

**and its controlled entities**

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

**31 December 2021**

# Corporate directory

## Board of Directors

Mr John Campbell Smyth

Chairman

Mr David Hugh Greenwood

Non-Executive Director

Mr Conrad George Manuel Karageorge

Non-Executive Director

## Company Secretary

Mr Johnathon Busing

## Registered and Principal Office

25 Colin Street

West Perth, Western Australia 6005

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## Postal Address

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## Website

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## Auditors

BDO

Level 9, Mia Yellagonga Tower 2

5 Spring Street

Perth, Western Australia 6000

## Share Registry

Automic Group

Level 5 191 St Georges Terrace

Perth, Western Australia 6000

Tel: +61 2 9698 5414

## Stock Exchange

Australian Securities Exchange

Level 40, Central Park

152- 158 St Georges Terrace

Perth, Western Australia 6000

## ASX Code

OMX

# Half year report for the half-year ended 31 December 2021

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## Directors' report

The directors of Orange Minerals NL ("Orange" or "the Company") submit the financial report of Orange Minerals NL and its controlled entities ("the Group") for the half-year ended 31 December 2021. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Names of Directors

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

Mr John Campbell Smyth (appointed on 24 August 2021)  
Mr David Hugh Greenwood (appointed on 24 August 2021)  
Mr Conrad George Manuel Karageorge (appointed on 24 May 2021)  
Mr David Kenneth Wallace Michael (resigned on 24 August 2021)  
Mr Peter Basil Wallace Michael (resigned on 24 August 2021)

### Review of operations

The consolidated loss of the Group for the half-year ended 31 December 2021 amounted to \$1,303,861.

### Exploration

#### ***Calarie Project***

During the first half of the financial year, the Company completed a Phase 1 drill program at the Calarie Gold Project (Calarie) in NSW. Ten RC holes were completed for a total of 1,044 metres drilled and the drilling was planned to validate historical drill holes and look to extend mineralised horizons intersected in previous drill programs.

Samples have been dispatched to the laboratory for assay with results expected in early 2022. Following the receipt of the assay results, the Company intends to undertake a resource review and commence planning Phase 2 of the Calarie drill program.

#### ***Wisemans Creek Project***

During the December 2021 quarter, the Company completed a desktop review of the project area to determine the optimal areas for an initial drill programme. A Phase 1 RC drill program of at least 500m has been designed at the Black Bullock Mine Prospect. The goal of this drill campaign is to confirm existing gold mineralisation established by historic drilling and test for potential extensions at depth.

The Black Bullock mining area corresponds with a distinct geophysical anomaly. Paralleling the observed trends of mineralisation and historic workings, a distinct northwest/southeast trend is evident in regional geophysical datasets, extending for up to 6.5km. Several cross-structures appear to correspond to some of the workings.

An ESF4 Application for drilling has been submitted to the Department and drilling is planned to proceed once all approvals have been received.

#### ***Eastern Goldfields Projects, WA***

During the December 2021 quarter, a desktop study was initiated to identify and prioritise drill targets in the Majestic Project tenements of the Eastern Goldfields. This work included a field visit in late November 2021.

As a result of this work in addition to exciting drill results recently announced by both Black Cat Syndicate (ASX: BC8) and Miramar Resources Ltd (ASX:M2R) adjacent to a number of Orange tenements in the Majestic Project, a number of key drill targets have been identified and Program of Works (PoW) applications for drill programs have been submitted to the regulator for approval.

### **Corporate**

Orange Minerals (OMX) was admitted to the official list of the Australian Stock Exchange "ASX" on 6 December 2021.

On 22 September 2021 the Company entered into an agreement to acquire Majestic Gold Mines Pty Ltd which completed on 28 September 2021. The consideration for this acquisition was the issue of five million ordinary shares at a deemed value of \$0.20 each for a total of \$1 million. Also Refer to note 8 Issued capital.

During the first half of the financial year, the Company acquired tenements in NSW for \$416,500 which were payable by way of \$246,500 in cash and \$170,000 in equity, by way of the issue of 850,000 shares at an issue price of \$0.20 each.

OMX raised \$7 million pursuant to the offer under its prospectus dated 19 October 2021 and supplementary prospectus dated 22 November 2021 by the issue of 35 million shares at issue price of \$0.20 per share.

At 31 December 2021, the Company had a cash balance of \$6.58 million. The Company also incurred costs relating to the IPO including broker fees as part of the capital raising, replacement of bond and securities resulting from the transfer of title of the tenements, corporate costs to support active exploration work over the tenements including drilling at Calarie, and costs to maintain the tenements in good standing. The Company will actively support and maintain an exploration program that targets high value tenements with the potential discovery of significant orebodies in the Lachlan Fold Belt of NSW and Eastern Goldfields of WA.

