



ABN 25 086 471 007

*(Formerly Tennant Minerals NL)*

# INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2021

## Corporate directory

### Current Directors

|                  |                        |
|------------------|------------------------|
| Matthew Driscoll | Non-executive Chairman |
| Gino D'Anna      | Non-executive Director |
| Neville Bassett  | Non-executive Director |
| Michael Scivolo  | Non-executive Director |

### Company Secretary

Stuart Usher

### Registered Office

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### Securities Exchange

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Website: [www.advancedshare.com.au](http://www.advancedshare.com.au)

### Auditor

Nexia Perth Audit Services Pty Ltd

Level 3, 88 William Street  
Perth WA 6000

# INTERIM FINANCIAL REPORT

31 December 2021

# TENNANT MINERALS LIMITED

AND CONTROLLED ENTITIES

ABN 25 086 471 007

(Formerly Tennant Minerals NL)

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## Directors' report

Your directors present their report on the consolidated entity, consisting of Tennant Minerals Limited (Formerly Tennant Minerals NL) (**Tennant or the Company**) and its controlled entities (collectively **the Group**), for the half-year ended 31 December 2021.

### 1. Directors

The names of Directors in office at any time during or since the end of the half-year are:

-  Mr Matthew Driscoll *Non-executive Chairman*
-  Mr Gino D'Anna *Non-executive Director*
-  Mr Neville Bassett *Non-executive Director*
-  Mr Michael Scivolo *Non-executive Director*

(the Directors or the Board)

Directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

### 2. Dividends paid or recommended

There were no dividends paid or recommended during the half-year ended 31 December 2021 (2020: \$nil).







### 3. Operating and financial review

#### 3.1. Nature of operations principal activities

The principal activity of the Group during the course of the financial year has been the evaluation of gold and copper projects across a broad range of geographies. All projects are subjected to a rigorous technical, commercial and legal due diligence.

#### 3.2. Operations review

##### Summary and Highlights:

-  During the 6 months to 31 December 2021, the Company completed a very successful diamond drilling program at the Bluebird Copper-Gold Prospect on its Barkly project, located approximately 45km east of Tennant Creek in the Northern Territory (see Figure 5 in "About the Barkly Project").
-  The program included five diamond drillholes for 1,048m, testing the entire thickness of the high-grade copper-gold zone at Bluebird, as well as stepping out down-plunge to the southwest to explore for extensions.
-  All five diamond drillholes have intersected significant intervals of haematite alteration with visible copper mineralisation, including malachite, chalcocite and native copper.
-  Importantly, the drilling contractors, Titeline Drilling, were able to test the mineralisation beyond previously abandoned hole BBRC019, that finished in 3.9 g/t Au, 4.8% Cu<sup>1</sup> after intersecting 15m of mineralisation. The new holes include the following intensely mineralised intersections:
  - BBDD009 intersected a 50m zone from 165.6m of intense haematite-silica breccia with minor to abundant malachite with chalcocite (copper sulphide), and,
  - BBDD0010, tested the mineralised zone 20m down plunge from BBDD0009, intersecting over 35m of quartz veining, haematite alteration and copper mineralisation (including native copper) from 190m.
-  In addition, the final diamond hole in the program, BBDD0011, a step out of over 30m west of any previous intersections, intersected 27m of haematite with malachite, chalcocite and, on closer inspection, native copper. This intersection remains open down-plunge to the southwest as well as up and down dip.
-  Results were received for the first three holes (BBDD0007, 0008 and 0009) post the end of the Quarter and are summarised under results received post the end of the reporting period below.

## Overview

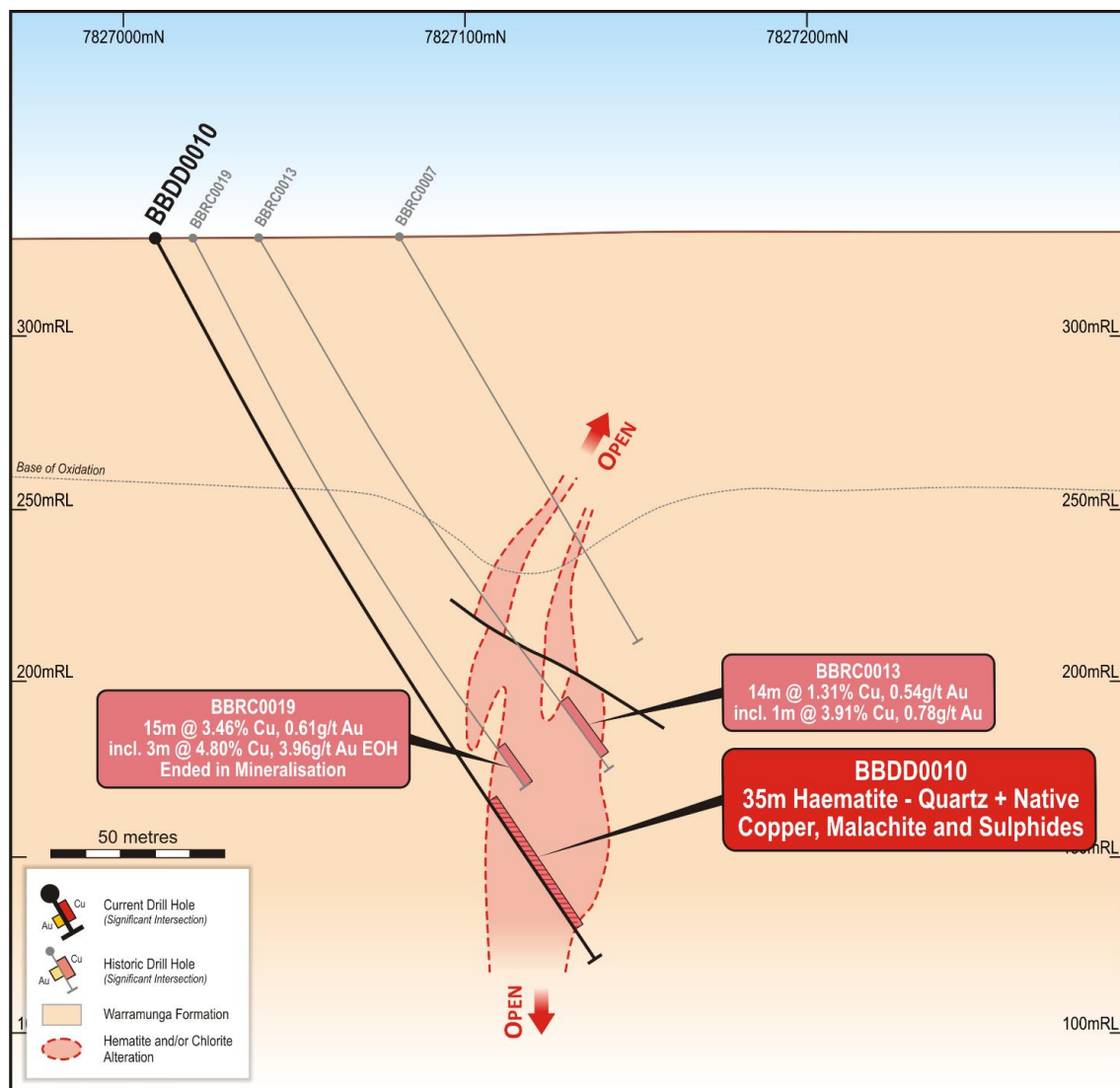
During the 6 months to 31 December 2021, the Company successfully completed a diamond drilling exploration program focused on the high-grade Bluebird Copper-Gold Prospect located within the Barkly Project, located in the Tennant Creek region of the Northern Territory. A total of 5 diamond drill holes were completed for 1,048m.

All five holes intersected intense haematite alteration with visible copper mineralisation including malachite and/or chalcocite (copper sulphide) and native copper.

All of the core from the program were logged, cut and sampled with the samples prepared and submitted for a full ICP suite of analyses, initially for sample preparation at Intertek laboratories in Alice Springs, then to Townsville or Perth for final analyses post then end of the 6 months period.

The first three (3) diamond drillholes intersected intense haematite alteration with visible copper mineralisation (malachite and/or chalcocite) in the main target zone. Drillhole BBDD0008 and BBDD0009, were continued into the footwall of the main target and both intersected an intense haematite altered breccia with copper mineralisation (malachite). This zone represents a new discovery of mineralisation parallel to and in the footwall of the main zone.

The third hole of the program tested the centre of the currently identified high-grade shoot on section 448,380mE (see longitudinal projection Figure 2). Diamond drillhole BBDD0009 intersected a 50m zone from 165.6m of intense haematite-silica breccia with minor to abundant malachite with chalcocite (copper sulphide) in the main target zone, continuing into the newly discovered footwall zone to 216m. This is the first time the footwall of the main zone has been tested on this section, a previous hole, BBRC019, having been abandoned in 3.9 g/t Au, 4.8% Cu<sup>1</sup> at end of hole after intersecting "only" 15m of mineralisation.



