



# **ALDORO RESOURCES LIMITED**

**ABN 31 622 990 809**

## **HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2020**

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## Corporate Directory

### Board of Directors

Joshua Letcher	Non-Executive Chairman
Lincoln Ho	Non-Executive Director (appointed 25 November 2020)
Troy Flannery	Non-Executive Director (appointed 26 November 2020)

### Secretary

Ms Sarah Smith

### Registered Office

Suite 2, Level 1  
1 Altona Street  
West Perth WA 6005

Telephone: 08 6559 1792  
Website: [www.aldororesources.com](http://www.aldororesources.com)

### Stock Exchange Listing

Listed on the Australian Securities Exchange (ASX Code: ARN)

### Auditors

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
Perth WA 6000

### Solicitors

Steinepreis Paganin  
16 Milligan St  
Perth WA 6000

### Bankers

Westpac Banking Corporation  
Level 4, Brookfield Place, Tower Two  
123 St Georges Terrace  
Perth WA 6000

### Share Registry

Automatic Share Registry  
Level 2, 267 St Georges Terrace  
Perth WA 6000

Telephone: 1300 288 664

## Directors' Report

The Directors of Aldoro Resources Limited ("ARN" or "the Company") present their report, together with the financial statements of the Group consisting of Aldoro Resources Limited and its controlled entities for the half-year ended 31 December 2020 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2020 and considered together with any public announcement made by the Company during the Period and up to the date of this report.

### DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. Directors were in office for this entire Period unless otherwise stated.

Director	Position
Joshua Letcher	Non-Executive Chairman
Lincoln Ho	Non-Executive Director (appointed 25 November 2020)
Troy Flannery	Non-Executive Director (appointed 26 November 2020)
Rhoderick Grivas	Non-Executive Chairman (resigned 25 November 2020)
Caedmon Marriott	Managing Director (resigned 25 November 2020)

### PRINCIPAL ACTIVITIES

Aldoro Resources Limited is a junior exploration and development company focused on gold and nickel in Western Australia.

### REVIEW OF OPERATIONS

#### Overview

On 6 September 2019, Aldoro entered into a binding option agreement to acquire 100% of Altilium Metals Limited ("Altilium"). Altilium holds a series of exploration projects in the Murchison Region of Western Australia including the Penny South Gold Project in the Youanmi Gold Mining District and the multi-commodity Narndee Project Area. On 20 November 2019, following shareholder approval at the Company's AGM on 12 November 2019, the acquisition of Altilium was completed.

Aldoro Resources Limited is a junior exploration and development company focussed on greenstone hydrothermal gold and sulphide-hosted rocks containing nickel, copper, and potentially, Platinum Group Elements (or PGE) mineralization, (i.e., Ni-Cu-PGE suite) exploration in Western Australia.

Aldoro owns a portfolio of advanced exploration projects of which, four projects are located in the Murchison Region of Western Australia around the Youanmi Gold Mining District (Penny South and Unaly Hill South), and the Windimurra-Narndee Igneous Complex (Narndee Area and the recently granted Windimurra tenement). Two of the projects are in the Eastern Goldfields near Leonora (Leinster and Cathedrals Belt), and the Ryans Find Project near Southern Cross (Figure 1).

Directors’ Report



Figure 1: Aldoro Tenements grouped into Project Areas

**Penny South Gold Project**

The Penny South Gold Project is in the Youanmi Gold District, approximately 30km south of the Youanmi Gold Mine (ASX:RXL and VMC) and directly south of the Penny West Gold Project owned by Ramelius Resources (ASX:RMS) (Figure 2).

The project area and contains over 2.5km strike extension of the Penny West Shear, that hosts the historic high-grade Penny West Gold Mine. Historic drilling within tenement E57/1045 has encountered various significantly anomalous intersections of gold mineralisation including 2m at 33.98g/t Au, 6m at 1.27g/t Au and 5m at 1.11g/t Au. Like the Penny West area, tenement E57/1045 contains limited outcrop and is overlain by 1m to 30m of sand and sedimentary cover. The average depth of historic drilling within the Penny South Gold Project is less than 40m down hole.

Directors' Report

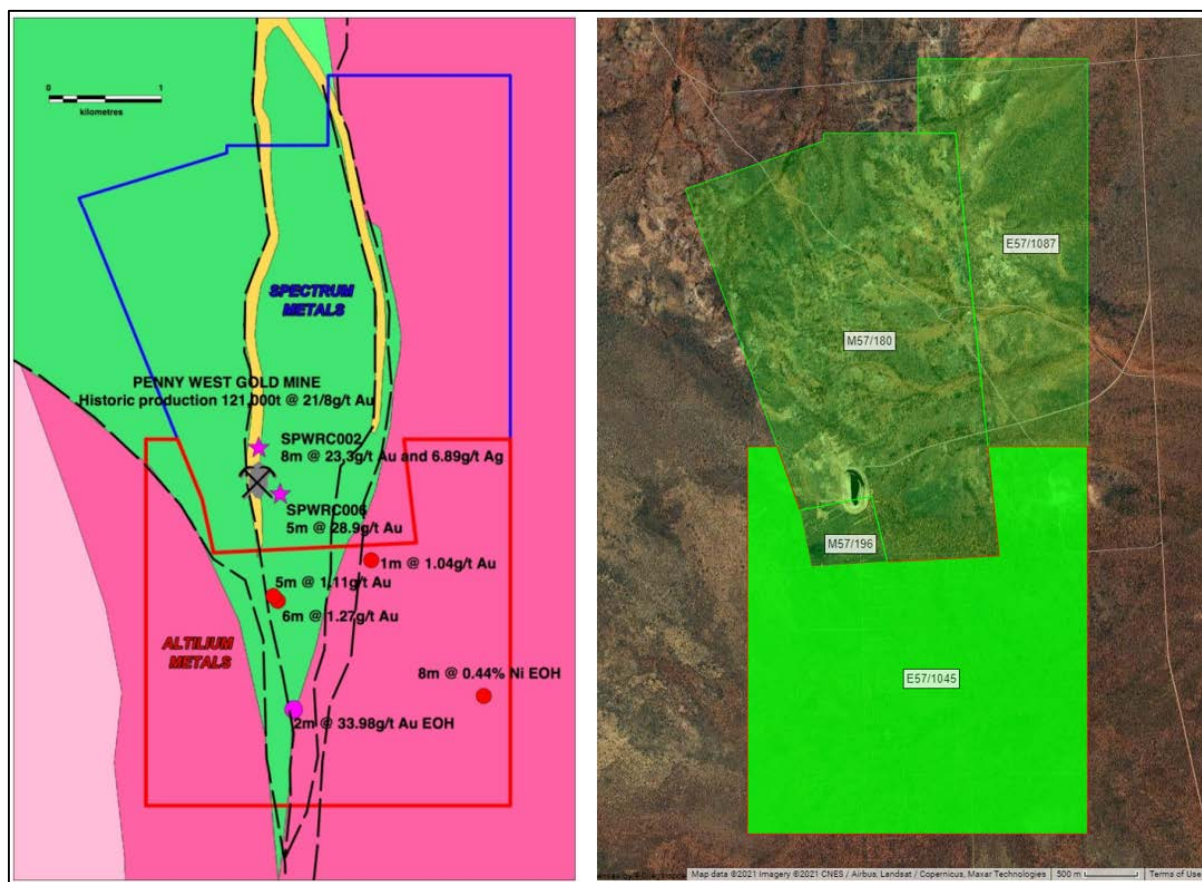


Figure 1. Youanmi Gold District: Penny South. Aldoro’s tenement E57/1045 is located adjacent to the historic Penny West Gold Mine (excavation at right, centre).

