for input from pyrometallurgy and hydrometallurgy technology vendors, SCT and Veolia respectively;
- SCT delivered the estimate for pyrometallurgical package of the refinery;
- Veolia has completed process design work package and delivered its estimate for the hydrometallurgical component of plant;
- Testing of Mt Marion concentrates with potential plant vendors;
- Mass energy balance and basis for key financial model inputs progressed; and
- Commercial discussions ongoing with potential providers of additional spodumene feed for the LR.



Figure 3 – Proposed Project Location adjacent to Mundra Port, the largest port in India



Barrambie Titanium/Vanadium Project (Neometals 100%)

The Barrambie Vanadium and Titanium Project in Western Australia (“**Barrambie**”) is one of the largest vanadiferous-titanomagnetite (“**VTM**”) resources globally (280.1Mt at 9.18% TiO_2 and 0.44% V_2O_5)*, containing the world’s second highest-grade hard rock titanium resource (53.6Mt at 21.17% TiO_2 and 0.63% V_2O_5)* and high-grade vanadium resource (64.9Mt at 0.82% V_2O_5 and 16.9% TiO_2) subsets (referred to as the Eastern and Central Bands respectively) based on the latest Neometals 2018 Mineral Resource Estimate (***)for full details refer to ASX announcement entitled “Updated Barrambie Mineral Resource Estimate” released on 17 April 2018 and Table 1 below).

Table 1 – Barrambie Mineral Resource Estimate, April 2018

Global Resource as at 17 April 2018 ¹			
	Tonnes (M)	TiO_2 (%)	V_2O_5 (%)
Indicated	187.1	9.61	0.46
Inferred	93.0	8.31	0.40
Total	280.1	9.18	0.44

High Grade V_2O_5 Resource (at 0.5% V_2O_5 cut-off) ²			
	Tonnes (M)	TiO_2 (%)	V_2O_5 (%)
Indicated	49.0	16.93	0.82
Inferred	15.9	16.81	0.81
Total	64.9	16.90	0.82

High TiO_2 Resource (14% TiO_2 cut-off) ²			
	Tonnes (M)	TiO_2 (%)	V_2O_5 (%)
Indicated	39.3	21.18	0.65
Inferred	14.3	21.15	0.58
Total	53.6	21.17	0.63

⁽¹⁾ Based on Cut-off grades of $\geq 0.1\% \text{TiO}_2$ or $\geq 0.2\% \text{V}_2\text{O}_5$

⁽²⁾ The high-grade titanium and vanadium figures are a sub-set of the total Mineral Resource. These figures are not additive and are reporting the same block model volume but using different cut-off grades.

Refer to Neometals ASX release dated 17 April 2018 titled ‘Updated Barrambie Mineral Resource Estimate’ available at www.neometals.com.au/reports/2018-04-17-5645-BarrambieP.pdf

Barrambie is located approximately 80km north-west of Sandstone in Western Australia and has a granted mining lease covering its mineral resource.

IMUMR MOU

In October 2019, Neometals entered a memorandum of understanding (“MOU”) with Chinese research organisation, IMUMR, to jointly advance development of Barrambie. The MOU outlines a potential pathway towards a 50:50 joint venture to advance Barrambie’s commercial exploitation.

Developing Barrambie with a partner will considerably reduce Neometals funding requirements and project risk. It should also be recognised that IMUMR has a Chinese national mandate that includes development of upstream supply chains for industries of strategic relevance to China. IMUMR will have the right, subject to Neometals approval, to assign its interests under the MOU to a commercial Chinese chemical processing partner.

Project Activities

Metallurgy and Marketing

Historically, Neometals has evaluated the production of either vanadium or titanium products from Barrambie in isolation using different flowsheets. Vanadium and titanium are industrial minerals which require significant proof of ‘value-in-use’ when negotiating with potential off-takers. This being the case, Neometals has run an exhaustive and iterative metallurgical and marketing process to determine the most appropriate product mix and the most effective flowsheet. IMUMR and other industrial partners have been testing Neometals samples (mixed concentrates, titanium concentrates, vanadium concentrates, iron/vanadium intermediate chemicals and titanium intermediate chemicals) generated from the above work.

