

# BIG RIVER GOLD LIMITED

A B N: 94 106 641 963

## Half Year Financial Report

For the half-year ended 30 June 2021

## Corporate Directory

### Directors

Andrew Richards	Executive Chairman
Beau Nicholls	Non-Executive Director; Technical Director (appointed 8 March 2021)
John Cathcart	Non-Executive Director
Adrian Goldstone	Non-Executive Director (appointed 26 May 2021)

### Company Secretary

Andrew Beigel

### Registered office and principal place of business

Ground Floor  
25 Richardson Street  
West Perth WA 6005  
Australia  
Telephone: +61 8 6400 6000  
Internet: [www.bigrivergold.com.au](http://www.bigrivergold.com.au)

### Brazil Office

Avenida do Contorno, 2090  
Pilotis, Floresta, 30.110-012  
Belo Horizonte - MG  
Brazil  
Telephone: +55 31 2515 0740

### Auditors

Deloitte Touche Tohmatsu  
Tower 2, Brookfield Place  
123 St Georges Terrace  
Perth WA 6000  
Telephone: +61 8 9365 7000  
Facsimile: +61 8 9365 7001

### Bankers

National Australia Bank  
100 St Georges Terrace  
Perth WA 6000

### Share Registry (Australia)

Automic Group  
Level 2, 267 St Georges Terrace  
Perth WA 6000  
Telephone (Aust.): 1300 288 664  
Telephone (Int.): +61 (0)2 9698 5414

### Solicitors

HWL Ebsworth  
Level 20, 240 St Georges Terrace  
Perth WA 6000  
Telephone: +61 8 6559 6626

### ASX Code:

Ordinary shares – BRV  
Listed options - BRVO

## Directors' Report

The directors present their report together with the financial report of Big River Gold Limited ("the Company" or "Big River") and its subsidiaries (the "Group") for the half-year ended 30 June 2021, and the auditor's review report thereon.

### Directors

The directors of the Company at any time during or since the end of the half-year are set out below. Directors were in office for the entire period unless otherwise stated.

#### Name

Mr. A. Richards	Executive Chairman
Mr. B. Nicholls	Non-executive Director; Technical Director – appointed 8 March 2021
Mr. J. Evans	Non-executive Director – retired 1 June 2021
Mr. J. Cathcart	Non-executive Director
Mr. A. Goldstone	Non-executive Director – appointed 26 May 2021

### Operating Result

The Group incurred an after tax loss for the half-year ended 30 June 2021 of \$1,330,230 (30 June 2020: loss of \$775,506).

### Review of operations

#### Corporate

On 5 February 2021 the Company issued the following securities, pursuant to shareholder approval at a general meeting of shareholders held on 28 January 2021:

- 239,665,315 shares at \$0.05 each (pre-consolidation) raising \$11,983,266 (before costs) as part of a placement to raise \$20.4 million as announced on 7 December 2020;
- 24,480,000 Options exercisable at \$0.06 each, expiring 4 February 2024, (pre-consolidation) as part consideration for the provision of joint lead manager services for the Placement to Joint Lead Managers (Dundee Goodman Merchant Partners, Jett Capital Advisors LLC and Petra Capital);
- 2,352,951 shares (pre-consolidation) each to Mr John Evans, Mr John Cathcart and Mr Beau Nicholls as consideration for services provided to the Company as Non-Executive Directors .

On 8 February 2021 Dundee Goodman Merchant Partners (Dundee) increased its shareholding in the Company to 19.4% through an off-market transaction with the Copulos Group reducing their shareholding to 18.7%.

On 25 February 2021 the issued capital of the Company was consolidated on an 8 for 1 basis, as announced on 29 December 2020 and approved at the general meeting of shareholders held on 28 January 2021.

The Company announced the appointment of Mr Adrian Goldstone to its Board as a Non-executive Director on 26 May 2021. Following a General Meeting of shareholders on 1 June 2021, Mr John Evans retired from his position as Non-executive Director.

The half year financial statements for the Group have been prepared based on assumptions and conditions prevalent at 30 June 2021.

### Borborema Gold Project

During the period, a plant design option study (**Option Study**) was completed by Wave International.