Earlier in the year, Aldoro completed a reverse circulation (RC) drilling program at the Penny South Project (ASX, Penny South RC Results, 28 May 2020; Encouraging Results from Penny South 1m Assays, 26 June 2020). The program consisted of 23 holes, for a total of 4,142m, and drilled to a maximum depth of 258m. The program aimed to test two areas of interest identified by the Company’s January AC drilling (ASX, Deeper Drilling at Penny South, 25 February 2020) that showed coincident features of potential mineralised zones including sulphidic quartz veining at the mafic-granodiorite contact, deeper weathering profile, historic intersections of gold mineralisation and geochemical anomalies for Pb and Zn.

The results of the program identified a mineralised structure at the Southern Target over a strike length of at least 400m, with assays results up to 6.7g/t Au (APSRC026), not too dissimilar to results achieved at the Youangarra and Magenta Prospects at Ramelius Resources’ neighbouring Penny Project.

In August, Aldoro completed an additional AC drilling campaign across three target areas within the project (ASX, Penny South Aircore Drilling Complete, 25 August 2020), and the results of this drilling (ASX, Penny South AC Results; Further RC at Southern and T7 Targets, 7 October 2020) showed a broad zone of anomalous gold, comprising 16m at 0.1g/t Au from 46m, in hole APSRC144, within target T7 in the north-eastern part of the tenement (Figure 3). This result correlates with historic results over 350m strike in this area. Remaining results showed subtle geochemical anomalies across Target T7 and the Southern Target extension.

Directors' Report

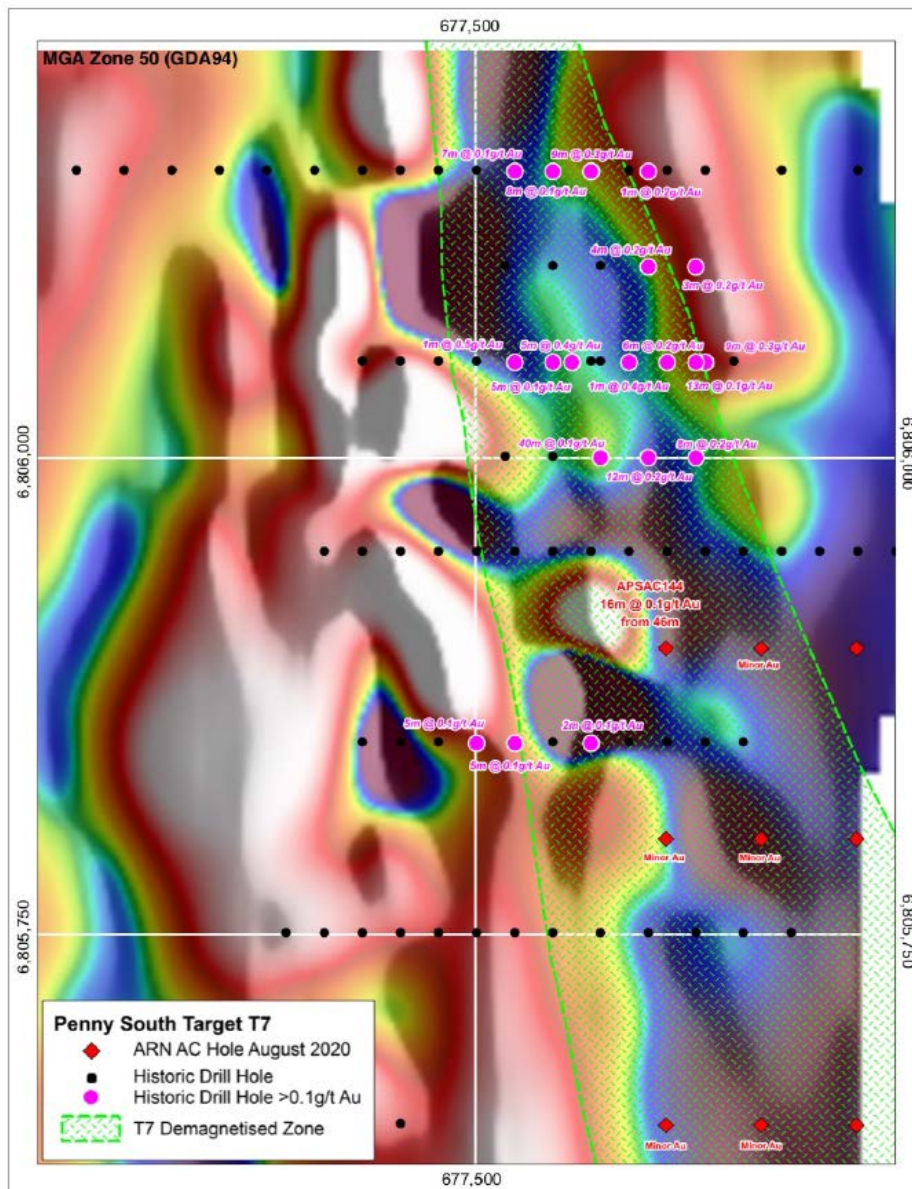


Figure 2. ARN AC holes drilled in the August 2020 campaign, within Target T7 and the Southern Extension.

Unaly Hill South

Tenement E57/1048 lies at the southern end of the Atley Complex, located between the Youanmi and Sandstone Gold Mining Districts and contiguous with Surefire Resources (ASX:SRN) Unaly Hill Vanadium Project. Whilst the tenement contains a significant vanadium titanomagnetite exploration target it is also considered prospective for gold mineralisation with the intersection of two major regional shears – the northern extension of the Youanmi Shear and its intersection with the Yuinmery Shear, also known to host gold mineralisation. Historic work has identified several gold anomalies from previous soil sampling and RAB drilling. The shallow, wide spaced, RAB drilling was an ineffective test for continuity of the gold anomalies and, combined with the favourable structural setting, it was determined that the area warranted further follow up work.

### Directors' Report

During Q3 2020, Aldoro completed an aircore (AC) drilling program at the project. This initial program consisted of 56 holes for a total of 3,422m drilled. Holes were generally drilled to blade refusal, with an average depth of 61m and to a maximum depth of 102m (hole UHSAC036), due to an increased weathering profile in some areas. Gold anomalism was detected in holes UHSAC018 (4m @ 0.0368 g/t Au from 46m), UHSAC026 (7m @ 0.0327 g/t Au from 38m) and UHSAC029 (9m @ 0.0487 g/t Au from 54m). Highest individual grades intersected were from holes UHSAC004 (1m @ 0.236 g/t Au from 62m) and UHSAC053 (1m @ 0.22 g/t Au from 34m). Whilst considered anomalous, these grades were disappointing from the aspect that they failed to reflect the higher levels of gold anomalism identified from historic drilling. As a result, the Company will undertake a comprehensive review on the overall prospectivity of the Project and determine whether further drilling is warranted.

