

Todd River Resources Limited

ABN 45 600 308 398

Half-Year Financial Report - 31 December 2021

Directors	Edward Fry (Chairman) William Dix (Managing Director) Geoffrey Crow (Non-Executive Director) Mark Bennett (Non-Executive Director) Su-Mei Sain (Finance Director)
Company secretary	Simon Robertson
Registered office	4/24 Parkland Road Osborne Park Western Australia 6017 PO Box 1205 Osborne Park Western Australia 6916 T: (08) 6166 0255 F: (08) 6270 5410 W: www.trrltd.com.au E: corporate@trrltd.com.au
Share register	Computershare Investor Services Pty Ltd Level 11 172 St Georges Terrace Perth Western Australia 6000 T: (08) 9323 2000 F: (08) 9323 2033
Auditor	HLB Mann Judd (WA Partnership) Level 4 130 Stirling Street Perth Western Australia 6000
Stock exchange listing	Todd River Resources Limited shares are listed on the Australian Securities Exchange (ASX code: TRT)

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as 'the Group') consisting of Todd River Resources Limited (referred to hereafter as 'the Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2021.

Directors

The following persons were Directors of Todd River Resources Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Edward Fry (Chairman)
William Dix (Managing Director)
Geoffrey Crow (Non-Executive Director)
Mark Bennett (Non-Executive Director)
Su-Mei Sain (Finance Director) - appointed 2 November 2021
Ian Murray (Non-Executive Director) - resigned 25 October 2021

Principal activities

The principal activity of the Group during the course of the financial half-year was mineral exploration and evaluation.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Review of operations

The loss for the Group after providing for income tax amounted to \$2,173,262 (31 December 2020: \$1,492,730).

Significant changes in the state of affairs

On 21 July 2021, the Group divested 100% of the Manbarrum Zn-Pb-Ag Project to Boab Metals (ASX: BML) Consideration for the transaction was \$500,000 in BML shares and a retained 1.25% Net Smelter Return Royalty.

Mr Ian Murray resigned as a Director of the Company on 25 October 2021 and Mrs Su-Mei Sain was appointed as Finance Director on 2 November 2021.

10,000,000 unlisted options expired unexercised on 4 November 2021 and 1,000,000 unlisted options expired unexercised on 8 November 2021.

12,520,754 options were converted into ordinary shares during the financial half-year raising a total of \$753,245 as follows:

Date converted	Expiry date	Number converted	Exercise Price	Proceeds
13 July 2021	27 October 2022	3,655,250	\$0.060	\$219,315
25 October 2021	27 October 2022	333,334	\$0.060	\$20,000
16 November 2021	3 September 2023	750,000	\$0.061	\$45,750
23 November 2021	3 September 2023	1,250,000	\$0.061	\$76,250
23 November 2021	27 October 2022	4,399,616	\$0.060	\$263,977
7 December 2021	27 October 2022	2,132,554	\$0.060	\$127,953

There were no other significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial period

675,750 options expiring 27 October 2022 and exercisable at \$0.06 each were converted to ordinary shares on 7 January 2022.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in 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 immediately after this Directors' 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



William Dix
Managing Director

11 March 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Todd River Resources Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
11 March 2022



L Di Giallonardo
Partner

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

Todd River Resources Limited
 Consolidated statement of profit or loss and other comprehensive income
 For the period ended 31 December 2021



	Note	31 December 2021 \$	31 December 2020 \$
Other income		-	2,174
Finance income		3,075	2,253
Expenses			
Corporate and administration expenses		(318,547)	(289,384)
Employment expenses	5	(634,537)	(715,971)
Exploration expenditure incurred and expensed		(1,206,208)	(402,805)
Depreciation and amortisation expense	7,9	(15,306)	(13,861)
Impairment and write off of plant and equipment	9	-	(74,762)
Finance costs		(1,739)	(374)
Loss before income tax expense		(2,173,262)	(1,492,730)
Income tax expense		-	-
Loss after income tax expense for the period attributable to the owners of Todd River Resources Limited	15	(2,173,262)	(1,492,730)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain/(loss) on the revaluation of equity instruments at fair value through other comprehensive income, net of tax	14	222,648	131,779
Other comprehensive income for the period, net of tax		222,648	131,779
Total comprehensive loss for the period attributable to the owners of Todd River Resources Limited		(1,950,614)	(1,360,951)
		Cents	Cents
Earnings per share for loss attributable to the owners of Todd River Resources Limited			
Basic loss per share		(0.39)	(0.39)
Diluted loss per share		(0.39)	(0.39)

