



**Interim Financial Report
For the half-year ended
30 June 2021**



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CORPORATE DIRECTORY

Directors		Registered and Principal Office	
Sara Kelly Non-Executive Chair		Ground Floor, 24 Outram Street West Perth WA 6005	
Nicholas Katris Executive Director		Telephone: 08 6383 6595 Email: admin@midasminerals.com	
Michael Naylor Non-Executive Director		Website: www.midasminerals.com	
Mick Wilson Non-Executive Director			
Company Secretary		Share Registry	
Nicholas Katris		Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth WA 6000 Telephone: 1300 850 505	
Auditor		Australian Business Number	
Ernst & Young 11 Mounts Bay Rd Perth WA 6000		33 625 128 770	
Solicitors			
HWL Ebsworth Lawyers Level 20, 240 St Georges Terrace Perth WA 6000			



DIRECTORS' REPORT

The directors of Midas Minerals Ltd ("**Midas**" or "**the Company**") and its controlled entities (collectively, "**the Group**") present their interim Financial Report together with the financial statements of the Group for the half-year period ended 30 June 2021.

DIRECTORS

The directors of the Company throughout the half-year and to the date of this report except where indicated:

Michael Naylor

Nicholas Katris (appointed 17 June 2021 and became Executive Director from 1 July 2021)

Sara Kelly (appointed 21 June 2021)

Michael Wilson (appointed 21 June 2021)

Mark Calderwood (resigned 21 June 2021)

Mark Tuner (resigned 21 June 2021)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year ended 30 June 2021 were exploration for mineral resources.

REVIEW OF OPERATIONS

During the half-year, as a result of acquiring highly prospective projects, the Company commenced preparations for the listing on the Australian Securities Exchange (ASX). The projects acquired during the period are focussed on the discovery of gold, PGE, nickel, copper and base metal mineral assets in the Eastern Goldfields and Murchison regions of Western Australia.

PROJECT SELECTION CRITERIA

- Located in Tier-1 Western Australia gold mining region;
- Each project is proximal to significant deposits and/or having a similar geological setting;
- The ability to acquire 100% of each project, which the Company considers to be important if an economic discovery is made;
- There has already been prior early-stage exploration; and
- Each project is either drill ready or almost drill ready which provides the Company with the ability to quickly advance each project.

PROJECTS

Weebo Project

The Company's flagship Weebo Project is highly prospective for gold and nickel and located within a prolific district. Weebo has nine exploration licences and one prospecting licence covering approximately 198km².

Limited exploration has been completed since 2006, with significant prior rotary air blast (RAB) drill holes and scattered reverse circulation (RC) holes require follow up.

The Company's exploration program includes:

- Geophysics (surface and/or down hole) will be utilised to help define structural targets.
- Infill and compiling and interpretation of prior aeromagnetics, radiometrics and gravity.
- Establish and maintain a selection of drill targets advancing quickly to resource definition drilling.
- Other target areas are essentially greenfields, with transported cover common for auger soil sampling



Challa Project

The Challa Project is prospective for precious and base metals. The Company has acquired two granted exploration licences and three exploration licence applications comprising 859km² of tenure.

The Company's exploration program will focus on Gold-copper and PGE, associated with sulphide accumulations, structural controls and utilise structural controls to focus drill targets. In addition, LCT pegmatites which have been observed in the area but not previously explored will be followed up.

Sunset Project

The Sunset Project is prospective for granitoid hosted gold mineralisation. Midas has acquired one prospecting licence comprising 1.2km² of tenure.

Mapping and sampling have highlighted gold potential over 1.3km of strike, comprising favourable geology of a strongly foliated granodiorite intrusive within mafic volcanic rocks. The project is drill ready and there are no record or field evidence of any drilling from the historic workings.



Figure 1: Project location map.

Exploration work will initially be focussed on existing granted tenements, while the Company continues to progress tenement applications. The Company will also continue to assess other opportunities for tenement applications or acquisitions in the interests of shareholders.



OTHER NON-CORE PROJECT

Avontuur Manganese Project, South Africa

The Avontuur Manganese Project ("Project") is located adjacent to the World's premier manganese producing area, the Kalahari Manganese Field ("KMF") in the Northern Cape Province of South Africa. The Gravenhage Manganese Deposit ("Gravenhage Deposit"), which sits within the Project, is situated at the northern end of Avontuur, approximately 30km north of the KMF.

