



## ASX Announcement

12 March 2021



### Half Year Financial Report 31 December 2020

Vimy Resources Limited presents its Half Year Financial Report for the six months ended 31 December 2020.

A handwritten signature in blue ink, appearing to read "M Young".

**Mike Young**  
**Managing Director and CEO**

Tel: +61 8 9389 2700

12 March 2021

Released for and on behalf of the Board of Vimy Resources Limited



# Half Year Financial Report

For the half year ended 31 December 2020

Vimy Resources Limited ACN 120 178 949

# Vimy Resources Limited

ACN 120 178 949

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The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Vimy Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial report has been prepared for the consolidated entity consisting of Vimy Resources Limited and its subsidiaries. The report covers the half year ended 31 December 2020 and is presented in Australian dollars.

Vimy Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1, 1209 Hay Street  
West Perth, Western Australia 6005

The interim financial report was authorised for issue by the directors on 12 March 2021.

## Directors' Report

For the Half Year Ended 31 December 2020

Your directors present their report on the consolidated entity consisting of Vimy Resources Limited ('Vimy' or 'Group') and the entities it controlled at the end of, and during, the half year ended 31 December 2020.

### DIRECTORS

The names and titles of directors who held office during the half year ended 31 December 2020 and up to the date of this report (unless otherwise stated), are:

The Hon. Cheryl Edwardes AM, Non-Executive Chairman

Michael (Mike) Young, Managing Director and Chief Executive Officer

David Cornell, Non-Executive Director

Dr Tony Chamberlain, Non-Executive Director

Luca Giacobazzi, Non-Executive Director (Appointed 19 October 2020)

### REVIEW OF OPERATIONS

Vimy is a resource exploration and evaluation company. The group's asset comprise the Mulga Rock Project, Australia's largest and most advanced uranium project, located 290 kilometres by road ENE of Kalgoorlie in Western Australia. Vimy also majority owns and operates the Alligator River Project, the largest granted uranium exploration package in the world-class Alligator River uranium district in the Northern Territory.

The timely implementation of the Mulga Rock Project requires compliance with the Ministerial Approval (Ministerial Statement 1046) that was granted on 16 December 2016. This stipulates that "Substantial Commencement" (SC) must be achieved no later than 5 years after approval is granted, i.e., by 16 December 2021. This will constitute site based works that would be considered integral to the development of the project to eventually achieve a commercial producing mine. There are a number of WA government department approvals that are a prerequisite to commencing SC. Some have been completed, and the remaining ones include an Above Ground Tailings Management Plan (for infrastructure that will not be required), a Mining Proposal, Project Management Plan and a Mine Closure Plan. These have all been submitted to the appropriate WA government department(s) and Vimy are in the process of answering queries relevant to those submissions. Management expect that they should be approved before June 2021 and site based works will then commence.

During the six months to 31 December 2020, the Company achieved the following significant milestones:

- On 26 August, the Company announced the results relating to the updated Definitive Feasibility Study on the Mulga Rock Project in Western Australia.
- On 2 September, the Company announced that all seven of the Condition Environmental Management Plans required by Ministerial Statement 1046 have been approved.
- On 16 September, the Company announced the results of the ore sorting trial on a composite of mineralised material from the Angularli deposit at Alligator River in the Northern Territory. The ore sorting results strengthen the outstanding potential of the Angularly Uranium-Gold deposit at the Alligator River Project.
- On 19 October, the Company announced the appointment of Mr Luca Giacobazzi to the Board as a Non- Executive Director. Luca is the Head of Wyloo Metals, a company of the private investment group Tattarang. Wyloo Metals manages a diverse portfolio of wholly-owned exploration projects and cornerstone investments in both public and private companies. Formerly of Credit Suisse, Luca has successfully completed numerous metals and mining transactions over the course of his career both domestically in Australia and internationally.
- On 31 July, the Company announced the 2020/21 field season for the Alligator River Project had been delayed due to the COVID-19 pandemic. The Company also confirmed that access was now permitted to the Northern Territory for heritage meetings and surveys work.

## Directors' Report

For the Half Year Ended 31 December 2020

### **Financial**

The operating loss for the period was \$3,742,366 (2019: \$3,762,357) and the net assets of the Consolidated Entity as at 31 December 2020 were \$5,245,486 (at 30 June 2020: \$8,277,819). The cash balance at 31 December 2020 was \$4,337,904.