Despite encouraging Australian hydrometallurgical pilot trial outcomes in 2020 that generated a high purity titanium intermediate chemical (hydrolysate) for the pigment market, Neometals had further breakthrough success with the production of concentrate

products using reduction roasting and magnetic separation program (beneficiation) that generated commercial specification samples of both ilmenite and vanadium rich magnetite products.

The beneficiation test work program was conducted on three bulk samples (20 tonnes) of Barrambie Eastern band (high titanium zone) mineralised material which generated 11 tonnes of mixed heavy mineral concentrate (containing titanium, vanadium and iron) from traditional gravity spirals used by the mineral sands industry. Low-temperature reduction roasting and subsequent magnetic separation produced a high-quality ilmenite (> 52 % TiO_2 content) at high recoveries (> 87 % TiO_2 recovery) with a mass yield of 60% and a marketable magnetite by-product concentrate (with grades equivalent to 58.7% Fe and 1.58% V_2O_5).

Strategy

The Barrambie development strategy seeks to realise value from both the titanium and vanadium in the deposit and the results generated during the period indicate that this should be done via the generation of clean concentrates from an initial capital-light mining and beneficiation operation for export to end-users. The reductive roast-magnetic separation work is a breakthrough for the Company as it can, with confidence, produce two separate products that meet market ready specifications. Further, it represents a development option that will reduce start-up capital and complexity of processing.

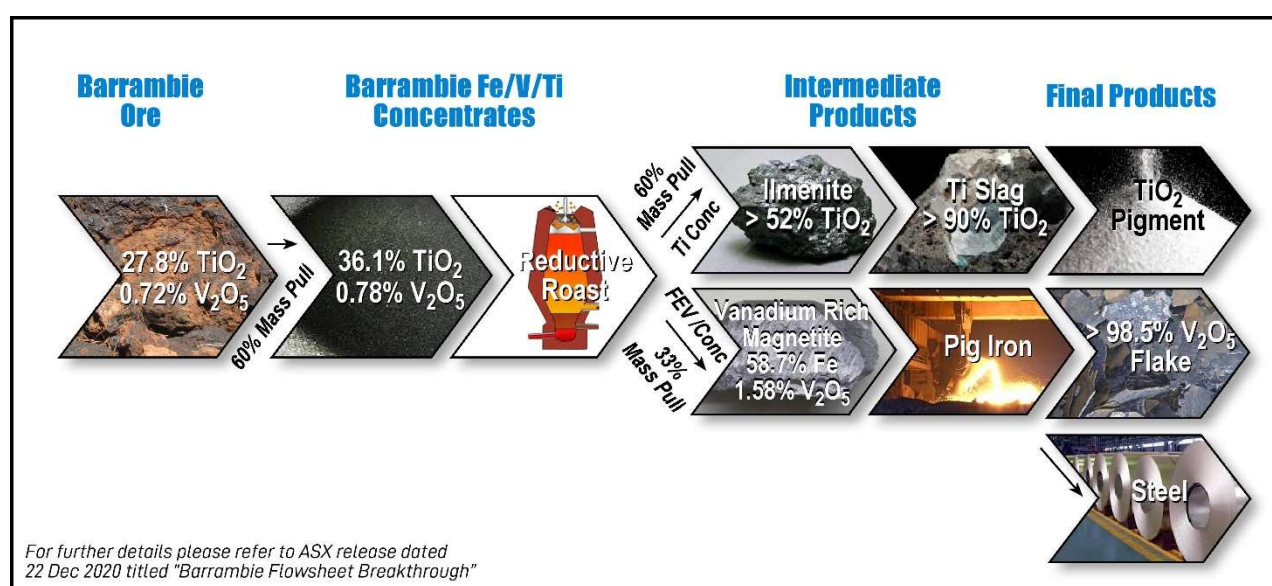


Figure 4 – Image showing potential Barrambie process flowsheet under a capital-light concentrate export operation

The preferred development strategy anticipates conventional open-cut mining, comminution and gravity concentration on site at Barrambie with a mixed titanium/vanadium/iron concentrate being shipped to China for a reductive roast and magnetic separation. This will generate an ultra-clean titanium concentrate (Ilmenite) and a separate vanadium-iron (magnetite) concentrate.

The Barrambie ilmenite product is targeted for smelting to produce a chloride-grade titanium slag to feed the fast-growing demands of the Chinese chloride pigment market as it switches away from environmental challenges with sulfate pigment production. The vanadium-rich iron (magnetite) concentrate is targeted for blending by steelmakers to obtain vanadium and iron units.