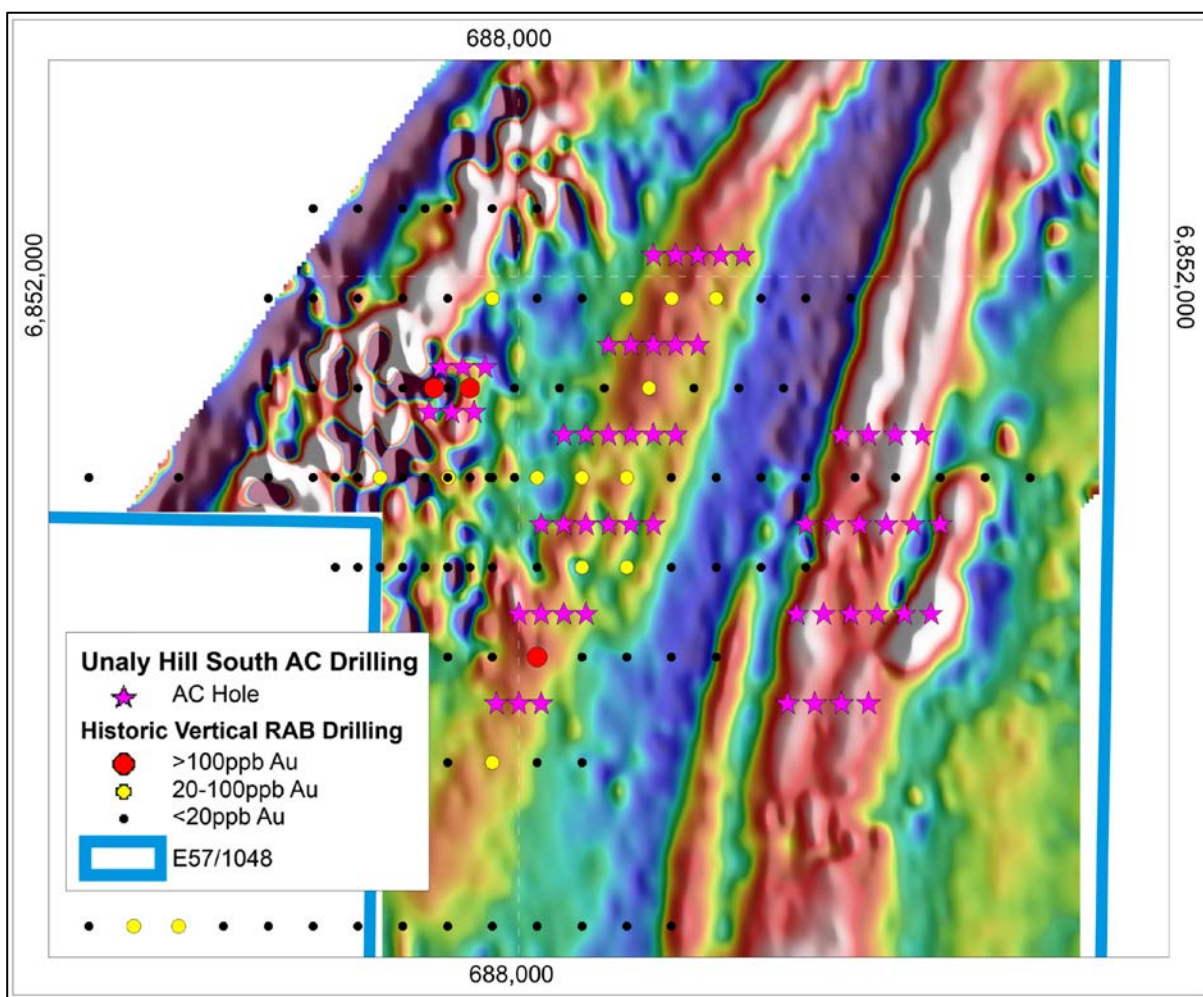


Figure 3. Unaly Hill South AC Drilling October 2020.

### Ryan's Find Project

The Ryan's Find Project is located 100km northwest of Southern Cross with exploration to date focused on the nickel-cobalt potential of ultramafic rocks within the Watt Hills Greenstone belt.

During the reporting period Aldoro received assay results from a first pass geochemical survey at Ryans Find completed earlier in 2019 (ASX, *ARN to Focus on Nickel Potential of Ryans Find Project, 28 August 2019*). The survey aimed to verify nickel-cobalt anomalism in historical geochemical surveys and enable targeting of future work programmes.



## Directors' Report

Following a review of the Company's exploration portfolio, Aldoro has since decided to focus solely on the gold potential of the Ryans Find Project area, with more than 40 km of strike length of relatively underexplored greenstone belt, bookended by historic gold mines and workings. The Company notes the recent acquisition of the historic Taipan Mine by Twenty Seven Co (ASX:TSC, 11 September 2020) for up to A\$3.15m in cash and stock. This historic mine, located on tenement M77/515, is almost surrounded by Aldoro's tenement E77/2535, with potential for strike extension of this mineralised structure into Aldoro's ground. Aldoro is actively pursuing the grant of tenements ELA77/2520, ELA77/2535 and ELA16/551 with a gold focused exploration program prepared and ready to commence as soon as that occurs.

### Kiabye Greenstone Belt (Narndee Igneous Complex-Au)

#### Kibaye Gold Prospect

The Kiabye Greenstone Belt wraps around the western side of the Narndee Complex, predominantly formed of Norie Group amphibolite-metabasalt and Yaloginda metasedimentary units, with a sheared contact against the surrounding Tuckanarra Suite granite. The greenstone belt extends for over 30km of strike and is historically underexplored due to thin 1m to 5m cover. Anomalous indications of gold have been identified along the length of the belt in historic work (ASX, *New Gold Exploration Strategy Taking Shape*, 21 October 2019). Historic exploration has focused on two main areas, Kiabye Well North and Kiabye Well South. Recent prospecting activities on the project area have identified several new gold occurrences of both gold nugget patches and gold in quartz veins. Aldoro has conducted recent fieldwork to ground-truth these locations. The additional donation of compelling rock chip and lag samples by local gold prospectors from the surrounding area, warrants an expansion of the current soil sampling program, and a further 2km<sup>2</sup> of sampling is planned to test and verify recent areas of gold prospecting activity and reported gold nugget finds (ASX announcement, 5 October 2020).

### Ni-Cu-PGE Projects

#### **Narndee Project**

In October 2020, the Company announced the commencement of a major exploration effort at its Narndee Igneous Complex Project (Narndee) (ASX announcement 29 October 2020). This work commenced with an airborne electromagnetic (EM) survey, utilising UTS Geophysics' VTEM™ Max system. The survey, conducted from 9<sup>th</sup> -21<sup>st</sup> November, covered a 155 km<sup>2</sup> area of the southern area of the greater Narndee Igneous Complex (NIC). Initial processing of 1035 line/km of data (@ 150 m line-spacing) revealed the location of 16 major targets, comprising 7 type-1 bedrock conductors associated with magnetic features, and 9 deeper anomalies, located in the core area of the NIC (ASX announcement, 24 November 2020) (Figure 5). The Company noted that many of the anomalies detected corresponded well with areas of historic surface geochemical results, with the rest untested by historic work. Ongoing processing and refinement of the data and imagery by UTS Geophysics, was completed in December (ASX announcement 21 January 2021). The refined data and imagery released support the presence of conductive zones at depths from 50-300m across the entire property. These zones have the appearance of sub-horizontal layers and lense-like bodies reminiscent of a layered, magnetic ultramafic intrusion.