The Project is owned 74% by Baosteel controlled Aquila Resources. Midas holds a 26% interest in Rakana Consolidated Mining Pty Ltd ("Rakana"), which has a 6.76% free carried interest in Avontuur. The Company does not have any ongoing liabilities for Rakana and Rakana is not a focus for the Company.

During the period, Rakana, Aquila Steel (S Africa) Proprietary Limited (Registration Number 2005/021254/07 (Aquila) and Afrimat Limited (JSE: AFT) (Afrimat) (being a company incorporated in accordance with the laws of South Africa listed on the Johannesburg Stock Exchange (JSE)) became parties to a sale and purchase agreement dated 20 May 2021 in respect of the Gravenhage Manganese Tenement to Afrimat (Gravenhage Sale Agreement).

The Company's interest in the Gravenhage Manganese Tenement is minor in nature and subject to a drag along right in favour of Aquila, such that the Company has limited control of the ability of the parties to satisfy the requirements for completion to occur. In particular, the agreement is subject to various conditions precedent. The conditions precedent must be satisfied on or before 20 August 2022.

CORPORATE

Company Name Change

The Company changed its name from Cowan Lithium Limited to Midas Minerals Limited after shareholders approved the change at the general meeting held on 12 March 2021.

Appointment of Directors

On 21 June 2021, the Company appointed Sara Kelly as Non-Executive Chair and Michael Wilson as Non-Executive Director.

Resignation of Directors

On 21 June 2021, Non-Executive Directors Mark Calderwood and Mark Turner resigned.

FINANCIAL PERFORMANCE AND POSITION

Cash and cash equivalents at 30 June 2021 totalled \$2,523,089 (31 December 2020: \$3,421,853).

The loss after income tax incurred by the group for the half-year period ended 30 June 2021 was \$412,245 (30 June 2020 loss: \$102,034). This loss was largely the result of costs incurred for the Company's Initial Public Offering (IPO), share-based payments to key management personnel and an impairment provision raised for balances pertaining to tenements where licenses have not yet been granted.

EVENTS SUBSEQUENT TO 30 JUNE 2021

Initial Public Offering & ASX Listing

On 12 July 2021 the Company submitted to its Prospectus for its Initial Public Offering (IPO) to be admitted to the official list of the Australian Securities Exchange (ASX). As part of the listing process, a public offer to all investors was completed, raising \$6 million at \$0.20 per share, before cost. Midas now has 63,977,134 shares on issue.

On 20 August 2021, the Company received Conditional Admission Letter from the ASX confirming that the application was successful subject to the satisfaction of certain conditions precedent. It is anticipated that the conditions will be achieved in anticipation of the Company commencing trading on 7 September 2021.



Performance Rights

3,000,000 Performance Rights as per note 7(b) in the financial statements vested upon the Company receiving a Conditional Admission Letter on 20 August 2021 from the ASX.

There has been no other matter or circumstance occurring subsequent to the end of the half-year period that has 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 the future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

This report is made in accordance with a resolution of the Directors.

Nicholas Katris

Executive Director

Perth, Western Australia – 1 September 2021



FORWARD LOOKING STATEMENT

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/ projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Midas Minerals Ltd. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

Midas does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Midas or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this report. Accordingly, to the maximum extent permitted by law, none of Midas, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this report or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report.

COMPETENT PERSONS STATEMENT

The information in half year report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Mark Calderwood. Mr Calderwood is a member of The Australasian Institute of Mining and Metallurgy. Mr Calderwood has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Calderwood consents to the inclusion in this report of the matters based on their information in the form and context in which it appears. Mr Calderwood is a significant shareholder in Midas. Mr Calderwood and Midas do not consider these to constitute a potential conflict of interest to his role as Competent Person. Mr Calderwood is not aware of any other relationship with Midas which could constitute a potential for a conflict of interest.

Auditor's independence declaration to the directors of Midas Minerals Ltd

As lead auditor for the review of the half-year financial report of Midas Minerals Ltd and its controlled entities for the half-year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Midas Minerals Ltd and the entities it controlled during the financial period.



