



**mantle**

MINERALS

**and its controlled entities**

# **Half-year report for the Half-year ended**

**31 December 2022**



## Corporate directory

### Board of Directors

Mr Nick Poll	Executive Chairman
Mr David Greenwood	Non-Executive Director
Mr Johnathon Busing	Non-Executive Director

### Company Secretary

Mr Johnathon Busing

### Registered and Principal Office

Ground Floor  
168 Stirling Highway  
Nedlands, Western Australia 6009  
Tel: +61 8 6102 2656

### Postal Address

PO Box 369  
Nedlands, Western Australia 6909

### Website

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

### Auditors

Stantons  
Level 2, 40 Kings Park Road  
West Perth, Western Australia 6005

### Share Registry

Advanced Share Registry Ltd  
110 Stirling Highway  
Nedlands, Western Australia 6009  
Tel: +61 8 9389 8033  
Fax: +61 8 6370 4203

### Stock Exchange

Australian Securities Exchange  
Level 40, Central Park  
152- 158 St Georges Terrace  
Perth, Western Australia 6000

### ASX Code

MTL  
MTLOA

# Half year report for the half-year ended 31 December 2022

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## Directors' report

The directors of Mantle Minerals Ltd ("Mantle" or "the Company") (formerly Caeneus Minerals Limited) submit herewith the financial report of Mantle Minerals Ltd and its controlled entities ("the Group") for the half-year ended 31 December 2022. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Names of Directors

The names of the directors of the Company during or since the end of the half-year are:

Mr Nick Poll (appointed on 16 September 2022)

Mr David Greenwood (appointed 06 December 2022)

Mr Johnathon Busing (appointed 06 December 2022)

Mr Davide Bosio (resigned 06 December 2022)

Mr Dean Tuck (appointed 13 July 2022, resigned 06 December 2022)

Mr Peter Christie (resigned 16 September 2022)

Mr Teow Kim Chng (resigned 16 September 2022)

### Review of operations

The consolidated loss of the Group for the half-year ended 31 December 2022 amounted to \$2,082,080 (31 December 2021: \$2,722,320), the majority of which was spent on the Pardoo Nickel Project. The Company has since changed strategy and is now focused on exploring on extensive gold exploration tenements lying north of Degrey Mining's discovery of 10.6Moz of gold at Hemi and associated deposits.

### Exploration

#### ***Mt. Berghaus Exploration Licence Update***

The Company provided an update on the application for exploration licence 45/5041 referred to as Mt Berghaus, located in the Mallina Basin, Pilbara WA.

The Company received a positive decision from the Supreme Court on 31 October 2022 and the Company can now proceed with presenting the findings of the Supreme Court to the Warden's Court - Department of Mines and Petroleum, to continue due process for granting the tenement.

The Company is unable to give a credible timeline for the tenement grant. However, there are no indications that the tenement cannot be granted to the Company.

Mantle believes that the Mt Berghaus tenement lies within an interpreted regional gold trend that includes the recent discovery of 10.6Moz of gold resources at Hemi and its satellite deposits (ASX:DEG).

#### ***Pardoo Nickel Project (E45/5827)***

During the first half of the quarter, the Company announced completion of its Phase 2 Reverse Circulation (RC) program, to drill potential open-pit nickel sulphide mineralisation at a closer 50 x 50 m spacing and to drill down-dip extensions of the nickel sulphide mineralisation.

The Phase 2 RC drilling program comprised 20 new drill holes for a total of 4157 m, bringing the total number of metres drilled by the Company at Highway to 34 RC drill holes for a total of 5865m. Results from the Phase 2 drilling are expected to be announced in December and contribute towards a new JORC 2012 Mineral Resource Estimate to be completed early 2023.

In addition, the Company completed a down-hole, versatile-time-domain electromagnetic (VTEM) survey for two holes, to further test the potential for nickel sulphide mineralisation at depth and possible high-grade (>1% Ni) mineralization targets.

On 19 January 2023, the Company announced that the second phase of drilling at the Highway Nickel Deposit within the Pardoo nickel sulphide project returned wide intercepts of up to 68m grading 0.44% Ni and 0.1% Cu. These intersections confirmed the results from phase one drilling; and positioned the Company to prepare for a Minerals Resource Estimate under the JORC (2012) code in the first quarter of 2023.