Next Steps

Neometals' Chinese partner, IMUMR, is due to take delivery of a 1 tonne sample of the mixed concentrate material to allow replication of the Neometals reductive roast results and further downstream processing of the products. Validation of Australian test-work results using Chinese laboratories is standard practice in China and will support ongoing product offtake dialogues.

Given the extensive geological, metallurgical and evaluation study data on Barrambie, together with management preference for capital-light build-own-operate-transfer arrangements, Neometals is progressing discussions with specialist mining and processing contractors under an early contractor involvement model.

EXPLORATION PROJECTS



Mt Edwards Lithium and Nickel Project (Neometals 100%)

Since acquisition in 2018, drill programs at Mt Edwards have defined high grade massive nickel mineralisation and several Mineral Resources have been reviewed with estimates updated. Successful exploration outcomes at Mt Edwards are driving development of a pipeline of short lead time nickel sulphide deposits being evaluated and undergoing mining studies. Exploration results to date have provided strong encouragement regarding alternatives to realise value at Mt Edwards.

The Mt Edwards project is located 90km south of Kalgoorlie and 35km south west of Kambalda in Western Australia. The tenements cover an area of 300km² across the Widgiemooltha Dome nickel sulphide belt and host 147,000 tonnes of contained nickel estimated across eleven nickel sulphide Mineral Resources (*for full details refer to ASX announcement entitled "Zabel Mineral Resource Update at Mt Edwards" released on 23rd December 2020*).

Table 2 – Mt Edwards Project Nickel Mineral Resources

Deposit	Indicated		Inferred		TOTAL Mineral Resources		
	Tonne (kt)	Nickel (%)	Tonne (kt)	Nickel (%)	Tonne (kt)	Nickel (%)	Nickel Tonnes
Widgie 3 ²			625	1.5	625	1.5	9,160
Gillett ⁵			1,306	1.7	1,306	1.7	22,500
Widgie Townsite ²	2,193	1.9			2,193	1.9	40,720
Munda ³			320	2.2	320	2.2	7,140
Mt Edwards 26N ²			575	1.4	575	1.4	8,210
132N ⁶	34	2.9	426	1.9	460	2.0	9,050
Cooke ¹			150	1.3	150	1.3	1,950
Armstrong ⁴	526	2.1	107	2.0	633	2.1	13,200
McEwen ¹			1,070	1.3	1,070	1.3	13,380
McEwen Hangingwall ¹			1,060	1.4	1,060	1.4	14,840
Zabel ⁷	296	1.9	55	2.1	351	1.9	6,800
TOTAL	3,049	1.9	5,694	1.6	8,743	1.7	147,000

Mineral Resources quoted using a 1% Ni block cut-off grade, except Munda at 1.5% Ni. Small discrepancies may occur due to rounding

Note 1. refer announcement on the ASX: NMT 19 April 2018 titled Mt Edwards JORC Code Mineral Resource 48,200 Nickel Tonnes

Note 2. refer announcement on the ASX: NMT 25 June 2018 titled Mt Edwards Project Mineral Resource Over 120,000 Nickel Tonnes

Note 3. refer announcement on the ASX: NMT 13 November 2019 titled Additional Nickel Mineral Resource at Mt Edwards

Note 4. refer announcement on the ASX: NMT 16 April 2020 titled 60% Increase in Armstrong Mineral Resource

Note 5. refer announcement on the ASX: NMT 26 May 2020 titled Increase in Mt Edwards Nickel Mineral Resource

Note 6. refer announcement on the ASX: NMT 6 October 2020 titled 132N Nickel Mineral Resource and Exploration Update at Mt Edwards

Note 7. refer announcement on the ASX: NMT 23 December 2020 titled Zabel Nickel Mineral Resource Update at Mt Edwards

During the period, exploration activities advanced with updates to the nickel sulphide Mineral Resources at the 132N and Zabel deposits. A soil sampling campaign continued with areas in the western dome assayed for a 48 multi-elements suite. In addition, mining studies continued on four of the Mt Edwards short lead time deposits, being Armstrong, Widgie Townsite and Gillett and now 132N. Exploration planning using geological and geophysical interpretation has been undertaken across the Mt Edwards tenure.

