

Appendix 4D

1. Company Details

Name of Entity

Protean Energy Limited		
ABN	Half year ended ("current period")	Half year ended ("previous period")
81 119 267 391	31 December 2021	31 December 2020

2. Results for announcement to the market

			AUD \$
2.1 Revenues from ordinary activities	Up	48% to	835
2.2 Profit / (loss) from ordinary activities after tax attributable to members - 31 December 2020: loss of (\$311,430)	Up	24% to	(386,120)
2.3 Net profit / (loss) for the period attributable to members - 31 December 2020: loss of (\$311,430)	Up	24% to	(386,120)
2.4 Dividends	Amount per security	Franked amount per security	
Interim dividend declared	N/A	N/A	
2.5 Record date for determining entitlements to the dividend	N/A		
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood			
<p>During the period, the Company has continued its exploration programme of the Gwesan Vanadium Project. No material exploration was undertaken on the Daejon Project and the Company is continuing to review the project to assess options moving forward.</p>			
3. Net tangible assets per security	31 December 2021	31 December 2020	
Net tangible asset backing per ordinary security	0.002	0.003	
4. Details of entities over which control has been gained or lost			
4.1. Control gained over entities			
N/A			

4.2. Control lost over entities

N/A

5. Dividends

Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend:				
Current year	N/A	N/A	N/A	N/A
Previous year	N/A	N/A	N/A	N/A

6. Dividend reinvestment plans

The dividend or distribution plans shown below are in operation.

N/A	
The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A

7. Details of associates and joint entities

<u>Name</u>	<u>Relationship</u>	<u>31 December 2021</u>	<u>31 December 2020</u>
Korea Vanadium Ltd	Joint Venture	50%	50%
KORID Energy Co Ltd	Associate	-	50%

8. Foreign entities

N/A

9. If the accounts are subject to audit dispute or qualification, details are described below.

N/A

Sign here:



Date: 4 February 2022

Chairman

Print Name:

David Wheeler



PROTEAN ENERGY LIMITED

ABN 81 119 267 391

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2021

CORPORATE DIRECTORY

Directors

David Wheeler *Non-Executive Chairman*
Joe Graziano *Non-Executive Director*
Tim Slate *Non-Executive Director*

Company Secretaries

Tim Slate
Carla Healy

Bankers

National Australia Bank Limited
100 St Georges Terrace
Perth WA 6000

Auditor

BDO Audit (WA) Pty Ltd
Level 9 Mia Yellagonga Tower 2
2 Spring Street
Perth WA 6000

Share Registry

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000
Telephone: 1300 554 474

Stock Exchange Listing

Australian Securities Exchange
ASX Code - POW

Registered and Principal Office

Level 3, 101 St Georges Terrace
Perth WA 6000
Telephone: +61 8 6558 0886
Facsimile: +61 8 6316 3337
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DIRECTORS' REPORT continued

Your Directors present their interim financial report for the consolidated entity consisting of Protean Energy Limited (**Protean or Company**) and the entities it controls (**Consolidated Entity or Group**) at the end of, or during, the half-year ended 31 December 2021.

DIRECTORS

The names of Directors who held office during the half-year and up to the date of signing this report, unless otherwise stated are:

David Wheeler	Non-Executive Chairman
Joe Graziano	Non-Executive Director
Tim Slate	Non-Executive Director

PRINCIPAL ACTIVITIES

The activities of the Group and its subsidiaries during the half-year ended 31 December 2021 was mineral exploration in South Korea.

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the half-year ended 31 December 2021 (31 December 2020: Nil).

FINANCIAL SUMMARY

The Group made a net loss after tax of \$386,120 for the financial half-year ended 31 December 2021 (31 December 2020: loss \$311,430). At 31 December 2021, the Group had net assets of \$1,518,017 (30 June 2021: \$1,904,137) and cash assets of \$1,559,434 (30 June 2021: \$1,919,528).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Group during the financial period and to the date of this report are set out in the review of operations below.

REVIEW OF OPERATIONS

Gwesan Vanadium Project Exploration Programme

On 1 October 2021, the Company announced that its independent Korean consultants, GeoGeny Consultants Group Inc (GeoGeny), had completed the soil sampling at its Gwesan Vanadium Project in South Korea further to the announcement on 17 August 2021.

The soil sampling was conducted to further investigate the mineralization potential of Gwesan 137 prospect.

Key points arising from the soil sampling fieldwork conducted by GeoGeny are as follows:

- The mineralization of Gwesan Vanadium Project is a strata-bound black shale type embedded in the graphitic slate of Guryongsan formation. The mineralization potential of Gwesan 137 prospect belongs to south-west part of Hansung orebody with general NE trending and remains open toward adjacent tenement of Gwesan 1271.
- The soil sampling of Gwesan 137 involved grid spacing at approximately 50m interval along NE trending to check the continuity of strike direction, and at 5~10m intervals along dip direction of the graphitic slate to identify the repeated mineralization potential.
- Besides the grid sampling, the orebody samples of Gwesan 127 were taken at the historic site of waste disposal and mined-out area to confirm the mineral contents of historical orebodies.