Best intercepts include:

- CPRC017        68m @ 0.44 % Ni from 57m
- CPRC023        111m @ 0.37% Ni from 159m
- CPRC018        81m @ 0.39 % Ni from 102m
- CPRC028        24m @ 0.43 %Ni from 138m
- CPRC033        24m @ 0.41 % Ni from 176m

The mineralisation remains open both along strike and at depth.

A mineral resource estimate, compliant with JORC 2012 standards, is underway.

## **Corporate**

### ***Capital Raising***

During the period the Company issued the following securities:

- 60,000,000 fully paid ordinary shares at an issue price of \$0.0050 per share to Company directors as approved by shareholders; and
- 60,000,000 attaching listed options exercisable at \$0.015 on or before 31 December 2023 to Company directors as approved by shareholders.
- 625,000,000 fully paid ordinary shares at an issue price of \$0.0040 per share to sophisticated and institutional investors of the Company.

### ***Board Change***

On July 13, 2022, the board of Mantle Minerals Ltd announced the appointment of Mr Dean Tuck as Non-Executive Director of the Company. Dean is an experienced geologist having worked across a wide range of commodities in Australia, Brazil and Southeast Asia from project generation through to resource evaluation.

On 19 September 2022, the following Board and Management Changes were announced:

The Company announced that Nick Poll was been appointed as Executive Director, on 16 September 2022. Mr Poll is an accomplished resources executive with over 30 years of experience managing early-stage exploration projects through the development stage into full production.

The Company also advised that on 16 September 2022 Peter Christie had resigned from the board and Kim Chng had retired, both effective immediately.

Current Chief Executive, Mr Rob Mosig did not renew his contract with the Company. However, he remained available to advise the Company until 31 December 2022.

On 6 December 2022, the following Board and Management changes were announced:

The Company announced the appointment of Mr David Greenwood as Non-Executive Director. Mr Greenwood has 35 years of experience and has worked internationally in the resources industry in exploration, production, marketing, business development, and investment analysis. Mr Greenwood also has specific expertise in resource evaluation and financing, from exploration through to mine development.

Mr Johnathon Busing also joined the Board as a Non-Executive Director. Mr Busing is an experienced Company Secretary and corporate advisor.

The Company also advised that Davide Bosio and Dean Tuck resigned to pursue other business interests.

Executive Director Mr Nick Poll assumed the role of Executive Chair of the Company.

### ***General Meeting of Shareholders***

The Company held its General Meeting of Shareholders on 30 November 2022 and all resolutions, except resolution 8, were passed on a poll.

### ***ASX Code Change***

The Company, formerly Caeneus Minerals Limited (ASX:CAD), advised the change of name and code to Mantle Minerals Limited (ASX: MTL) following shareholder approval at the Annual General Meeting of Shareholders. The Company's change of name and code applied from the commencement of trading on Wednesday, 7 December 2022.

The Company's Constitution was updated to reflect the change of name.

### ***Subsequent Events***

In March 2023, the Company announced the re-commencement of gold exploration at Roberts Hill, part of the Company's Mallina gold project, immediately north of De Grey Mining Limited's (ASX: DEG) discovery of 10.6M ounces of gold at Hemi and satellite deposits.

In March 2023, the Company announced the revision of the remuneration package of Nick Poll. This revision intended to better align Mr Poll's interests with those of the Company's shareholders and to incentivise him to drive long-term value for the Company. The revised remuneration package consists of an increase in base salary from \$120,000 to \$240,000 per annum plus superannuation, effective 28 February 2023.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

## **Auditor's independence declaration**

Section 307C of the Corporations Act 2011 requires our auditors, Stantons, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year report. This Independence Declaration is set out on page 5 and forms part of this Directors' Report for the half year ended 31 December 2022.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors



Mr Nick Poll

**Executive Chairman**

15 March 2023

Perth, Western Australia



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15 March 2023

Board of Directors  
Mantle Minerals Limited  
Ground Floor  
168 Stirling Highway  
NEDLANDS WA 6009

Dear Sirs

**RE: MANTLE MINERALS LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Mantle Minerals Limited.

As Audit Director for the review of the financial statements of Mantle Minerals Limited for the half-year ended 31 December 2022, 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.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**

**Martin Michalik**  
Director





**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
MANTLE MINERALS LIMITED**

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

**Conclusion**

We have reviewed the half-year financial report of Mantle Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Mantle Minerals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Mantle Minerals Limited's financial position as at 31 December 2022 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 Group 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.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 15 March 2023.