Directors' Report

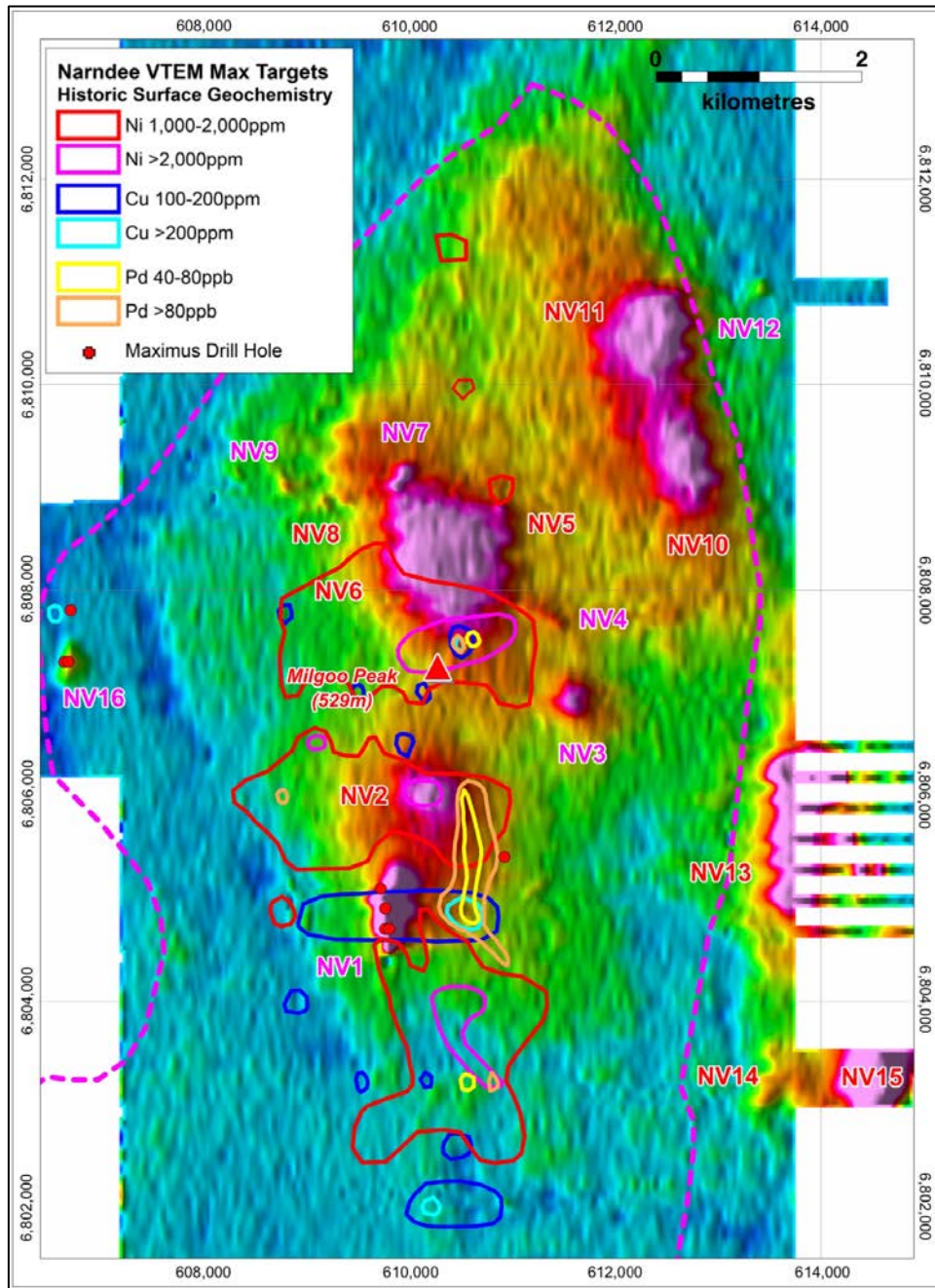


Figure 4. VTEM Max Targets and Historic Surface Geochemistry Around Milgo Peak on CH48BZ Image.

Due to the success of this program, the Company announced a follow-up High-Power Fixed Loop (FLTEM) ground EM survey, scheduled to start mid-late January (ASX Announcement 21 December 2020). The FLTEM survey will enable a deeper understanding of the Project’s highly prospective targets (Figure 6) in preparation for the upcoming drilling campaign.

HPEM Geophysical Services will be engaged to conduct the survey and subsequent results will be reviewed by Southern Geoscience Consultants. Overall interpretation of data and drill target selections is expected to conclude in 4-6 weeks.

