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

## ASX ANNOUNCEMENT/MEDIA RELEASE

15 March 2022

### December 2021 Interim Report

**GME Resources Limited ('GME' or the 'Company')** submits its Half Year Financial Report for the period to 31 December 2021.

This announcement has been authorised for issue by the Board of GME Resources Limited.

#### For further information please contact:

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Managing Director  
Perth, Western Australia  
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Company Secretary  
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#### About GME Resources Limited:

GME Resources Limited is an ASX listed (GME) exploration and development company with nickel, cobalt and gold interests in Western Australia. GME's principal asset is its 100% owned NiWest (nickel – cobalt) Project situated adjacent to Glencore's Murrin Murrin Operations. The Company has completed a Pre-Feasibility Study which has confirmed the technical and economic viability of a heap leach and direct solvent extraction operation at one of the largest undeveloped nickel/cobalt deposits in Australia. Further information is available on GME's website: [www.gmeresources.com.au](http://www.gmeresources.com.au).

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# **GME Resources Limited**

(ABN 62 009 260 315)

## **Interim Report** **31 December 2021**

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## **CORPORATE DIRECTORY**

### **DIRECTORS**

**Chairman**

Peter Ross SULLIVAN BE, MBA

**Managing Director**

James Noel SULLIVAN FAICD

**Director**

Peter Ernest HUSTON B. Juris, LLB (Hons), B.Com, LLM

### **COMPANY SECRETARY**

Mark Pitts B. Bus, FCA

### **REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

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### **AUDITORS**

HLB Mann Judd ((WA) Partnership)  
Chartered Accountants  
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Perth WA 6000

### **SHARE REGISTRY**

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172 St George's Terrace  
Perth WA 6000  
GPO Box D182  
Perth WA 6840  
Telephone: (08) 9323 2000  
Facsimile: (08) 9323 2033

### **SECURITIES EXCHANGE LISTING**

The Company's shares are quoted on the Official List of Australian Securities Exchange Limited Ticker code: GME

### **STATE OF REGISTRATION**

Western Australia

# DIRECTORS' REPORT

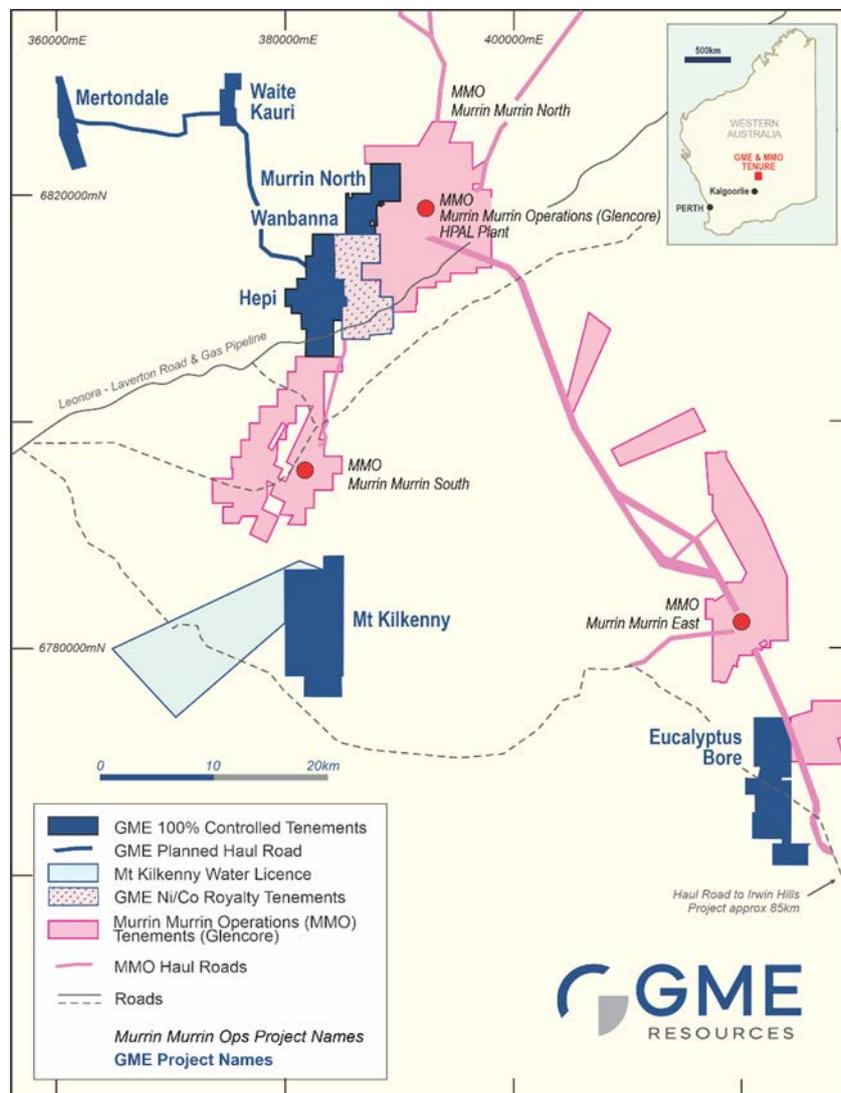
Your directors submit the financial report of the consolidated entity (Group) for the half year ended 31 December 2021.

## Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Peter Ross Sullivan	Non-Executive Chairman
James Noel Sullivan	Executive Director
Peter Ernest Huston	Non-Executive Director

## NiWEST (NICKEL-COBALT) PROJECT



The NiWest Nickel Cobalt Project hosts one of the highest-grade undeveloped nickel laterite resources in Australia estimated to contain 85 million tonnes averaging 1.03% Nickel and 0.06% Cobalt. Over 75% of the resource falls within the Measured and Indicated categories. Refer Table 1.

The Project, is at an advanced stage, having completed high level Mineral Resource estimates and developed a technically viable process flow sheet. An extensive Pre-Feasibility Study (PFS) has been completed

demonstrating that a robust economic outcome is achievable at similar commodity prices we are witnessing today. The PFS highlights the NiWest Nickel Cobalt Project as a significant 20 plus year operation that is strongly leveraged to long term nickel price growth.

Exploration activity at the NiWest project was reduced over the past two years due to long term tenement expenditure exemptions being granted over a substantial area of the project tenure. The granting of exemptions coincided with the COVID 19 pandemic and low investment appetite for the project.

During the period the Company witnessed increased interest in the NiWest Nickel Cobalt Project from market participants in the battery metals space. In the past year nickel price has doubled fuelling a significant change in investment sentiment. The sector has observed increased M&A as producers look to secure and increase production of the in-demand metal.

This increased interest in Nickel together with falling warehouse inventories is providing support for an LME nickel price at over US \$22,000 per tonne.

Given the increased interest in the project, a strong nickel price and evidence of changing investment sentiment, the Company will commence a review and an update of the previous work undertaken in the PFS with the view to advancing the project. An overview of the PFS study is listed below. For detailed information regarding the PFS results refer to ASX announcement dated 2 August 2018.

## **Pre-Feasibility Study Results**

Pre-Feasibility Study (“PFS”) on its 100%-owned NiWest Nickel-Cobalt Project during the September 2018 quarter.

### **Overview**

- Head grades average 1.05% nickel and 0.07% cobalt for the first 15 years. Opportunity to extend high-grade profile through potential conversion of Inferred Resources and/or inclusion of other known deposits.
- Initial 27-year operating life at a nameplate processing capacity of 2.4Mtpa. Projected steady-state nickel and cobalt recoveries of 79% and 85% respectively.
- Total production of 456kt nickel (in nickel sulphate) and 31.4kt cobalt (in cobalt sulphate). Average annual production of 19.2kt nickel and 1.4kt cobalt over the first 15 years.
- Ungearing post-tax NPV<sub>8%</sub> of A\$791M and internal rate of return (IRR) of 16.2% (equivalent pre-tax values of A\$1,390M and 21.2%, respectively). Payback period (pre-tax) of 4.4 years.
- Average cash unit operating cost (post royalties and cobalt credits) of US\$3.24/lb contained nickel (US\$3.00/lb for the first 15 years).
- Globally attractive pre-production capital intensity of sub-US\$20 per pound of average annual nickel production based on forecast pre-production capital expenditure of A\$966M.
- Projected free cashflow (post all capital expenditure and tax) of A\$3,342M.

The NiWest Project Mineral Resource Estimates (MRE) for 0.8% and 1% Ni Cut Off Grades are listed in the following Tables 1 and 2.

The Group's Mineral Resource Statement (Table 1 and Table 2) for the NiWest Nickel Cobalt Project has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