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

	Note	31 December 2021 \$	30 June 2021 \$
Assets			
Current assets			
Cash and cash equivalents		6,441,670	6,450,667
Trade and other receivables		23,300	62,143
Restricted cash		193,672	196,135
Prepayments		6,879	42,318
		6,665,521	6,751,263
Held for sale assets	8	-	500,000
Total current assets		6,665,521	7,251,263
Non-current assets			
Investments	6	391,552	237,202
Property, plant and equipment	9	22,175	26,786
Exploration and evaluation	10	5,916,890	5,916,890
Right-of-use assets	7	24,953	35,648
Total non-current assets		6,355,570	6,216,526
Total assets		13,021,091	13,467,789
Liabilities			
Current liabilities			
Trade and other payables		383,142	108,228
Lease liabilities	11	21,734	21,208
Provisions		89,938	56,572
Other liabilities	12	81,975	-
Total current liabilities		576,789	186,008
Non-current liabilities			
Lease liabilities	11	3,727	14,728
Total non-current liabilities		3,727	14,728
Total liabilities		580,516	200,736
Net assets		12,440,575	13,267,053
Equity			
Issued capital	13	34,534,288	33,740,249
Reserves	14	930,094	1,759,504
Accumulated losses	15	(23,023,807)	(22,232,700)
Total equity		12,440,575	13,267,053

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

	Issued capital \$	Fair value through other comprehensive income ("FVOCI") reserve \$	Share based payment reserve \$	Capital contribution reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	21,501,151	9,301	622,590	240,731	(16,524,061)	5,849,712
Loss after income tax expense for the period	-	-	-	-	(1,492,730)	(1,492,730)
Other comprehensive income for the period, net of tax	-	131,779	-	-	-	131,779
Total comprehensive income/(loss) for the period	-	131,779	-	-	(1,492,730)	(1,360,951)
Share placement	4,080,000	-	-	-	-	4,080,000
Share issue costs	(425,462)	-	162,195	-	-	(263,267)
Shares issued for the acquisition of projects	25,000	-	-	-	-	25,000
Shares issued for the acquisition of projects	4,800,000	-	-	-	-	4,800,000
Share-based payments expense	-	-	510,470	-	-	510,470
Balance at 31 December 2020	29,980,689	141,080	1,295,255	240,731	(18,016,791)	13,640,964
	Issued capital \$	Fair value through other comprehensive income ("FVOCI") reserve \$	Share based payment reserve \$	Capital contribution reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	33,740,249	261,328	1,257,445	240,731	(22,232,700)	13,267,053
Loss after income tax expense for the period	-	-	-	-	(2,173,262)	(2,173,262)
Other comprehensive income for the period, net of tax	-	222,648	-	-	-	222,648
Total comprehensive income/(loss) for the period	-	222,648	-	-	(2,173,262)	(1,950,614)
Contributions of equity, net of transaction costs (note 13)	794,039	-	(47,115)	-	-	746,924
Share-based payments (note 20)	-	-	377,212	-	-	377,212
Options expired	-	-	(549,000)	-	549,000	-
Financial assets disposed	-	(592,424)	-	-	592,424	-
Transfer capital contribution reserve	-	-	-	(240,731)	240,731	-
Balance at 31 December 2021	34,534,288	(108,448)	1,038,542	-	(23,023,807)	12,440,575

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	31 December 2021 \$	31 December 2020 \$
Cash flows from operating activities			
Payments for corporate and administrative activities		(493,119)	(400,355)
Payments for exploration and evaluation activities		(906,400)	(426,810)
Interest received		3,075	5,823
Interest and other finance costs paid		(1,739)	-
Net cash used in operating activities		(1,398,183)	(821,342)
Cash flows from investing activities			
Payments for property, plant and equipment	9	-	(1,288)
Payments for exploration and evaluation project acquisition	10	-	(253,992)
Proceeds from disposal of investments		568,298	-
Net cash from/(used in) investing activities		568,298	(255,280)
Cash flows from financing activities			
Proceeds from issue of shares	13	753,245	4,080,000
Proceeds received in advance for option conversion		81,975	-
Share issue transaction costs		(6,321)	(263,267)
Repayment of lease liabilities		(10,474)	(11,100)
Net receipts for cash backed guarantees		2,463	-
Net cash from financing activities		820,888	3,805,633
Net increase/(decrease) in cash and cash equivalents		(8,997)	2,729,011
Cash and cash equivalents at the beginning of the financial period		6,450,667	1,364,500
Cash and cash equivalents at the end of the financial period		6,441,670	4,093,511

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Reporting Entity

The financial statements cover Todd River Resources Limited as a Group consisting of Todd River Resources Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Todd River Resources Limited's functional and presentation currency.