The Option Study aimed to optimise proposed process plant designs to ensure that the 2Mtpa Stage 1 Process plant proposed in the Updated DFS 2020 study was the most efficient use of capital and that the design and equipment choice would not incur additional costs or prevent a seamless transition to any future possible expansions in the project and plant throughput at a later date (refer ASX Announcement on 30 March 2021).

The ultimate size of any future expansion will be subject to ongoing studies and availability of process water and we are pleased that positive progress on the latter is being made in this regard. However, for the purposes of the Option Study the comparison assumed an expanded plant capacity of up to 4Mtpa, being the maximum plant capacity that the Borborema project is currently permitted for.

The Option Study identified alternative Equipment and engineering options and the layout was redesigned, with potential bottlenecks removed, so that the Stage 1 circuit could be readily expanded.

An oversize single stage crusher replaced the 3 Stage crushing circuit accordingly following a review of recent developments of SAG mill usage in Brazil a larger than previously planned 4500kW SAG mill was reinserted into the design along with a small ball mill (2250W). This would meet the requirements of a 2Mtpa throughput with some flexibility and in any future expansion additional milling capacity could be easily inserted to increase throughput up to 4Mtpa or more through the comminution circuit.

Big River has accepted the recommendations but note that additional changes may still occur with the layout and equipment selection as determined by ongoing detailed engineering.

The Option Study was reported to a level of accuracy of around  $\pm 30\%$  and this needs to be improved. Work is planned to improve the plant and mine design and improve accuracy of updated costs initially to  $\pm 20\%$ - $25\%$  with key areas to be further improved subsequently.

In June 2021, the Company appointed GR Engineering Services (**GRES**) to complete the revalidation of the Borborema DFS and generate an Engineering Cost Estimate update (**ECE**) for the 2Mtpa plant and equipment changes recommended in the Option Study. The work will include updating the specifications and vendor pricing for the Process and Non process infrastructure.

The GRES scope includes:

- Update of process design criteria, mass and in-plant water balances.
- Update of the vendor equipment specifications including pricing updates to allow for future plant expansion duty for some major equipment to optimise the future expansion capital expenditure.
- Construction quantity re-estimates including update of construction rates.
- Development of the scope for the plant site geotechnical investigation to support the Front End Engineering Design (FEED).
- Engineering and cost updates for all non-process infrastructure.
- Development of the Project power supply to accommodate 2 Mtpa and possible future upgrades and expansion planning to optimise the future capital expenditure.

It is envisaged that the ECE update will lead into the FEED scope of works for the Project and commencement of the detailed engineering, procurement and construction management phases of the project which will be issued as separate request(s) for tender.

### **COVID-19 Response**

The COVID-19 pandemic continues to have an impact on management because travel has not been possible due to the mandatory government suspension of all international travel. Employees at all levels of business have been asked to change the way they work, and how they interact both professionally and socially.

**Subsequent Events**

On 20 August 2021 the Company issued the following securities, pursuant to shareholder approval at a general meeting of shareholders held on 1 June 2021:

- 18,381 shares each to Mr John Evans, Mr John Cathcart and Mr Beau Nicholls as consideration for services provided to the Company as Non-Executive Directors.

On 20 August 2021, 56,606 options were converted into ordinary shares at \$0.16 per share raising \$9,056.96 (before costs).

There have been no other matters or circumstances that have occurred subsequent to the reporting date that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in future years.

**Auditor Independence Declaration**

The auditor's independence declaration is included on page 18 of the half-year report.