**Table 1: Mineral Resource Estimate<sup>1,2</sup> for NiWest Project at 0.8% Ni Cut-off Grade**

Deposit	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Nickel Metal (kt)	Cobalt Metal (kt)
<b>Mt Kilkenny<sup>1</sup></b>	Measured	8.8	1.11	0.063	98	5.6
	Indicated	12.7	1.09	0.079	138	10.0
	Inferred	4.5	0.98	0.051	44	2.3
	<b>Total*</b>	<b>26.0</b>	<b>1.08</b>	<b>0.069</b>	<b>279</b>	<b>17.9</b>
<b>Eucalyptus<sup>1</sup></b>	Indicated	23.7	1.04	0.064	247	15.3
	Inferred	12.8	0.95	0.056	121	7.1
	<b>Total*</b>	<b>36.5</b>	<b>1.01</b>	<b>0.061</b>	<b>368</b>	<b>22.4</b>
<b>Hepi<sup>1</sup></b>	Measured	1.6	1.20	0.078	19	1.2
	Indicated	1.5	1.01	0.073	15	1.1
	Inferred	1.4	0.95	0.074	14	1.1
	<b>Total*</b>	<b>4.5</b>	<b>1.06</b>	<b>0.075</b>	<b>48</b>	<b>3.4</b>
<b>Mertondale<sup>2</sup></b>	Indicated	1.9	0.98	0.070	18	1.3
	<b>Total*</b>	<b>1.9</b>	<b>0.98</b>	<b>0.070</b>	<b>18</b>	<b>1.3</b>
<b>Waite Kauri<sup>2</sup></b>	Measured	1.5	1.01	0.062	15	0.9
	Indicated	0.3	0.91	0.025	3	0.1
	Inferred	0.0	0.09	0.015	0	0.0
	<b>Total*</b>	<b>1.8</b>	<b>0.98</b>	<b>0.054</b>	<b>18</b>	<b>1.0</b>
<b>Murrin North<sup>2</sup></b>	Measured	3.4	0.98	0.062	33	2.1
	Indicated	0.1	0.88	0.051	1	0.1
	Inferred	0.1	0.86	0.083	1	0.1
	<b>Total*</b>	<b>3.7</b>	<b>0.97</b>	<b>0.062</b>	<b>35</b>	<b>2.3</b>
<b>Wanbanna<sup>2</sup></b>	Indicated	10.1	1.03	0.066	104	6.7
	Inferred	0.7	0.99	0.070	7	0.5
	<b>Total*</b>	<b>10.8</b>	<b>1.03</b>	<b>0.066</b>	<b>111</b>	<b>7.2</b>
<b>NiWest Project</b>	Measured	15.2	1.08	0.064	165	9.8
	Indicated	50.4	1.04	0.068	527	34.5
	Inferred	19.5	0.95	0.057	186	11.0
	<b>TOTAL*</b>	<b>85.2</b>	<b>1.03</b>	<b>0.065</b>	<b>878</b>	<b>55.4</b>

\* Columns may not total exactly due to rounding. Tonnages are reported as dry tonnage.

1 ASX Release 2 August 2018

2 ASX Release 21 February 2017

Table 2: Mineral Resource Estimate<sup>1,2</sup> for NiWest Project at 1.0% Ni Cut-off Grade

Deposit	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Nickel Metal (kt)	Cobalt Metal (kt)
<b>Mt Kilkenny<sup>1</sup></b>	Measured	5.7	1.22	0.072	70	4.1
	Indicated	7.8	1.20	0.094	93	7.3
	Inferred	1.7	1.11	0.060	19	1.1
	<b>Total*</b>	<b>15.2</b>	<b>1.20</b>	<b>0.082</b>	<b>182</b>	<b>12.4</b>
<b>Eucalyptus<sup>1</sup></b>	Indicated	12.5	1.16	0.074	145	9.2
	Inferred	3.1	1.08	0.062	34	1.9
	<b>Total*</b>	<b>15.6</b>	<b>1.15</b>	<b>0.072</b>	<b>178</b>	<b>11.2</b>
<b>Hepi<sup>1</sup></b>	Measured	1.1	1.34	0.088	14	0.9
	Indicated	0.7	1.12	0.086	8	0.6
	Inferred	0.4	1.07	0.104	5	0.5
	<b>Total*</b>	<b>2.2</b>	<b>1.21</b>	<b>0.090</b>	<b>27</b>	<b>2.0</b>
<b>Mertondale<sup>2</sup></b>	Indicated	0.7	1.14	0.070	8	0.5
	<b>Total*</b>	<b>0.7</b>	<b>1.14</b>	<b>0.070</b>	<b>8</b>	<b>0.5</b>
<b>Waite Kauri<sup>2</sup></b>	Measured	0.5	1.25	0.087	6	0.5
	Indicated	0.1	1.08	0.015	1	0.0
	Inferred	0.0	1.07	0.000	0	0.0
	<b>Total*</b>	<b>0.6</b>	<b>1.23</b>	<b>0.079</b>	<b>7</b>	<b>0.5</b>
<b>Murrin North<sup>2</sup></b>	Measured	1.2	1.14	0.070	14	0.9
	Indicated	0.0	1.04	0.070	0	0.0
	Inferred	0.0	0.00	0.000	0	0.0
	<b>Total*</b>	<b>1.3</b>	<b>1.14</b>	<b>0.070</b>	<b>14</b>	<b>0.9</b>
<b>Wanbanna<sup>2</sup></b>	Indicated	4.7	1.19	0.080	56	3.8
	Inferred	0.3	1.16	0.080	3	0.2
	<b>Total*</b>	<b>5.0</b>	<b>1.19</b>	<b>0.080</b>	<b>59</b>	<b>4.0</b>
<b>NiWest Project</b>	Measured	8.5	1.22	0.074	104	6.4
	Indicated	26.5	1.18	0.081	311	21.4
	Inferred	5.6	1.09	0.066	61	3.7
	<b>TOTAL*</b>	<b>40.6</b>	<b>1.17</b>	<b>0.077</b>	<b>476</b>	<b>31.4</b>

\* Columns may not total exactly due to rounding. Tonnages are reported as dry tonnage.