Future Work

The re-estimation of the 132N and Zabel Mineral Resources follows a major review of the Mt Edwards project undertaken by Neometals since mid-2019, which has included an audit of the drill database and the historical exploration and mining literature. In parallel to the review, drill programs have defined high grade massive nickel mineralisation and several Mineral Resources (including 132N and Zabel) have been reviewed with estimates updated. The growing Mt Edwards global Mineral Resources currently sits at to 8.74 million tonnes at 1.7% nickel for 147,000 tonnes of contained nickel. Neometals is actively looking to grow the size and grade of its nickel deposits, while discovering new ones.

Further updated estimates of other Mineral Resources are expected in the coming period as the review of the Mt Edwards project, including the updating of the drill database and improving the understanding of the historical exploration.

CORPORATE

Hannans Limited (ASX:HNR) (Yilgarn Nickel/Lithium/Gold)

As at 31 December 2020 Neometals holds 799,164,028 ordinary fully paid shares (34% of the issued capital) in Hannans on an undiluted basis. At 31 December 2020, Hannans' shares closed at 0.5c implying a value of \$4.0 million.

Critical Metals Limited (Unlisted) (Scandinavian Lithium/Cobalt/Base Metals)

As at 31 December 2020 Neometals holds 15.8% of unlisted public company Critical Metals Ltd, a company which now houses the Scandinavian mineral assets previously held by Hannans and is collaborating with Neometals on Scandinavian LIB recycling and vanadium recovery opportunities.

Other Investments

The market value of the Company's other investments as at 31 December 2020 totalled \$1.79 million.

Finances

Cash and term deposits on hand as of 31 December 2020 totalled A\$72.6 million, including \$4.2 million in restricted use term deposits supporting performance bonds and other contractual obligations.

Issued Capital

During the period 834,353 ordinary shares were issued to eligible employees, consultants and Non-executive Directors following the vesting of performance rights pursuant to the Neometals Ltd performance rights plan (2019: 463,948).

During the period 8,243,263 performance rights were issued to Neometals employees, consultants and Non-executive Directors (2019: 5,366,515) for nil cash consideration.

The total number of shares on issue at 31 December 2020 was 545,351,266.

Dividends

Dividends issued during the half year period: nil (2019: nil).

Events Subsequent to Balance Date

No matters have arisen since 31 December 2020 that would be likely to materially affect the operations of the Group, or its state of affairs which has not otherwise been disclosed in this financial report.

Compliance Statement

The information in this report that relates to Mineral Resource and Ore Reserve Estimates for the Barrambie Vanadium/Titanium Project and Mineral Resource Estimates for the Mt Edwards Project are extracted from the ASX Announcements listed in the table below, which are also available on the Company's website at www.neometals.com.au

23/12/2020	Mt Edwards Nickel – Zabel Nickel Mineral Resource Update
05/10/2020	132N Nickel Mineral Resource and Exploration Update at Mt Edwards
26/05/2020	Mt Edwards Nickel – Increase in Mt Edwards Nickel Mineral Resource
16/04/2020	Mt Edwards Nickel – 60% Increase in Armstrong Mineral Resource
13/11/2019	Additional Nickel Mineral Resource at Mt Edwards
25/06/2018	Mt Edwards Nickel – Mineral Resource over 120,000 Nickel Tonnes
19/04/2018	Mt Edwards Nickel – Mineral Resource Estimate
17/04/2018	Barrambie – Updated Barrambie Mineral Resource Estimate

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements 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

The auditor's independence declaration is included on page 11 of the half-year report.

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

On behalf of the directors,

A handwritten signature in blue ink, appearing to read 'C Reed'.

Christopher Reed
Managing Director
Perth, 10 March 2021

The Board of Directors
Neometals Ltd
Level 1, 1292 Hay Street
West Perth WA 6005

10 March 2021

Dear Board Members

Neometals Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Neometals Limited.

As lead audit partner for the review of the financial statements of Neometals Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU



Ian Skelton
Partner
Chartered Accountants

Independent Auditor's Review Report to the members of Neometals Limited

Conclusion

We have reviewed the half-year financial report of Neometals Limited ("the Company") and its subsidiaries ("the Group") which comprises the condensed consolidated statement of financial position as at 31st December 2020, and the condensed consolidated statement of profit and loss and other comprehensive income, the condensed consolidated statement of cash flows, and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 14 to 26.