**Figure 1: Bluebird cross-section 448,360mE with the BBDD0010 mineralised intersection below previous intersection BBRC0019 that was abandoned in 4.8% Cu, 3.96 g/t Au<sup>1,2</sup>**

## Directors' report

The final two holes in the program stepped-out to the west, down plunge, of the currently identified mineralised zone at Bluebird (see longitudinal projection, Figure 2, below).

Diamond drillhole BBDD0010 intersected 35m of quartz veining, haematite alteration and copper mineralisation (including malachite, chalcocite and native copper) from 190m. This mineralised intersection is a further 20m down plunge from the previously reported 50m mineralised intersection in BBDD0009<sup>4</sup> and immediately below previous hole, BBRC019, that was abandoned in 3.9 g/t Au, 4.8% Cu<sup>1</sup> after intersecting 15m @ 3.46% Cu, 0.61g/t Au from 172m<sup>1</sup> (see cross section 448,360mE, Figure 1, and longitudinal projection, Figure 2).

The final hole of the current program, BBDD0011, tested the Bluebird mineralisation over 30m down-plunge to the west of previous intersections (Figure 2), and intersected 27m from 196m downhole of alteration with ironstone/haematite and strong malachite (copper carbonate) as well as native copper visible on the cut core surface.

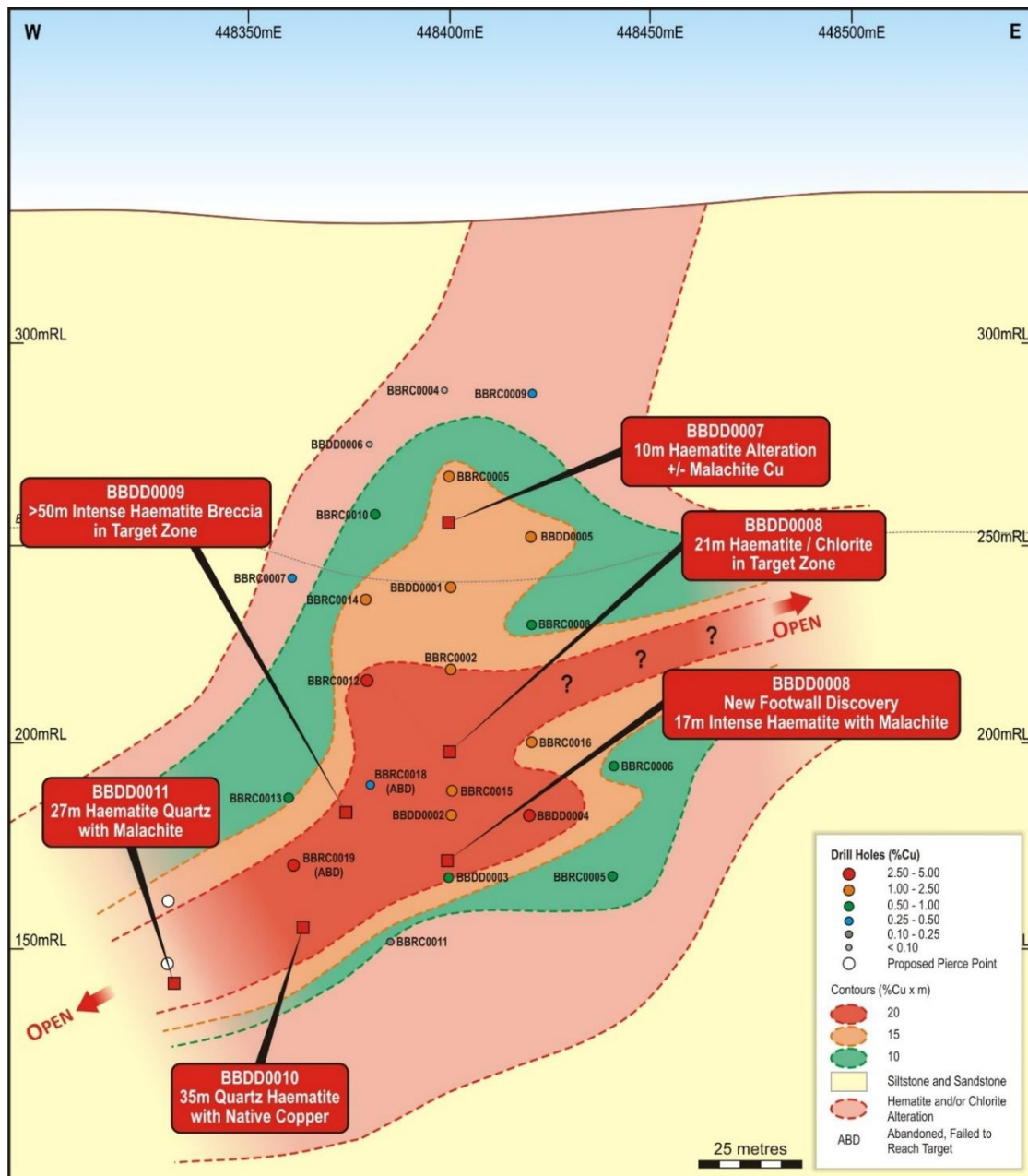


Figure 2: Bluebird longitudinal projection showing BBDD0007, 0008, 0009, 0010 and 0011 pierce points



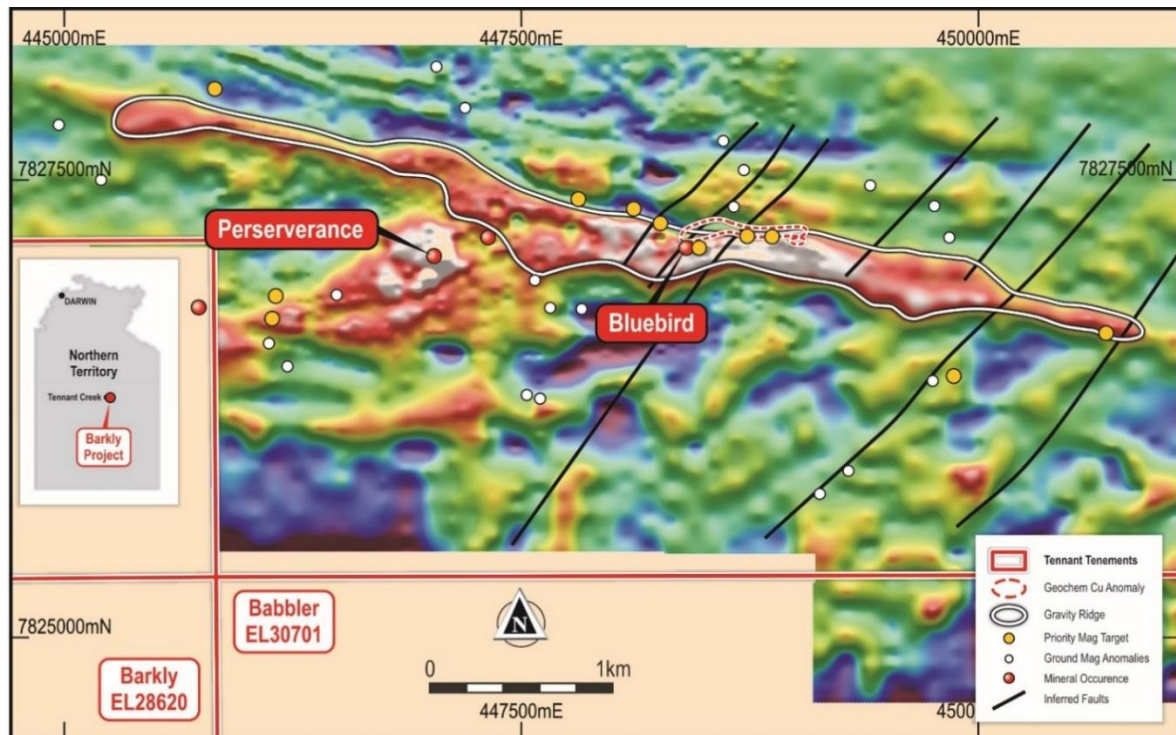
## Directors' report

This drilling has the potential to expand the footprint of the Bluebird shoot and determine if the scale, as well as the grade, can replicate other major high-grade copper-gold deposits in the Tennant Creek mineral field such as the Peko deposit, that produced 147,000 tonnes of 4% Cu and 414Koz at 10 g/t Au and lies only 20km to the west of Bluebird (see location, Figure 3).

The mineralisation intersected at Bluebird is typical of the high-grade copper-gold ore-bodies in the Tennant Creek Mineral Field of the Iron-Oxide-Copper-Gold (IOCG) type. The high-grade mineralisation is associated with intense haematite alteration and brecciation with quartz veining, inside a halo of chlorite alteration and variable haematite. The upper parts of the shoots include secondary malachite (copper-carbonate) minerals which transitions to primary sulphide mineralisation at depth e.g. chalcocite, bornite, chalcopyrite or tennantite as well as native copper.