**Responsibility of the Directors for the Financial Report**

The directors of Mantle Minerals Limited 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.



***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 2022 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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit & Consulting Pty Ltd*

**Martin Michalik**  
Director

West Perth, Western Australia  
15 March 2023

## Directors' declaration

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standard AASB 134 '*Interim Financial Reporting*' and giving a true and fair view of the financial position and performance of the Group for the period ended 31 December 2022.

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

On behalf of the directors



Mr Nick Poll

**Executive Chairman**

15 March 2023

Perth, Western Australia

# Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2022

	Note	Consolidated	
		Half-year ended	
		31 Dec 2022	31 Dec 2021
		\$	\$
<b>Continuing operations</b>			
Other income	3	10,050	-
Administration costs		(145,796)	(173,120)
Consultants costs		(338,867)	(303,961)
Compliance costs		(83,147)	(88,491)
Depreciation		(29,330)	(8,773)
Exploration & evaluation expenditure written off	6	(1,488,727)	(1,790,324)
Travel Expenses		(643)	(399)
Share based payments		-	(343,865)
Foreign exchange losses		(5,620)	(13,387)
<b>Loss before income tax</b>		<b>(2,082,080)</b>	<b>(2,722,320)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(2,082,080)</b>	<b>(2,722,320)</b>
<b>Other comprehensive income, net of income tax</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the period, net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(2,082,080)</b>	<b>(2,722,320)</b>
<b>Loss attributable to:</b>			
Owners of Mantle Minerals Ltd		<b>(2,082,080)</b>	<b>(2,722,320)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of Mantle Minerals Ltd		<b>(2,082,080)</b>	<b>(2,722,320)</b>
<b>Loss per share:</b>			
<b>Basic and diluted (cents per share)</b>		(0.041)	(0.064)
<b>Weighted average number of shares</b>		<b>5,033,322,465</b>	<b>4,249,891,494</b>

Condensed notes to the consolidated financial statements are included on pages 13 to 21.

## Consolidated statement of financial position as at 31 December 2022

	Note	Consolidated	
		31 Dec 2022 \$	30 Jun 2022 \$
<b>Current assets</b>			
Cash and cash equivalents		1,772,674	1,285,106
Trade, other receivables and prepayments	5	104,502	128,653
Other assets		785	785
<b>Total current assets</b>		<b>1,877,961</b>	<b>1,414,544</b>
<b>Non-current assets</b>			
Term Deposit		49,981	49,981
Property, plant and equipment		20,726	24,804
ROU Asset	4	144,084	168,784
Exploration and evaluation expenditure	6	10,000	10,000
<b>Total non-current assets</b>		<b>224,791</b>	<b>253,569</b>
<b>Total assets</b>		<b>2,102,752</b>	<b>1,668,113</b>
<b>Current liabilities</b>			
Trade and other payables		118,891	217,878
Short Term Lease Liability	4	39,457	36,336
Deferred consideration	10	250,283	246,779
<b>Total current liabilities</b>		<b>408,631</b>	<b>500,993</b>
<b>Non-current liabilities</b>			
Long Term Lease Liability	4	119,925	140,693
<b>Total non-current liabilities</b>		<b>119,925</b>	<b>140,693</b>
<b>Total liabilities</b>		<b>528,556</b>	<b>641,686</b>
<b>Net assets</b>		<b>1,574,196</b>	<b>1,026,427</b>
<b>Equity</b>			
Issued capital	7	95,879,518	93,249,669
Reserves	8	3,553,124	3,553,124
Accumulated losses		(97,858,446)	(95,776,366)
<b>Total equity</b>		<b>1,574,196</b>	<b>1,026,427</b>

Condensed notes to the consolidated financial statements are included on pages 13 to 21.