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 the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities 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 Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU



Ian Skelton
Partner
Chartered Accountants
Perth, 10 March 2021

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

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

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'C Reed'.

Christopher Reed
Managing Director
10 March 2021

**Condensed consolidated statement of profit or loss and other comprehensive income
for the half-year ended 31 December 2020**

		31 Dec 2020	31 Dec 2019
		\$	\$
Continuing operations			
Forex gain/(loss)		(55,800)	(52,404)
Other income	3	2,695,580	1,204,866
Administration expenses		(1,560,396)	(1,900,357)
Employee expenses		(2,648,788)	(3,053,834)
Depreciation expenses		(322,999)	(369,222)
Finance costs		(51,267)	(58,499)
Occupancy expenses		(211,645)	(241,001)
Marketing expenses		(214,188)	(147,849)
Other expense		(32,162)	(275,725)
Research and development		(1,472,197)	(1,963,419)
Impairment reversal/(expense) in associate	6	29,773	(706,209)
Impairment expense		-	(462,585)
Write-off expense		(193,156)	-
Profit before income tax		(4,037,245)	(8,026,238)
Income tax benefit		-	1,974,131
Loss for the period from continuing operations		(4,037,245)	(6,052,107)
Discontinued operation			
Profit for the period from discontinued operation		-	-
Loss for the period		(4,037,245)	(6,052,107)
Profit attributable to:			
Owners of the Company		(4,037,245)	(6,052,107)
Total comprehensive income attributable to:			
Owners of the Company		(4,037,245)	(6,052,107)
Profit per share			
From continuing and discontinued operations:			
Basic (cents per share)		(0.74)	(1.11)
Diluted (cents per share)		(0.74)	(1.11)

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

Condensed consolidated statement of financial position
as at 31 December 2020

	Note	31 Dec 2020 \$	30 Jun 2020 \$
Current assets			
Cash and cash equivalents		68,409,016	77,043,016
Trade and other receivables		1,511,733	385,213
Other financial assets		1,299,685	1,192,757
Total current assets		71,220,434	78,620,986
Non-current assets			
Property, plant and equipment		1,296,379	2,011,931
Exploration and evaluation expenditure	5	45,952,792	44,058,921
Intangible assets		681,084	793,054
Investment in joint ventures	7	23,044	1
Investment in associates	6	3,995,820	3,531,048
Other financial assets		5,539,000	5,396,000
Right of use assets	10	796,567	1,044,969
Total non-current assets		58,284,686	56,835,923
Total assets		129,505,120	135,456,909
Current liabilities			
Trade and other payables		471,711	2,182,786
Provisions		1,167,779	1,170,935
Lease liability	10	419,925	500,878
Total current liabilities		2,059,415	3,854,599
Non-current liabilities			
Provisions		1,075,608	1,326,359
Lease liability	10	535,811	721,854
Total non-current liabilities		1,611,419	2,048,213
Total liabilities		3,670,834	5,902,812
Net assets		125,834,286	129,554,097
Equity			
Issued capital		154,634,997	154,437,267
Reserves		8,487,835	8,368,130
Accumulated losses		(37,288,546)	(33,251,300)
Total equity		125,834,286	129,554,097

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

**Condensed consolidated statement of changes in equity
for the half-year ended 31 December 2020**

	Issued Capital \$	Investment revaluation reserve \$	Other equity reserve \$	Share based payments reserve \$	Accumulated losses \$	Total \$
Balance as at 01/07/19	154,264,634	1,019,637	300,349	6,300,747	(7,807,269)	154,078,098
Loss for the period	-	-	-	-	(6,052,107)	(6,052,107)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(6,052,107)	(6,052,107)
Recognition of share-based payments	-	-	-	446,955	-	446,955
Recognition of issue of shares under the employee rights plan	152,477	-	-	(152,477)	-	-
Share issue costs, net of tax	(1,922)	-	-	-	-	(1,922)
Balance at 31/12/19	154,415,189	1,019,637	300,349	6,595,225	(13,859,376)	148,471,024
Balance as at 01/07/20	154,437,267	1,019,637	300,349	7,048,145	(33,251,301)	129,554,097
Loss for the period	-	-	-	-	(4,037,245)	(4,037,245)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(4,037,245)	(4,037,245)
Recognition of share-based payments	-	-	-	319,954	-	319,954
Recognition of issue of shares under the employee rights plan	200,250	-	-	(200,250)	-	-
Share issue costs, net of tax	(2,520)	-	-	-	-	(2,520)
Balance at 31/12/20	154,634,997	1,019,637	300,349	7,167,849	(37,288,546)	125,834,286