### **DIVIDENDS**

No dividends were recommended or paid during the six months to 31 December 2020 (\$ Nil: 31 December 2019).

### **SUBSEQUENT EVENTS**

Since 31 December 2020 the following subsequent events occurred:

- On 13 January, the Company announced it has been approved to join the US-based OTCQB Venture Market under the ticker symbol VMRSF. The OTCQB is a well-established trading platform, operated by OTC Markets Group in New York. OTC trading will enhance the visibility and accessibility of the Company to North American shareholders and media partners.
- On 4 February, the Company announced an update on the potential upside of the by-product credits from an ancillary base metal circuit at the Mulga Rock Uranium Project.
- On 10 March 2021, the Company announced that it has executed a binding term sheet with Rio Tinto Exploration Pty Limited (RTX) to acquire RTX's interest (20.89%) in the Wellington Range and King River Joint Venture at the Alligator River Project (ARP) in the Northern Territory. This will result in Vimy holding 100% of the ARP on settlement through its wholly owned subsidiary Viva Resources Pty Ltd.

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on Page 5.

### **ROUNDING OF AMOUNTS**

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 and therefore the amounts contained in this report and in the interim financial statements have been rounded to the nearest dollar.

This report is made in accordance with a resolution of the directors.



**Mike Young**  
Managing Director and Chief Executive Officer

Dated 12 March 2021



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Vimy Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Vimy Resources Limited for the half-year ended 31 December 2020 there have been:

- i. no contraventions of the auditor 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.

*KPMG*

KPMG

A handwritten signature in black ink, appearing to read 'Derek Meates', written in a cursive style.

Derek Meates  
*Partner*

Perth

12 March 2021

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2020

	Notes	Consolidated	
		Half year ended 31 December 2020 \$	Half year ended 31 December 2019 \$
Other Income	3	93,899	102,814
Exploration and evaluation expenditure		(1,813,889)	(2,077,899)
Corporate and administration expense		(1,398,379)	(1,689,887)
Financial Income		-	287,439
Financing expense		(282,933)	(353,499)
Share based payment expense		(341,064)	(31,325)
<b>Loss before income tax</b>		<b>(3,742,366)</b>	<b>(3,762,357)</b>
Income tax expense		-	-
<b>Loss attributable to members of the Company</b>		<b>(3,742,366)</b>	<b>(3,762,357)</b>
Other comprehensive income, net of tax		-	-
<b>Total comprehensive loss attributable to members of the Company</b>		<b>(3,742,366)</b>	<b>(3,762,357)</b>
Loss per share from continuing operations attributable to the members of the Company:		<b>Cents per share</b>	<b>Cents per share</b>
Basic and diluted loss per share	4	<b>(0.48)</b>	<b>(0.68)</b>

*The above 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 2020

	Notes	Consolidated	
		As at 31 December 2020 \$	As at 30 June 2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	4,337,904	7,181,734
Trade and other receivables	6	73,932	391,454
Prepayments	7	88,128	169,859
<b>Total Current Assets</b>		<b>4,499,964</b>	<b>7,743,047</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	356,258	356,258
Right of use assets	8	351,438	397,278
Plant and equipment		65,859	86,713
Exploration and evaluation	9	5,788,237	5,788,237
<b>Total Non-Current Assets</b>		<b>6,561,792</b>	<b>6,628,486</b>
<b>TOTAL ASSETS</b>		<b>11,061,756</b>	<b>14,371,533</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	1,929,364	2,304,911
Provisions	11	290,935	276,434
<b>Total Current Liabilities</b>		<b>2,220,299</b>	<b>2,581,345</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	10	2,728,184	2,605,291
Provisions	11	867,787	907,079
<b>Total Non-Current Liabilities</b>		<b>3,595,971</b>	<b>3,512,370</b>
<b>TOTAL LIABILITIES</b>		<b>5,816,270</b>	<b>6,093,715</b>
<b>NET ASSETS</b>		<b>5,245,486</b>	<b>8,277,818</b>
<b>EQUITY</b>			
Contributed equity	12	114,046,084	113,677,114
Other reserves		1,342,570	1,288,327
Accumulated losses		(110,143,168)	(106,687,623)
<b>TOTAL EQUITY</b>		<b>5,245,486</b>	<b>8,277,818</b>