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

On behalf of the directors



A. Richards  
Executive Chairman

Perth, 13 September 2021

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

	Note	Consolidated Half-year ended	
		30 June 2021	30 June 2020
		\$	\$
<b>Continuing operations</b>			
<b>Gross Profit</b>		-	-
Other income	4	1,235	516,222
Administration		(379,832)	(442,309)
Corporate expenses		(907,268)	(560,155)
Finance costs	5	(3,102)	(5,872)
Depreciation and amortisation		(29,094)	(19,094)
Exploration and evaluation	8	(26,105)	(41,797)
Unrealised foreign exchange (loss)/gain		118,256	(222,501)
Other expenses from ordinary activities		(104,319)	-
<b>Loss before income tax</b>		<b>(1,330,229)</b>	<b>(775,506)</b>
Income tax expense	6	-	-
Net loss from continuing operations		(1,330,229)	(775,506)
<b>Net loss for the period</b>		<b>(1,330,229)</b>	<b>(775,506)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences arising on translation of foreign operations		743,975	(3,632,181)
Income tax relating to components of other comprehensive income		-	-
<b>Other comprehensive income for the period, net of income tax</b>		<b>743,975</b>	<b>(3,632,181)</b>
<b>Total comprehensive (loss)/income for the period attributable to owners of the parent</b>		<b>(586,254)</b>	<b>(4,407,687)</b>
<b>Loss per share (on a post-consolidation basis)</b>			
<b>From continuing operations</b>			
Basic (cents per share)	13	<b>(0.62)</b>	<b>(0.47)</b>
Diluted (cents per share)	13	<b>(0.62)</b>	<b>(0.47)</b>

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	Consolidated	
		30 Jun 2021 \$	31 Dec 2020 \$
<b>Current Assets</b>			
Cash and cash equivalents		19,269,642	9,884,673
Trade and other receivables	7	47,296	57,642
Other current assets		204,859	126,081
<b>Total Current Assets</b>		<b>19,521,797</b>	<b>10,068,396</b>
<b>Non-Current Assets</b>			
Exploration and evaluation assets	8	19,444,788	17,812,173
Property, plant and equipment		130,332	109,431
Right-of-use Asset		133,817	13,600
<b>Total Non-Current Assets</b>		<b>19,708,937</b>	<b>17,935,204</b>
<b>Total Assets</b>		<b>39,230,734</b>	<b>28,003,600</b>
<b>Current Liabilities</b>			
Trade and other payables		638,926	516,066
Lease liability – current		46,753	6,933
<b>Total Current Liabilities</b>		<b>685,679</b>	<b>522,999</b>
<b>Non-Current Liabilities</b>			
Trade and other payables		1,149,094	1,041,882
Lease liability – non-current		87,074	-
<b>Total Non-Current Liabilities</b>		<b>1,236,168</b>	<b>1,041,882</b>
<b>Total Liabilities</b>		<b>1,921,847</b>	<b>1,564,881</b>
<b>Net Assets</b>		<b>37,308,887</b>	<b>26,438,719</b>
<b>Equity</b>			
<b>Total equity attributable to equity holders of the Company</b>			
Issued capital	9	113,236,761	102,313,256
Reserves	10	(9,382,250)	(10,659,142)
Retained earnings		(66,545,624)	(65,215,395)
<b>Total Equity</b>		<b>37,308,887</b>	<b>26,438,719</b>

The above Condensed Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 30 JUNE 2021**

	Issued Capital	Retained Earnings	Reserves			Total Equity
			Foreign Currency Translation Reserve	Share Based Payments Reserve	Other Reserve	
<b>Consolidated</b>						
	\$	\$	\$	\$	\$	\$
<b>At 1 January 2020 (restated *)</b>	<b>94,022,742</b>	<b>(73,241,143)</b>	<b>(8,474,595)</b>	<b>12,221,008</b>	<b>117,015</b>	<b>24,645,027</b>
Other comprehensive loss for period	-	-	(3,632,181)	-	-	(3,632,181)
Loss for the period	-	(775,506)	-	-	-	(775,506)
<b>Total comprehensive income for period</b>	<b>-</b>	<b>(775,506)</b>	<b>(3,632,181)</b>	<b>-</b>	<b>-</b>	<b>(4,407,687)</b>
Shares issued on exercise of options	15,735	-	-	-	-	15,735
<b>At 30 June 2020</b>	<b>94,038,477</b>	<b>(74,016,649)</b>	<b>(12,106,776)</b>	<b>12,221,008</b>	<b>117,015</b>	<b>20,253,075</b>
<b>At 1 January 2021</b>	<b>102,313,256</b>	<b>(65,215,395)</b>	<b>(12,767,737)</b>	<b>1,991,580</b>	<b>117,015</b>	<b>26,468,719</b>
Other comprehensive income for period	-	-	743,975	-	-	743,975
Loss for the period	-	(1,330,229)	-	-	-	(1,330,229)
<b>Total comprehensive income for period</b>	<b>-</b>	<b>(1,330,229)</b>	<b>743,975</b>	<b>-</b>	<b>-</b>	<b>(586,254)</b>
Shares issued for cash <sup>1</sup>	11,983,266	-	-	-	-	11,983,266
Shares issued upon exercise of options	1,226	-	-	-	-	1,226
Share issue costs <sup>2</sup>	(1,285,864)	-	-	-	-	(1,285,864)
Recognition of share-based payments – for services provided by third parties	-	-	-	517,677	-	517,677
Recognition of share-based payments – key management personnel and directors	-	-	-	240,117	-	240,117
Share-based payments – directors	224,877	-	-	(224,877)	-	-
<b>At 30 June 2021</b>	<b>113,236,761</b>	<b>(66,545,624)</b>	<b>(12,023,762)</b>	<b>2,524,497</b>	<b>117,015</b>	<b>37,308,887</b>