The drilling to date at Bluebird has only just penetrated the transition to primary sulphide mineralisation in association with the IOCG mineralisation. Orebodies such as Peko occur as multiple shoots within a plunging alteration zone of similar dimensions to Bluebird. The shoot currently being drilled may represent only the upper zone of a much larger deposit and deeper drilling would be required to test for repeats/extensions at depth.

In addition to Bluebird, there is excellent potential to discover multiple high-grade copper-gold shoots within the 5km strike length corridor of coincident magnetic and gravity highs that includes Bluebird and the Perseverance mine (Figure 3). This corridor has had minimal testing below the leached zone that continues to >50m below surface. Further modelling of the magnetic and gravity data will help determine depths to target to assist further drill targeting.



**Figure 3: Gravity ridge on the Barkly E28620, with Bluebird Prospect and magnetic targets in the Bluebird Corridor**

### Babbler EL30701

The Babbler EL30701 lies directly south of the Barkly EL28620, covering a magnetic corridor over 6km long interpreted to be intersected by northwest trending faults (see Figure 4).

The Babbler prospect was first identified in 1973 by Australian Development Ltd on behalf of Nobex. Interpretation of aeromagnetic data identified two magnetic anomalies (R29 and R31) that were considered to be prospective for Tennant Creek style copper-gold mineralisation. Anomaly R29 corresponds to the Babbler prospect (Figure 4).

Previous ground magnetic surveys and geological mapping at Babbler were followed by RAB drilling that located a belt of pyritic and chlorite altered volcanics. A RAB hole located 100m west of the magnetic anomaly intersected highly anomalous gold, interpreted to be at a possible faulted contact between sedimentary and volcanic rocks. Subsequent diamond drilling to test the magnetic anomaly and outcropping pyritic volcanics intersected several zones of low to moderate grade gold mineralisation with anomalous copper.

## Directors' report

The pyrite and chlorite alteration within felsic volcanics in wide spaced holes, with elevated gold values, is considered highly encouraging. No significant exploration has been conducted on the project since the 1970s, possibly because the host rocks were not considered a priority target for Tennant Creek style copper-gold mineralisation. The style of mineralisation was not determined but there has been some speculation that the volcanic rocks could host gold-copper rich volcanic massive sulphide mineralisation and/or the magnetic features may represent buried Warramunga Formation, prospective for Tennant Creek style copper-gold mineralisation.

The Company has commenced soil sampling and rockchip sampling program over the Babbler tenement and is planning detailed magnetics and gravity surveys to define drilling targets for high-grade copper-gold deposits.

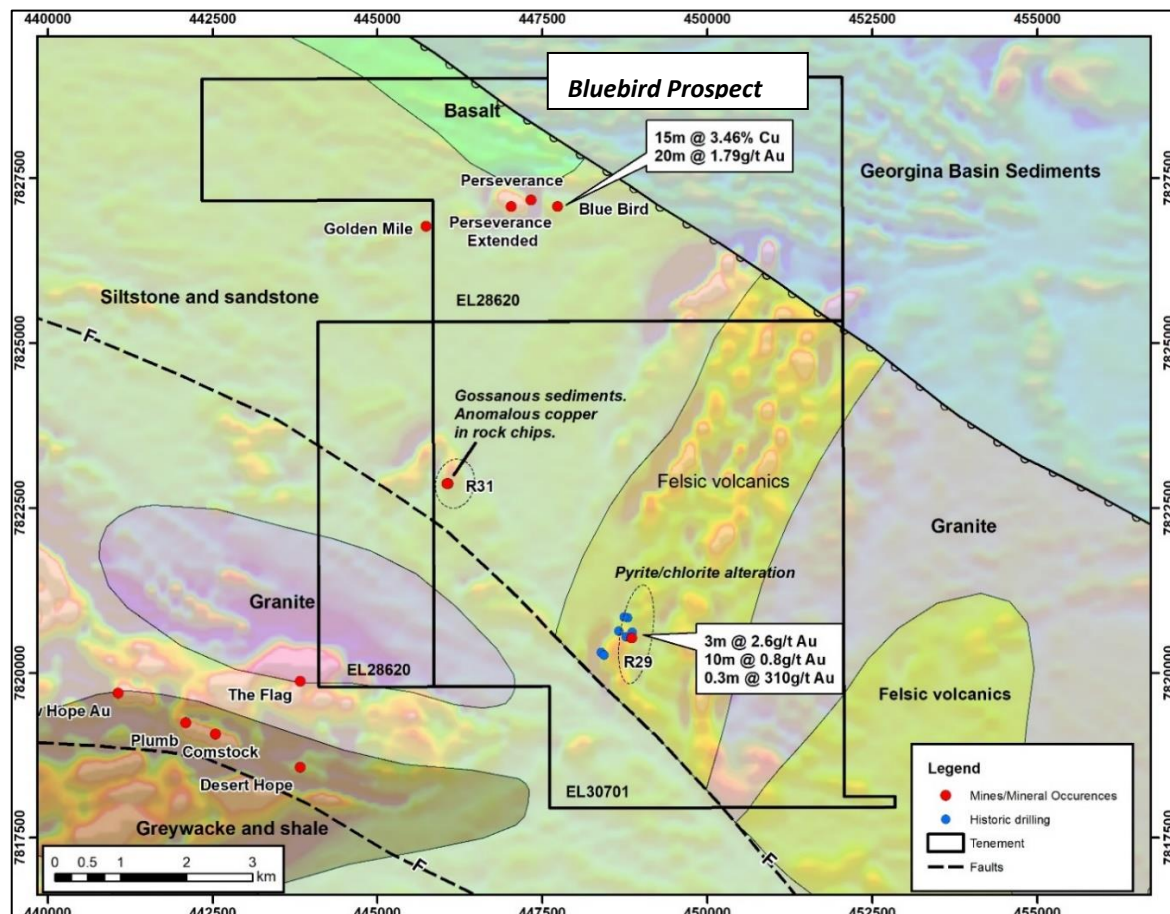


Figure 4: Barkly Project showing regional geology overlain on a TMI aeromagnetic image. Prospects are shown in red.



## Directors' report

### ABOUT THE BARKLY PROJECT

The Barkly Copper-Gold Project ("Barkly" or "the Project") is located approximately 45km east of the town of Tennant Creek and comprises two Exploration Licences, EL 28620 (Barkly Project) and EL 30701 (Babbler Project) (Figure 5).

