



ABN 34 635 359 965
Financial Report for the half-year ended 31 December 2020

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CORPORATE DIRECTORY

Board of Directors

Executive Chairman	Mr Allan Kelly	Company Secretary	Mrs Mindy Ku
Technical Director	Ms Marion Bush		
Non-Executive Director	Mr Terry Gadenne		

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DIRECTORS' REPORT

The Directors of Miramar Resources Limited (**Miramar, Company, Group or consolidated entity**) submit the financial report for the half-year ended 31 December 2020. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

The names of the Directors of the Company who have held office during and since the end of the half-year are:

Executive Chairman

Mr Allan Kelly

Non-Executive Directors

Mr Terry Gadenne

Technical Director

Ms Marion Bush

The Directors held their position throughout the entire half-year period and up to the date of this report unless stated otherwise.

Principal activities

The principal activity of the Group during the half-year period was completing its Initial Public Offer and listing on the ASX, followed by completion of the first drilling campaign at the Gidji JV project.

Results

The consolidated net loss of the Group for the half-year period after income tax expense was \$573,231 (31 December 2019: loss \$1,650).

Review of operations

EASTERN GOLDFIELDS PROJECTS

Miramar has three highly prospective projects in the Eastern Goldfields with the potential for new gold discoveries within proximity to existing mining and/or processing operations.

Gidji JV (80%)

The Gidji JV Project is located within the Eastern Goldfields approximately 14km north of Kalgoorlie. Miramar purchased an 80% interest in the Project as part of the 2020 IPO.

The Project has a number of tenements located along a major structure, the Boorara Shear, which hosts gold mineralisation at Paddington approximately 10km along strike to the north.

The project has been well covered by historic drilling and auger sampling, however most holes are less than 50m deep. A significant dilational jog is seen in the Boorara Shear within the project tenements which has been poorly tested with drilling.

Gold mineralisation has been discovered within an intrusive unit immediately south of the Project, at the "8-mile Dam" prospect owned by KCGM. KCGM defined a "mineral inventory" of approximately 314,000 ounces¹ within the "Runway" deposit which was used to support an application for a Mining Lease which abuts the Gidji JV Project's southern boundary. The oxide and primary mineralisation potentially continues to the northwest, onto the Gidji JV Project tenements, but has been poorly explored despite an aircore anomaly stretching north for a further 1.8km.

During the Reporting Period, Miramar received approvals and completed an aircore programme over the granted tenements.

Subsequent to the end of the Reporting Period, the Company received all results from this drilling programme which outlined a number of targets for further work, including a new target with apparent similarities to the Paddington gold deposit 10km along strike to the northwest.

Glandore

The Glandore Project is located within the eastern Goldfields, approximately 40km east of Kalgoorlie, Western Australia. The Project covers approximately 42 square km and consists of 10 Prospecting Licences and one Exploration Licence, all of which are granted.

Miramar purchased 100% of the Project as part of the 2020 IPO.

The highest priority western part of the project is underlain by a layered mafic sill intruding into basalt and sedimentary rocks. The dolerite sill comprises various varieties of dolerite and gabbro analogous to the Golden Mile Dolerite.

The local geology has been folded into a north-plunging antiform with the Project located on the eastern limb, southeast of the hinge zone. The antiform has been intruded by a granodiorite and felsic porphyry dykes. The prospective geology is overlain by up to 50m of recent playa lake sediments which thin towards the west.

Exploration has been mostly limited to the western part of the project, within the Prospecting licences, and has been sporadic since the late 1980's. Drilling has identified mineralisation over approximately 2.5km of strike within the folded mafic package, associated with quartz-pyrite veins and ankerite-sericite-pyrite alteration.

¹ Information on historical exploration results for the Gidji JV Projects, including JORC Table 1 and 2 information, is included in the Miramar Prospectus dated 4 September 2020.

Glandore (cont'd)

During the Reporting Period, the Company successfully extended the term of several Prospecting Licences for a further 4 years and applied for Section 18 consent to conduct further exploration activities.

Randalls

The Randalls project is located immediately east of Silver Lake Resources Limited's Maxwell's and Cockeyed Bob gold mines, approximately 70km east of Kalgoorlie. The project consists of a single Exploration Licence Application.