## Consolidated statement of changes in equity for the half-year ended 31 December 2022

### Consolidated

	Issued Capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>89,630,302</b>	<b>3,178,152</b>	<b>(91,536,932)</b>	<b>1,271,522</b>
Loss for the period	-	-	(2,722,320)	(2,722,320)
<b>Total comprehensive loss for the period</b>	-	-	<b>(2,722,320)</b>	<b>(2,722,320)</b>
Issue of options as a share based payments	-	343,865	-	343,865
Issue of shares pursuant to the exercise of options	82,500	-	-	82,500
Issue of shares to sophisticated and professional investors	1,386,000	-	-	1,386,000
Issue of shares to sophisticated and professional investors	14,000	-	-	14,000
Issue of shares pursuant to the exercise of options	191,537	-	-	191,537
Issue of shares pursuant to the exercise of options	330,000	-	-	330,000
Issue of shares to directors	364,000	-	-	364,000
Share issue costs	(129,839)	-	-	(129,839)
<b>Balance at 31 December 2021</b>	<b>91,868,500</b>	<b>3,522,017</b>	<b>(94,259,252)</b>	<b>1,131,265</b>
<b>Balance at 1 July 2022</b>	<b>93,249,669</b>	<b>3,553,124</b>	<b>(95,776,366)</b>	<b>1,026,427</b>
Loss for the period	-	-	(2,082,080)	(2,082,080)
<b>Total comprehensive loss for the period</b>	-	-	<b>(2,082,080)</b>	<b>(2,082,080)</b>
Issue of shares to directors	300,000	-	-	300,000
Issue of shares to sophisticated and professional investors	2,500,000	-	-	2,500,000
Share issue costs	(170,151)	-	-	(170,151)
<b>Balance at 31 December 2022</b>	<b>95,879,518</b>	<b>3,553,124</b>	<b>(97,858,446)</b>	<b>1,574,196</b>

Condensed notes to the consolidated financial statements are included on pages 13 to 21.

## Consolidated statement of cash flows for the half-year ended 31 December 2022

	Consolidated	
	Half-year ended	
	31 Dec 2022	31 Dec 2021
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(564,226)	(572,587)
Payments for exploration and evaluation	(1,570,211)	(1,526,018)
Interest received	50	-
Receipts from customers and debtors	10,550	-
Net cash (used in) operating activities	(2,123,837)	(2,098,605)
<b>Cash flows from investing activities</b>		
Cash Transferred to Term Deposit	-	(49,981)
Payment of deferred consideration	-	(28,241)
Payment of property, plant and equipment	(2,401)	(33,543)
Net cash (used in) investing activities	(2,401)	(111,765)
<b>Cash flows from financing activities</b>		
Proceeds from shares and options issued	2,800,000	2,153,537
Repayment of lease liability	(20,193)	(3,340)
Share issue costs	(166,001)	(24,840)
Net cash provided by financing activities	2,613,806	2,125,357
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>487,568</b>	<b>(85,013)</b>
Cash and cash equivalents at the beginning of the period	1,285,106	1,635,924
Effect of exchange rate fluctuations	-	(3,164)
<b>Cash and cash equivalents at the end of the period</b>	<b>1,772,674</b>	<b>1,547,747</b>

Condensed notes to the consolidated financial statements are included on pages 13 to 21.

# Condensed notes to the consolidated financial statements for the half-year ended 31 December 2022

## 1. Significant accounting policies

### Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with annual financial statements of the Group for the year ended 30 June 2022 together with any public announcements made during the following half-year.

The half-year financial report was authorised for issue by the directors on 15 March 2023.

### Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2022 annual financial report for the financial year ended 30 June 2022. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

### Going concern basis

The consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the half-year ended 31 December 2022, the Group incurred a loss after tax of \$2,082,080 (31 December 2021: \$2,722,320) and a net cash outflow from operations of \$2,123,837 (31 December 2021: \$2,098,605). At 31 December 2022, the Group had net current assets of \$1,469,330 (30 June 2021: \$913,551).

The Directors have reviewed the Group's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate on the basis that the Group has been successful to date in securing required funding and the Directors are of the opinion that it will continue to do so through a combination of debt and equity.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.



**Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

**Motor Vehicle**

Motor Vehicle are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on above mentioned assets. Depreciation is calculated using diminishing balance method so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate (%)
Plant and equipment	20.00 - 33.33
Motor Vehicle	40.00

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of new standard and interpretations described below.

**Principles of consolidation**

The consolidated financial statements incorporate all assets, liabilities, and results of the parent and all of its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Company. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

**Business Combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 'Income Taxes' and AASB 119 'Employee Benefits' respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- assets (or disposal groups) that are that are classified as held for sale in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

**Significant accounting judgements and key estimates**

The preparation of interim 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 half-yearly statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2022.

**Adoption of new and revised standards**

Standards and Interpretations applicable to 31 December 2022

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2022. As a result of this the Directors have determined that there is no impact, material or otherwise, of the new and revised standards and interpretations on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2022. As a result of this, the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

## 2. Segment information

### 2.1 Geographical segment

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group operates in two (2) principal geographical areas - Australia (country of domicile) and United States of America.

The table below presents the asset and liability information and operating results regarding the geographical segments for the period ended 31 December 2022:

	<b>Consolidated</b>	
	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
Australia	2,101,943	1,667,304
United States of America	809	809
<b>Total assets</b>	<b>2,102,752</b>	<b>1,668,113</b>
<b>Liabilities</b>		
Australia	528,556	640,890
United States of America	-	796
<b>Total liabilities</b>	<b>528,556</b>	<b>641,686</b>
<b>Operating result</b>		
Australia	(2,021,116)	(2,656,008)
United States of America	(60,964)	(66,312)
<b>Total loss from operations</b>	<b>(2,082,080)</b>	<b>(2,722,320)</b>
<b>3. Other income</b>		
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>\$</b>	<b>\$</b>
Other income	10,050	-
	<b>10,050</b>	<b>-</b>
<b>4. Lease</b>		

The Group entered into a lease agreement for its offices in December 2021. The lease has a two-year term and is renewable once, for an additional two years. The lease is reflected on the balance sheet as a right-of-use asset and a lease liability assuming a duration of 4 years.

#### 4. Lease (cont'd)

##### Right-of-use assets

Additional information on the right-of-use assets by class of assets is as follows:

	Asset	Carrying Amount	Additions	Depreciation	Impairment
Offices	197,601	144,084	-	53,517	-

##### Lease Liabilities

Lease liabilities are presented in the statement of financial position as follows:

	31 Dec 2022	30 Jun 2022
	\$	\$
Current	39,457	36,336
Non-current	119,925	140,693
	<b>159,382</b>	<b>177,029</b>

At 31 December 2022 the Group has not committed to any other lease.

Additional profit or loss and cash flow information

	31 Dec 2022	31 Dec 2021
	\$	\$
Total cash outflow in respect of leases in the year	20,193	3,340
Interest Expense	2,546	-

#### 5. Trade, other receivables and prepayments

	31 Dec 2022	30 Jun 2022
	\$	\$
Prepayments	37,844	52,153
Other receivables (i)	66,658	76,500
	<b>104,502</b>	<b>128,653</b>

(i) None of the trade and other receivables are past due at the reporting date.

#### 6. Exploration and evaluation expenditure

	6 months ended	12 months ended
	31 Dec 2022	30 Jun 2022
	\$	\$
Carried forward exploration and evaluation expenditure	10,000	-
Expenditure incurred during the period	1,488,727	2,707,545
Impairment of exploration and evaluation expenditure (i)	(1,488,727)	(2,697,545)
Carrying value at end of the period	<b>10,000</b>	<b>10,000</b>

## 6. Exploration and evaluation expenditure (cont'd)

(i) An impairment expense of \$1,488,727 has been recognised in profit or loss for the half-year ended 31 December 2022 (30 June 2022: \$2,697,545). This is consistent with the Group's policy on exploration and evaluation expenditure. Refer to the 2022 annual financial report.