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

Condensed consolidated statement of cash flows
for the half-year ended 31 December 2020

	Note	31 Dec 2020 \$	31 Dec 2019 \$
Cash flows from operating activities			
Payments to suppliers and employees		(7,585,730)	(7,748,574)
Net cash used in operating activities		(7,585,730)	(7,748,574)
Cash flows from investing activities			
Exploration and evaluation costs		(2,456,896)	(3,643,468)
Payments for intangible assets		(74,461)	(74,920)
Payment for property, plant & equipment		(76,455)	(537,429)
Payments for tenements acquired	5	-	(550,000)
Proceeds from/(payments for) equity investments		1,545,701	(1,039,135)
Interest received		369,580	973,294
Net cash (used in)/generated by investing activities		(692,531)	(4,871,658)
Cash flows from financing activities			
Interest and finance costs paid		(299,939)	(337,412)
Net cash used in financing activities		(299,939)	(337,412)
Net (decrease)/increase in cash and cash equivalents		(8,578,200)	(12,957,644)
Cash and cash equivalents at the beginning of the period		77,043,016	109,462,006
Effects of exchange rate changes on the balance of cash held in foreign currencies		(55,800)	(49,119)
Cash and cash equivalents at the end of the period		68,409,016	96,455,243

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

Index to notes to the condensed consolidated financial statements

Note	Contents
1	Significant accounting policies
2	Segment information
3	Other income
4	Dividends
5	Exploration and evaluation expenditure
6	Investment in associates
7	Investment in joint venture
8	Share capital
9	Commitments
10	Leases
11	Events subsequent to balance date

Notes to the condensed consolidated financial statements

1. Significant accounting policies

Statement of compliance

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

Basis of preparation

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2020 annual financial report for the financial year ended 30 June 2020. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New accounting standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period.

2. Segment information

Basis for segmentation:

AASB 8 *Operating Segments* requires the presentation of information based on the components of the entity that management regularly reviews for its operational decision making. This review process is carried out by the chief operating decision maker ("CODM") for the purpose of allocating resources and assessing the performance of each segment. The amounts reported for each operating segment is the same measure reviewed by the CODM in allocating resources and assessing performance of that segment.

For management purposes the Company now operates under three reportable operating segments comprised of the Company's lithium, titanium and vanadium and 'other segments'. The lithium, titanium and vanadium and other operating segments are separately identified given they possess different competitive and operating risks, and meet the quantitative criteria as set out in AASB 8. The 'other segments' category is the aggregation of all remaining operating segments given sufficient reportable operating segments have been identified.

For the six months ended 31 December 2020

Reportable operating segments	Lithium	Titanium & Vanadium	Other	Corporate	Total
	\$	\$	\$	\$	\$
Other income	78,874	5,780	2,244,744	366,182	2,695,580
Total Expenses	(1,384,388)	(1,570,549)	(26,474)	(3,751,414)	(6,732,825)
Profit/(loss) before tax	(1,305,514)	(1,564,769)	2,218,270	(3,385,232)	(4,037,245)
Income tax benefit	-	-	-	-	-
Consolidated loss after tax	(1,305,514)	(1,564,769)	2,218,270	(3,385,232)	(4,037,245)

2. Segment information (continued)

As at 31 December 2020

Reportable operating segments	Lithium	Titanium & Vanadium	Other	Corporate	Total
	\$	\$	\$		\$
Total segment assets	535,764	36,794,997	17,136,782	75,037,577	129,505,120
Total segment liabilities	(1,111,935)	(115,240)	(415,201)	(2,028,458)	(3,670,834)
Consolidated net assets	(576,171)	36,679,757	16,721,581	73,009,119	125,834,286