The project covers extensions to the folded Banded Iron Formation (**BIF**) and sediments that host the gold mineralisation currently being mined by Silver Lake. Soil sampling followed by aircore drilling has proven to be an effective exploration technique in this area and will be used to define further targets.

No work was completed during the Reporting Period as the Company waits for the tenement to be granted.

MURCHISON REGION PROJECTS

Miramar has three under-explored gold projects in the Murchison region within proximity of existing mining and/or processing operations.

Lang Well

The Lang Well project consists of a single granted exploration licence covering a large, complexly folded greenstone belt located between the Deflector and Golden Grove operations.

In 1989, Metana Minerals NL reported that limited reconnaissance rock chip sampling at the "Bunnawarra" prospect, located at the northern end of the Lang Well project area returned anomalous results from 0.10g/t up to 16g/t Au from oxidised and laminated quartz veining hosted in outcropping granitic schists. (WAMEX A028055)².

Auger drilling by Jervois Mining Limited in 2010 identified several large +5km long gold +/-pathfinder anomalies that have not been followed up with deeper drilling.

During the reporting period, the Company conducted a site visit in preparation to field check previous results and plan for future work.

Subsequent to the end of the Reporting Period, the Company completed an infill gravity survey to assist in refining the extent of buried greenstone belts to be tested with drilling.

Lakeside

The Lakeside Project covers a concealed greenstone belt north east of the Dalgaranga gold operations which has seen minimal gold exploration. The Project consists of a single Exploration Licence Application.

Previous exploration identified a large, 8km long auger anomaly however only 3 shallow RAB holes have been completed over the entire 25km strike length of the greenstone belt.

Surface geochemical sampling followed by reconnaissance aircore drill traverses are planned for this project, once granted.

No work was completed during the Reporting Period as the Company waits for the tenement to be granted.

Garden Gully

The Garden Gully project consists of one granted tenement and two tenement applications covering the western half of the Abbotts Greenstone Belt, along strike from several historical gold occurrences.

The Project tenements have seen minimal recent systematic gold exploration and is within trucking distance of operating mines in the Meekatharra region.

The Company plans to conduct systematic geochemical sampling programmes over targets identified from historical drilling and geophysical data with the aim of defining targets for drill testing.

During the Reporting Period, the Company conducted two site visits to field check previous work.

GASCOYNE REGION PROJECTS

WA's Proterozoic Orogens are host to several large gold, copper and Nickel-Copper-Platinum Group Elements (Ni-Cu-PGE) deposits such as Tropicana, Telfer and Nebo-Babel. The Capricorn Orogen is significantly under-explored, despite similar geology and mineral potential to the Albany-Fraser and Paterson Orogens.

Miramar has two projects in this region which are highly prospective for gold and Ni-Cu-PGE at Whaleshark and Bangemall respectively.

² Information on historical exploration results for the Lang Well Projects, including JORC Table 1 and 2 information, is included in the Miramar Prospectus dated 4 September 2020.

Whaleshark (cont'd)

The Whaleshark project is located 40km east of Onslow, WA, and is characterised by a large, folded BIF complex buried under approximately 100m of Carnarvon Basin sediments. The project consists of a single Exploration Licence.

The project is located within the north western extension of the Proterozoic Capricorn Orogen and has significant unrealised potential for Proterozoic BIF-hosted Au (e.g. Homestake-style) and Iron Oxide Cu-Au (e.g. Starra, Ernest Henry-style) mineralisation.

The recent discovery of the Havieron deposit by Greatland Gold in the Paterson Orogen also highlights the potential for this style of deposit.

Previous exploration has been limited, but WMC Resources intersected gold mineralisation in sulphidised BIF with limited diamond drilling in the mid-1990s. More recently, a limited programme of EM was conducted over the main target in 2017, but no follow-up work was completed.

Gravity data is relatively wide spaced but shows some significant anomalism, notably to the northwest of the BIF. Infill gravity along with partial leach surface geochemistry is planned for the project. Given the association of the gold mineralisation with sulphides, this also highlights the potential to use further ground and/or airborne EM surveys for defining drill targets.

The tenement was granted subsequent to the end of the Reporting Period and the Company is now preparing to conduct initial exploration work programmes in mid-2021.