Ernst & Young



R J Curtin
Partner
1 September 2021



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2021

	Notes	30 June 2021 \$	30 June 2020 \$
Other Income		-	-
Accounting and audit expenses		(39,118)	(5,700)
Consulting and contracting expenses		(64,023)	(1,244)
Employee benefits expense		(49,237)	(38,486)
Impairment of exploration assets	5	(56,247)	-
Exploration expensed		(1,727)	(713)
Impairment of receivable		-	(50,000)
Listing and compliance		(45,968)	(8,806)
Share based payments	7	(141,728)	-
Other expenses		(15,056)	(8,414)
Results from operating activities		(413,104)	(113,363)
Finance income		859	11,329
Loss before tax		(412,245)	(102,034)
Income tax expense	10	-	-
Loss after tax		(412,245)	(102,034)
Other comprehensive loss			
Other comprehensive loss for the period, net of tax		-	-
Total comprehensive loss for the period		(412,245)	(102,034)
Loss per share attributable to the Members of Midas Minerals Ltd			
Basic loss per share (cents per share)	9	(1.34)	(0.36)
Diluted loss per share (cents per share)	9	(1.34)	(0.36)

The above should be read in conjunction with the accompanying notes.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	30 June 2021 \$	31 December 2020 \$
Assets			
Current Assets			
Cash and cash equivalents		2,523,089	3,421,853
Other receivables		5,055	-
Prepayments	4	100,421	11,241
Total current assets		2,628,565	3,433,094
Non-current assets			
Property, plant & equipment		3,513	-
Exploration and evaluation assets	5	629,758	64,921
Total non-current assets		633,271	64,921
Total assets		3,261,836	3,498,015
Liabilities			
Current Liabilities			
Trade and other payables		234,602	439,018
Provisions for employee benefits		11,230	15,162
Total Current Liabilities		245,832	454,180
Non-Current Liabilities			
Provisions for employee benefits		-	6,738
Total Non-Current Liabilities		-	6,738
Total liabilities		245,832	460,918
Net assets		3,016,004	3,037,097
Equity			
Contributed equity	6	5,166,160	5,006,160
Share-based payments reserve	7	231,152	-
Accumulated losses		(2,381,308)	(1,969,063)
Total equity		3,016,004	3,037,097

The above should be read in conjunction with the accompanying notes.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2021

	Notes	Contributed equity \$	Share-based Payment Reserve	Accumulated losses \$	Total equity \$
As at 1 January 2020		4,830,994	-	(2,640,347)	2,190,647
Loss for the period		-	-	(102,034)	(102,034)
Other comprehensive loss		-	-	-	-
Total comprehensive loss		-	-	(102,034)	(102,034)
Transactions with owners					
Issue of share capital		175,166	-	-	175,166
Balance at 30 June 2020		5,006,160	-	(2,742,381)	2,263,779
As at 1 January 2021		5,006,160	-	(1,969,063)	3,037,097
Loss for the period		-	-	(412,245)	(412,245)
Other comprehensive loss		-	-	-	-
Total comprehensive loss		-	-	(412,245)	(412,245)
Transactions with owners					
Issue of share capital	6	160,000	-	-	160,000
Options issued	7	-	89,424	-	89,424
Performance rights issued	7	-	141,728	-	141,728
Balance at 30 June 2021		5,166,160	231,152	(2,381,308)	3,016,004

The above should be read in conjunction with the accompanying notes.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2021

	30 June 2021 \$	30 June 2020 \$
Cash flows from operating activities		
Payment to suppliers and employees	(189,574)	(35,512)
Interest received	859	227
Payment for exploration and evaluation expenditure	(1,727)	(713)
Payment of GST from proceeds on sale of tenements	(300,000)	-
Net cash used in operating activities	(490,442)	(35,998)
Cash flows from investing activities		
Payments for property, plant and equipment	(3,513)	-
Payment for exploration and evaluation expenditure	(376,563)	(167,090)
Net cash used in investing activities	(380,076)	(167,090)
Cash flows from financing activities		
Proceeds from share issuances	-	135,166
Share issue transaction costs	(28,246)	-
Net cash (used in)/provided by financing activities	(28,246)	135,166
Net decrease in cash and cash equivalents	(898,764)	(67,922)
Cash and cash equivalents at beginning of the period	3,421,853	220,400
Cash and cash equivalents at end of the period	2,523,089	152,478