1. Share issue cost include cash consideration and share-based payments.

\* As disclosed in the 31 December 2020 Year End Financial Statements, the group identified that the cumulative amount of foreign exchange differences in relation to the disposal of Juruena-Novo Astro Gold (Juruena) projects was not reclassified from equity to profit or loss upon disposal of Juruena during the year ended 31 December 2019. The error has been corrected and accordingly the opening balances noted here represent the restated balance.

The above Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

	Consolidated	
	30 June 2021 \$	30 June 2020 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(673,178)	(596,495)
Interest paid on lease liabilities	(575)	(1,706)
<b>Net cash used in operating activities</b>	<b>(673,753)</b>	<b>(598,201)</b>
<b>Cash flows from investing activities</b>		
Interest received	959	2,699
Receipts from disposal of property, plant and equipment	-	430,731
Payments for purchase of property, plant and equipment	(10,097)	-
Payments for exploration and evaluation	(1,035,435)	(1,109,081)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,044,573)</b>	<b>(675,651)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of equity securities	11,786,377	-
Proceeds from exercise of share options	1,222	15,735
Costs of issuing securities	(768,187)	-
Repayment of principal of lease liabilities	(8,411)	(5,519)
<b>Net cash provided by financing activities</b>	<b>11,011,001</b>	<b>10,216</b>
Net increase/(decrease) in cash and cash equivalents	9,292,675	(1,263,636)
Cash and cash equivalents at the beginning of the financial period	9,884,673	4,313,096
Effect of exchange rate fluctuations on cash held in foreign currencies	92,294	(57,635)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>19,269,642</b>	<b>2,991,825</b>

The above Condensed Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

## Notes to the condensed consolidated financial statements

### 1. General Information

Big River Gold Limited (“the Parent Entity” or “Big River” or “the Company”) is a listed public company incorporated in Australia and operating in Australia and Brazil. The address of the Company’s registered office and principal place of business is Ground Floor, 25 Richardson Street, West Perth, Western Australia. The Consolidated Financial Statements of the Company as at, and for, the half-year ended 30 June 2021 comprise those of the Company and its subsidiaries (together referred to as the “the Consolidated Entity” or “the Group”). The Group is involved primarily in the mineral exploration industry.

### 2. 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’. 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 shall be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the interim reporting period, unless otherwise stated.

#### Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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 2020 annual financial report for the twelve months ended 31 December 2020. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### Changes in significant accounting policies

##### *Software-as-a-Service (SaaS) arrangements*

During the half year, the Group revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing SaaS arrangements in response to the IFRIC agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements. The new accounting policy is presented below.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider’s application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider’s application software, are recognised as operating expenses when the services are received.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

The Group’s revision of its accounting policy in regards to SaaS arrangements has not had a material impact on the Group’s results in the current or retrospective periods.

#### Cash and cash equivalents

Cash comprises cash balances and at call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

## Notes to the condensed consolidated financial statements

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

### 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 and the settlement of liabilities in the normal course of business.