Bangemall (Ni-Cu-PGE)

The Bangemall Ni-Cu-PGE project is located in the Gascoyne region of western Australia and covers a major crustal-scale structure at the contact between the Yilgarn and Pilbara cratons.

The area has been highlighted as having high prospectivity for Proterozoic craton-margin Ni-Cu-PGE mineralisation like that seen in the Albany-Fraser Province (e.g. Nova-Bollinger, Mawson) and the West Musgravites (e.g. Nebo-Babel), but has only seen exploration for Cu-Pb-Zn mineralisation.

The Project initially consisted of four applications for exploration licences that cover areas of coincident geochemical and geophysical anomalism.

During the Reporting Period, the company submitted applications for two additional areas.

Subsequent to the end of the Reporting Period, one of the new applications was granted and the Company submitted an additional application.

The initial plan is to conduct reconnaissance soil and rock chip sampling followed by more detailed soil and ground EM surveys over areas of interest.

CORPORATE

Miramar held its Annual General Meeting on 27 August 2020 and all resolutions were passed on a show of hands. The majority of proxy votes cast were in favour of resolutions. The Annual Report 2020 was lodged with the ASIC and ASX in accordance with required timeframes.

Miramar successfully completed heavily oversubscribed \$8 million Initial Public Offering (IPO) and commenced trading on ASX on the 22 October 2020. The total shares on issue is now 55,060,100.

Subsequent events

The below matters or circumstances have arisen since 31 December 2020 that may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

- (a) On 7 January 2021 the Company issued 50,000 unlisted options exercisable at \$0.48 on or before 6 January 2023 to the employees under the Company's Employee Share Option Plan.
- (b) On 16 February 2021 the Company announced that it has executed a sale and purchase agreement with Sipa Resources Limited (**Sipa**) to sell its 100% owned Garden Gully Project for \$50,000 excluding GST and \$100,000 worth of fully paid ordinary shares of Sipa.

Auditor's independence declaration

The auditor's independence declaration is included on page 6 and forms part of the Directors' report for the six months ended 31 December 2020.

Signed in accordance with a resolution of directors.

On behalf of the Directors



Allan Kelly
Executive Chairman
25 February 2021

DIRECTORS' DECLARATION

The Directors declare that in the Directors' opinion:

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with Australian Accounting Standard AASB 134 and the *Corporations Regulations 2001* as disclosed in note 2 and giving a true and fair view of the financial position of the consolidated entity as at 31 December 2020 and performance of the consolidated entity for the half-year ended 31 December 2020.

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

On behalf of the Directors



Allan Kelly
Executive Chairman
Perth, Western Australia this 25th of February 2021

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF MIRAMAR RESOURCES LIMITED



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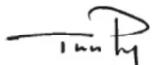
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Miramar 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: 25 February 2021

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



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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Miramar Resources Limited which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of 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 Miramar 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.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MIRAMAR RESOURCES LIMITED (cont'd)



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 Miramar 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 Miramar 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

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to read "Tutu Phong".

Perth, WA
Dated: 25 February 2021

TUTU PHONG
Partner

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the half-year ended 31 December 2020

	Note	Half-year ended 31 Dec 2020	6 Aug to 31 Dec 2019
		\$	\$
Continuing operations			
Other income	101	—	—
Employee expenses		(74,355)	—
Depreciation expense		(6,548)	—
Consultants expenses		(241,150)	(1,650)
Occupancy expenses		(14,395)	—
Marketing expenses		(32,232)	—
Exploration and evaluation expenses		(64,380)	—
Other expenses		(140,272)	—
Loss from continuing operations before income tax benefit		(573,231)	(1,650)
Income tax expense		—	—
Loss attributable to members of the parent entity		(573,231)	(1,650)
Other comprehensive income for the period		—	—
Total comprehensive loss for the period		(573,231)	(1,650)
 Net loss attributable to the parent entity		 (573,231)	 (1,650)
Total comprehensive loss attributable to the parent entity		(573,231)	(1,650)
 Loss per share:			
Basic (cents per share)		(1.89)	(2,062.50)
Diluted (cents per share)		(1.29)	(2,062.50)