### **Subsequent events**

The Company announced the appointment of Phil Shields as Exploration Manager. Phil commenced employment in early January and is based in Orange, NSW. Phil has over 30 years of mining / exploration experience in base and precious metals, within Australia, Indonesia and Africa.

In January 2022, a soil survey commenced at the Kurnalpi Project (Eastern Goldfields Projects, WA) to identify follow up targets for drill testing.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

**Auditor's independence declaration**

Section 307C of the Corporations Act 2011 requires our auditors, BDO, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year report. The auditor's independence declaration is included on page 4 of the half-year report.

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

On behalf of the directors



Mr John Campbell Smyth

**Chairman**

16 March 2022

Perth, Western Australia

## DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ORANGE MINERALS NL

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

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

This declaration is in respect of Orange Minerals NL and the entities it controlled during the period.



JARRAD PRUE

Director

BDO Audit (WA) Pty Ltd

Perth, 16 March 2022

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Orange Minerals NL

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Orange Minerals NL (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

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



#### Auditor's responsibility for the review of the financial report

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

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

BDO Audit (WA) Pty Ltd

BDO  
*J Prue*

Jarrad Prue  
Director

Perth, 16 March 2022

## Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standard AASB 134 *'Interim Financial Reporting'* and giving a true and fair view of the financial position and performance of the Group for the period ended 31 December 2021.

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

On behalf of the directors



Mr John Campbell Smyth

**Chairman**

16 March 2022

Perth, Western Australia

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

	Note	Consolidated	
		Half-year ended	
		31 Dec 2021	31 Dec 2020
		\$	\$
<b>Continuing operations</b>			
Other income	2	170,000	-
Administration costs		(35,161)	-
Consultants costs		(187,581)	-
Compliance costs		(27,808)	(506)
Exclusivity fees		-	(33,000)
Professional fees		(84,824)	(323)
Share based payments	7	(979,695)	-
Rental and outgoings		(12,440)	-
Capital Raising Expenses		(146,352)	-
<b>Loss before income tax</b>		<b>(1,303,861)</b>	<b>(33,829)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(1,303,861)</b>	<b>(33,829)</b>
<b>Other comprehensive income, net of income tax</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the period, net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(1,303,861)</b>	<b>(33,829)</b>
<b>Loss attributable to:</b>			
Owners of Orange Minerals NL		<b>(1,303,861)</b>	<b>(33,829)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of Orange Minerals NL		<b>(1,303,861)</b>	<b>(33,829)</b>
<b>Loss per share:</b>			
<b>Basic and diluted (cents per share)</b>		(2.775)	(3,382,900)
<b>Weighted average number of shares</b>		<b>46,978,689</b>	<b>1</b>

Condensed notes to the consolidated financial statements are included on pages 12 to 21.

## Consolidated statement of financial position as at 31 December 2021

	Note	Consolidated	
		31 Dec 2021 \$	30 Jun 2021 \$
<b>Current assets</b>			
Cash and cash equivalents		6,581,025	1
Trade and other receivables	3	135,370	-
Other assets	4	209,785	10,000
<b>Total current assets</b>		<b>6,926,180</b>	<b>10,001</b>
<b>Non-current assets</b>			
Exploration and evaluation expenditure	5	1,859,450	16,500
<b>Total non-current assets</b>		<b>1,859,450</b>	<b>16,500</b>
<b>Total assets</b>		<b>8,785,630</b>	<b>26,501</b>
<b>Current liabilities</b>			
Trade and other payables		350,253	10,024
Loans		-	94,689
<b>Total current liabilities</b>		<b>350,253</b>	<b>104,713</b>
<b>Total liabilities</b>		<b>350,253</b>	<b>104,713</b>
<b>Net assets/(liabilities)</b>		<b>8,435,377</b>	<b>(78,212)</b>
<b>Equity</b>			
Issued capital	8	8,623,756	1
Reserves	9	1,193,695	-
Accumulated losses		(1,382,074)	(78,213)
<b>Total equity/(deficiency)</b>		<b>8,435,377</b>	<b>(78,212)</b>

Condensed notes to the consolidated financial statements are included on pages 12 to 21.