For the six months ended 31 December 2019

Reportable operating segments	Lithium	Titanium & Vanadium	Other	Corporate	Total
	\$	\$	\$		\$
Other income	-	-	156,984	1,047,882	1,204,866
Total Expenses	(1,259,910)	(1,496,799)	(964,486)	(5,509,909)	(9,231,104)
Profit/(loss) before tax	(1,259,910)	(1,496,799)	(807,502)	(4,462,027)	(8,026,238)
Income tax benefit	-	-	-	1,974,131	1,974,131
Consolidated loss after tax	(1,259,910)	(1,496,799)	(807,502)	(2,487,896)	(6,052,107)

As at 31 December 2019

Reportable operating segments	Lithium	Titanium & Vanadium	Other	Corporate	Total
	\$	\$	\$	\$	\$
Total segment assets	887,170	35,834,132	16,439,776	103,837,268	156,998,346
Total segment liabilities	(70,004)	(544,738)	(2,261,221)	(5,651,359)	(8,527,322)
Consolidated net assets	817,166	35,289,394	14,178,555	98,185,909	148,471,024

3. Other income

	31 December 2020	31 December 2019
	\$	\$
Net fair value gain on financial assets	2,244,744	-
Interest income	361,581	1,044,014
Gas commodity charges recovered	78,874	156,984
Other income	10,381	3,868
Total other income	2,695,580	1,204,866

4. Dividends

No dividends were paid to the holders of fully paid ordinary shares during the half-year period (31 December 2019: nil).

5. Exploration and evaluation expenditure

	31 December 2020	30 June 2020
	\$	\$
Opening carrying value	44,058,921	36,983,106
Tenement acquisitions	-	550,000
Additions	1,893,871	6,525,815
Closing carrying value	45,952,792	44,058,921

The recovery of exploration expenditure carried forward is dependent upon the discovery of commercially viable mineral and other natural resource deposits, their development and exploration, or alternatively their sale.

6. Investment in associates

Name of operation	Principal activity	Interest	
		31 December 2020	30 June 2020
		%	%
Hannans Limited ⁽ⁱⁱ⁾	Exploration of nickel and lithium	33.9	35.5

The Consolidated Entity's interest in assets employed in the above associates is detailed below.

(i) Hannans Limited

The associate is accounted for using the equity method in this consolidated financial report.

Summarised financial information for the associate:

	31 December 2020	30 June 2020
	\$	\$
Opening carrying value of investment in associate	3,531,048	7,062,095
Shares purchased	435,000	-
Share of profit/(loss) of associate recognised in profit or loss ⁽ⁱ⁾	-	-
Impairment reversal/(expense) ⁽ⁱⁱ⁾	29,773	(3,531,047)
Closing carrying value of investment in associate	3,995,821	3,531,048

(i) The equity accounted share of the associate's loss is credited against the carrying value of the investment in the associate.

(ii) The market value of the underlying shares has decreased significantly over a prolonged period as compared to the carrying value on a per share basis. Accordingly, the investment in associate has been adjusted to the market value as at 31 December 2020 of 0.5 cents per share.

Shares held in associate are set out in the table below.

	31-Dec-20	30-Jun-20
	No.	No.
Shares held in Hannans Limited	799,164,028	706,209,483

7. Investment in joint venture

(i) Primobius GmbH

Name of operation	Principal activity	Interest	
		December 2020 %	June 2020 %
Primobius GmbH ⁽ⁱ⁾	Lithium Battery Recycling	50	-

The above joint venture is accounted for using the equity method in this consolidated financial report.

(ii) Primobius GmbH

On 31 July 2020, the execution of a formal agreement governing the formation and operation of an incorporated 50:50 joint venture ("JV") with SMS group GmbH ("SMS group"), called Primobius GmbH ("Primobius"). Primobius will commercialise Neometals' proprietary lithium-ion battery ("LiB") recycling technology, which offers a unique and sustainable method for recovering valuable lithium, nickel, cobalt and other materials from spent and scrap electric vehicle and consumer electronic LiB's. Recovered and refined product materials will be in a form that can be reused in the battery supply chain.

Summarised information for the joint venture:

Carrying value of investment in the joint venture

31 December 2020 \$	30 June 2020 \$
23,043	-

Shares held in Primobius GmbH

31 December 2020 No.	30 June 2020 No.
1	-

8. Share capital

During the half-year reporting period, Neometals Ltd issued the following share capital:

6 months to 31 December 2020:

During the 6 months to 31 December 2020 834,353 ordinary shares were issued to eligible employees, consultants and Non-executive Directors following the vesting and exercise of performance rights pursuant to the Neometals Ltd performance rights plan (2019: 542,644).