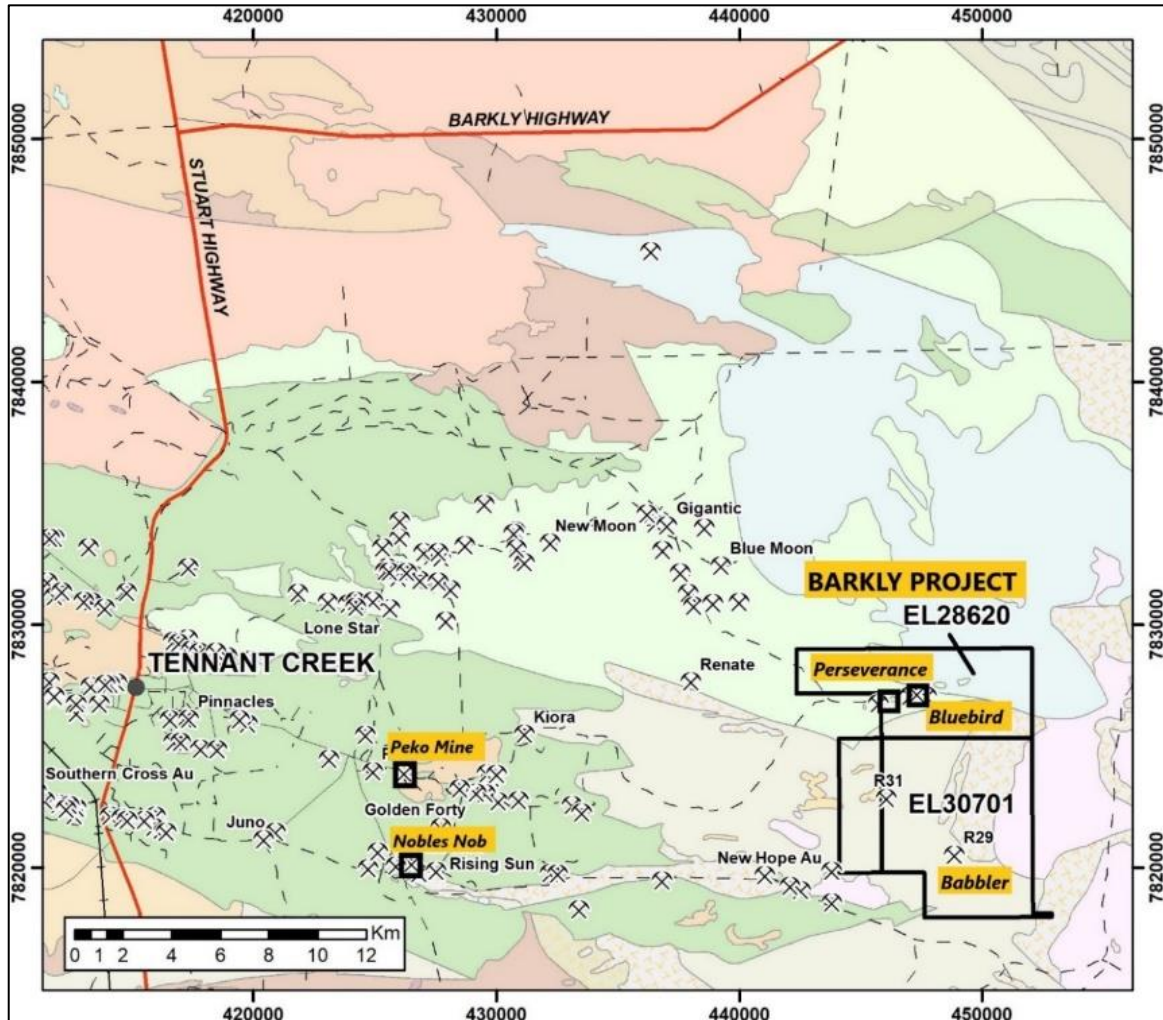


Figure 5: Location of the Barkly (EL 28620) and Babbler (EL 30701) Barkly Projects showing Peko and Nobles Nob mines

The Barkly and Babbler Projects are considered highly prospective for magnetite – hematite hosted copper-gold mineralisation, similar to other major deposits found elsewhere in the Tennant Creek Mineral Field, such as the Peko deposit (Figure 5), only 20km to the west of the Barkly project, that produced 147,000 tonnes of 4% Cu and 414Koz at 10 g/t Au between 1934 and 1981<sup>7</sup>.

The Company's initial focus is the Bluebird Prospect, where previous drilling intersected high-grade copper-gold mineralisation, at relatively shallow depth.

The recently completed diamond drilling program at the Bluebird Prospect included five diamond drillholes for a total of 1,048m of drilling. The program has successfully tested the entire, up to 50m, thickness of the high-grade copper-gold mineralisation, as well as intersecting down-dip / plunge extensions of the zone that remains open at depth and to the west (see longitudinal projection, Figure 2).

The drilling follows-up previous high-grade drilling intersections from the November 2020 RC drilling program<sup>4</sup>, when the Company undertook an initial exploration drilling campaign at the Barkly Copper Gold Project of seven drill holes for a total of approximately 1,170m.

## Directors' report

Significant intersections from the 2020 program included:

|                 |  |
|-----------------|--|
| <b>BBRC0015</b> | <b>20m @ 1.67% Cu, 1.79g/t Au from 156m, including 10m @ 2.32% Cu, 2.87 g/t Au<sup>4</sup></b>   |
| <b>BBRC0019</b> | <b>15m @ 3.46% Cu, 0.61g/t Au from 172m, including 4m @ 6.28% Cu, 0.24g/t Au from 175m, and 1m @ 4.80% Cu, 3.95g/t Au from 186 (finishing in mineralisation, Figure 1)<sup>4</sup></b> |

The 2020 RC holes were drilled to in-fill and extend previous RC and diamond drilling completed in 2014<sup>6</sup>, that intersected high-grade copper-gold mineralisation within an ironstone unit on a west-northwest trending, steeply south dipping, fault zone and produced several very high-grade intersections, including:

|                  |  |
|------------------|--|
| <b>BBDD0004:</b> | <b>16m at 3.02% Cu, 0.65g/t Au from 139m, incl. 4m at 6.49% Cu, 0.74g/t Au<sup>6</sup></b> |
| <b>BBRC0012:</b> | <b>31m at 2.48% Cu, 0.21g/t Au from 116m incl. 12m at 4.41% Cu, 0.23g/t Au<sup>6</sup></b> |
| <b>BBDD-2:</b>   | <b>20m at 0.61% Cu, 8.17g/t Au, from 157m incl. 0.66% Cu, 4m at 37.9g/t Au<sup>5</sup></b> |
| <b>BBRC-5:</b>   | <b>25m at 1.90% Cu, 0.28 g/t Au from 62m incl. 4m at 8.99% Cu, 1.06g/t Au<sup>5</sup></b>  |
| <b>BBRC0013:</b> | <b>14m at 1.31% Cu, 0.54g/t Au from 162m incl. 1m at 3.91% Cu, 0.78g/t Au<sup>5</sup></b>  |

Significantly, drill hole BBRC0019<sup>4</sup>, drilled below BBRC013, which was previously the deepest and most westerly hole drilled at Bluebird<sup>3</sup>, intersected strongly hematite altered siltstone and ironstone from 172m to 187m but was abandoned at that depth due to in-hole caving.

This hole ended in high-grade copper-gold mineralisation, with the last metre assaying 4.81% Cu and 3.9 g/t Au<sup>4</sup>.

The recently completed diamond drilling program at Bluebird has now tested the entire thickness of the mineralised zone at Bluebird, with BBDD0009 intersecting 50m of high-grade copper with gold mineralisation and the fourth hole of the program, BBDD0010, intersecting 35m of copper mineralisation, including native copper (assays to come) below/down dip of BBRC019.

### Results received post the end of the reporting period

On the 8<sup>th</sup> of March 2022 Tennant Minerals Limited announced the results from the first three of five, diamond drillholes completed at the Bluebird Prospect ("Bluebird"), located on the 100% owned Barkly Project, 45km east of Tennant Creek township in the Northern Territory (location, Figure 5).

Diamond drillhole BBDD0009 tested the mineralised zone on section 44,380mE, aiming to test the entire thickness of the mineralised zone. This hole intersected a 50m zone from 165.6m of intense haematite-silica breccia with minor to abundant malachite (copper carbonate) and/or chalcocite (copper sulphide) in the main zone, continuing into a newly discovered footwall zone to 216m<sup>2</sup> (see cross section 448,380mE, Figure 1).

This is the first time the footwall of the main zone has been tested on this section, a previous hole, BBRC019, having been abandoned in 4.8% Cu, 3.9 g/t Au<sup>1</sup> at end of hole after intersecting "only" 15m of mineralisation.

The results from BBDD0009 confirm that the entire 50m mineralised zone carries significant copper and gold mineralisation, producing the outstanding, close to true width, copper-gold, and silver intersections below<sup>6</sup>:

- o 50.0m @ 2.70% Cu and 0.52 g/t Au (0.4% Cu cut-off) from 158m (down hole),
  - including 24.0m @ 5.01% Cu and 1.01 g/t Au (0.8% Cu cut-off) from 159m,
  - including 5.0m @ 7.28% Cu and 1.29 g/t Au, 291 g/t Ag (5.0% Cu cut-off) from 165m, and,
  - including 4.3m @ 14.7% Cu and 3.10 g/t Au (5.0% Cu cut-off) from 176.6m.

Diamond drillholes BBDD0007<sup>5</sup> and BBDD0008<sup>5</sup> tested the mineralisation on previously drilled section, 44,400mE, where previous high-grade intersections from the main copper-gold zone included: BBDD0002: 20m at 8.17 g/t Au, 0.61% Cu from 157m incl. 4m at 37.9 g/t Au, 0.66% Cu<sup>3</sup> (see longitudinal projection, Figure 2).

BBDD0008 intersected 21m of chlorite/haematite alteration in the main zone from 149m, then intersected a second, footwall, zone of hematite with copper mineralisation (malachite) over 17m from 191m.

## Directors' report

The results from BBDD008 have confirmed the high-grade copper with gold as well as bismuth mineralisation associated with the main zone at Bluebird, including the following intersections<sup>6</sup>:

- o 16.0m @ 1.24% Cu and 1.50 g/t Au, 0.19% Bi (0.2% Cu cut-off) from 157m,
  - including 8.0m @ 2.07% Cu and 1.33 g/t Au, 0.27% Bi (1.0% Cu cut-off) from 164m,
  - including 3.0m @ 2.98% Cu and 3.02 g/t Au, 0.45% Bi (2.0% Cu cut-off) from 167m.

Anomalous copper and gold were also intersected in the newly discovered footwall zone in BBDD0008, including 14.8m at 0.16% Cu from 195.2m<sup>6</sup>. This zone is open up-dip where a further drillhole is recommended to test for the centre of this zone, as intersected by BBDD0009 on the next section to the west, 44,380mE (Figure 1).