## Directors' Report

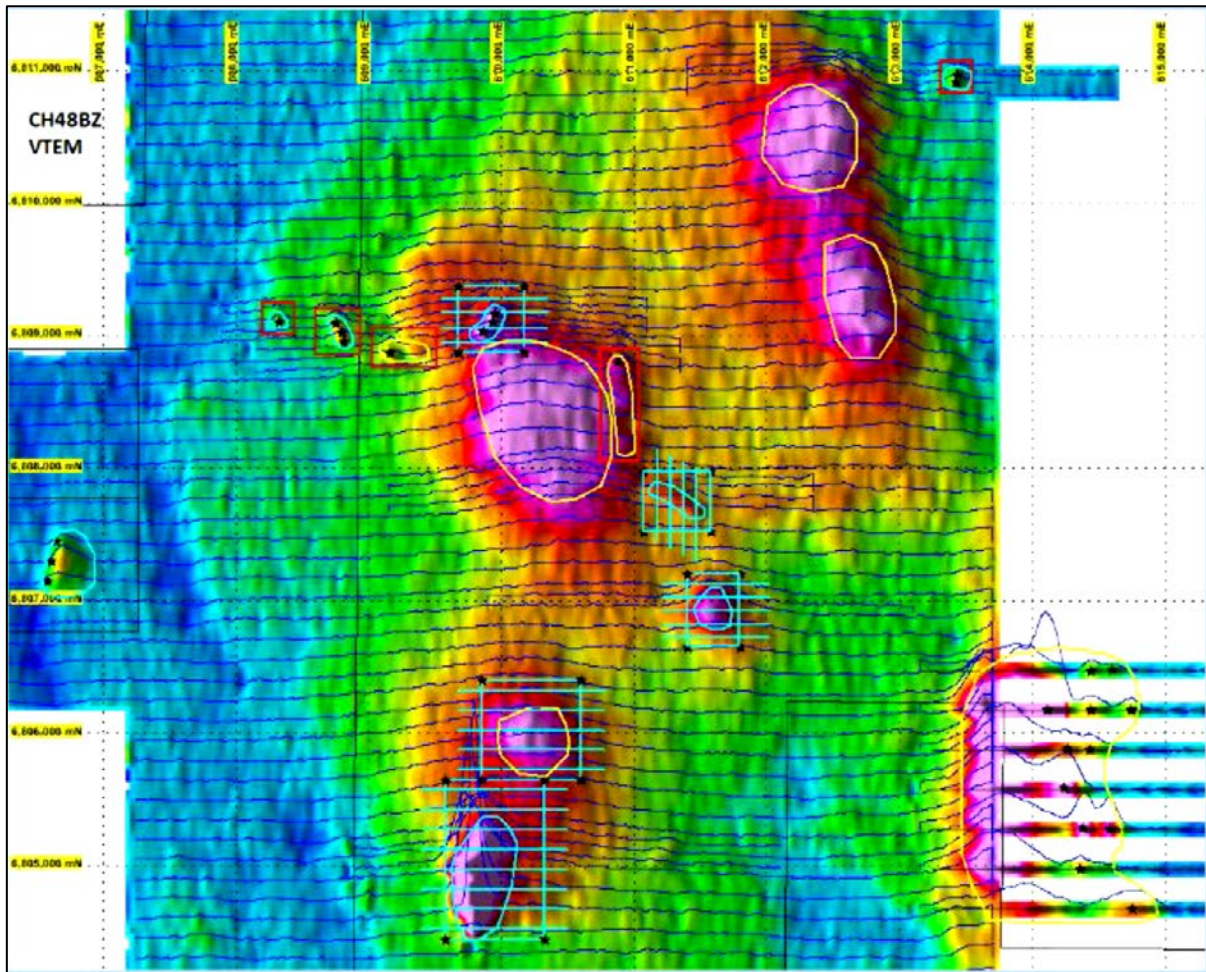


Figure 5. The success of the airborne VTEM survey has allowed The Company to identify high-interest targets and plan a follow-up ground EM survey. The FLTEM survey blocks are shown in light blue boxes and lines covering priority targets.

### Windimurra Igneous Complex

In the prior year, Aldoro surrendered tenement applications E58/518 and E58/519 after first re-applying for key areas of these applications as ELA59/2431. ELA59/2431 still covers the main exploration targets identified by the Company, but within a reduced footprint. This exercise resulted in a net cash inflow to the Company of approximately \$10,000, from the return of pre-paid tenement rents, and will reduce the Company's expenditure by approximately \$87,000/year once the tenement application is granted. The tenement is due for granting in February 2021.

The Narndee Windimurra Complex is the largest layered mafic-ultramafic intrusive complex in Australia and comprises a "classic" layered stratigraphy, typified by the Bushveld Igneous Complex (BIC) in South Africa. A key feature of the license area is the multiple strong magnetic anomalies interpreted to be a possible ultramafic zone. Of particular interest are magnetic targets (Targets Mag1 and Mag2), where the magnetic anomaly is supported by development conducive ground cover as opposed to conductive salt lakes (Figure 7).

## Directors' Report

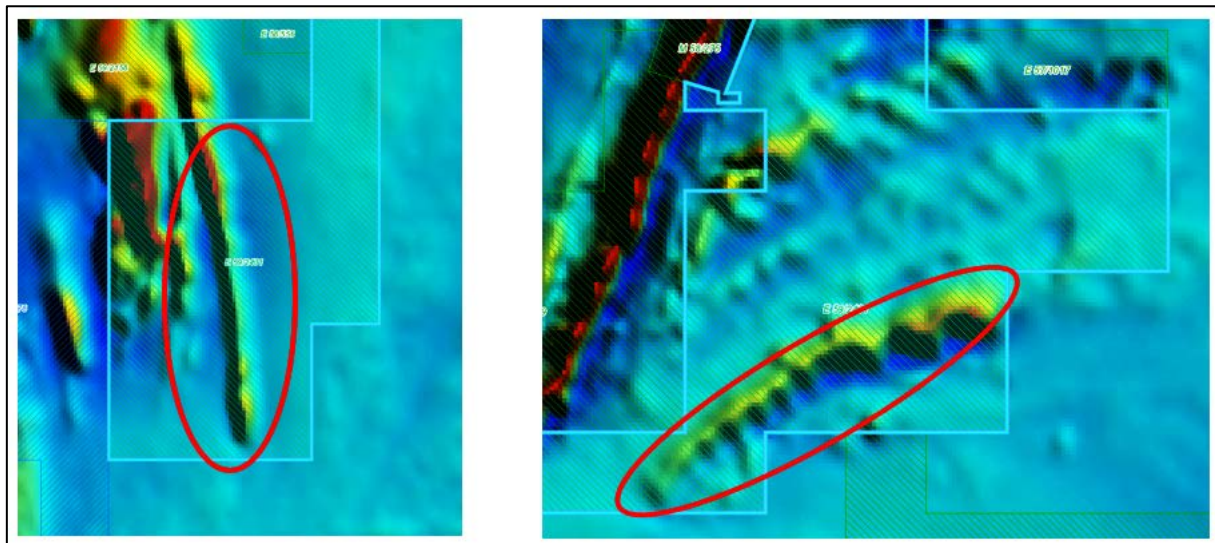


Figure 6. Targets Mag1 (at left) and Mag2 located within Licence E59/2431.

The stratigraphically higher mafic parts of the complex contain predominantly Fe-Ti-V deposits, typical of the Windimurra Mine, Youanmi and the Atley Complexes. Importantly, the Windimurra tenement covers Mulyeron Hill, a stratigraphically lower ultramafic portion of the Windimurra mafic-ultramafic Complex, over which Aldoro holds 100%. The Company sees the granting of the tenement as pivotal in securing a greater footprint over the Nardeed Windimurra Complex and at the same time, simultaneously enhancing the strategic significance and prospectivity of the Company's mineral licence holdings over this significant area.

### Cathedrals Belt Project

The Cathedrals Belt Project comprises 6 tenements (E36/931 is expected to be relinquished) (Figure 8), located 250km northwest of Kalgoorlie, adjacent to nickel sulphide discoveries made by St George Mining Ltd (ASX:SGQ) at the Cathedrals, Strickland and Investigators Prospects.

The Company's tenements lie to the east, and west, of St George's tenure and the Company's interpretation based on its own high resolution aeromagnetic survey is that the greenstones hosting the nickel-sulphide mineralisation could extend into Aldoro's tenure. Aldoro's tenement E29/1030 is interpreted to lie directly along trend from the ultramafic units hosting the nickel-sulphide mineralisation at the Cathedrals, and aeromagnetic images show a discrete E – W magnetic feature in the SW portion of E29/1030 (Figure 9).