DIRECTORS' REPORT continued

- A total of 330 soil samples were collected in the field survey, which comprised 313 samples of Gwesan 137 and 17 samples of Gwesan 127. The field samples were sieved to -1mm to generate a sample of approximate 250g for assaying.
- For quality assurance quality control (QAQC) measures, 30 duplicate samples and 40 QAQC samples of CRM and blank were prepared in the process of sample preparation.

The soil sampling program will be conducted based on industry standard practices including sampling and assay methods. Approximately 400 samples including duplicate and QAQC samples will be submitted to an ISO accredited commercial laboratory in Australia if available, for multi-commodity analysis of ICP method.

The Company expects assay results to be available in the first quarter of 2022.

Gwesan Vanadium Project Background

The Geology in the Okcheon belt consists of meta-sedimentary sequence that is composed of three formations including the Wunkyori, Hwajeonri and Guryongsan. The stratigraphical sequence within the belt at the Gwesan project comprises a dark grey Phyllite, followed by the black shale (ore zone) and a fine grained sandstone. The historical drilling at the Gwesan project has intercepted black shale along a 10km strike.

The mineralised black shale has been under-targeted in the past and drilling completed in 2013 has shown and confirmed the potential for Vanadium mineralisation hosted by the black shale.

Daejon Project Update

No material exploration was undertaken on the Daejon Project.

The Company is continuing to review the project to assess options moving forward.

CORPORATE

There was no significant corporate activity during the period.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no events of a material nature or transaction, that have arisen since the period end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on the following page for the half-year ended 31 December 2021.

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



David Wheeler
Non-Executive Chairman

Perth, Western Australia
4 February 2022

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF PROTEAN ENERGY LIMITED

As lead auditor for the review of Protean Energy Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Protean Energy Limited and the entities it controlled during the period.



Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth, 4 February 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	31 December 2020 \$
Revenue from continuing operations			
Interest income		835	563
Expenses			
Depreciation and amortisation expense		(5,545)	(5,708)
Administrative expense	2	(244,197)	(273,538)
Exploration expenditure		(137,213)	-
Loss on settlement of liability		-	(32,747)
Loss before income tax		(386,120)	(311,430)
Income tax benefit		-	-
Loss attributable to members of the Company		(386,120)	(311,430)
Other comprehensive income			
<i>Items that may be reclassified to the profit or loss</i>			
Exchange differences on translation of foreign operations		-	-
Other comprehensive loss for the period, net of tax		-	-
Total comprehensive loss for the period attributable to members of the Company		(386,120)	(311,430)
Loss per share for loss from continuing operations attributable to the ordinary equity holders			
Basic and diluted loss per share (cents per share)		(0.06)	(0.09)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
Current assets			
Cash and cash equivalents	4	1,559,434	1,919,528
Trade and other receivables		47,142	27,989
Total current assets		1,606,576	1,947,517
Non-current assets			
Plant and equipment		9,523	15,069
Total non-current assets		9,523	15,069
Total assets		1,616,099	1,962,586
Current liabilities			
Trade and other payables	5	98,082	58,449
Total current liabilities		98,082	58,449
Total liabilities		98,082	58,449
Net assets		1,518,017	1,904,137
Equity			
Issued capital	6	36,465,944	36,465,944
Reserves		8,181,310	8,181,310
Accumulated losses		(43,129,357)	(42,743,237)
Capital and reserves attributable to owners		1,517,897	1,904,017
Non-controlling interest		120	120
Total equity		1,518,017	1,904,137

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

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

	Issued Capital	Reserves	Accumulated Losses	Non-controlling interest	Total Equity
	\$	\$	\$	\$	\$
As at 1 July 2020	34,953,095	7,745,787	(42,042,790)	120	656,212
Loss for the half-year	-	-	(311,430)	-	(311,430)
Other comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/loss for the half-year	-	-	(311,430)	-	(311,430)
Transactions with owners in their capacity as owners					
Shares issued during the period	2,067,715	-	-	-	2,067,715
Share issue expenses	(554,866)	-	-	-	(554,866)
Share based payment	-	435,123	-	-	435,123
Proceeds from issue of options	-	400	-	-	400
As at 31 December 2020	36,465,944	8,181,310	(42,354,220)	120	2,293,154
As at 1 July 2021	36,465,944	8,181,310	(42,743,237)	120	1,904,137
Loss for the half-year	-	-	(386,120)	-	(386,120)
Other comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/loss for the half-year	-	-	(386,120)	-	(386,120)
Transactions with owners in their capacity as owners					
Shares issued during the period	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Share based payment	-	-	-	-	-
Proceeds from issue of options	-	-	-	-	-
As at 31 December 2021	36,465,944	8,181,310	(43,129,357)	120	1,518,017