### REFERENCES

- <sup>1</sup> 18 March 2020. Blina Minerals (ASX: BDI) "High-Grade Copper and Gold Intersected in Drilling program at Bluebird"
- <sup>2</sup> 24 September 2019. Blina Minerals (ASX: BDI) "Strategic Acquisition of High-Grade Gold-Copper Project"
- <sup>3</sup> 09 December 2014. Blaze International Ltd (ASX: BLZ) "High Grade Copper Sulphide Intersection at Bluebird"
- <sup>4</sup> 06 December 2021. Tennant Minerals (ASX: TMS) "New Intensely Mineralised Cu Zone Intersected at Bluebird"
- <sup>5</sup> 13 December 2021. Tennant Minerals (ASX: TMS) "Capital Raising Completed, Exploration Update at the Barkly Copper-Gold Project"
- <sup>6</sup> 08 March 2022. Tennant Minerals (ASX: TMS) "Spectacular 50m at 2.70% copper intersection at Bluebird"
- <sup>7</sup> [Portergeo.com.au/database/mineinfo](http://Portergeo.com.au/database/mineinfo). Tennant Creek - Gecko, Warrego, White Devil, Nobles Nob, Juno, Peko, Argo

### CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This release contains forward-looking statements concerning Tennant Minerals. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this release are based on the company's beliefs, opinions and estimates of Tennant Minerals Ltd as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

### COMPETENT PERSON'S DECLARATION

The information in this report that relates to exploration results is based on information compiled or reviewed by Mr Nick Burn who is Exploration Manager for Tennant Minerals and a member of the Australian Institute of Geoscientists. Mr Burn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### ASX LISTING RULES COMPLIANCE

In preparing this report, the Company has relied on the announcements previously made by the Company and specifically dated 24 September 2019, 18 March 2020, 11 November 2021, 22 November 2021, 6 December 2021, 13 December 2021, 21 December 2021 and 08 March 2022. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this report.

## Directors' report

### SCHEDULE OF TENEMENTS

| Tenement ID | Type        | Status | Holder                  | Grant Date  | Expiry Date  | Area (km <sup>2</sup> ) | TMS Interest |
|-------------|-------------|--------|-------------------------|-------------|--------------|-------------------------|--------------|
| EL28620     | Exploration | Active | Colour Minerals Pty Ltd | 16 Dec 2011 | 15 Dec 2023* | 39.16                   | 100%         |
| EL30701     | Exploration | Active | Colour Minerals Pty Ltd | 20 Aug 2015 | 19 Aug 2023* | 42.6                    | 100%         |

\* Renewals recently approved by the Northern Territory Department of Industry, Tourism and Trade (Mining and Energy)

### 3.3. Future funding and liquidity

The Interim Financial Report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the half-year of \$1,119,571 (31 December 2020: \$296,789 loss).

The net assets of the Group have decreased by \$117,881 from 30 June 2021 to \$1,242,668 at 31 December 2021.

As at 31 December 2021, the Group's cash and cash equivalents increased from 30 June 2021 by \$535,690 to \$1,993,620 and had a working capital surplus of \$1,242,668 (30 June 2021: \$1,360,549 working capital).

The Directors also manage discretionary expenditure in line with the Group's cash flow and are confident that there are sufficient funds to meet the Group's working capital and funding requirements for a minimum of 12 months from the date of this report.

### 3.4. Significant changes in the state of affairs

There were no other significant changes to the state of affairs of the Group.

### 3.5. Events subsequent to reporting date

There are no significant after balance date events that are not covered in this Directors' Report section 3.2 Operations review above or within the financial statements at Note 7 Events Subsequent To Reporting Date on page 20.

### 3.6. Future developments, prospects and business strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

### 3.7. Environmental regulations

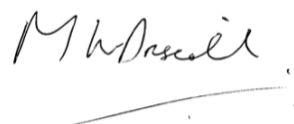
The Group's operations are subject to environmental regulations in the jurisdictions it operates in, namely Australia.

The Group is committed to achieving a high standard of environmental performance. The Board is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

## 4. Auditor's independence declaration

The lead auditor's independence declaration under Section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2021 has been received and can be found on page 10 of the interim financial report.



**MATTHEW DRISCOLL**

Chairman

Dated this Monday, 14 March 2022

**Auditor's independence declaration under section 307C of the *Corporations Act 2001***

To the directors of Tennant Minerals NL

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2021 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



**Nexia Perth Audit Services Pty Ltd**








**M. Janse van Nieuwenhuizen**  
Director

Perth  
14 March 2022



**Condensed Consolidated statement of profit or loss and other comprehensive income**  
for the half-year ended 31 December 2021

|  | Note | 6 months to<br>31 Dec 2021<br>\$ | 6 months to<br>31 Dec 2020<br>\$ |
|--|------|----------------------------------|----------------------------------|
| <i>Continuing operations</i>   |      |                                  |                                  |
| Share of loss in associate's loss after tax  | 4.2  | -                                | (1,252)                          |
| Compliance and regulatory costs  |      | (151,274)                        | (101,909)                        |
| Employee benefits  |      | (107,183)                        | (85,778)                         |
| Exploration and evaluation expenditure   | 1.1  | (784,948)                        | (35,818)                         |
| Legal and consulting fees  |      | (4,398)                          | (71,212)                         |
| Share-based payments   | 10   | (69,360)                         | -                                |
| Other expenses   |      | (2,179)                          | (490)                            |
| <b>Loss from operating activities</b>  |      | <b>(1,119,342)</b>               | <b>(296,459)</b>                 |
| Financial income   | 1.2  | 63                               | -                                |
| Finance expense  | 1.2  | ( 292)                           | ( 330)                           |
| <b>Net financing income/(expense)</b>  |      | <b>(229)</b>                     | <b>(330)</b>                     |
| Loss before tax  |      | (1,119,571)                      | (296,789)                        |
| Income tax   |      | -                                | -                                |
| <b>Loss from continuing operations</b>   |      | <b>(1,119,571)</b>               | <b>(296,789)</b>                 |
| <i>Other comprehensive income, net of income tax</i>   |      |                                  |                                  |
|  Items that may be reclassified subsequently to profit or loss: |      |                                  |                                  |
| Foreign currency movement  |      | (8)                              | (37)                             |
| <b>Other comprehensive income for the year, net of tax</b>   |      | <b>( 8)</b>                      | <b>(37)</b>                      |
| <b>Total comprehensive income attributable to members of the parent entity</b>   |      | <b>(1,119,579)</b>               | <b>(296,826)</b>                 |
| <i>Profit/(loss) for the period attributable to:</i>   |      |                                  |                                  |
|  Non-controlling interest                                       |      | -                                | -                                |
|  Owners of the parent   |      | (1,119,571)                      | (296,789)                        |
| <i>Total comprehensive income attributable to:</i>   |      |                                  |                                  |
|  Non-controlling interest                                       |      | -                                | -                                |
|  Owners of the parent   |      | (1,119,579)                      | (296,826)                        |
| <i>Earnings per share:</i>   |      | ¢                                | ¢                                |
| Basic and diluted (cents per share)  | 9    | (0.238)                          | (0.237)                          |

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

## Condensed Consolidated statement of financial position

as at 31 December 2021

|                                  | Note | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|----------------------------------|------|-------------------|--------------------|
| <i>Current assets</i>            |      |                   |                    |
| Cash and cash equivalents        | 2.1  | 1,993,620         | 1,457,930          |
| Trade and other receivables      | 2.2  | 75,274            | 39,289             |
| <b>Total current assets</b>      |      | <b>2,068,894</b>  | <b>1,497,219</b>   |
| <b>Total assets</b>              |      | <b>2,068,894</b>  | <b>1,497,219</b>   |
| <i>Current liabilities</i>       |      |                   |                    |
| Trade and other payables         | 2.3  | 826,226           | 136,670            |
| <b>Total current liabilities</b> |      | <b>826,226</b>    | <b>136,670</b>     |
| <b>Total liabilities</b>         |      | <b>826,226</b>    | <b>136,670</b>     |
| <b>Net assets</b>                |      | <b>1,242,668</b>  | <b>1,360,549</b>   |
| <i>Equity</i>                    |      |                   |                    |
| Issued capital                   | 3.1  | 40,965,918        | 39,992,780         |
| Reserves                         |      | 460,460           | 459,908            |
| Accumulated losses               |      | (40,181,256)      | (39,089,685)       |
| Non-controlling interest         |      | (2,454)           | (2,454)            |
| <b>Total equity</b>              |      | <b>1,242,668</b>  | <b>1,360,549</b>   |