The Group incurred a loss of \$1,330,229 (2020: loss \$775,506) and experienced net cash outflows from operating and investing activities of \$1,718,326 (2020: outflows of \$1,273,853) for the half year ended 30 June 2021. As at 30 June 2021, the Group had a net current asset position of \$18,836,118 (31 December 2020: net current assets of \$9,545,397).

Cash and cash equivalents totalled \$19,269,642 as at 30 June 2021 (31 December 2020: \$9,884,673).

The Directors have prepared a cash flow forecast for the Group out to 30 September 2022 which indicates the Group currently holds sufficient working capital to meet the expected cash outflows over this period based on budgeted operational requirements, which includes development expenditure relating to the Borborema Gold project.

As a result of the above, the Directors have prepared these financial statements on a going concern basis.

### 3. Segment information

For management purposes, the Group is organised into one operating segment, being Gold – exploration and development.

#### Geographical Information

The Group operates in two geographical areas being Australia (country of domicile) and Brazil.

<b>Jun-2021</b>	<b>Brazil \$</b>	<b>Australia \$</b>	<b>Total \$</b>
Current assets	190,304	19,331,493	<b>19,521,797</b>
Non-current assets	14,747,883	4,961,054	<b>19,708,937</b>
Total Assets	<b>14,938,187</b>	<b>24,292,547</b>	<b>39,230,734</b>
Current liabilities	223,595	462,084	<b>685,679</b>
Non-current liabilities	1,149,094	87,074	<b>1,236,168</b>
Total Liabilities	<b>1,372,689</b>	<b>549,158</b>	<b>1,921,847</b>
Net Assets / (Net Liabilities)	<b>13,565,498</b>	<b>23,743,389</b>	<b>37,308,887</b>
<b>Dec-2020</b>	<b>Brazil \$</b>	<b>Australia \$</b>	<b>Total \$</b>
Current assets	186,019	9,882,377	<b>10,068,396</b>
Non-current assets	13,531,040	4,404,164	<b>17,935,204</b>
Total Assets	<b>13,717,059</b>	<b>14,286,541</b>	<b>28,003,600</b>
Current liabilities	125,886	397,113	<b>522,999</b>
Non-current liabilities	1,041,882	-	<b>1,041,882</b>
Total Liabilities	<b>1,167,768</b>	<b>397,113</b>	<b>1,564,881</b>
Net Assets / (Net Liabilities)	<b>12,549,291</b>	<b>13,889,428</b>	<b>26,438,719</b>

## Notes to the condensed consolidated financial statements

	Consolidated Half-year ended	
	30 June 2021	30 June 2020
	\$	\$

## 4. Other income

Interest revenue	962	3,081
Proceeds from sale of assets	-	469,350
Miscellaneous income	273	43,791
	<u>1,235</u>	<u>516,222</u>

	Consolidated Half-year ended	
	30 June 2021	30 June 2020
	\$	\$

## 5. Finance costs

Interest expense	2,527	4,166
Interest paid on lease liabilities	575	1,706
	<u>3,102</u>	<u>5,872</u>

## 6. Income tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit, or tax loss, for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Company can utilise the benefits.

	Consolidated	
	30 Jun 2021	31 Dec 2020
	\$	\$

## 7. Trade and other receivables

Current		
Other receivables	162,881	151,190
Less provision for doubtful debts	(162,881)	(151,190)
Other receivables	47,296	57,642
	<u>47,296</u>	<u>57,642</u>

Other receivables are non-interest bearing and include GST credits receivable from the Australian Taxation Office and rental deposit paid.

## Notes to the condensed consolidated financial statements

	Consolidated	
	30 Jun 2021 \$	31 Dec 2020 \$
<b>8. Exploration and evaluation assets</b>		
Costs brought forward	17,812,173	20,848,286
Expenditure incurred during the period	807,209	1,191,242
Expenditure expensed	(26,105)	(47,717)
Effect of exchange rates	851,511	(4,179,638)
<b>Costs carried forward</b>	<b>19,444,788</b>	<b>17,812,173</b>

The Group has exploration and evaluation assets relating to three mining leases covering a total area of 29km<sup>2</sup> including freehold title over the main prospect area, held in the Seridó area of the Borborema province in north-eastern Brazil. The Group holds exploration licences totalling 410km<sup>2</sup> in the Seridó belt. Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

### Impairment of Non-Current Assets

Non-financial assets are reviewed annually to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of recoverable amount is made. No impairment has been identified at 30 June 2021.