1 ASX Release 2 August 2018

2 ASX Release 21 February 2017

## NiWest Ore Reserve Statement

Table 3: NiWest Ore Reserve Estimate<sup>1</sup> at 0.5% Ni cut-off

Orebody	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)
Mt Kilkenny	Probable	27.9	0.96	0.06
Eucalyptus	Probable	32.2	0.87	0.05
Hepi	Probable	4.7	0.91	0.06
<b>Total*</b>	<b>Probable</b>	<b>64.9</b>	<b>0.91</b>	<b>0.06</b>

\* Columns may not total exactly due to rounding errors. Tonnages are reported as dry tonnage

<sup>1</sup> ASX Release 2 August 2018

The Group's Ore Reserve Statement has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

### GOLD ASSETS

Whilst the Group's primary focus is the NiWest Nickel project, the sustained high AUD\$ gold price continues to pique the Company's interest in its gold assets. The Company has recently commenced on ground work at the Abednego Gold Project with work programs designed to identify priority prospective prospects. Results from the recent work will determine the nature of future exploration work to be undertaken.

#### Abednego Gold Project

During the reporting period the Group completed a detailed Ultra-fine Fraction ("UFF") soil sampling program within the highly prospective Federation shear zone, at the Company's 100% owned Abednego Project, situated approximately 45km east of Leonora, in the Eastern Goldfields of Western Australia.

The UFF soil samples were collected on a nominal 100 x 100m, 100 x 50m or 200 x 100m grid. The program was designed to target gold and mineralisation below thin alluvial and sheetwash cover along the highly prospective Federation shear zone, extending to the north-northeast of the Homeward Bound, Federation and Federation North gold deposits (refer ASX announcement dated 14 December 2021 and Figures 1-2).

Results from the program have successfully delineated six discrete gold anomalies and three nickel geochemical anomalies. (refer ASX Announcement dated 15 February 2022). The new exploration targets provide sufficient detail and technical information to enable target prioritisation and the design of follow-up in fill sampling, geological mapping and aircore drilling programs. Localities and size of anomalies are shown in Figures 1 and 2.