*The above 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 2020

	Notes	Contributed equity \$	Accumulated losses \$	Reserves \$	Total \$
<b>CONSOLIDATED</b>					
<b>Balance at 1 July 2019</b>		102,271,967	(104,178,998)	4,466,871	2,559,840
Loss attributable to members of the Company		-	(3,762,357)	-	(3,762,357)
<b>Transactions with owners in their capacity as owners:</b>					
Issue of ordinary shares, net of issue costs		6,265,826	-	-	6,265,826
Share based payment expense		-	-	31,324	31,324
<b>Balance at 31 December 2019</b>		<b>108,537,793</b>	<b>(107,941,355)</b>	<b>4,498,195</b>	<b>5,094,633</b>
<b>Balance at 1 July 2020</b>		113,677,114	(106,687,623)	1,288,327	8,277,818
Loss attributable to members of the Company		-	(3,742,366)	-	(3,742,366)
<b>Transactions with owners in their capacity as owners:</b>					
Issue of ordinary shares, net of issue costs	12	368,970	-	-	368,970
Share based payment expense		-	-	341,064	341,064
Transfer to Accumulated Losses			286,821	(286,821)	-
<b>Balance at 31 December 2020</b>		<b>114,046,084</b>	<b>(110,143,168)</b>	<b>1,342,570</b>	<b>5,245,486</b>

*The above 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 2020

Note	Consolidated	
	Half year ended 31 December 2020 \$	Half year ended 31 December 2019 \$
<b>Cash Flows from Operating Activities</b>		
Interest received	29,905	15,080
Payments to other suppliers and employees	(3,220,854)	(3,977,062)
Grant income	397,159	1,009,414
Other income	9,329	117,066
<b>Net cash used in Operating Activities</b>	<b>(2,784,461)</b>	<b>(2,835,502)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of plant and equipment	(26,966)	(704)
Proceeds from sale of plant and equipment	-	5,000
Tenement acquisition costs	-	(20,000)
<b>Net cash used in Investing Activities</b>	<b>(26,966)</b>	<b>(15,704)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of ordinary shares, net of issue costs	-	6,712,703
Share issue costs	(32,403)	(431,083)
<b>Net cash from Financing Activities</b>	<b>(32,403)</b>	<b>6,281,620</b>
<b>Net increase/(decrease) in cash held</b>	<b>(2,843,830)</b>	<b>3,430,414</b>
Cash at the beginning of the financial period	7,181,734	977,759
Cash at the end of the financial period	5 4,337,904	4,408,173

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

## Notes to the Financial Statements

31 December 2020

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# Notes to the Financial Statements

31 December 2020

## 1. Basis of preparation

This general purpose financial report for the interim half-year reporting period ended 31 December 2020 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Vimy Resources 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.

The Interim financial report has been approved and authorised for issue by the Board of Directors on 12 March 2021.

### Going Concern

The Group incurred a net loss of \$3,742,366 during the half year ended 31 December 2020. The cash and cash equivalents held as at 31 December 2020 was \$4,337,904. Current assets exceed current liabilities by \$2,279,665 as at 31 December 2020. The Group's net cash used in operating activities for the half year ended 31 December 2020 was \$2,784,461.

Deferred consideration payable to Cameco has been recognised in the Statement of Financial Position as at 31 December 2020 comprising two instalments, \$1.5 million of which was paid in January 2021 and \$2.8 million due in January 2022. The Directors have reviewed a cash flow forecast for the next twelve months from the date of signing the financial report which demonstrates that the Group will have sufficient cash resources to continue as a going concern, subject to successful fund raising activities during the period.

The Group's ability to continue as a going concern, including meeting the January 2022 deferred consideration obligations and to advance the Mulga Rock and Alligator River projects, depends on its ability to obtain additional funding through equity, debt or hybrid financing, joint ventures, production off-take arrangements or other means. This creates a material uncertainty as to the ability of the Group to continue as a going concern.

In considering these circumstances, the Directors have taken into account the Group's demonstrated past successes in raising equity and debt, and in the event that additional funding is not able to be obtained at the amounts and timeframes anticipated, the Directors would actively curtail both project and corporate expenditure to conserve cash resources.

For these reasons the Directors continue to adopt the going concern basis in preparing these financial reports.

If the Group is unable to continue as a going concern, it may be required to realise its assets and/or settle its liabilities other than in the ordinary course of business and at amounts different to those stated in the financial report.