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

**Condensed Consolidated statement of changes in equity**  
for the half-year ended 31 December 2021

|   | Note  | Issued<br>Capital<br>\$ | Accumulated<br>Losses<br>\$ | Foreign<br>Exchange<br>Translation<br>Reserve<br>\$ | Options<br>Reserve<br>\$ | Non-<br>controlling<br>Interest<br>\$ | Total<br>\$ |
|---|-------|-------------------------|-----------------------------|---|--------------------------|---------------------------------------|-------------|
| Balance at 1 July 2020                              |       | 36,758,293              | (36,727,616)                | 3,977   | 442,677                  | (2,454)                               | 474,877     |
| Loss for the half-year                              |       | -                       | (296,789)                   | -   | -                        | -                                     | (296,789)   |
| Other comprehensive income for the half-year        |       | -                       | -                           | ( 37)   | -                        | -                                     | ( 37)       |
| <b>Total comprehensive income for the half-year</b> |       | -                       | (296,789)                   | ( 37)   | -                        | -                                     | (296,826)   |
| Transaction with owners, directly in equity         |       |                         |                             |   |                          |                                       |             |
| Options expired during the half-year                | 3.2.1 | -                       | 414,677                     | -   | (414,677)                | -                                     | -           |
| Balance at 31 December 2020                         |       | 36,758,293              | (36,609,728)                | 3,940   | 28,000                   | (2,454)                               | 178,051     |
| Balance at 1 July 2021                              |       | 39,992,780              | (39,089,685)                | 3,936   | 455,972                  | (2,454)                               | 1,360,549   |
| Loss for the half-year                              |       | -                       | (1,119,571)                 | -   | -                        | -                                     | (1,119,571) |
| Other comprehensive income for the half-year        |       | -                       | -                           | ( 8)  | -                        | -                                     | ( 8)        |
| <b>Total comprehensive income for the half-year</b> |       | -                       | (1,119,571)                 | ( 8)  | -                        | -                                     | (1,119,579) |
| Transaction with owners, directly in equity         |       |                         |                             |   |                          |                                       |             |
| Shares issued during the half-year                  | 3.1.1 | 1,040,800               | -                           | -   | -                        | -                                     | 1,040,800   |
| Transaction costs                                   | 3.1.1 | (67,662)                | -                           | -   | -                        | -                                     | (67,662)    |
| Options expired during the half-year                | 3.2.1 | -                       | 28,000                      | -   | (28,000)                 | -                                     | -           |
| Options issued during the half-year                 | 3.2.1 | -                       | -                           | -   | 28,560                   | -                                     | 28,560      |
| Balance at 31 December 2021                         |       | 40,965,918              | (40,181,256)                | 3,928   | 456,532                  | (2,454)                               | 1,242,668   |

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

**Condensed Consolidated statement of cash flows**  
for the half-year ended 31 December 2021

|  | Note | 6 months to<br>31 Dec 2021<br>\$ | 6 months to<br>31 Dec 2020<br>\$ |
|--|------|----------------------------------|----------------------------------|
| <i>Cash flows from operating activities</i>                  |      |                                  |                                  |
| Payments for exploration expenditure                         |      | (182,941)                        | (35,818)                         |
| Payments to suppliers and employees                          |      | (281,132)                        | (15,287)                         |
| <b>Cash flows used in operations</b>                         |      | <b>(464,073)</b>                 | <b>(51,105)</b>                  |
| Interest received  |      | 63                               | -                                |
| Interest and borrowing costs                                 |      | (292)                            | (330)                            |
| <b>Net cash used in operating activities</b>                 |      | <b>(464,302)</b>                 | <b>(51,435)</b>                  |
| <i>Cash flows from investing activities</i>                  |      |                                  |                                  |
| <b>Net cash provided by investing activities</b>             |      | <b>-</b>                         | <b>-</b>                         |
| <i>Cash flows from financing activities</i>                  |      |                                  |                                  |
| Proceeds from issue of shares                                |      | 1,000,000                        | -                                |
| Proceeds from borrowings                                     |      | -                                | 60,000                           |
| <b>Net cash provided by financing activities</b>             |      | <b>1,000,000</b>                 | <b>60,000</b>                    |
| <b>Net increase/(decrease) in cash held</b>                  |      | <b>535,698</b>                   | <b>8,565</b>                     |
| Cash and cash equivalents at the beginning of the half-year  |      | 1,457,930                        | 12,049                           |
| Change in foreign currency held                              |      | (8)                              | (37)                             |
| <b>Cash and cash equivalents at the end of the half-year</b> | 2.1  | <b>1,993,620</b>                 | <b>20,577</b>                    |

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

**Notes to the consolidated financial statements**  
for the half-year ended 31 December 2021

In preparing the 2021 financial statements, Tennant Minerals Limited has grouped notes into sections under four key categories:

|   |    |
|---|----|
|  Section A: How the numbers are calculated ..... | 16 |
|  Section B: Group structure .....                | 19 |
|  Section C: Unrecognised items.....              | 20 |
|  Section D: Other Information .....              | 21 |

**The registered office and principal place of business of the Company is:**

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WEST PERTH WA 6872

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## Notes to the consolidated financial statements

for the half-year ended 31 December 2021

### SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the entity.

| Note | 1. Loss before income tax | 6 months to<br>31 Dec 2021<br>\$ | 6 months to<br>31 Dec 2020<br>\$ |
|------|---------------------------|----------------------------------|----------------------------------|
|------|---------------------------|----------------------------------|----------------------------------|

The following significant revenue and expense items are relevant in explaining the financial performance:

#### 1.1. Exploration and evaluation costs:

|  |         |        |
|--|---------|--------|
|  Exploration and evaluation expenditure | 784,948 | 35,818 |
|  | 784,948 | 35,818 |

#### 1.2. Net financing income:

|   |       |       |
|---|-------|-------|
|  Financial income    |       |       |
| ▶ Interest revenue  | 63    | -     |
| Total financial income  | 63    | -     |
|  Financial expense |       |       |
| ▶ Interest expense  | 292   | 330   |
| Total financial expense   | 292   | 330   |
| Net financing loss  | (229) | (330) |

### Note 2. Financial assets and financial liabilities

#### 2.1. Cash and cash equivalents

|                          | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|--------------------------|-------------------|--------------------|
| Cash at bank and on hand | 1,993,620         | 1,457,930          |
|                          | 1,993,620         | 1,457,930          |

#### 2.2. Trade and other receivables

##### 2.2.1. Current

|                   | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|-------------------|-------------------|--------------------|
| GST receivable    | 62,664            | 29,957             |
| Other receivables | 12,610            | 9,332              |
|                   | 75,274            | 39,289             |

2.2.2. At reporting date, there are no receivables past their due date.

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2021

**Note 2 Financial assets and financial liabilities (cont.)**

| 2.3. Trade and other payables | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|-------------------------------|-------------------|--------------------|
| 2.3.1. <i>Current:</i>        |                   |                    |
| <i>Unsecured</i>              |                   |                    |
| Trade creditors               | 582,557           | 58,949             |
| Other creditors and accruals  | 243,669           | 77,721             |
|                               | 826,226           | 136,670            |

**Note 3. Equity**

| 3.1. Issued capital                        | Note  | 6 months to<br>31 Dec 2021<br>No. | 12 months to<br>30 June 2021<br>No. | 6 months to<br>31 Dec 2021<br>\$ | 12 months to<br>30 June 2021<br>\$ |
|--|-------|-----------------------------------|-------------------------------------|----------------------------------|------------------------------------|
| Fully paid ordinary shares at no par value | 3.1.1 | 516,576,265                       | 465,376,265                         | 40,965,918                       | 39,992,780                         |
| 3.1.1. <i>Ordinary shares</i>              |       |                                   |                                     |                                  |                                    |
| At the beginning of the period             |       | 465,376,265                       | 6,268,771,455                       | 39,992,780                       | 36,758,293                         |
| Share consolidation                        | 3.1.2 | -                                 | (6,143,395,190)                     | -                                | -                                  |
| Shares issued during the period            |       |                                   |                                     |                                  |                                    |
| 27 April 2021                              | 3.1.3 | -                                 | 215,000,000                         | -                                | 2,150,000                          |
| 27 April 2021                              | 3.1.4 | -                                 | 25,000,000                          | -                                | 250,000                            |
| 27 April 2021                              | 3.1.5 | -                                 | 100,000,000                         | -                                | 1,000,000                          |
| 16 December 2021                           | 3.1.6 | 50,000,000                        | -                                   | 1,000,000                        | -                                  |
| 16 December 2021                           | 3.1.7 | 1,200,000                         | -                                   | 40,800                           | -                                  |
| Transaction costs:                         |       |                                   |                                     |                                  |                                    |
| Cash-based                                 |       | -                                 | -                                   | (67,662)                         | (165,513)                          |
| At the end of the period                   |       | 516,576,265                       | 465,376,265                         | 40,965,918                       | 39,992,780                         |

3.1.2. On 29 March 2021, the Company completed the share consolidation on the basis that:

- Every 50 Shares be consolidated into 1 Share; and
- Every 50 Unlisted options be consolidated into 1 Unlisted option.

3.1.3. The Company raised \$2,150,000 via a capital raising offer with the issue of 215,000,000 ordinary shares at an issue price of \$0.01 per share and 107,500,000 free attaching listed options with exercise price of \$0.03 expiring 23 April 2024.