Todd River Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 4, 24 Parkland Road
Osborne Park Western Australia 6017

The Group is a for profit entity and primarily is involved in the exploration of minerals within Australia.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 11 March 2022.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 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 2021 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 principal accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. These accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

New or amended Accounting Standards and Interpretations adopted

The Group 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. The Directors do not consider that any of these have had a material effect on the financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Directors do not consider that any of these will have a material effect on the Group.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of half-year financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing the half-year report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the Group when compiling its 30 June 2021 financial statements.

Note 4. Segment information

The Board determined that the Group has one reportable segment, being mineral exploration in Australia, consequently the Group does not report segmented operations.

Note 5. Employment expenses

	31 December 2021 \$	31 December 2020 \$
Wages, salaries and directors' fees	257,325	205,501
Share-based payment transactions	377,212	510,470
	634,537	715,971

Note 6. Investments

	31 December 2021 \$	30 June 2021 \$
<i>Non-current assets</i>		
Financial assets carried at fair value (a)	391,552	237,202

Reconciliation

	6 months ended 31 December 2021 \$	Year ended 30 June 2021 \$
Reconciliation of the fair values at the beginning and end of the current and previous financial period are set out below:		
Opening fair value	237,202	134,772
Core Lithium Shares (a)	(568,298)	(74,126)
Acquisition costs in relation to Moore River Metals Pty Ltd and Moonknight Pty Ltd (b)	-	(75,471)
Boab Metals Share (c)	500,000	-
Changes in the fair value during the period	222,648	252,027
Closing fair value	391,552	237,202

(a) On 17 December 2019, Core Lithium Ltd (ASX: CXO) issued 1,317,792 shares as consideration for the purchase of the Group's Walabanba project. The shares were revalued in line with the Group's accounting policy to their fair value. The directors have made an irrevocable election to account for the shares at fair value through other comprehensive income as the investment will be held for the medium to long term.

On 26 February 2021, 329,448 CXO shares were sold at an average price of \$0.225.

On 12 November 2021, 988,344 CXO shares were sold at an average price of \$0.575. The Group no longer holds any CXO shares.

(b) On 1 July 2020 the Company announced that it had entered into two binding sale agreements to purchase 100% of private companies Moore River Metals Pty Ltd (previously named Marlee Base Metals Pty Ltd) and Moonknight Pty Ltd. The acquisition costs incurred prior to acquisition had been capitalised to Investments in the previous period. After the acquisition date these costs have been transferred to capitalised exploration and evaluation asset.

(c) On 30 August 2021, Boab Metals Limited (ASX: BML) issued 1,186,521 fully paid shares as consideration for the acquisition of the Group's Manbarrum Project. The shares were revalued at 31 December 2021 in line with the Group's accounting policy to their fair value. The directors have made an irrevocable election to account for the shares as fair value through other comprehensive income as the investment will be held for the medium to long term.

Note 7. Right-of-use assets

	31 December 2021	30 June 2021
	\$	\$
<i>Non-current assets</i>		
Premises - right-of-use	42,777	42,777
Less: Accumulated depreciation	(17,824)	(7,129)
	<u>24,953</u>	<u>35,648</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	Premises \$	Total \$
Balance at 1 July 2021	35,648	35,648
Depreciation expense	(10,695)	(10,695)
Balance at 31 December 2021	<u>24,953</u>	<u>24,953</u>

Note 8. Held for sale assets

	31 December 2021	30 June 2021
	\$	\$
<i>Current assets</i>		
Exploration and evaluation	-	500,000

On 21 July 2021, the Company announced that it had signed a Binding Agreement with Boab to acquire 100% of the Manbarrum Project including associated mining leases, mining lease applications, exploration licences, and mining information ('Sale Assets'). The consideration for the Sale Assets was \$500,000 in Boab shares and this transaction completed on 30 August 2021.