Directors' Report

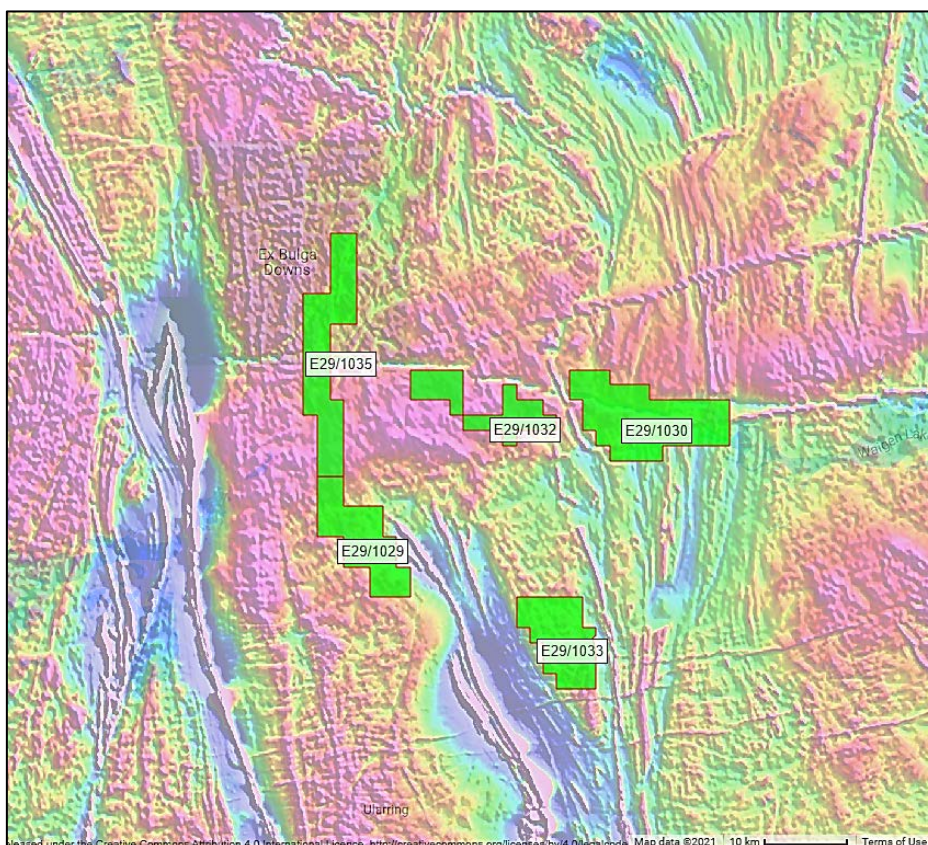


Figure 7. Aldoro's Cathedral's Belt tenements superimposed over a regional aeromagnetic background.

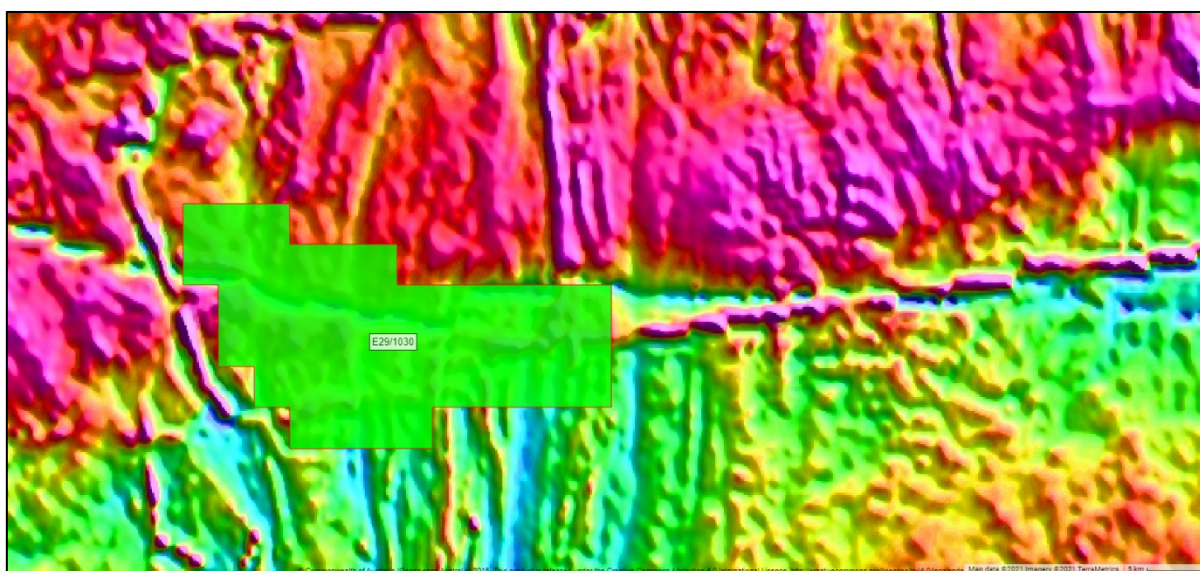


Figure 8. Potential strike extension of E-W nickel-sulphide rich greenstone ultramafic units into E29/1030.

Aldoro notes the exploration success announced by St George (*ASX:SGQ, 1 April 2020, 22 April 2020, 15 May 2020*) at their neighbouring Mount Alexander Project, including the use of magnetotelluric and audio-magnetotelluric surveying as an exploration tool. The Company is following these developments whilst planning our next stage of exploration work at the project.

**Leinster Project**

In the prior year, the Company received final assay results for its recent drilling program at the Firefly Prospect, part of the Leinster Nickel Project (*ASX, Firefly Drilling Results, 19 December 2019*). Drilling tested the bedrock conductors modelled within a large, 1 km scale anomaly associated with the contact of a high magnetic response unit (*ASX, Drilling Commences at Leinster Nickel Project, 7 October 2019*).

## Directors' Report

Drilling at the Firefly Prospect encountered a mixture of basalts (including high Mg), coarse grained mafic and ultramafic lithologies. Nickel concentrations were elevated in the high Mg and ultramafic units as expected with results of 67m at 0.11% Ni (AFFRC04) and 28m at 0.13% Ni (AFFRC02).

Encouragingly high contents of nickel were returned near the base of the ultramafic pile in AFFRC02 with 3m at 0.14% Ni, along with 12m at 0.15% Ni at a higher stratigraphic position. This could reflect magmatic processes at work which elsewhere form mineralisation through concentration of denser sulphide minerals. The mineralogy of the significant sulphide bearing intervals was dominated by pyrite and hosted within mafic rocks (*ASX, Exploration Update, 28 October 2019*). Sampling of these intervals in AFFRC05 returned 2m at 0.54% Zn and 0.09% Cu.

### Corporate

On 15 July 2020, Aldoro successfully completed a capital raising of A\$1,189,000 (before costs) through the issue of 13,211,111 new fully paid ordinary shares to professional and sophisticated investors at an issue price of \$0.09 per share ("Placement"). The Placement shares were issued on 23 July 2020. Xcel Capital Pty Ltd ("Xcel") acted as Lead Manager for the Placement. Aldoro's Chairman, Rhoderick Grivas, and Managing Director, Caedmon Marriott, participated in the Placement for a total of 311,358 new shares, approved at the General Meeting on 7 September 2020.

Xcel was paid a fee of \$88,840 for managing the Placement and will be issued 1,500,000 unlisted options, exercisable at a 50% premium to a 30-day VWAP prior to the date of the issue ("Options"). The issue of Options was approved by shareholders at the General Meeting on 7 September 2020.

On 9 September 2020, the Company issued 6,500,000 unlisted options to Directors and Corporate Advisor, Xcel Capital Pty Ltd ("Xcel Capital"). 1,500,000 unlisted options were issued to Rhoderick Grivas, 3,000,000 unlisted options were issued to Caedmon Marriott, 500,000 unlisted options were issued to Joshua Letcher and 1,500,000 unlisted options were issued to Xcel Capital, as approved by shareholders at the General Meeting on 7 September 2020. Of the 6,500,000 unlisted options issued, 4,500,000 unlisted options are exercisable at \$0.175 per option on or before 9 September 2023 and 2,000,000 unlisted options are exercisable at \$0.234 per option on or before 9 September 2023.

On 11 September 2020, the Company issued 311,358 Placement Shares at \$0.09 per share to Directors pursuant to their participation in the Placement completed in July 2020 and approved by shareholders on 7 September 2020.