During the 6 months to 31 December 2020 no share options over the company's ordinary shares were issued during the reporting period (2019: Nil).

During the 6 months to 31 December 2020 8,243,263 performance rights were issued to Neometals employees, consultants and Non-executive Directors (2019: 5,366,515) for nil cash consideration. These performance rights may result in the issue of a total of 8,243,263 shares if the applicable vesting and performance criteria are satisfied over the vesting period.

During the 6 months to 31 December 2020 no performance rights were cancelled relating to Neometals employees (2019: nil). 2,490,828 performance rights lapsed relating to Neometals employees (2019: nil).

6 months to 31 December 2019:

During the 6 months to 31 December 2019 463,948 ordinary shares were issued to eligible employees, consultants and Non-executive Directors following the vesting and exercise of performance rights pursuant to the Neometals Ltd performance rights plan (2018: 414,748).

During the 6 months to 31 December 2019 no share options over the company's ordinary shares were issued during the reporting period (2018: Nil).

During the 6 months to 31 December 2019 5,366,515 performance rights were issued to Neometals employees, consultants and Non-executive Directors (2018: 2,876,555) for nil cash consideration. These performance rights may result in the issue of a total of 5,366,515 shares if the applicable vesting and performance criteria are satisfied over the vesting period.

During the 6 months to 31 December 2019 no performance rights were cancelled or lapsed relating to Neometals employees (2018: 75,000 were cancelled).

9. Commitments

(a) Exploration and evaluation and associate commitments

Tenement commitments for the group total \$2,120,947 (2019: \$2,903,733).

(b) Other

As referred to in Note 16 (i) to the Annual Financial Report for the year ended 30 June 2020, Neometals Energy Pty Ltd (formerly Barrambie Gas Pty Ltd), a wholly owned subsidiary of the Company, previously entered into a gas transmission agreement with DBNGP (WA) Transmission Pty Ltd for the Barrambie Project. As part of the agreement the Group was required to procure a "blocked" term deposit for \$4.0 million (30 June 2019: \$4.0 million) as security a bank guarantee, which represented the present value of the Group's commitment under the agreement. The obligations under the gas transmission agreement commenced on 1 July 2010.

10. Leases

Leasing arrangements

Leases relate to the lease of commercial premises in West Perth, Welshpool, Canada and a photocopier. The lease agreement for the Company's West Perth premises was entered into on 1 July 2019 for a 48 month period expiring on 30 June 2023. The lease of the Canadian branch premises was entered into on 1 May 2016 for a 60 month period expiring on 30 April 2021. The lease of a photocopier is for a period of 48 months expiring in June 2022. The commitments are based on the fixed monthly lease payment.

31 December 2020			
Right-of-use assets	Buildings	Equipment	Total
	\$	\$	\$
Cost	1,488,729	26,210	1,514,939
Accumulated Depreciation	(705,267)	(13,105)	(718,372)
Carrying Amount	783,462	13,105	796,567
Lease liability	Buildings	Equipment	Total
	\$	\$	\$
Current	411,038	8,887	419,925
Non-current	531,250	4,561	535,811
Total	942,288	13,448	955,736
30 June 2020			
Right-of-use assets	Buildings	Equipment	Total
	\$	\$	\$
Cost	1,605,014	26,210	1,631,224
Accumulated Depreciation	(577,518)	(8,737)	(586,255)
Carrying Amount	1,027,496	17,473	1,044,969
Lease liability	Buildings	Equipment	Total
	\$	\$	\$
Current	492,145	8,733	500,878
Non-current	712,810	9,044	721,854
Total	1,204,955	17,777	1,222,732
Amounts recognised in profit and loss			
	31 Dec 2020	31 Dec 2019	
	\$	\$	
Depreciation expense on right-of-use asset	239,457	293,127	
Interest expense on lease liabilities	19,863	27,069	
	259,320	320,196	

11. Events subsequent to balance date

No matters have arisen since 31 December 2020 that would be likely to materially affect the operations of the Group, or its state of affairs which has not otherwise been disclosed in this financial report.