The above should be read in conjunction with the accompanying notes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2021

1. GENERAL INFORMATION

Midas Minerals Ltd (“**Midas**” or “**the Company**”) is a for-profit company limited by shares incorporated and domiciled in Australia. The consolidated financial report of the Company for the half-year period ended 30 June 2021 comprises the Company and its controlled entities (“**the Group**”).

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The interim consolidated financial statements for the half-year ended 30 June 2021 have been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements of the Group for the year ended 31 December 2020 and any public announcement made by the Group during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those applied in preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020.

a) New standards adopted as at 1 January 2021

All accounting pronouncements which have become effective from 1 January 2021 have been adopted. There has been no impact on the Group’s financial results or position in either the current or prior periods.

b) Accounting standards not yet effective

There are no new, revised or amended accounting standards of which are not yet effective that could materially impact these consolidated financial statements.

3. ESTIMATES

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Except for the additional judgments and estimates in note 5, the judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group’s last consolidated annual financial statements for the period ended 31 December 2020.



KEY NUMBERS

4. PREPAYMENTS

	30 June 2021 \$	31 December 2020 \$
Prepaid listing costs ^a	98,806	-
Prepaid Insurance costs	1,615	11,241
Total	100,421	11,241

^a The Company incurred costs related to its IPO, which therefore pertain to share issuances to occur in the subsequent period. These have been treated as prepayments until the IPO shares are issued at which point in time the balance will be applied against the company's contributed equity.

5. EXPLORATION AND EVALUATION ASSETS

	30 June 2021 \$	31 December 2020 \$
Carrying amount at the beginning of the period	64,921	1,784,582
Acquisition of Weebo Project ^a	142,866	-
Acquisition of Challa-Sunset Project ^b	128,490	40,000
Capitalised exploration and evaluation expenditure at cost	349,728	328,858
Impairment of exploration and evaluation assets	(56,247)	-
Disposal of tenements held by subsidiary Mount Belches Pty Ltd	-	(2,088,519)
Carrying amount at the end of the period	629,758	64,921

a) Judgment - Impairment of Exploration and Evaluation Assets

Management has judged that these balances, related to ungranted tenement license applications, should be recorded as impairment of exploration and evaluation assets. This is the result of developments that have led to uncertainty as to if and when the specific licenses will be granted. The balance of the charge relevant to this judgment is \$56,247 (30 June 2020: \$nil).



b) Acquisition of the Weebo Gold Project

On 24 January 2021, the Company signed an option agreement with vendors over exploration licences for the Weebo Gold Project totalling about 198km². The acquisition does not constitute a business combination in accordance with AASB 3 Business Combinations and was accounted for as an asset acquisition with the net purchase price paid being allocated to the assets acquired as follows:

	\$
Cash paid	82,866
Ordinary Shares issued (600,000 at 10 cents)	60,000
Total exploration and evaluation assets capitalised	142,866

The Weebo Option may be exercised on or before the date that is 12 months after the date of the Weebo Agreement and can be extended for an additional 12 months by making a further cash payment of \$60,000 (Weebo Option Period). If the Weebo Option is not exercised during the Option Period, the Weebo Agreement will terminate, however, subject to the Company's exploration activities during the Option Period, the Company intends to exercise the Weebo Option for a \$600,000 cash payment.

c) Acquisition of the Challa-Sunset Gold Project

On 18 January 2021, the Company signed an agreement with vendors relating to applications for exploration licences totalling 859km² in the Company's subsidiary Marigold Minerals (Challa Project) and a granted prospecting licence comprising 1.2km² of tenure. (Sunset Project). Completion of the agreement occurred on 29 March 2021. Accordingly, the Company has issued the vendors 1,000,000 Shares at 10 cents and 600,000 Options with an exercise price of 20 cents.