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Note	31 Dec 2020 \$	30 Jun 2020 \$
Current assets			
Cash and cash equivalents		6,548,950	327,771
Trade and other receivables	3	142,445	2,968
Total current assets		6,691,395	330,739
Non-current assets			
Other receivables		6,000	–
Plant and equipment	4	89,243	–
Right-of-use asset	8	29,319	–
Capitalised mineral exploration and evaluation expenditure	5	1,996,274	–
Total non-current assets		2,120,836	–
TOTAL ASSETS		8,812,231	330,739
Current liabilities			
Trade and other payables	6	135,730	31,315
Provisions	7	330,389	–
Lease liability	8	23,993	–
Total current liabilities		490,112	31,315
Non-current liabilities			
Lease liability	8	5,595	–
Total non-current liabilities		5,595	–
TOTAL LIABILITIES		495,707	31,315
NET ASSETS		8,316,524	299,424
Equity			
Issued capital	9	8,329,310	409,461
Reserves	10	749,961	79,479
Accumulated losses		(762,747)	(189,516)
TOTAL EQUITY		8,316,524	299,424

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2020

	Attributable to equity holders			
For the period ended 31 December 2020	Ordinary Shares \$	Option Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2020	409,461	79,479	(189,516)	299,424
Total comprehensive income				
Loss for the period	–	–	(573,231)	(573,231)
Other comprehensive loss for the period	–	–	–	–
Total comprehensive loss for the period	–	–	(573,231)	(573,231)
Transactions with owners recorded direct to equity				
Issue of shares	9,180,000	–	–	9,180,000
Share based payments	–	670,482	–	670,482
Share issue costs	(1,260,151)	–	–	(1,260,151)
Total transactions with owners	7,919,849	670,482	–	8,590,331
Balance as at 31 December 2020	8,329,310	749,961	(762,747)	8,316,524
Balance as at 6 August 2019	–	–	–	–
Total comprehensive income				
Loss for the period	–	–	(1,650)	(1,650)
Other comprehensive loss for the period	–	–	–	–
Total comprehensive loss for the period	–	–	(1,650)	(1,650)
Transactions with owners recorded direct to equity				
Issue of shares	100	–	–	100
Total transactions with owners	100	–	–	100
Balance as at 31 December 2019	100	–	(1,650)	(1,550)

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW

for the half-year ended 31 December 2020

	Half-year ended 31 Dec 2020 \$	6 Aug to 31 Dec 2019 \$
Cash flows from operating activities		
Payments for exploration and evaluation	(30,998)	–
Payments to suppliers and employees	(569,144)	–
Interest received	55	–
Net cash used in operating activities	(600,087)	–
Cash flows from investing activities		
Payment for acquisition of tenements	(242,202)	–
Payments for exploration and evaluation	(261,072)	–
Payment for plant and equipment	(95,791)	–
Net cash used in investing activities	(599,065)	–
Cash flows from financing activities		
Proceeds from issues of equity securities	8,010,000	100
Payment for share issue costs	(589,669)	–
Net cash received in financing activities	7,420,331	100
Net increase in cash and cash equivalents	6,221,179	100
Cash and cash equivalents at the beginning of the financial period	327,771	–
Cash and cash equivalents at the end of the financial period	6,548,950	100

The accompanying notes form part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

1. Reporting Entity

Miramar Resources Limited (**Miramar or the Company**) is a company limited by shares, incorporated and domiciled in Australia, and whose shares are publicly traded on the Australian Securities Exchange. The consolidated half-year financial report of the Group as at and for the six months ended 31 December 2020 comprises the Company and its subsidiaries (together referred to as **the Group or the consolidated entity**).

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

The financial report of Miramar for the half-year ended 31 December 2020 was authorised for issue by the Directors on 25 February 2021.

The nature of the operations and principal activities of the consolidated entity are described in the Directors' Report.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2020 is available upon request from the Company's registered office or at www.miramarresources.com.au

2. Basis of preparation and changes to the accounting policies

(a) Basis of preparation

This general purpose consolidated financial report for the half-year ended 31 December 2020 has been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report. It is recommended that the half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2020 and considered together with any public announcements made by the Company during the half-year ended 31 December 2020 in accordance with the continuous disclosure obligations of the ASX Listing Rules.