On 13 September 2020, 2,922,501 fully paid ordinary shares were released from escrow.

On 25 November 2020, Mr Rhod Grivas resigned as Chairman of the Company effective immediately. Mr Joshua Letcher resumed the role of Chairman of the Company.

At the Annual General Meeting ("AGM") held on 25 November 2020, Mr Lincoln Ho was elected by shareholders as a Non-Executive Director of the Company. Executive Director of the Company, Mr Caedmon Marriott, re-election as a Director was not passed at the AGM. As a result, Mr Marriott's tenure as a Director of the Company came to an end at the close of the AGM.

On 26 November 2020, Mr Troy Flannery was appointed as a Non-Executive Director of the Company.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial half-year.

## Directors' Report

### FINANCIAL RESULTS

The financial results of the Group for the half-year ended 31 December 2020 are:

	31-Dec-20	30-Jun-20
Cash and cash equivalents (\$)	<b>2,186,741</b>	2,203,956
Net assets (\$)	<b>6,608,733</b>	5,865,628

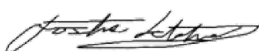
	31-Dec-20	31-Dec-19
Revenue (\$)	<b>64,657</b>	29,896
Net loss after tax (\$)	<b>(630,177)</b>	(1,287,184)
Loss per share (cents)	<b>(0.97)</b>	(3.18)

### AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included within this financial report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



**Joshua Letcher**  
**Non-Executive Chairman**

Perth, Western Australia  
Dated 12 March 2021

**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +61(0) 8 92619100  
F +61(0) 8 92619111

[www.rsm.com.au](http://www.rsm.com.au)

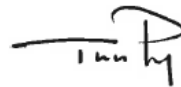
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Aldoro Resources 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.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 12 March 2021



**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the half-year ended 31 December 2020**

	Note	31-Dec-20 \$	31-Dec-19 \$
<b>Revenue from continuing operations</b>			
Other income		64,657	29,896
Administrative expenses		(92,050)	(119,304)
Compliance and regulatory expenses		(29,253)	(34,587)
Consulting and legal fees		(114,592)	(40,205)
Employee benefit expenses		(98,002)	(247,500)
Exploration consulting fees		(6,946)	-
Facilitation, option and acquisition costs		-	(365,850)
Investor relations		(27,750)	(80,990)
Impairment expense	3	(121,323)	(410,534)
Occupancy costs		(6,720)	(2,062)
Other expenses		(11,598)	(16,048)
Share-based payment expense	6	(186,600)	-
<b>Loss before income tax expense</b>		<b>(630,177)</b>	<b>(1,287,184)</b>
Income tax expense		-	-
<b>Loss after income tax for the period</b>		<b>(630,177)</b>	<b>(1,287,184)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period attributable to members of Aldoro Resources Limited</b>		<b>(630,177)</b>	<b>(1,287,184)</b>
<b>Loss per share for the period attributable to the members of Aldoro Resources Limited</b>			
Basic and diluted loss per share (cents)		<b>(0.97)</b>	(3.18)

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

## Consolidated Statement of Financial Position

### As at 31 December 2020

	Note	31-Dec-20 \$	30-June-20 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		2,186,741	2,203,956
Trade and other receivables		55,150	67,933
<b>Total Current Assets</b>		<b>2,241,891</b>	<b>2,271,889</b>
<b>Non-current Assets</b>			
Exploration and evaluation expenditure	3	4,486,550	4,003,781
<b>Total Non-Current Assets</b>		<b>4,486,550</b>	<b>4,003,781</b>
<b>TOTAL ASSETS</b>		<b>6,728,441</b>	<b>6,275,670</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		119,708	410,042
<b>Total Current Liabilities</b>		<b>119,708</b>	<b>410,042</b>
<b>TOTAL LIABILITIES</b>		<b>119,708</b>	<b>410,042</b>
<b>NET ASSETS</b>		<b>6,608,733</b>	<b>5,865,628</b>
<b>EQUITY</b>			
Contributed equity	4	9,314,265	8,186,083
Reserves	5	355,100	110,000
Accumulated losses		(3,060,632)	(2,430,455)
<b>TOTAL EQUITY</b>		<b>6,608,733</b>	<b>5,865,628</b>

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

## Consolidated Statement of Changes in Equity

### For the half-year ended 31 December 2020

Consolidated	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
<b>At 1 July 2020</b>	<b>8,186,083</b>	<b>110,000</b>	<b>(2,430,455)</b>	<b>5,865,628</b>
Loss for the period	-	-	(630,177)	(630,177)
<b>Total comprehensive loss for the period after tax</b>	<b>-</b>	<b>-</b>	<b>(630,177)</b>	<b>(630,177)</b>
<i>Transactions with owners in their capacity as owners</i>				
Issue of share capital	1,217,022	-	-	1,217,022
Share issue costs	(88,840)	-	-	(88,840)
Share-based payments	-	245,100	-	245,100
<b>At 31 December 2020</b>	<b>9,314,265</b>	<b>355,100</b>	<b>(3,060,632)</b>	<b>6,608,733</b>

Consolidated	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
<b>At 1 July 2019</b>	<b>5,481,308</b>	<b>-</b>	<b>(566,815)</b>	<b>4,914,493</b>
Loss for the period	-	-	(1,287,184)	(1,287,184)
<b>Total comprehensive loss for the period after tax</b>	<b>-</b>	<b>-</b>	<b>(1,287,184)</b>	<b>(1,287,184)</b>
<i>Transactions with owners in their capacity as owners</i>				
Issue of share capital	2,570,000	-	-	2,570,000
Share issue costs	(50,225)	-	-	(50,225)
Share-based payments	-	110,000	-	110,000
<b>At 31 December 2019</b>	<b>8,001,083</b>	<b>110,000</b>	<b>(1,853,999)</b>	<b>6,257,084</b>

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

**Consolidated Statement of Cash Flows**  
**For the half-year ended 31 December 2020**

	Note	31-Dec-20	31-Dec-19
		\$	\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(257,047)	(1,094,375)
Interest received		7,111	29,896
Other income		7,546	-
<b>Net cash used in operating activities</b>		<b>(242,390)</b>	<b>(1,064,479)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation costs		(903,007)	(345,360)
Cash acquired from acquisition of subsidiary		-	204,212
<b>Net cash used in investing activities</b>		<b>(903,007)</b>	<b>(141,148)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		1,217,022	650,000
Share issue costs		(88,840)	(50,225)
<b>Net cash provided by financing activities</b>		<b>1,128,182</b>	<b>599,775</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(17,215)</b>	<b>(605,852)</b>
Cash and cash equivalents at beginning of the period		2,203,956	3,552,155
<b>Cash and cash equivalents at end of the period</b>		<b>2,186,741</b>	<b>2,946,303</b>

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

## Notes to the Consolidated Financial Statements

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

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

The preparation of the interim financial report 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 financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2020.

#### (c) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

### NOTE 2 SEGMENT INFORMATION

The Group operates only in one reportable segment being predominately in the area of gold and nickel mineral exploration in Australia. The Board considers its business operations in gold and nickel mineral exploration to be its primary reporting function. Results are analysed as a whole by the chief operating decision maker, this being the Board of Directors. Consequently, revenue, profit, net assets and total assets for the operating segment are reflected in this financial report.