The consideration for the Sale of Assets comprised:

- (a) 1,186,521 fully paid ordinary Boab shares at \$0.4214 per share (being equal to the 30-day VWAP prior to the execution of the Binding Agreement). These shares are subject to a voluntary escrow period of 12 months; and
- (b) a Net Smelter Return (NSR) Royalty of 1.25% payable on future revenue generate from the sale of minerals extracted from the Manbarrum Project. The Royalty will be secured by a mining mortgage over the Manbarrum Project tenements that may be subordinated to potential financiers provided certain conditions are met.

Boab has retained the right to buy-back the Royalty at market value subject to the completion of a Pre-Feasibility Study on the Manbarrum Project.

Note 9. Property, plant and equipment

	31 December 2021 \$	30 June 2021 \$
<i>Non-current assets</i>		
Plant and equipment - at cost	45,738	45,738
Less: Accumulated depreciation	(23,563)	(18,952)
	22,175	26,786

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year and previous financial full-year are set out below:

	Plant and equipment \$	Total \$
Balance at 1 July 2020	106,956	106,956
Additions	1,288	1,288
Impairment and write off of assets	(74,762)	(74,762)
Depreciation expense	(6,696)	(6,696)
Balance at 30 June 2021	26,786	26,786
Depreciation expense	(4,611)	(4,611)
Balance at 31 December 2021	22,175	22,175

Note 10. Exploration and evaluation

	31 December 2021 \$	30 June 2021 \$
<i>Non-current assets</i>		
Exploration and evaluation phases	5,916,890	5,916,890

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year and previous financial full-year are set out below:

	\$
Balance at 1 July 2020	4,194,573
Acquisition of tenements - Moore River Metals Pty Ltd and Moonknight Pty Ltd (a)	5,053,992
Transfer of writedown on Manbarrum asset to assets held for sale (b)	(500,000)
Impairment of Manbarrum asset -assets held for sale (b)	(2,831,675)
Balance at 30 June 2021	5,916,890
Balance at 31 December 2021	5,916,890

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note 10. Exploration and evaluation (continued)

(a) The Group acquired 100% of the shares in private companies Moore River Metals Pty Ltd (previously named Marlee Base Metals Pty Ltd) and Moonknight Pty Ltd, to secure the Berkshire Valley Project, on 2 September 2020. Consideration consisted of \$100,000 and the issue of a total of 100,000,001 ordinary shares at \$0.048. Acquisition costs of \$153,992 have also been capitalised.

(b) The Group announced the divestment of 100% of the Manbarrum Project to Boab Metals Limited (ASX:BML) on 21 July 2021. The Group recognised the consideration of \$500,000 in Boab shares (an at issue price of \$0.4214) as an asset held for sale (note 8) and \$2,831,675 for the impairment of the capitalised exploration expenditure for the year ended 30 June 2021.

Note 11. Lease liabilities

	31 December 2021	30 June 2021
	\$	\$
<i>Current liabilities</i>		
Lease liability	21,734	21,208
<i>Non-current liabilities</i>		
Lease liability	3,727	14,728
	25,461	35,936
	Premises	Total
	\$	\$
Opening balance at 1 July 2021	35,936	35,936
Principal repayments	(10,475)	(10,475)
Closing balance at 31 December 2021	25,461	25,461

The Group leases office premises. The average lease term is two years.

Underlying assets serve as security for the related lease liabilities. A maturity analysis of future minimum lease payments is presented below:

	<1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Lease payments due > 5 years	Total
	\$	\$	\$	\$	\$	\$	\$
Lease payments	22,500	3,750	-	-	-	-	26,250
Interest	(766)	(23)	-	-	-	-	(789)
Net present values	21,734	3,727	-	-	-	-	25,461

Note 12. Other liabilities

	31 December 2021	30 June 2021
	\$	\$
<i>Current liabilities</i>		
Funds received in advance from shareholders for conversion of options	81,975	-

Note 13. Issued capital

	31 December 2021 Shares	30 June 2021 Shares	31 December 2021 \$	30 June 2021 \$
Ordinary shares - fully paid	566,530,537	554,009,783	34,534,288	33,740,249