The half-year financial report has been prepared on a historical cost basis except for financial assets which are measured at fair value through profit or loss.

Apart from the changes in accounting policy in note 2(b), the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

(b) Changes in accounting policies

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

All other new standards and interpretations effective from 1 July 2020 were adopted with the main impact being disclosure changes. Changes to accounting policies due to the adoption of these standards and interpretations are not considered significant for the Group.

	31 Dec 2020 \$	30 Jun 2020 \$
3. Current trade and other receivables		
Net goods and services tax (GST) receivable	111,991	2,968
Other receivable	30,454	–
	142,445	2,968

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

4. Plant and equipment

	Motor vehicles at cost	Furniture and equipment at cost	Total
	\$	\$	\$
Cost			
Balance at 1 July 2020	–	–	–
Additions	40,000	55,791	95,791
Balance at 31 December 2020	40,000	55,791	95,791
 Accumulated depreciation			
Balance at 1 July 2020	–	–	–
Additions	877	5,671	6,548
Balance at 31 December 2020	877	5,671	6,548
 Net book value			
As at 30 June 2020	–	–	–
As at 31 December 2020	39,123	50,120	89,243

5. Capitalised mineral exploration and evaluation expenditure

	31 Dec 2020	30 Jun 2020
	\$	\$
Balance at beginning of financial period		
Capitalised acquisition costs (i)	1,735,202	–
Exploration expenditure during the period	261,072	–
Balance at end of financial period	1,996,274	–

- (i) The Company exercised the options to purchase tenements during the period.
Payment was made by cash and issue of shares in accordance with the respective agreements.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the continuance of the consolidated entity right to tenure of the interest, the results of future exploration and the successful development and commercial exploration, or alternatively, sale of the respective area of interest.

6. Current trade and other payables

Trade payable	40,860	5,815
Accruals	67,049	25,500
Other payables	27,821	–
	135,730	31,315

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

	31 Dec 2020 \$	30 Jun 2020 \$
7. Provisions		
Current		
Employee benefits	7,389	–
Other (i)	323,000	–
	330,389	–

- (i) On 23 July 2020 the Company executed a Tenement Sale Agreement with Thunder Metals Pty Ltd (**Thunder Metals**) to acquire 80% legal and beneficial interest in the Tenements. On 7 October 2020 the Company elected to exercise the Option and made a cash payment of \$57,500 and issued 1,250,000 fully paid ordinary share to Thunder Metals. The Company will issue a further 1,250,000 fully paid shares upon grant of the presently ungranted Tenements representing not less than 51% of the total area and a final cash payment of \$50,000 for the balance 49% of the total area.

	Employee benefits \$	Other \$	Total \$
Balance at beginning of financial period	–	–	–
Movement in provision	7,389	323,000	330,389
Balance at end of financial period	7,389	323,000	330,389

8. Leases

Right-of-use asset

	31 Dec 2020 \$	30 Jun 2020 \$
Non-current	29,319	–
	29,319	–

	Building \$	Total \$
Balance at beginning of financial period	–	–
Additions	35,183	35,183
Depreciation expense	(5,864)	(5,864)
Balance at end of financial period	29,319	29,319

Lease Liability

	31 Dec 2020 \$	30 Jun 2020 \$
Current	23,993	–
Non-current	5,595	–
	29,588	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2020

	31 Dec 2020 \$	30 Jun 2020 \$
8. Leases (cont'd)		
Lease Liability (cont'd)		
Amounts recognised in profit or loss		
Depreciation expense on right-of-use asset	5,864	–
Interest expense on lease liabilities	405	–
	6,269	–

9. Issued capital			
55,060,100 fully paid ordinary shares (Jun 2020: 9,010,100)	8,329,310	409,461	
	8,329,310	409,461	

	31 Dec 2020 No.	30 Jun 2020 \$	31 Dec 2020 No.	30 Jun 2020 \$
Balance at beginning of financial period	9,010,100	409,461	–	–
Issue of shares – incorporation	–	–	100	100
Issue of shares – Founder shares	–	–	1,000,000	10,000
Issue of shares – Seed investors	200,000	10,000	8,010,000	400,500
Issue of shares – IPO	40,000,000	8,000,000	–	–
Issue of shares – Vendors for acquisition of tenements	5,850,000	1,170,000	–	–
Share issue costs	–	(1,260,151)	–	(1,139)
Balance at end of financial period	55,060,100	8,329,310	9,010,100	409,461