## 2. Segment reporting

The Company operates an Exploration and Evaluation segment and a Sales and Marketing segment. The Exploration and Evaluation activities undertaken by the Exploration and Evaluation segment include exploration on granted tenements in Western Australia and the Northern Territory. The Sales and Marketing segment activities undertaken by the Sales and Marketing segment include research and economic analysis of the global uranium market. The segment activities do not generate any sales revenue.

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

## Notes to the Financial Statements

31 December 2020

	Half year ended 31 December 2020 \$	Half year ended 31 December 2019 \$
<b>Segment Result</b>		
Exploration Losses for the year	(1,902,842)	(1,790,460)
Sales and Marketing losses for the year	(158,870)	(285,087)
	(2,061,712)	(2,075,547)
<b>Reconciliation to Consolidated Loss</b>		
Segment contribution	(2,061,712)	(2,075,547)
Corporate and administration expense	(1,150,557)	(1,417,186)
Share based payments expense	(341,064)	(31,325)
Financing expense	(282,932)	(341,113)
Interest income and Other Income	93,899	102,814
Loss from continuing operations	(3,742,366)	(3,762,357)
	<b>31 December 2020</b> \$	<b>30 June 2020</b> \$
<b>Total assets</b>		
Exploration Segment Assets	6,181,987	6,276,287
Sales and Marketing Segment Assets	-	-
	6,181,987	6,276,287
<b>Reconciliation to Consolidated Total Assets</b>		
Segment assets	6,181,987	6,276,287
Corporate and administration assets	4,879,769	8,095,246
Total assets	11,061,756	14,371,533
<b>Total liabilities</b>		
Exploration Segment liabilities	(4,907,388)	(4,790,172)
Sales and Marketing liabilities	(24,412)	(2,774)
	(4,931,800)	(4,792,946)
<b>Reconciliation to Consolidated Total Liabilities</b>		
Segment liabilities	(4,931,800)	(4,792,946)
Corporate and administration liabilities	(884,470)	(1,300,769)
Total liabilities	(5,816,270)	(6,093,715)

## Notes to the Financial Statements

31 December 2020

### 3. Other Income

	Half year ended 31 December 2020 \$	Half year ended 31 December 2019 \$
Interest income	26,399	17,806
Other Income	67,500	85,008
	93,899	102,814

### 4. Loss per share

	Half year ended 31 December 2020 \$	Half year ended 31 December 2019 \$
Loss used in the calculation of basic EPS	(3,742,363)	(3,762,357)
Basic and diluted loss per share (cents per share)	(0.48)	(0.68)
Weighted average number of shares outstanding during the year used in calculations of basic loss per share	777,221,485	551,266,868

### 5. Cash and cash equivalents

	31 December 2020 \$	30 June 2020 \$
Cash at bank and on hand	837,904	1,181,734
Short-term deposits	3,500,000	6,000,000
	4,337,904	7,181,734

### 6. Trade and other receivables

	31 December 2020 \$	30 June 2020 \$
<b>Current</b>		
Research and development tax incentive grant receivable	-	329,659
Goods and services tax receivable	53,552	28,581
Other receivables	20,380	33,214
	73,932	391,454
<b>Non-Current</b>		
Security deposit <sup>(1)</sup>	356,258	356,258
	356,258	356,258

(1) The security deposit is cash security for bank guarantees relating to the Alligator River Project in the Northern Territory and a bank guarantee relating to the new office lease at Level 1, 1209 Hay Street, West Perth.

## Notes to the Financial Statements

31 December 2020

### 7. Prepayments

	31 December 2020 \$	30 June 2020 \$
Deposits for tenement applications	12,831	31,058
Other prepayments	75,297	138,801
	88,128	169,859

### 8. Right of use assets

	31 December 2020 \$	30 June 2020 \$
Lease asset	351,438	397,278
	351,438	397,278

The Group has adopted AASB 16 using the modified retrospective method of adoption. On adoption, the Group recognised the right of use asset and a corresponding lease liability. The right of use asset is depreciated on a straight line basis over the term of the lease. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 4.9%.

### 9. Exploration and evaluation

	31 December 2020 \$	30 June 2020 \$
Tenement Acquisition Costs <sup>(1)</sup>	5,788,237	5,788,237
	5,788,237	5,788,237

(1) The Group acquired the Alligator River Project for a cash consideration of \$6.5 million in July 2018 payments are staged over 42 months to January 2022 and granted Cameco Australia Pty Ltd (Cameco) a conditional buy-back option. See Note 10 for further details.