## 7. Issued capital

	31 Dec 2022 \$	30 Jun 2022 \$
5,345,605,074 fully paid ordinary shares (30 June 2022: 4,660,605,074)	<b>95,879,518</b>	<b>93,249,669</b>

Fully paid ordinary shares	31 Dec 2022		30 Jun 2022	
	No.	\$	No.	\$
Balance at beginning of period	4,660,605,074	93,249,669	3,986,990,260	89,630,302
Issue of shares <sup>(i)</sup>	625,000,000	2,500,000	-	-
Issue of shares <sup>(ii)</sup>	60,000,000	300,000	-	-
Issue of shares <sup>(iii)</sup>	-	-	33,000,000	82,500
Issue of shares <sup>(iv)</sup>	-	-	198,000,000	1,386,000
Issue of shares <sup>(v)</sup>	-	-	2,000,000	14,000
Issue of shares <sup>(vi)</sup>	-	-	56,614,814	141,537
Issue of shares <sup>(vii)</sup>	-	-	10,000,000	50,000
Issue of shares <sup>(viii)</sup>	-	-	12,000,000	30,000
Issue of shares <sup>(ix)</sup>	-	-	30,000,000	300,000
Issue of shares <sup>(x)</sup>	-	-	52,000,000	364,000
Issue of shares <sup>(xi)</sup>	-	-	280,000,000	1,400,000
Share issue costs	-	(170,151)	-	(148,670)
	<b>5,345,605,074</b>	<b>95,879,518</b>	<b>4,660,605,074</b>	<b>93,249,669</b>

(i) Issue of fully paid ordinary shares at \$0.0040 each on 27 September 2022 pursuant to a placement to sophisticated investors of the Company.

(ii) Issue of fully paid ordinary shares at \$0.0050 each on 11 August 2022 pursuant to a placement to directors of the Company.

(iii) Issue of fully paid ordinary shares at \$0.00250 each on 4 August 2021 pursuant to the exercise of unlisted options with 31 December 2024 expiry date.

(iv) Issue of fully paid ordinary shares at \$0.0070 each on 4 August 2021 pursuant to a placement to sophisticated investors of the Company.

(v) Issue of fully paid ordinary shares at \$0.0070 each on 27 August 2021 pursuant to a placement to sophisticated investors of the Company.

(vi) Issue of fully paid ordinary shares at \$0.0025 each on 27 August 2021 pursuant to the exercise of unlisted options with 31 December 2024 expiry date.

(vii) Issue of fully paid ordinary shares at \$0.0050 each on 27 August 2021 pursuant to the exercise of unlisted options with 10 August 2022 expiry date.

(viii) Issue of fully paid ordinary shares at \$0.00250 each on 22 October 2021 pursuant to the exercise of unlisted options with 31 December 2024 expiry date.

(ix) Issue of fully paid ordinary shares at \$0.0100 each on 22 October 2021 pursuant to the exercise of unlisted options with 10 August 2022 expiry date.

(x) Issue of fully paid ordinary shares at \$0.0070 each on 30 November 2021 pursuant to a placement to directors of the Company.

(xi) Issue of fully paid ordinary shares at \$0.0050 each on 21 March 2021 pursuant to a placement to sophisticated investors of the Company.

## 8. Reserves

	6 months ended	12 months ended
	31 Dec 2022	30 Jun 2022
	\$	\$
Balance at beginning of the period	3,553,124	3,178,152
Options issued to Teow Kim Chng <sup>(i)</sup>	-	48,659
Options issued to Shaw & Partners Limited <sup>(ii)</sup>	-	43,836
Options issued to Davide Bosio <sup>(iii)</sup>	-	146,495
Options issued to Davide Bosio <sup>(iv)</sup>	-	135,982
Carrying value at end of the period	<b>3,553,124</b>	<b>3,553,124</b>

(i) This represents the value attributed to 10,000,00 unlisted options issued to Mr Kim Chng as per resolution 6 of the company's AGM.

(ii) This represents the expense portion allocated for the period of 25,000,000 unlisted options issued to Shaw and Partners for Corporate Advisory Services from September 2020 for 12 months.

(iii) This represents the value attributed to 30,000,00 listed options issued to Mr Davide Bosio as per resolution 5 of the Company's AGM.

(iv) This represents the value attributed to 30,000,00 unlisted options issued to Mr Davide Bosio as per resolution 5 of the Company's AGM.