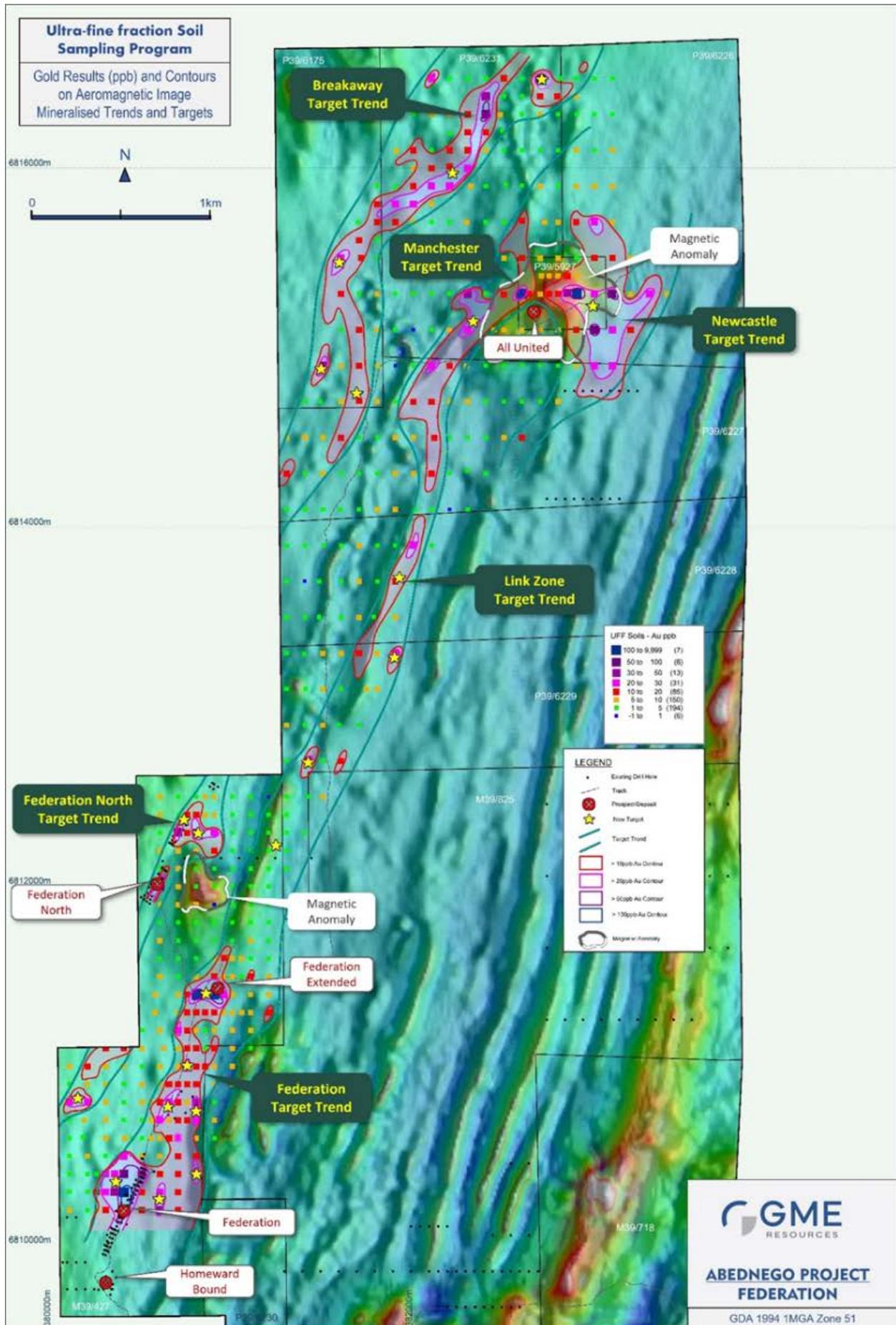


Figure 1: GOLD ANOMALIES Plan showing proposed UFF soil gold results and targets, plan underlain by aeromagnetic image.