The acquisition does not constitute a business combination in accordance with AASB 3 Business Combinations and was accounted for as an asset acquisition with the net purchase price paid being allocated to the assets acquired as follows:

	\$
Ordinary Shares issued (1,000,000 at 10 cents)	100,000
Options issued as consideration (refer to note 8(a))	28,490
Total exploration and evaluation assets capitalised	128,490



6. CONTRIBUTED EQUITY

	30 June 2021 No. of Shares	31 December 2020 No. of Shares	30 June 2021 \$	31 December 2020 \$
Fully paid ordinary shares	30,977,134	29,377,134	5,166,160	5,006,160

Movements in ordinary share capital	No. of Shares	\$
At 1 January 2020	27,287,556	4,830,994
Shares issued for the acquisition of tenements	400,000	40,000
Share placement	1,689,578	135,166
At 31 December 2020	29,377,134	5,006,160
Shares issued for acquisition of Challa-Sunset Project	1,000,000	100,000
Shares issued for acquisition of Weebo Project	600,000	60,000
At 30 June 2021	30,977,134	5,166,160

7. SHARE-BASED PAYMENTS RESERVE

The movements in share-based payments reserves were as follows:

	30 June 2021 \$
Movement in share-based payments reserve	
Balance at the beginning of the period	-
Share-based payments	
Share options	89,424
Performance rights	141,728
Balance at the end of the period	231,152

The share-based payments reserve is used to recognise the fair value of Options and Performance Rights at grant date issued to vendors or employees of the company but not exercised. When expired or vested and exercised, fair value amounts are transferred to other categories of equity.



a) Share Options

Set out below are the details of the Options granted during the half-year ended 30 June 2021 and the fair value at grant date which was determined using Black-Scholes valuation methodology, and takes into account the following inputs:

Number	Grant date	Expiry date	Fair value of option at grant date (\$)	Option exercise Price (\$)	Risk Free Interest Rate (%)	Expected Volatility (%)	Share Price at Grant Date (\$)	Total Fair Value (\$)
600,000 ^a	08/04/2021	08/04/2024	0.0475	0.20	0.11	100	0.10	28,490
3,000,000 ^b	29/04/2021	29/04/2024	0.0429	0.25	0.11	100	0.10	128,749
3,600,000								157,239

^a These options were issued to vendors for the acquisition of Challa-Sunset Project.

^b These options were issued to brokers for services rendered with respect to the Company's IPO.

Share-based payments recognised during the period within the consolidated statement of financial position was \$89,424. The breakdown of the amount is as follows - \$28,490 recorded as Exploration & Evaluation assets refer to note 5(b) plus \$60,934 recorded as Prepayments which is prorated over the service period in-line with the service conditions which are inherent in the award.

b) Performance Rights

Set out below are the Performance Rights granted under the Employee Equity Incentive Plan during the half-year ended 30 June 2021:

Holder	Number of performance rights	Share price on date of grant (\$)	Grant date	Expiry date	Total value (\$)
Sara Kelly	500,000	0.10	22/06/2022	22/06/2026	50,000
Michael Wilson	500,000	0.10	22/06/2022	22/06/2026	50,000
Michael Naylor	500,000	0.10	31/03/2022	31/03/2026	50,000
Nicholas Katris	500,000	0.10	31/03/2022	31/03/2026	50,000
Mark Calderwood	500,000	0.10	31/03/2022	31/03/2026	50,000
Mark Turner	500,000	0.10	31/03/2022	31/03/2026	50,000
Total	3,000,000				300,000

Each performance right represents a right to be issued the same number of shares on conversion and will vest upon the Company receiving a Conditional Admission Letter from ASX in connection with the listing of the Company. There are no other performance obligations or conditions. Performance Rights over ordinary shares are granted under the Incentive Plan for nil cash consideration.

Share-based payments recognised during the period within the consolidated statement of profit or loss was \$141,728.



8. COMMITMENTS

a) Weebo Gold Project

The Company is obligated to meet the minimum expenditure commitments on its tenements held in Western Australia or may face forced relinquishment of all or part of the tenement. As at 30 June 2021 there are 10 granted tenements, with a total annual expenditure commitment of \$412,982 (31 December 2020: Nil). In addition, there are 2 applications not yet granted which do not have an annual minimum expenditure commitment.