3.1.4. The Company raised \$250,000 via a share purchase plan (SPP) with the issue of 25,000,000 ordinary shares at an issue price of \$0.01 per share and 12,500,000 free attaching listed options with exercise price of \$0.03 expiring 23 April 2024.

3.1.5. The Company issued 100,000,000 ordinary shares at an issue price of \$0.01 per share and 50,000,000 unlisted options with exercise price of \$0.03 expiring 24 April 2024 to Kalgoorlie Mine Management Pty Ltd as the purchase consideration (Vendor offer) of the remaining 50% interest in the issued capital of CMPL.

3.1.6. The Company raised \$1,000,000 via a capital raising offer with the issue of 50,000,000 ordinary shares at an issue price of \$0.02 per share and 25,000,000 free attaching listed options with exercise price of \$0.03 expiring 23 April 2024.

3.1.7. The Company issued 1,200,000 fully paid ordinary shares and 1,200,000 options with exercise price of \$0.03 expiring 23 April 2024 to technical consultants that have been instrumental in the Company being able to deliver on its commitment to exploration and development of the Company's 100% owned Barkly Copper-Gold Project, located in the Northern Territory.

# Notes to the consolidated financial statements

for the half-year ended 31 December 2021

| Note 3 Equity (cont.)                                 |       |                                   |                                     |                                  |                                    |
|---|-------|-----------------------------------|-------------------------------------|----------------------------------|------------------------------------|
| 3.2. Options  | Note  | 6 months to<br>31 Dec 2021<br>No. | 12 months to<br>30 June 2021<br>No. | 6 months to<br>31 Dec 2021<br>\$ | 12 months to<br>30 June 2021<br>\$ |
| Options   |       | 383,700,000                       | 377,777,783                         | 456,532                          | 455,972                            |
| 3.2.1. Options  |       |                                   |                                     |                                  |                                    |
| At the beginning of the period                        |       | 377,777,783                       | 1,918,884,385                       | 455,972                          | 442,677                            |
| Options consolidation                                 | 3.1.2 | -                                 | (993,611,102)                       | -                                | -                                  |
| Options issued during the period:                     |       |                                   |                                     |                                  |                                    |
| Options expired                                       |       | (20,277,783)                      | (904,995,500)                       | (28,000)                         | (414,677)                          |
| Free attaching \$0.03 exp<br>23.04.24                 | 3.1.3 | -                                 | 107,500,000                         | -                                | -                                  |
| Options placement \$0.03 exp<br>23.04.24              | 3.2.2 | -                                 | 187,500,000                         | -                                | 187,500                            |
| Free attaching \$0.03 exp<br>23.04.24                 | 3.1.4 | -                                 | 12,500,000                          | -                                | -                                  |
| Vendor offer \$0.03 exp<br>23.04.24                   | 3.1.5 | -                                 | 50,000,000                          | -                                | 240,472                            |
| Free attaching \$0.03 exp<br>23.04.24                 | 3.1.6 | 25,000,000                        | -                                   | -                                | -                                  |
| Technical consultants' options<br>\$0.03 exp 23.04.24 | 3.1.7 | 1,200,000                         | -                                   | 28,560                           | -                                  |
| At the end of the period                              |       | 383,700,000                       | 377,777,783                         | 456,532                          | 455,972                            |

3.2.2. The Company raised \$187,500 via an option placement offer by the issue of 187,500,000 listed options with exercise price of \$0.03 expiring 23 April 2024 at an issue price of \$0.001 per option.

## Notes to the consolidated financial statements

for the half-year ended 31 December 2021

### SECTION B. GROUP STRUCTURE

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole.

#### Note 4. Equity Accounted Investees

##### 4.1. Information about principal equity accounted investees

On 24 September 2019, Tennant acquired a 50% interest in Colour Minerals Pty Ltd (**Colour Minerals**), owner of the Barkly Project, a high-grade Gold-Copper project located in the Northern Territory, Australia. On 27 April 2021, the Company, acquired the remaining 50% of the ordinary share capital and voting rights of Colour Minerals Pty Ltd. As a result, Colour Minerals became a wholly owned subsidiary of the Company from its previously equity held interest.

##### 4.2. Summarised financial information for equity accounted investees

Set out below is the summarised financial information for the Group's investments in equity accounted investee up to the date of acquisition of the remaining 50%.

##### 4.2.1. Summarised financial position

|   | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|---|-------------------|--------------------|
| Total current assets                    | -                 | -                  |
| Total non-current assets                | -                 | -                  |
| Total current liabilities               | -                 | -                  |
| Total non-current liabilities           | -                 | -                  |
| Net assets                              | -                 | -                  |
| Group's share (%)                       | -                 | -                  |
| Group's share of associate's net assets | -                 | -                  |

##### 4.2.2. Summarised financial performance for half-year ended 31 December 2021

|   | 6 months to<br>31 Dec 2021<br>\$ | 6 months to<br>31 Dec 2020<br>\$ |
|---|----------------------------------|----------------------------------|
| Income  | -                                | -                                |
| Profit after tax from continuing operations             | -                                | (2,504)                          |
| Other comprehensive income                              | -                                | -                                |
| Total comprehensive income                              | -                                | (2,504)                          |
| Group's share of associate's profit after tax           | -                                | (1,252)                          |
| Group's share of associate's other comprehensive income | -                                | -                                |

##### 4.2.3. Reconciliation to Carrying Amounts

|   | 31 Dec 2021<br>\$ | 30 June 2021<br>\$ |
|---|-------------------|--------------------|
| Group's share of associate's opening net assets                                 | -                 | 664,422            |
| Investments during the period   | -                 | -                  |
| Group's share of profit in associate's profit after tax                         | -                 | 16,032             |
| Transfer to asset acquisition   | -                 | (680,454)          |
| Group's share of associate's closing net assets (carrying amount of investment) | -                 | -                  |

## Notes to the consolidated financial statements

for the half-year ended 31 December 2021

### SECTION C. UNRECOGNISED ITEMS

*This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.*

| Note 5. Commitments |   | 31 Dec 2021 | 30 June 2021 |
|---------------------|---|-------------|--------------|
|                     |   | \$          | \$           |
| 5.1.                | <b>Expenditure commitments payable:</b>                     |             |              |
|                     | Within one year   | 210,450     | 240,000      |
|                     | After one year but not more than five years                 | 841,800     | 920,000      |
|                     | After five years  | -           | -            |
|                     | Total Exploration tenement minimum expenditure requirements | 1,052,250   | 1,160,000    |

The commitments of Tennant Minerals Limited above are the same as those for the Group.

### Note 6. Contingent assets and liabilities

There are no other contingent assets or liabilities at 31 December 2021.

### Note 7. Events subsequent to reporting date









There were no other significant events after the end of the reporting period.



**Notes to the consolidated financial statements**  
for the half-year ended 31 December 2021

**SECTION D. OTHER INFORMATION**


*This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.*

| Note | 8. Related party transactions   | 31 Dec 2021<br>\$                           | 30 June 2021<br>\$  |
|------|---|---|---|
| 8.1. | <b>KMP and related party transactions</b><br><br>Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.<br><br> Internatzionale Consulting Pty Ltd<br>Internatzionale Consulting Pty Ltd, a company controlled by Mr D'Anna, non-executive director, provides consulting services to the Company   | 3,500                                       | 30,600  |
| 8.2. | <b>KMP and related party balances</b><br><br>Contained within other creditors and accruals are the following accruals for fees payable to KMP:<br><br> Mr Matthew Driscoll<br> Mr Neville Bassett<br> Mr Gino D'Anna<br> Mr Michael Scivolo<br><br>Contained within trade and other payables are the follows balances payable to related parties:<br><br> Mr Gino D'Anna<br> Mr Matthew Driscoll<br> Mr Michael Scivolo | -<br>-<br>3,333<br>-<br><br>-<br>-<br>3,666 | 5,000<br>22,000<br>3,333<br>10,000<br><br>3,333<br>5,500<br>- |
| 8.3. | <b>Other</b><br><br>There are no other related party transactions other than those payments to Directors as disclosed in the remuneration report.   |   |   |