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

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

	Note	31 December 2021 \$	31 December 2020 \$
Cash flows from operation activities			
Payments in the normal course of business		(360,929)	(321,470)
Interest received		835	563
Net cash used in operating activities		(360,094)	(320,907)
Cash flows from investing activities			
Payments for the purchase of property, plant and equipment		-	-
Net cash provided/(used) in investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares		-	1,995,863
Issue costs associated with issue of shares		-	(119,743)
Proceeds from issue of options		-	400
Net cash provided from financing activities		-	1,876,520
Net (decrease)/increase in cash and cash equivalents		(360,094)	1,555,613
Cash and cash equivalents at the beginning of the period		1,919,528	763,956
Effects of exchange rate changes on cash and cash equivalents		-	-
Net cash and cash equivalents at the period	4	1,559,434	2,319,569

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

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This consolidated interim financial report for the half-year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of financial performance, financial position and financing and investing activities of the consolidated entity as full year financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Protean Energy Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

New or amended Accounting Standards and Interpretations adopted

In the period ended 31 December 2021, the Directors have reviewed all 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 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.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

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 as the entity has sufficient funds to meet the Group's working capital commitments and the directors believe the Group will be able secure funds to meet its future commitments as and when required.

2. EXPENSES

	31 December 2021 \$	31 December 2020 \$
Loss before income tax includes the following specific items:		
Administrative expenses		
Director benefits expense	56,000	45,579
Regulatory expense	59,151	63,151
Travel expenses	-	1,415
Accounting expense	18,000	23,898
Audit expense	15,047	13,329
Rent expense	9,000	10,179
Corporate advisory fees	32,000	19,620
Legal fees	34,413	39,770
Other administrative expenses	20,586	56,597
Total administrative expense	244,197	273,538

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

3. SEGMENT INFORMATION

Management has determined that the Group has two reportable segments, being exploration and corporate activities. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. The Board monitors the Group based on actual versus budgeted expenditure incurred by segment. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing activities, while also taking into consideration the results that has been performed to date.

	Revenue from external sources \$	Reportable segment loss \$	Reportable segment assets \$	Reportable segment liabilities \$
Exploration activities	-	(137,213)	-	-
Corporate activities	835	(248,907)	1,616,099	(98,082)
Total	835	(386,120)	1,616,099	(98,082)

	Revenue from external sources \$	Reportable segment loss \$	Reportable segment assets \$	Reportable segment liabilities \$
	<i>For half-year ended 31 December 2020</i>		<i>For year ended 30 June 2021</i>	
Exploration activities	-	(16,620)	-	-
Corporate activities	563	(294,810)	1,962,586	(58,449)
Total	563	(311,430)	1,962,586	(59,449)

4. CASH AND CASH EQUIVALENTS

	31 December 2021 \$	30 June 2021 \$
Cash at bank	1,559,434	1,919,528

5. TRADE AND OTHER PAYABLES

	31 December 2021 \$	30 June 2021 \$
Trade payables	98,082	58,449

Trade and other payables are normally settled within 30 days from receipt of invoice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months.

The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

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

6. ISSUED CAPITAL

	31 December 2021	30 June 2021	31 December 2021	30 June 2021
	Shares	Shares	\$	\$
Fully paid	650,612,963	650,612,963	36,465,944	36,465,944

Movements in ordinary share capital during the current and prior financial period are as follows:

Details	Number of shares	\$
Balance at 30 June 2021	650,612,963	36,465,944
Shares issued	-	-
Balance at 31 December 2021	650,612,963	36,465,944

7. DIVIDENDS

No dividends have been declared or paid for the half-year ended 31 December 2021 (31 December 2020: nil).

8. CONTINGENT ASSETS AND LIABILITIES

There have no changes to contingent assets or liabilities since the last annual reporting date, 30 June 2021.

9. COMMITMENTS

There have been no changes to commitments since the last annual reporting date, 30 June 2021.

10. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Remuneration

Related parties have continued to receive remuneration on the terms described in the Remuneration Report in the Company's last Annual Financial Report.

Payment of fees

There have been no changes to the payment of fees to related parties since the last annual reporting date, 30 June 2021.

11. EVENTS SUBSEQUENT TO END OF THE REPORTING PERIOD

There are no events of a material nature or transaction, that have arisen since the period end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements, and accompanying notes set out above, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date.
2. there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable;

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'D. Wheeler', is written over a light blue horizontal line.

David Wheeler
Non-Executive Chairman
Perth, Western Australia
4 February 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Protean Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Protean Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, 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 the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) 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 the 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial 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.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Ashleigh Woodley

Director

Perth, 4 February 2022