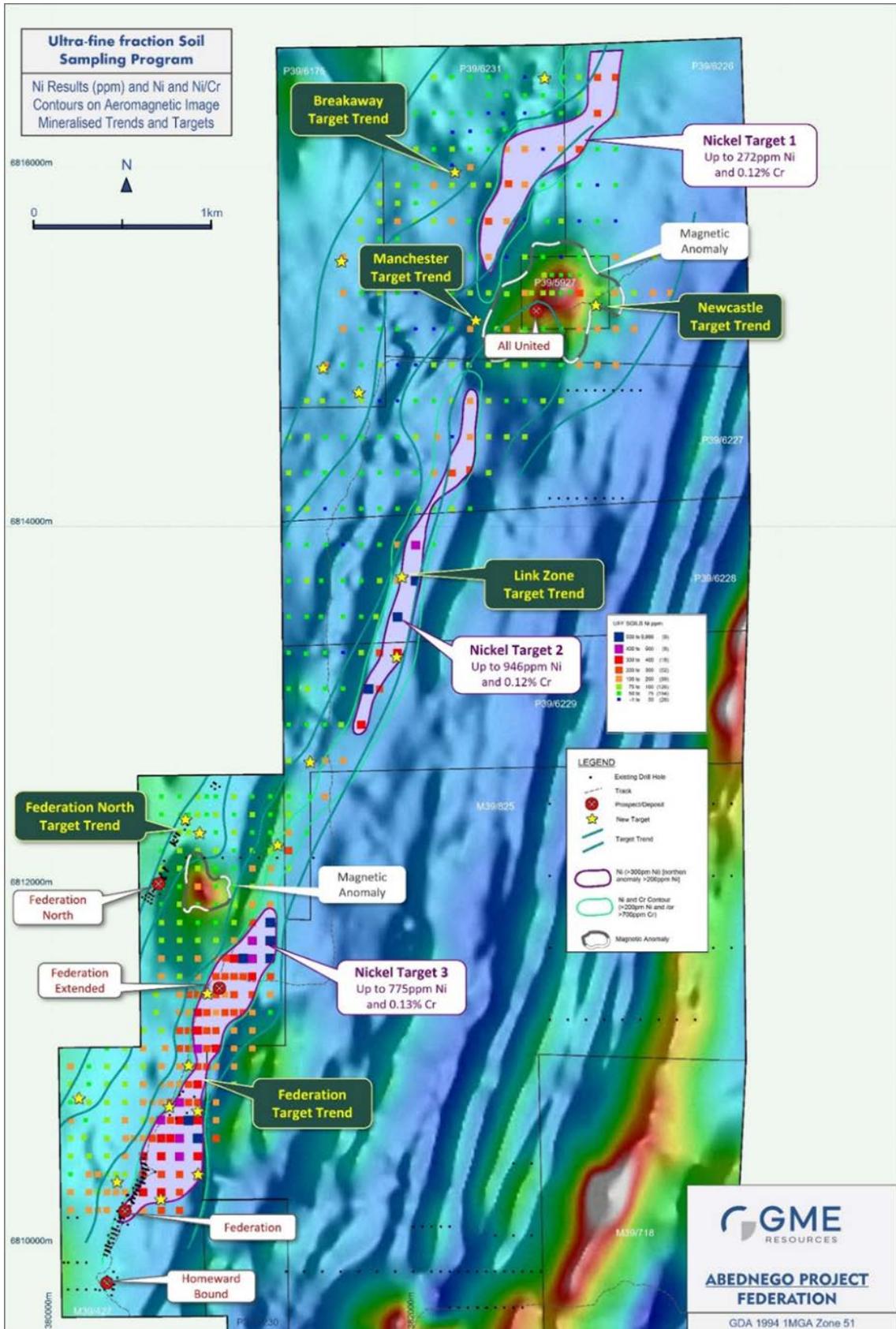


Figure 2: NICKEL ANOMALIES Plan showing proposed UFF soil Cr-Ni results and targets, plan underlain by aerial photograph.

### **Results from Operations**

The Group recorded a net loss (after tax) for the half year to 31 December 2021 of \$100,809 (31 December 2020: \$46,608).

Exploration and evaluation expenditure of \$524,936 was capitalised in the half year to 31 December 2021 (30 June 2021: \$1,182,802).

### **Subsequent Events**

The Group continues to follow advice from Health Authorities and the necessary steps to protect people engaged with the Group's activities. Working from home measures were eased several months ago as were travel restrictions throughout the regions in WA. Other restrictions that remain in place are not having a material effect on the Group's activities.

No other matters or circumstances have arisen since the end of the reporting period which 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**

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the directors of the Group with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 11 and forms part of this directors' report for the half-year ended 31 December 2021.

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

A handwritten signature in black ink, appearing to read 'James Sullivan', enclosed in a thin black rectangular border.

**James Sullivan**

Managing Director

Dated this 15th day of March 2022

## **Competent Person Statements**

### **NiWest Nickel Project**

Where the Company refers to the NiWest Nickel-Cobalt Project Prefeasibility Study 2018 and the Mineral Resource and Ore Reserve Statement (referencing the release made to the ASX on 2 August 2018), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters continue to apply and have not materially changed.

### **Gold Projects**

The information in this report that relates to exploration results is based on information reviewed by David Archer. Mr Archer is a Principal Consultant of Archer Geological Consulting and a Member of the Australian Institute of Geoscientists. Mr Archer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results. Mr Archer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Forward Looking Statement**

This report contains statements related to our future business and financial performance and future events or developments involving GME Resources (GME) that may constitute forward-looking statements. These statements may be identified by words such as "potential", "exploitable", "proposed open pit", "evaluation", "expect," "future," "further," "operation, "development, "plan," "permitting", "approvals", "processing agreement" or words of similar meaning. Such statements are based on the current expectations and certain assumptions of GME management & consultants, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond GME's control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of GME to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

### **Reporting of Exploration Results and Previously Reported Information:**

This report includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's previous ASX announcements (with the Competent Person for the relevant original market announcement indicated in brackets), as follows:

- Federation: "Soil sampling program commences over the Federation shear zone, targeting new gold anomalies at the Abednego Project" 14 December 2021 (D. Archer)
- Federation: "Drilling outlines further shallow, oxide gold mineralisation at Federation" 19 May 2021 (D. Archer)
- Federation: "Federation Gold Prospect - Exploration Update" 12 March 2021 (M Gunther)
- Federation: "Abednego Gold Project Update" 3 February 2021 (K Joyce)

Copies of these announcements are available from the ASX Announcements page of the Company's website: [www.gmeresources.com.au](http://www.gmeresources.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. Where the information relates to Exploration Results the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the relevant original market announcements.

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the consolidated financial report of GME 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  
15 March 2022



**M R Ohm**  
Partner

**h**l**b.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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**T:** +61 (0)8 9227 7500 **E:** mailbox@h**l**bwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

		<b>Consolidated</b>	
	Notes	<b>31 Dec 2021</b>	31 Dec 2020
		<b>\$</b>	<b>\$</b>
<b>Continuing Operations</b>			
Other income	2	<b>165,000</b>	155,114
Management and consulting expenditure		<b>(45,000)</b>	(45,000)
Depreciation and amortisation expense		<b>(5,054)</b>	(40,431)
Exploration written off	4	<b>(58,491)</b>	-
Other expenses		<b>(157,324)</b>	(113,781)
<b>Results from operations</b>		<b>(100,869)</b>	(44,098)
Financial income		<b>60</b>	184
Financial expenses		-	(2,694)
Net financial expenditure		<b>60</b>	(2,510)
<b>Loss before income tax</b>		<b>(100,809)</b>	(46,608)
Income tax benefit		-	-
<b>Net loss for the half year</b>		<b>(100,809)</b>	(46,608)
Other comprehensive income		-	-
<b>Total comprehensive loss for the half year</b>		<b>(100,809)</b>	(46,608)
Basic loss per share (cents)		<b>(0.018)</b>	(0.009)
Diluted loss per share (cents)		<b>(0.018)</b>	(0.009)