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2020	246,583,357		21,501,151
Share placement (b)	24 August 2020	60,637,770	\$0.030	1,819,133
Share issue for the acquisition of Moore River (a)	2 September 2020	66,666,667	\$0.048	3,200,000
Share issue for the acquisition of Moonknight (a)	2 September 2020	33,333,334	\$0.048	1,600,000
Share issue to Cratonix Pty Ltd for the option of the Nanutarra Project	27 October 2020	805,366	\$0.031	25,000
Share placement (b)	27 October 2020	75,362,232	\$0.030	2,260,867
Share placement	3 March 2021	60,000,000	\$0.055	3,300,000
Option conversion	5 March 2021	953,334	\$0.060	57,200
Shares issued for land access (c)	5 March 2021	178,086	\$0.070	12,466
Option conversion	16 March 2021	6,376,699	\$0.060	382,602
Shares issued for land access (c)	16 March 2021	148,189	\$0.086	12,744
Option conversion	25 March 2021	1,530,195	\$0.060	91,812
Option conversion	13 April 2021	987,495	\$0.060	59,250
Option conversion	21 June 2021	447,059	\$0.060	26,824
Share issue costs				(608,800)
Balance	30 June 2021	554,009,783		33,740,249
Option conversion	13 July 2021	3,655,250	\$0.060	219,315
Option conversion	25 October 2021	333,334	\$0.060	20,000
Option conversion	16 November 2021	750,000	\$0.061	45,750
Option conversion	23 November 2021	1,250,000	\$0.061	76,250
Option conversion	23 November 2021	4,399,616	\$0.060	263,977
Option conversion	7 December 2021	2,132,554	\$0.060	127,953
Option conversion - transfer from share based payments reserve				47,115
Share issue costs				(6,321)
Balance	31 December 2021	566,530,537		34,534,288

(a) Moore River Metals and Moonknight Acquisition

On 2 September 2020 the Company acquired 100% of the shares in private companies Moore River and Moonknight. Consideration consisted of \$100,000 and a total of 100,000,001 ordinary shares, following approval by shareholders at a general meeting on 26 August 2020. The shares were valued at \$0.048 being the share price on acquisition. A total of \$4,800,000 for the shares issued together with the cash payment of \$100,000 and the transaction costs of \$153,992 were capitalised to exploration and evaluation assets.

(b) Share placement and free attaching options

This included an issue of 77,999,965 free attaching unlisted options exercisable at \$0.06 on or before 27 October 2022.

Note 13. Issued capital (continued)

(c) Land access

During the financial year ended 30 June 2021 and in relation to the Berkshire Valley project, the Company entered into Land Access Agreements ('Agreements') with certain landholders. In consequence for access to areas permitted by the landholders and subject to achievement of milestones over a 12 month period, the Agreements provide landholders to be compensated either in cash or shares of the Company for the period. For the financial year ended 30 June 2021, the following shares were issued to landholders:

- 5 March 2020 the Company issued 178,086 shares at an issue price of \$0.070 each for consideration \$12,466.
- 16 March 2021 the Company issued 148,189 shares at an issue price of \$0.086 each for consideration \$12,744.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Movements in issued options (number)

	Opening balance	Granted in period	Exercised in period	Expired/ cancelled in period	Closing balance 31 December 2021
	1 July 2021				
Exercisable at \$0.131 on or before 3 Nov 2021	10,000,000	-	-	(10,000,000)	-
Exercisable at \$0.134 on or before 7 Nov 2021	1,000,000	-	-	(1,000,000)	-
Exercisable at \$0.112 on or before 15 Nov 2022	2,870,000	-	-	-	2,870,000
Exercisable at \$0.061 on or before 3 September 2023	21,000,000	-	(2,000,000)	-	19,000,000
Exercisable at \$0.06 on or before 27 October 2022	75,035,216	-	(10,520,754)	-	64,514,462
Exercisable at \$0.126 on or before 29 April 2024	523,000	-	-	-	523,000
Exercisable at \$0.085 on or before 28 September 2024	-	2,000,000	-	-	2,000,000
Exercisable at \$0.107 on or before 2 November 2024	-	9,000,000	-	-	9,000,000
Total unlisted options	110,428,216	11,000,000	(12,520,754)	(11,000,000)	97,907,462

Note 14. Reserves

	31 December 2021 \$	30 June 2021 \$
Financial assets at fair value through other comprehensive income reserve	(108,448)	261,328
Share-based payments reserve	1,038,542	1,257,445
Capital contribution reserve	-	240,731
	930,094	1,759,504

Note 14. Reserves (continued)

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Capital contribution reserve

The reserve is used to recognise the value of additional capital contributions by owners or shareholders. The capital contribution balance relates to TNG Limited who was a major shareholder of the Group during the financial year ended 30 June 2018.