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	31 Dec 2020 \$	30 Jun 2020 \$
10. Reserves		
Balance at the beginning of the financial period	79,479	–
Share based payment expense	670,482	79,479
Balance at the end of the period	749,961	79,479

The balance of reserves is made up as follows:

Option reserve	749,961	79,479
	749,961	79,479

Share options

As at 31 December 2020, options over 17,210,000 (Jun 2020: 11,010,000) ordinary shares in aggregate are as follow:

Issuing entity	No of shares under option	Class of shares	Exercise price of option	Expiry date of option
Miramar Resources Limited	3,000,000	Ordinary	\$0.20 each	26 June 2025
Miramar Resources Limited	8,210,000	Ordinary	\$0.20 each	22 Oct 2022
Miramar Resources Limited	6,000,000	Ordinary	\$0.25 each	9 Oct 2023

Share options are all unlisted, carry no rights to dividends and no voting rights. A total of 6,200,000 was issued during the period. Refer to note 13 Share-based payment for details.

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for the half-year ended 31 December 2020

11. Segment reporting

The Group operates in the mineral exploration industry in Australia. For management purposes, the Group is organised into one main operating segment which involves the exploration of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's Chief Operating Decision Maker which, for the Group, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of comprehensive income and statement of financial position.

12. Related party disclosures

Transactions with related parties

Director transactions

XGS Exploration Geochemistry Services (**XGS**), of which Mr Allan Kelly is a Director, provided consulting services in relation to the IPO and ASX listing of the Company amounting to \$35,200 during the period. The services provided were on arms-length commercial terms. At 31 December 2020 the Company did not owe XGS.

The Company entered in a lease agreement with XGS on 15 July 2020. The lease commenced from 1 July 2020 to 31 October 2020 amounting to \$7,040 during the period. At 31 December 2020 the Company did not owe XGS.

The Company entered into a Sales and Purchase Agreement (**S&P Agreement**) with Debnal Pty Limited (**Debnal**), of which Mr Allan Kelly is a Director, for mineral tenements and applications for mineral tenements in Whaleshark, Bangemall, Garden Gully, Lakeside, Lang Well and Randalls (Tenements). On 8 June 2020 the Company made a non-refundable cash payment of \$25,000 to Debnal for a 6-month exclusion option to purchase the Tenements (**Option**). On 7 October 2020 the Company elected to exercise the Option and made a final payment of \$75,000 and issued 4,500,000 fully paid ordinary share at fair value of \$0.20 per share to Debnal.

Ms Marion Bush provided geological services in relation to the IPO and ASX listing of the Company amounting to \$18,500 during the period. The services provided were on arms-length commercial terms. At 31 December 2020 the Company did not owe Ms Bush.

13. Share-based payment

The following share-based payment arrangements existed at 31 December 2020:

On 19 June 2020, 3,000,000 options were granted to key management personnel for nil consideration and 8,010,000 options were issued as part of the seed raising.

The following unlisted options were issued during the period. The fair value of the options granted were issued and valued at the date of grant using the Black Scholes model for the option series OPT3. OPT2A options are free attaching options. There is no cash settlement of the options.

Option series	Number	Grant date	Expiry date	Exercise Price
OPT2A	200,000	2 July 2020	\$0.20 each	22 Oct 2022
OPT3	6,000,000	8 October 2020	\$0.25 each	9 Oct 2023

Option series	Share price at grant date	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
OPT3	\$0.25	97.8%	Nil	0.15%	\$0.11

14. Subsequent events

The following matters or circumstances have arisen since 31 December 2020 that may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

- (a) On 7 January 2021 the Company issued 50,000 unlisted options exercisable at \$0.48 on or before 6 January 2023 to the employees under the Company's Employee Share Option Plan.
- (b) On 16 February 2021 the Company announced that it has executed a sale and purchase agreement with Sipa Resources Limited (**Sipa**) to sell its 100% owned Garden Gully Project for \$50,000 excluding GST and \$100,000 worth of fully paid ordinary shares of Sipa.