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

		<b>Consolidated</b>	
	Notes	<b>31 Dec 2021</b>	30 Jun 2021
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,295,349	212,691
Trade and other receivables	3	2,680	26,508
Prepayments		41,453	20,850
<b>Total Current Assets</b>		<b>1,339,482</b>	<b>260,049</b>
<b>Non-Current Assets</b>			
Trade and other receivables	3	8,516	8,514
Plant and equipment		25,382	30,437
Deferred exploration and evaluation expenditure	4	33,789,699	33,323,254
<b>Total Non-Current Assets</b>		<b>33,823,597</b>	<b>33,362,205</b>
<b>Total Assets</b>		<b>35,163,079</b>	<b>33,622,254</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	92,843	84,222
Payroll liabilities		19,862	21,656
<b>Total Current Liabilities</b>		<b>112,705</b>	<b>105,878</b>
<b>Total Liabilities</b>		<b>112,705</b>	<b>105,878</b>
<b>Net Assets</b>		<b>35,050,374</b>	<b>33,516,376</b>
<b>Equity</b>			
Issued capital	6	59,760,709	58,125,902
Accumulated losses		(24,710,335)	(24,609,526)
<b>Total Equity</b>		<b>35,050,374</b>	<b>33,516,376</b>

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	<b>Consolidated</b>		
	Issued Capital	Accumulated Losses	Total Equity
	\$	\$	\$
Balance at 1 July 2020	56,640,810	(24,423,205)	32,217,605
Loss for the period	-	(46,608)	(46,608)
Total comprehensive loss for the period	-	(46,608)	(46,608)
	1,485,092	-	1,485,092
Balance at 31 December 2020	58,125,902	(24,469,813)	33,656,089
<b>Balance at 1 July 2021</b>	<b>58,125,902</b>	<b>(24,609,526)</b>	<b>33,516,376</b>
Loss for the period	-	(100,809)	(100,809)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(100,809)</b>	<b>(100,809)</b>
<b>Shares Issued net of costs</b>	<b>1,634,807</b>	<b>-</b>	<b>1,634,807</b>
<b>Balance at 31 December 2021</b>	<b>59,760,709</b>	<b>(24,710,335)</b>	<b>35,050,374</b>

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	<b>(283,482)</b>	(233,515)
Interest received	<b>60</b>	184
Facilitation fee received	<b>100,000</b>	100,000
Rent received sub-lease	-	37,020
Government subsidies received	-	18,094
Net cash outflow from operating activities	<b>(183,422)</b>	(78,217)
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	<b>(436,725)</b>	(666,503)
Proceeds from sale of fixed assets	<b>65,000</b>	-
Receipt of bonds	<b>2,998</b>	-
Net cash outflow from investing activities	<b>(368,727)</b>	(666,503)
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	<b>1,670,668</b>	1,518,720
Payment of costs associated with the issue of shares	<b>(35,861)</b>	(33,628)
Reduction in lease liability	-	(37,500)
Net cash inflow from financing activities	<b>1,634,807</b>	1,447,592
Net increase/(decrease) in cash and cash equivalents	<b>1,082,658</b>	702,872
Cash and cash equivalents held at the start of the period	<b>212,691</b>	132,485
<b>Cash and cash equivalents held at the end of the period</b>	<b>1,295,349</b>	835,357

The accompanying notes form part of these financial statements.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The condensed interim consolidated financial statements (the interim financial statements) are general purpose interim financial statements and have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Group is a for-profit entity. The interim financial statements were authorised for issue on 15 March 2022.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2021 and any public announcements made by GME Resources Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The Group is a for-profit entity, domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted are consistent those of the previous financial year and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis. Cost is based on fair value of the consideration given in exchange for assets.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

#### (b) Adoption of new and revised standards

##### *New Standards and Interpretations applicable for the half year ended 31 December 2021*

In the period ended 31 December 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that, with the exception below, there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

##### *Standards and Interpretations in issue not yet effective*

The Directors have also reviewed all Standards and Interpretations in issue not yet effective for the period ended 31 December 2021. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet effective on the Group and, therefore, no change is necessary to Group accounting policies.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

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

The preparation of half-year financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2021.

### (d) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets, given exploration expenditure is capitalized, and the settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group recorded a loss for the period of \$100,809, and a cash outflow from operating and investing activities of \$552,149 for the period ended 31 December 2021 and at balance date, had net current assets of \$1,226,777.