### 10. Trade and other payables

	31 December 2020 \$	30 June 2020 \$
<b>Current</b>		
Trade payables and other payables	429,364	906,643
Deferred consideration <sup>(1)</sup>	1,500,000	1,398,268
	1,929,364	2,304,911
<b>Non-Current</b>		
Other Payables	271,875	316,842
Deferred consideration <sup>(1)</sup>	2,456,309	2,288,449
	2,728,184	2,605,291

(1) Deferred consideration payable to Cameco as at 31 December 2020 is payable in two instalments, \$1.5 million paid in January 2021 and \$2.8 million due January 2022 totalling \$4.3 million. The deferred consideration has been discounted to present value at 15% to derive a liability at acquisition date. At 31 December 2020 the fair value of the liability is \$3,956,309. The difference between the instalment payments and the liability will be recognised as interest expense over the twelve-monthly instalments until paid in January 2022.

## Notes to the Financial Statements

31 December 2020

### 11. Provisions

	31 December 2020 \$	30 June 2020 \$
<b>Current</b>		
Provision for annual leave	119,170	153,224
Provision for long service leave	171,765	123,210
	290,935	276,434
<b>Non-Current</b>		
Provision for long service leave	10,839	60,426
Provision for rehabilitation <sup>(1)</sup>	856,948	846,653
	867,787	907,079

(1) The provision for rehabilitation is inclusive of the rehabilitation work for the geotechnical test pits at the Mulga Rock Project which is required to be completed by March 2022. The provision for rehabilitation is also inclusive of the rehabilitation work relating to the Alligator River Project.

### 12. Contributed equity

	Number	\$
<b>Ordinary shares</b>		
<b>Balance at 30 June 2020</b>	766,286,743	113,677,114
13 July 2020 Share placement @\$0.03 cents per share	11,103,984	329,605
13 October 2020 Share placement @\$0.035 cents per share	1,276,342	45,000
Share issue costs	-	(5,635)
<b>Balance at 31 December 2020</b>	778,667,069	114,046,084

### 13. Contingent liabilities

#### Royalty

In 2015 the Group entered into a royalty agreement with RCF VI. Narnoo Mining Pty Ltd ('Narnoo'), wholly owned subsidiary of Vimy, has agreed to pay a royalty to RCF VI of 1.15% on the gross proceeds received by Narnoo from selling mineral products extracted and recovered from the tenements that make up the Mulga Rock Project.

The Group has granted security to RCF VI for the royalty obligations, in the form of a mortgage over the mining tenements.

### 14. Events occurring after reporting date

Significant subsequent events that have occurred since 31 December 2020 include:

- On 13 January, the Company announced it has been approved to join the US-based OTCQB Venture Market under the ticker symbol VMRSF. The OTCQB is a well-established trading platform, operated by OTC Markets Group in New York. OTC trading will enhance the visibility and accessibility of the Company to North American shareholders and media partners.
- On 4 February, the Company announced an update on the potential upside of the by-product credits from an ancillary base metal circuit at the Mulga Rock Uranium Project.



## Notes to the Financial Statements

31 December 2020

- On 10 March 2021, the Company announced that it has executed a binding term sheet with Rio Tinto Exploration Pty Limited (RTX) to acquire RTX's interest (20.89%) in the Wellington Range and King River Joint Venture at the Alligator River Project (ARP) in the Northern Territory. This will result in Vimy holding 100% of the ARP on settlement through its wholly owned subsidiary Viva Resources Pty Ltd.

## Directors' Declaration

In the directors' opinion:

- (a) the consolidated financial statements and notes of Vimy Resources Limited are in accordance with the *Corporations Act 2001* including:
  - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
  - (ii) giving a true and fair view of its financial position as at 31 December 2020 and its performance for the half year ended on that date; and
- (b) 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 directors.



**Mike Young**  
**Managing Director and Chief Executive Officer**

12 March 2021



# Independent Auditor's Review Report

To the shareholders of Vimy Resources Limited

## Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Vimy Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Vimy Resources Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2020 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2020
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Vimy Resources Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

## Material uncertainty related to going concern

We draw attention to Note 1, "Going Concern" in the Half-year Financial Report. The events or conditions disclosed in Note 1, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Half-year Financial Report. Our conclusion is not modified in respect of this matter.



## Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the Half-Year ended on that date, and complying with *Australian 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.

KPMG

Derek Meates  
Partner

Perth

12 March 2021