### NOTE 3 EXPLORATION AND EVALUATION EXPENDITURE

	31-Dec-20	30-Jun-20
	\$	\$
Carrying amount of exploration and evaluation expenditure	<b>4,486,550</b>	4,003,781
At the beginning of the period	<b>4,003,781</b>	1,407,494
Exploration expenditure incurred	<b>604,092</b>	1,176,421
Asset Acquisition	-	2,045,117
Acquired through share consideration	-	185,000
Impairment expense	<b>(121,323)</b>	(810,251)
At the end of the period	<b>4,486,550</b>	4,003,781

## Notes to the Consolidated Financial Statements

### NOTE 4 CONTRIBUTED EQUITY

#### (a) Issued and fully paid

	31-Dec-20		30-Jun-20	
	No.	\$	No.	\$
Ordinary shares	66,380,803	9,314,265	52,858,334	8,186,083

Ordinary shares entitle the holder to participate in dividends and the proposed winding up of the Company in proportion to the number and amount paid on the share hold.

#### (b) Movement reconciliation

	Date	Number	Issue Price	\$
<b>At 1 July 2020</b>		52,858,334	-	8,186,083
Placement	22/07/2020	13,211,111	\$0.090	1,189,000
Placement Shares issued to Directors	11/09/2020	311,358	\$0.090	28,022
Share issue costs		-	-	(88,840)
<b>At 31 December 2020</b>		<b>66,380,803</b>		<b>9,314,265</b>
<b>At 1 July 2019</b>		<b>35,525,001</b>	-	<b>5,481,308</b>
Placement	18/09/2019	3,733,332	\$0.150	560,000
Placement	20/11/2019	600,001	\$0.150	90,000
Consideration securities for the Altilium Metals Acquisition	20/11/2019	10,800,000	\$0.160	1,728,000
Issue of shares for facilitator services for the Altilium Metals Acquisition	20/11/2019	1,200,000	\$0.160	192,000
Issue of Deferred Consideration Shares to Blue Ribbon Mines Pty Ltd	14/01/2020	1,000,000	\$0.185	185,000
Share issue costs		-	-	(50,225)
<b>At 30 June 2020</b>		<b>52,858,334</b>		<b>8,186,083</b>

### NOTE 5 RESERVES

	31-Dec-20	30-Jun-20
	\$	\$
Options reserve	355,100	110,000
<b>Movement reconciliation</b>		
<b>Balance at the beginning of the period</b>	<b>110,000</b>	-
Options issued during the half year	245,100	110,000
<b>Balance at the end of the period</b>	<b>355,100</b>	<b>110,000</b>

### NOTE 6 SHARE-BASED PAYMENTS

	31-Dec-20	31-Dec-19
	\$	\$
<b>Recognised share-based payment transactions</b>		
Options issued to Directors <sup>(i)</sup>	186,600	-
Options issued as part of the Altilium acquisition <sup>(iii)</sup>	-	55,000
Options issued to consultants <sup>(ii)</sup>	58,500	55,000
	<b>245,100</b>	<b>110,000</b>
<i>Reconciliation:</i>		
Share-based payment expense	186,600	-
Consulting and legal fees	58,500	55,000
	<b>245,100</b>	<b>55,000</b>

(i) On 9 September 2020, the Company issued 5,000,000 unlisted options to Directors. 1,500,000 unlisted options were issued to Rhoderick Grivas, 3,000,000 unlisted options were issued to Caedmon Marriott, 500,000 unlisted options were issued to Joshua Letcher as approved by shareholders at the General Meeting on 7 September 2020.

## Notes to the Consolidated Financial Statements

### NOTE 6 SHARE-BASED PAYMENTS (Continued)

- (ii) On 9 September 2020, 1,500,000 unlisted options were issued to consultants, as approved by shareholders at the General Meeting on 7 September 2020. (31 Dec 2019: 1,000,000 unquoted options issued, on the identical terms and conditions as the GVC options, to Xcel Capital Pty Ltd for facilitation of the acquisition).
- (iii) 1,000,000 unquoted options each exercisable within three (3) years from the date of issue, upon payment of an exercise price of \$0.225 to acquire one (1) fully paid ordinary share in Aldoro Resources Limited (“GVC Options”).

The options issued to the Directors and Consultants of the Company, have been valued using the Hoadley ES02 valuation model. The model and assumptions are shown in the table below:

Hoadley ES02 Valuation Model			
	Directors Tranche 1	Directors Tranche 2	Consultant
Grant Date	07-09-20	7-09-20	7-09-20
Expiry Date	09-09-23	09-09-23	09-09-23
Strike (Exercise) Price	\$0.175	\$0.234	\$0.175
Underlying Share Price (at date of issue)	\$0.092	\$0.092	\$0.092
Risk-free Rate (at date of issue)	0.28%	0.28%	0.28%
Volatility	100%	100%	100%
Number of Options Issued	3,000,000	2,000,000	1,500,000
Dividend Yield	0%	0%	0%
Early Exercise Multiple	2.5x	2.5x	2.5x
Fair value per option	\$0.0390	\$0.0348	\$0.0390
Total Fair Value of Options	\$117,000	\$69,600	\$58,500

### NOTE 7 DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2020 (30 June 2020: Nil). The Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2020.

### NOTE 8 CONTINGENCIES

There have been no changes to contingent liabilities or assets since 30 June 2020.

### NOTE 9 COMMITMENTS

There have been no other changes to commitments since 30 June 2020.

## Notes to the Consolidated Financial Statements

### NOTE 10 EVENTS SUBSEQUENT TO THE REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is ongoing for the Group up to 31 December 2020. 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.

On 25 January 2021, the Company announced it is undertaking a non-renounceable entitlement issue of one (1) option to acquire a fully paid ordinary share in the capital of the Company (exercisable at \$0.30 on or before 31 August 2023) (**Loyalty Option**), for every five (5) shares held by eligible shareholders at an issue price of \$0.01 per Loyalty Option, to raise up to approximately \$132,762.

Xcel Capital Pty Ltd (**Lead Manager**) has been appointed lead manager to the Offer to place any shortfall of Loyalty Options offered to Shareholders. In consideration for its appointment, the Lead Manager (or its nominees) will receive a management fee of \$10,000 and 3,750,000 Options on the same terms as offered to Shareholders under the Offer.

The Non-Renounceable Entitlement Issue closed on 18 February 2021. Total applications for the Options raising gross proceeds of \$111,908 were received. On 25 February 2021, 11,042,831 options were issued.

On 4 March 2021, 6,255,243 Listed Options at an issue price of \$0.01 per Option (exercisable at \$0.30; expiry 31 August 2023).

Other than the above, there has been no other matter or circumstance which has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.



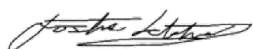
## Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



**Joshua Letcher**  
**Non-Executive Chairman**  
**12 March 2021**



**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +61(0) 8 92619100  
F +61(0) 8 92619111

[www.rsm.com.au](http://www.rsm.com.au)

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
ALDORO RESOURCES LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Aldoro Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

*Directors' Responsibility for the Half-Year Financial Report*

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

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 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*. As the auditor of Aldoro Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

**THE POWER OF BEING UNDERSTOOD**  
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### *Independence*

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

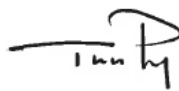
### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aldoro Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 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*.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 12 March 2021