The directors have reviewed the Group's financial position and forecast cash flows and have assessed that the Group will be required to raise additional funds to continue its exploration program and fund its administrative costs. During the reporting period, the Group successfully raised \$1.6 million (before costs) from an Entitlement Issue. The directors are therefore of the opinion that the use of the going concern basis is appropriate in the circumstances.

Should the Group be unable to raise the additional funds required, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

### NOTE 2: LOSS/PROFIT FROM ORDINARY ACTIVITIES

	<b>Consolidated</b>	
	Half year ended	
	<b>31 Dec 2021</b>	31 Dec 2020
	\$	\$

The following revenue items are relevant in explaining the financial performance for the half-year:

#### (a) Other income

Facilitation fee	<b>100,000</b>	100,000
Proceeds from sale of assets	<b>65,000</b>	-
Rent received sub-lease	-	37,020
Government subsidies received	-	18,094
	<b>165,000</b>	115,114

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE HALF YEAR ENDED 31 DECEMBER 2021**

**NOTE 3: TRADE AND OTHER RECEIVABLES**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
GST refundable/(payable)	(320)	20,508
Bonds	3,000	6,000
	<u>2,680</u>	<u>26,508</u>
<b>Non-current</b>		
Bonds	8,516	8,514

**NOTE 4: DEFERRED EXPLORATION AND EVALUATION  
EXPENDITURE**

	<b>Half year ended 31 Dec 2021</b>	<b>Year ended 30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of the period	33,323,254	32,184,260
Direct expenditure	524,936	1,182,802
	<u>33,848,190</u>	<u>33,367,062</u>
Less expenditure written off	(58,491)	(43,808)
<b>Total deferred exploration and evaluation expenditure</b>	<u>33,789,699</u>	<u>33,323,254</u>

The ultimate recoupment of the above deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or alternatively sale of the respective areas at amounts sufficient to recover the expenditure.

**NOTE 5: TRADE AND OTHER PAYABLES**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables and accruals	92,843	84,221
	<u>92,843</u>	<u>84,221</u>

Trade payables and accruals are non-interest bearing and normally settled on 30-day terms.

**NOTE 6: ISSUED CAPITAL**

*Ordinary shares*

Issued and fully paid	<u>59,760,709</u>	<u>58,125,902</u>
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	<b>No.</b>	<b>\$</b>
<i>Movements in ordinary shares on issue</i>		
At 1 July 2021	556,866,930	58,125,902
Entitlement Issue	37,123,832	1,670,572
Costs of share issue	-	(35,765)
At 31 December 2021	<u>593,990,762</u>	<u>59,760,709</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

**NOTE 7: LEASE LIABILITIES**

GME terminated the lease of its premises in Fremantle on 30 June 2021 and entered into a sub-lease of new premises in West Perth. In accordance with AASB 16, the new sub-lease has not been brought to account in the Statement of financial position of the company. The Company has chosen to not capitalise the short-term leases on the Statement of financial position, and instead recognises short-term lease payments as an expense on a straight-line basis.

**NOTE 8: DIVIDENDS**

No dividends were paid or declared during the period.

**NOTE 9: SEGMENT REPORTING**

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Board of GME Resources Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one business and geographical segment being the resources sector in Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

**NOTE 10: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

**NOTE 11: FINANCIAL INSTRUMENTS**

The group has a number of financial instruments which are not measured at fair value in the statement of financial position. The Directors consider that the carrying amount of these financial instruments are a reasonable approximation of their fair value.

**NOTE 12: EVENTS AFTER BALANCE DATE**

The impact of the Coronavirus (COVID-19) pandemic is ongoing. The situation continues to develop and the impact on the Company, although relatively minor to date will be dependent on measures imposed by the Australian Government, the State Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. It is not practicable to estimate the potential impact, positive or negative, after the reporting date.

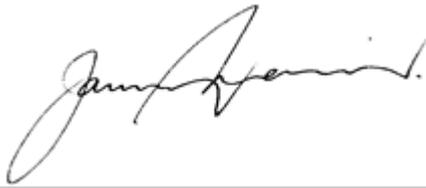
No other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

## DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 19 are in accordance with the *Corporations Act 2001* including:
  - a. complying with the Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. 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 then ended.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors, made pursuant to s303(5) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'James Sullivan', enclosed within a thin black rectangular border.

**James Sullivan**

Director

Dated this 15th day of March 2022

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of GME Resources Limited

### **Report on the Condensed Interim Financial Report**

#### *Conclusion*

We have reviewed the accompanying interim financial report of GME Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed 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 interim financial report of GME 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.

#### *Material uncertainty related to going concern*

We draw attention to Note 1(d) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Responsibility of the directors for the financial report*

The directors of the company are responsible for the preparation of the interim 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 interim 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 interim 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 interim 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 period ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim 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**  
**15 March 2022**



**M R Ohm**  
**Partner**