## 9. Options

The following options arrangements were in existence at the reporting date:

Option series	Number	Grant date	Grant date fair value \$	Exercise price \$	Expiry date	Vesting date
MTLOA	1,725,853,751	Various	-	0.0150	31 Dec 2023	Vested
MTL67904	75,000,000	Various	0.001	0.0150	30 Jun 2023	Vested
MTL67931	30,000,000	Various	-	0.0200	10 Aug 2023	Vested
MTL67922	10,000,000	Various	-	0.0200	10 Aug 2023	Vested
MTL67921	30,000,000	Various	-	0.0300	24 May 2024	Vested
MTL67927	1,721,721,320	Various	-	0.0025	31 Dec 2024	Vested

There has been no alteration of the terms and conditions of the above options arrangements since the grant date.

### 9.1 Options granted during the half year

The following options were granted during the period:

- a) On 11 August 2022, the Company issued 60,000,000 free attaching listed options exercisable at \$0.0150 on or before 31 December 2023 to directors of the Company.

## 9. Options (cont'd)

### 9.2 Options expired during the half year

The following options expired during the period:

- a) On 10 August 2022, 20,000,000 unlisted options, with an exercise price of \$0.0050, expired.

## 10. Deferred considerations

	31 Dec 2022	30 Jun 2022
	\$	\$
<b>Current</b>		
Cash consideration payable to GEM for acquisitions of ATC Resources and Nevada Clays(i)(ii)(iii)(iv)(v)(vi)(vii)	250,283	246,779
	<b>250,283</b>	<b>246,779</b>
<b>Non-current</b>		
Deemed value of cash consideration to GEM for acquisition of ATC Resources and Nevada Clays	-	-
	-	-

### ***Deferred consideration to Gold Exploration Management Inc. ("GEM") arising from acquisition of ATC Resources Pty Ltd and Nevada Clays Pty Ltd***

Following the acquisitions of 100% of ATC Resources Pty Ltd and Nevada Clays Pty Ltd, Mantle is liable to pay Gold Exploration Management Inc. deferred cash payments spread out as follows:

Arising from Acquisition of ATC Resources Pty Ltd

- (i) US\$15,000 on the date that is 24 months after the settlement of the acquisition (being 24 months from 23 June 2016);
- (ii) US\$25,000 on the date that is 36 months after the settlement of the acquisition (being 36 months from 23 June 2016) for Scotty's South Project.
- (iii) US\$35,000 on the date that is 48 months after the settlement of the acquisition (being 48 months from 23 June 2016).

Arising from Acquisition of Nevada Clays Pty Ltd

- (iv) US\$15,000 on the date that is 12 months after the settlement of the acquisition (being 12 months from 13 September 2016).
- (v) US\$20,000 on the date that is 24 months after the settlement of the acquisition (being 24 months from 13 September 2016);
- (vi) US\$25,000 on the date that is 36 months after the settlement of the acquisition (being 36 months from 13 September 2016);
- (vii) US\$35,000 on the date that is 48 months after the settlement of the acquisition (being 48 months from 13 September 2016).

For the purpose of reporting, the total value of the above deferred cash payments have been converted to Australian dollars based on the exchange rate prevailing at 31 December 2022.

## **11. Contingent liabilities and contingent assets**

Upon acquiring 100% interest in the Scotty's South-Sarcobatus Flats and Columbus Marsh lithium projects ("ATC Projects"), Mantle is liable to pay a 2% Net Smelter Royalty to Gold Exploration Management Inc. ("GEM") on production from the ATC Projects (to be documented with a standard industry royalty agreement). Mantle has the right to buyback 1% of the royalty for the sum of US\$1,000,000.

Upon acquiring 100% interest in the New King lithium project ("New King Project"), Mantle is liable to pay a 2% Net Smelter Royalty to GEM on production from the New King Project (to be documented with a standard industry royalty agreement). Mantle has the right to buyback 1% of the royalty for the sum of US\$1,000,000.

The directors are not aware of any other contingencies at the reporting date.

## **12. Subsequent events**

In March 2023, the Company announced the revision of the remuneration package of Nick Poll. This revision intended to better align Mr Poll's interests with those of the Company's shareholders and to incentivise him to drive long-term value for the Company. The revised remuneration package consists of an increase in base salary from \$120,000 to \$240,000 per annum plus superannuation, effective 28 February 2023.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.