Movements in reserves

Movements in each class of reserve during the current financial period are set out below:

	Financial assets at fair value through OCI \$	Share based payments \$	Capital contribution \$	Total \$
Balance at 1 July 2021	261,328	1,257,445	240,731	1,759,504
Revaluation	222,648	-	-	222,648
Options issued	-	377,212	-	377,212
Options expired transferred to accumulated losses	-	(549,000)	-	(549,000)
Options converted transferred to share capital	-	(47,115)	-	(47,115)
Financial assets disposed transferred to accumulated losses	(592,424)	-	-	(592,424)
Capital contribution reserve transferred to accumulated losses	-	-	(240,731)	(240,731)
Balance at 31 December 2021	(108,448)	1,038,542	-	930,094

Note 15. Accumulated losses

	6 months ended 31 December 2021 \$	Year ended 30 June 2021 \$
Accumulated losses at the beginning of the financial period	(22,232,700)	(16,524,061)
Loss after income tax expense for the period	(2,173,262)	(5,762,139)
Transfer from revaluation reserve	592,424	-
Transfer from capital contribution reserve	240,731	-
Transfer from options reserve	549,000	53,500
Accumulated losses at the end of the financial period	(23,023,807)	(22,232,700)

Note 16. Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Note 17. Financial instruments

This note provides information about how the Group determines fair values of various financial assets and liabilities.

Fair value of the Group's financial assets and liabilities that are measured on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of the reporting period. The following table gives information about how fair values of these financial assets and liabilities are determined in particular, the valuation technique(s) and key input(s) used.

Financial assets/liabilities	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
	31 December 2021	30 June 2021				
	\$	\$				
Investments	391,552	237,202	Level 1	Share price	None	None

There have been no transfers between the levels of the fair value hierarchy during the six months to 31 December 2021.

The methods and valuation used for the purpose of measuring the fair value are unchanged compared to the previous reporting period.

Fair value of financial assets and liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying values of the financial assets and financial liabilities in the condensed consolidated statement of financial position approximate their fair values.

Note 18. Contingent liabilities

There has been no change in the contingent liabilities since 30 June 2021.

Note 19. Commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State governments. These requirements are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report.

	31 December 2021	30 June 2021
	\$	\$
Exploration commitments payable not provided for in the financial report:		
Within one year	901,000	584,500

Note 20. Share-based payments

Options issued to Directors, Consultants and Employees

On 28 September 2021, 2,000,000 options were issued to employees. They were issued with an exercise price of \$0.085 on or before 28 September 2024. As a result, \$66,894 was expensed as share based payment transactions during the half-year ended 31 December 2021. The employee options were issued under the Incentive Option Plan.

Note 20. Share-based payments (continued)

On 2 November 2021, 9,000,000 options were issued to Directors (7,500,000), and employees (1,500,000) as approved at the general meeting on 29 October 2021. They were issued with an exercise price of \$0.107 on or before 2 November 2024. As a result, \$310,318 was expensed as share based payment transactions during the half-year ended 31 December 2021. The Directors' and employee options were issued under the Incentive Option Plan.

A share option plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel, employees and contractors of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

	<i>Employee options</i>	<i>Director & employee options</i>
Number of options	2,000,000	9,000,000
Grant/Valuation date	23 September 2021	29 October 2021
Expiry date	28 September 2024	2 November 2024
Share price at valuation/grant date	\$0.062	\$0.069
Exercise price	\$0.085	\$0.107
Expected volatility	97.61%	95.19%
Dividend yield	-	-
Risk-free interest rate	0.02%	0.06%
Fair value at grant date	\$0.033	\$0.034

Note 21. Events after the reporting period

675,750 options expiring 27 October 2022 and exercisable at \$0.06 each were converted to ordinary shares on 7 January 2022.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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 2021 and of its performance for the financial period 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

A handwritten signature in black ink, appearing to read "William Dix", written over a horizontal line.

William Dix
Managing Director

11 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Todd River Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Todd River Resources Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2021, 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, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Todd River Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 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 financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the 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.

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Auditor's responsibility for the review of the 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 2021 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.

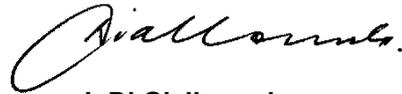
Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 March 2022



L Di Giallonardo
Partner