### 9. Issued capital

The table below is post-consolidation of share capital.

Fully paid ordinary share capital	Consolidated			
	Jun-2021		Dec-2020	
	No.	\$	No.	\$
Balance at the start of the financial period	188,482,508	102,313,256	164,649,694	94,022,742
Shares issued for cash	29,958,164	11,983,266	21,041,836	8,416,734
Share based payments	882,357	224,877	2,500,000	740,000
Shares issued on exercise of options	7,664	1,226	290,711	63,026
Capital raising costs	-	(1,285,864)	-	(929,246)
Balance at the end of the financial period	<b>219,330,693</b>	<b>113,236,761</b>	<b>188,482,241</b>	<b>102,313,256</b>

## Notes to the condensed consolidated financial statements

### 10. Reserves

#### Nature and purpose of reserves

The Share Based Payment Reserve is used to recognise the fair value of options and performance shares issued.

The Foreign Currency Translation Reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The Other Reserve (Convertible Note Reserve) represents the equity component (conversion rights) on the issue of unsecured convertible notes.

	30 Jun 2021 \$	Consolidated 31 Dec 2020 \$
<b>Reserves</b>		
Share based payment reserve	2,524,497	1,991,580
Foreign currency translation reserve	(12,023,762)	(12,767,737)
Other reserve	117,015	117,015
	<u>(9,382,250)</u>	<u>(10,659,142)</u>

### 11. Dividends

No dividends have been paid or provided for in the period.

### 12. Contingent liabilities

The group is not aware of any contingent liabilities which existed as at the end of the financial period or have arisen as at the date of this report.

### 13. Loss per share

Basic and diluted loss per share amounts are calculated by dividing net loss for the period attributable to equity holders of the parent, by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and share data used in the basic and diluted loss per share computations:

	30 Jun 2021 \$	30 Jun 2020 \$
Net (loss) / profit attributable to ordinary equity holders of the parent	(1,330,229)	(775,506)
	No.	No.
The weighted average number of ordinary shares on issue during the financial period used in the calculation of basic and diluted loss per share (on a post-consolidation basis)	213,342,551	164,703,785

Due to the net loss position of the Group, any conversion to shares would be anti-dilutive.

## Notes to the condensed consolidated financial statements

### 14. Subsequent events

On 20 August 2021 the Company issued the following securities, pursuant to shareholder approval at a general meeting of shareholders held on 1 June 2021:

- 18,381 shares each to Mr John Evans, Mr John Cathcart and Mr Beau Nicholls as consideration for services provided to the Company as Non-Executive Directors.

On 20 August 2021, 56,606 options were converted into ordinary shares at \$0.16 per share raising \$9,056.96 (before costs).

There have been no other matters or circumstances that have occurred subsequent to the reporting date that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in future years.



**DIRECTORS' DECLARATION**

The Directors declare that:

- (a) in the directors' opinion, 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) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

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



A Richards  
Executive Chairman

Perth  
13 September 2021

The Board of Directors  
Big River Gold Limited  
25 Richardson Street  
West Perth, WA 6005

13 September 2021

Dear Board Members

### **Auditor's Independence Declaration to Big River Gold 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 Big River Gold Limited.

As lead audit partner for the review of the half-year financial report of Big River Gold Limited for the half-year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



**PG Janse van Nieuwenhuizen**  
Partner  
Chartered Accountants

## Independent Auditor's Review Report to the members of Big River Gold Limited

### *Conclusion*

We have reviewed the half-year financial report of Big River Gold Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2021, and the condensed consolidated statement of profit or loss and other 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 as set out on pages 7 to 17.

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 the Group is not in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- 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 Half-year Financial Report* section of our report. We are independent of the Group in accordance with 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*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### *Directors' Responsibilities 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## *Auditor's Responsibilities for the Review of the Half-year 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 30 June 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



**PG Janse van Nieuwenhuizen**

Partner

Chartered Accountants

Perth, 13 September 2021