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2021

| Note | 9. Earnings per share (EPS)  | Note | 6 months to<br>31 Dec 2021<br>\$  | 6 months to<br>31 Dec 2020<br>\$  |
|------|--|------|-----------------------------------|-----------------------------------|
| 9.1. | <b>Reconciliation of earnings to profit or loss</b>  |      |                                   |                                   |
|      | Loss for the year  |      | (1,119,571)                       | (296,789)                         |
|      | Less: loss attributable to non-controlling equity interest   |      | -                                 | -                                 |
|      | Loss used in the calculation of basic and diluted EPS  |      | (1,119,571)                       | (296,789)                         |
|      |  |      | 6 months to<br>31 Dec 2021<br>No. | 6 months to<br>31 Dec 2020<br>No. |
| 9.2. | <b>Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS</b>   |      | 469,550,178                       | 125,375,429                       |
|      |  |      | 6 months to<br>31 Dec 2021<br>¢   | 6 months to<br>31 Dec 2020<br>¢   |
| 9.3. | <b>Earnings per share</b>  |      |                                   |                                   |
|      | Basic EPS (cents per share)  | 9.4  | (0.238)                           | (0.237)                           |
| 9.4. | <p>The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money).</p> <p>The Group does not report diluted earnings per share on annual losses generated by the Group. At 31 December 2021, the Group has 383,700,000 (31 December 2020: 20,277,778) unissued shares under options out of the money and which are anti-dilutive.</p> |      |                                   |                                   |

| Note      | 10. Share-based payments  | Note   | 6 months to<br>31 December<br>2021<br>\$ | 6 months to<br>31 December<br>2020<br>\$ |
|-----------|---|--------|--|--|
| 10.1.     | <b>Share-based payments:</b>  |        |  |  |
|           |  Recognised in profit and loss (expenses)  | 10.2.1 | 69,360                                   | -  |
|           | Total share-based payments  |        | 69,360                                   | -  |
| 10.2.     | <b>Share-based payment arrangements in effect during the half-year</b>  |        |  |  |
| 10.2.1.   | <i>Share-based payments recognised in profit or loss</i>  |        |  |  |
| 10.2.1.1. | Technical consultant equity issued fees   |        |  |  |
|           | On 16 December 2021, the Company issued the following equity to the technical consultant:   |        |  |  |
|           |   |        | Shares<br>No.                            | Valued per Share<br>\$                   |
|           |   |        | 1,200,000                                | 0.034                                    |
|           |   |        |  | Total<br>\$                              |
|           |   |        |  | 40,800                                   |
| 10.2.1.2. | Technical consultant Options  |        |  |  |
|           | On 16 December 2021, 1,200,000 Technical consultant Options were issued. Details of the assumptions used in the valuation of the options of these options are summarised below detailed below and in Note 10.3: |        |  |  |
|           |   |        | Number under Option                      | Date of Expiry                           |
|           |   |        | 1,200,000                                | 23 December 2024                         |
|           |   |        | Exercise Price                           | Vesting Terms                            |
|           |   |        | \$0.03                                   | Immediately upon issue                   |

**Notes to the consolidated financial statements**  
for the half-year ended 31 December 2021

**Note 10 Share-based payments (cont.)**

**10.3. Fair value of options granted during the half-year**

The weighted average fair value of options granted during the half-year was \$0.03 (31 December 2020: \$nil). These values were calculated using the Black-Scholes option pricing model, applying the following inputs to options:

|                                  |            |
|----------------------------------|------------|
| Note Reference                   | 10.2.1.2   |
| Grant date:                      | 16.12.2021 |
| Grant date share price:          | \$0.034    |
| Option exercise price:           | \$0.03     |
| Number of options issued:        | 1,200,000  |
| Remaining life (years):          | 2.4        |
| Expected share price volatility: | 127.83%    |
| Risk-free interest rate:         | 0.57%      |
| Value per option                 | \$0.0238   |

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

**Notes to the consolidated financial statements**  
for the half-year ended 31 December 2021

| <b>Note 11. Operating segments</b>                             |                                 |                              |             |
|--|---------------------------------|------------------------------|-------------|
| <b>For the half-year ended 31 December 2021</b>                |                                 |                              |             |
|  | Australian<br>Exploration<br>\$ | African<br>Exploration<br>\$ | Total<br>\$ |
| Segment revenue and other income                               | 63                              | -                            | 63          |
| Segment Results  | 63                              | -                            | 63          |
| Amounts not included in segment results but reviewed by Board: |                                 |                              |             |
| ▶ Compliance and regulatory costs                              | (151,274)                       | -                            | (151,274)   |
| ▶ Director remuneration excluding consulting fees              | (107,183)                       | -                            | (107,183)   |
| ▶ Exploration and evaluation expenditure                       | (784,948)                       | -                            | (784,948)   |
| ▶ Finance costs  | (123)                           | (169)                        | (292)       |
| ▶ Legal and consulting fees                                    | (4,398)                         | -                            | (4,398)     |
| ▶ Share-based payments   | (69,360)                        | -                            | (69,360)    |
| ▶ Other expenses   | (2,179)                         | -                            | (2,179)     |
| Loss after Income Tax  |                                 |                              | (1,119,571) |
| <b>As at 31 December 2021</b>                                  |                                 |                              |             |
| Segment Assets   | 2,068,208                       | 686                          | 2,068,894   |
| Unallocated Assets:  |                                 |                              |             |
| ▶ Trade and other receivables                                  |                                 |                              | -           |
| Total Assets   |                                 |                              | 2,068,894   |
| Segment Liabilities  | 826,226                         | -                            | 826,226     |
| Unallocated Liabilities:                                       |                                 |                              |             |
| ▶ Other payables   |                                 |                              | -           |
| Total Liabilities  |                                 |                              | 826,226     |

**Notes to the consolidated financial statements**  
for the half-year ended 31 December 2021

**Note 11 Operating segments (cont.)**

| For the half-year ended 31 December 2020                       | Australian<br>Exploration<br>\$ | African<br>Exploration<br>\$ | Total<br>\$ |
|--|---------------------------------|------------------------------|-------------|
| Segment revenue and other income                               | -                               | -                            | -           |
| Segment Results  | -                               | -                            | -           |
| Amounts not included in segment results but reviewed by Board: |                                 |                              |             |
| ▶ Share of equity accounted investees loss                     | (1,252)                         | -                            | (1,252)     |
| ▶ Compliance and regulatory costs                              | (101,909)                       | -                            | (101,909)   |
| ▶ Director remuneration excluding consulting fees              | (85,778)                        | -                            | (85,778)    |
| ▶ Exploration and evaluation expenditure                       | (35,818)                        | -                            | (35,818)    |
| ▶ Finance costs  | (159)                           | (171)                        | (330)       |
| ▶ Legal and consulting fees                                    | (71,212)                        | -                            | (71,212)    |
| ▶ Other expenses   | ( 490)                          | -                            | ( 490)      |
| Loss after Income Tax  |                                 |                              | (296,789)   |
| <b>As at 30 June 2021</b>                                      |                                 |                              |             |
| Segment Assets   | 1,496,355                       | 864                          | 1,497,219   |
| Unallocated Assets:  |                                 |                              |             |
| ▶ Trade and other receivables                                  |                                 |                              | -           |
| Total Assets   |                                 |                              | 1,497,219   |
| Segment Liabilities  | 136,670                         | -                            | 136,670     |
| Unallocated Liabilities:                                       |                                 |                              |             |
| ▶ Other payables   |                                 |                              | -           |
| Total Liabilities  |                                 |                              | 136,670     |



**Notes to the consolidated financial statements**

for the half-year ended 31 December 2021

**NOTE 12. Statement of Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

**12.1. Basis of preparation****12.1.1. Reporting Entity**

Tennant Minerals Limited is a listed public company limited by shares, domiciled and incorporated in Australia. The Company's registered office is at Level 1, 247 Oxford Street, West Leederville, Western Australia. These are the condensed consolidated financial statements and notes of Tennant Minerals Limited (the Company) and controlled entities (collectively the Group). The financial statements comprise the condensed consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is primarily involved in the exploration, development and mining of minerals.

The separate financial statements of Tennant Minerals Limited, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001 (Cth)*.

**12.1.2. Basis of accounting**

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 condensed Consolidated Financial 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, being 30 June 2021.

The financial statements were authorised for issue on 14 March 2022 by the directors of the Company.

**12.2. Use of estimates and judgments**

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The judgements, estimates and assumptions applied in the condensed financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2021.

**12.2.1. Coronavirus (COVID-19) pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

**12.3. New and Amended Standards Adopted by the Group**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group are:

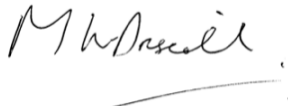
- AASB 2020-4 *Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions*.
- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phrase 2 Requires that for -profit private sector entities*
- AASB 2021-3 *Amendment to AASB 16 Leases – COVID-19 rent concessions*

## **Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001 (Cth) and:
  - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and;
  - (b) give a true and fair view of the financial position as at 31 December 2021 and of the performance for the half-year ended on that date of the Company and Group.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**MATTHEW DRISCOLL**

Chairman

Dated this Monday, 14 March 2022

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tennant Minerals NL

### Report on the Interim Financial Report

#### Conclusion

We have reviewed the interim financial report of Tennant Minerals NL ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period 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 interim financial report of the Group does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

#### Responsibility of the Directors for the Interim Financial Report

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

### **Auditor's Responsibility for the Review of the Interim Financial Report**

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



**Nexia Perth Audit Services Pty Ltd**



**Muranda Janse Van Nieuwenhuizen**

Director

14 March 2022

Perth, Western Australia