The estimated exploration expenditure commitment for the ensuing years, but not recognised as a liability in the statement of financial position is as follows:

	2021 \$
Within one year	412,982
More than one year but less than five years	660,000
	1,072,982

b) Challa-Sunset Gold Project

The Company is obligated to meet the minimum expenditure commitments on its tenements held in Western Australia or may face forced relinquishment of all or part of the tenement.

As at 30 June 2021 there are 3 granted tenements, with a total annual expenditure commitment of \$164,360 (31 December 2020: Nil). In addition, there are 3 applications not yet granted which do not have an annual minimum expenditure commitment.

9. LOSS PER SHARE

	30 June 2021 \$	30 June 2020 \$
Loss attributable to the ordinary equity holders of the Company	(412,245)	(102,034)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted loss per share	30,779,356	28,342,778
Basic & diluted loss per share (cents per share)	(1.34)	(0.36)

Unexercised options at the end of the period are 3,600,000 (30 June 2020: Nil). Performance rights at the end of the period are 3,000,000 (30 June 2020: Nil). As the Company incurred a loss for each year presented, these options and performance rights are anti-dilutive and are not used in the determination of diluted earnings per share for the current and comparative periods.



OTHER INFORMATION

10. INCOME TAXES

The Group's deferred tax liability of \$188,927 is fully off-set by deferred tax assets from accumulated losses. The Group's tax-effected credits from tax losses not recognised as a deferred tax asset are estimated to be \$363,125.

11. INVESTMENT IN SUBSIDIARY

Midas' holds a 26% interest in Rakana Consolidated Mines (Pty) Limited ('Rakana'). Rakana owns a 26% interest in the Gravenhage Manganese Tenement in South Africa which results in Midas having a 6.8% beneficial interest in the Gravenhage Manganese Tenement.

On 20 May 2021, the Gravenhage Manganese Tenement was arranged to be sold to a third party (Gravenhage Sale Agreement). Pursuant to the Gravenhage Sale Agreement, the Company is entitled to funds from the sale of the Gravenhage Manganese Tenement as a result of its minority interest in Rakana.

As at 30 June 2021, the Gravenhage Sale Agreement continues to be subject to conditions precedent in order for the sale to complete. These conditions must be met on or before 20 August 2022. There is significant uncertainty with regards to the repatriation of any funds that would flow to Midas.

12. RELATED PARTY TRANSACTIONS

The Group's only significant related party transactions during the period were performance rights issued to key management personnel as disclosed in note 7(b).

13. EVENTS AFTER THE REPORTING DATE

The following events occurred post 30 June 2021:

Initial Public Offering & ASX Listing

On 12 July 2021 the Company submitted to its Prospectus for its Initial Public Offering (IPO) to be admitted to the official list of the Australian Securities Exchange (ASX). As part of the listing process, a public offer to all investors was completed, raising \$6 million at \$0.20 per share, before cost. Midas now has 63,977,134 shares on issue.

On 20 August 2021, the Company received Conditional Admission Letter from the ASX confirming that the application was successful subject to the satisfaction of certain conditions precedent. It is anticipated that the conditions will be achieved in anticipation of the Company commencing trading on 7 September 2021.

Performance Rights

3,000,000 Performance Rights as per note 7(b) in the financial statements vested upon the Company receiving a Conditional Admission Letter on 20 August 2021 from the ASX.

There has been no other matter or circumstance occurring subsequent to the end of the half-year period that has 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 the future financial years.



DIRECTORS' DECLARATION

In the Directors' opinion:

- a) the half-year financial statements and notes set out on pages 10 to 20 are in accordance with the *Corporations Act 2001 (Cth)*, including:
 - i) Complying with Accounting Standard AASB 134 Interim Financial Reporting, and the *Corporations Regulations 2001 (Cth)* and other mandatory professional reporting requirements; and
 - ii) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Mr Nick Katris

Executive Director

Perth on the 1st day of September 2021.

Independent auditor's review report to the members of Midas Minerals Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Midas Minerals Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to 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 consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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, anything has come to our attention that causes us to 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 consolidated financial position as at 30 June 2021 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Ernst & Young



R J Curtin
Partner
Perth
1 September 2021