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

### Consolidated

	Issued Capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	-	-	-	-
Loss for the period	-	-	(33,829)	<b>(33,829)</b>
<b>Total comprehensive loss for the period</b>	-	-	<b>(33,829)</b>	<b>(33,829)</b>
<i>Transactions with owners, directly in equity</i>				
Share application funds received	1	-	-	1
Share issue costs	-	-	-	-
<b>Balance at 31 December 2020</b>	<b>1</b>	-	<b>(33,829)</b>	<b>(33,828)</b>
<b>Balance at 1 July 2021</b>	<b>1</b>	-	<b>(78,213)</b>	<b>(78,212)</b>
Loss for the period	-	-	(1,303,861)	(1,303,861)
Issue of options and awards	-	1,193,695	-	1,193,695
<b>Total comprehensive loss for the period</b>	-	<b>1,193,695</b>	<b>(1,303,861)</b>	<b>(110,166)</b>
Issue of shares to sophisticated and professional investors	9,414,000	-	-	9,414,000
Share issue costs	(790,245)	-	-	(790,245)
<b>Balance at 31 December 2021</b>	<b>8,623,756</b>	<b>1,193,695</b>	<b>(1,382,074)</b>	<b>8,435,377</b>

Condensed notes to the consolidated financial statements are included on pages 12 to 21.

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

	Consolidated	
	Half-year ended	
	31 Dec 2021	31 Dec 2020
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(587,923)	(829)
Net cash (used in) operating activities	(587,923)	(829)
<b>Cash flows from investing activities</b>		
Acquisition of tenement	(230,000)	-
Payments for exploration and evaluation	(130,206)	-
Net cash (used in) investing activities	(360,206)	-
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	8,244,000	1
Proceeds from borrowings	-	829
Share issue costs	(714,847)	-
Net cash provided by financing activities	7,529,153	830
<b>Net increase in cash and cash equivalents</b>	<b>6,581,024</b>	<b>1</b>
Cash and cash equivalents at the beginning of the period	1	-
<b>Cash and cash equivalents at the end of the period</b>	<b>6,581,025</b>	<b>1</b>

Condensed notes to the consolidated financial statements are included on pages 12 to 21.

# Condensed notes to the consolidated financial statements for the half-year ended 31 December 2021

## 1. Significant accounting policies

### Statement of compliance

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with annual financial statements of the Company for the year ended 30 June 2021 (available from the company on request) together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 16 March 2022.

### Basis of preparation

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2021 annual financial report for the financial year ended 30 June 2021, except for the impact of the Standards and Interpretations described below and the accounting policy for property, plant and equipment described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

### Going concern basis

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

### Principles of consolidation

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

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

### Segment

The nature of operations and principal activities of the group are exploration in Australia. Given, the nature of the group, its size and current operations, management does not treat any part of the group as a separate operating segment.

## 1. Significant accounting policies (cont'd)

Internal financial information used by the Group's chief operating decision maker is presented as a group without dissemination to any separate identifiable segment.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environment in which it operates.

### Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these half-yearly statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were in relation to share based payments and accounting for asset acquisitions.

### Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2021

In the half-year ended 31 December 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2021. As a result of this the Directors have determined that there is no impact, material or otherwise, of the new and revised standards and interpretations on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

### Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2021. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

## 2. Other income

	31 Dec 2021	31 Dec 2020
	\$	\$
Other income <sup>(i)</sup>	170,000	-
	<b>170,000</b>	<b>-</b>

(i) On 24 September 2021 Saint Barnabas (company promoter) released the Company from further obligations to repay a debt of \$170,000. Saint Barnabas waived its right to enforce all actions, claims or proceedings in relation to the debt.

## 3. Trade and other receivables

	31 Dec 2021	30 Jun 2021
	\$	\$
Other receivables	3,300	-
GST	132,070	-
	<b>135,370</b>	<b>-</b>

**4. Other assets**

	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$</b>	<b>\$</b>
Prepayments	109,785	10,000
Security Deposit <sup>(i)</sup>	100,000	-
	<b>209,785</b>	<b>10,000</b>

(i) Orange Minerals NSW Pty Ltd has applied for several Exploration Licences during the half year ended 31 December 2021. A \$10,000 deposit has been paid to the Department of Regional NSW for each of the tenements ELA6273, ELA 6267, ELA 6272, EL8505, EL8632, EL9056, EL9109, EL9214, EL9076 and EL9032. The security deposit is to be refunded from the Department of Regional NSW if the tenement is relinquished.

**5. Exploration and evaluation expenditure**

	<b>6 months ended</b>	<b>12 months ended</b>
	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$</b>	<b>\$</b>
Carried forward exploration and evaluation expenditure	16,500	-
Expenditure incurred during the period	1,842,950	16,500
Impairment of exploration and evaluation expenditure	-	-
Carrying value at end of the period	<b>1,859,450</b>	<b>16,500</b>

**Exploration Expenditure**

	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Majestic Gold Mines Pty Ltd <sup>(i)</sup>	1,000,000	-
NSW Tenements Acquisition <sup>(ii)</sup>	416,500	-
Other Exploration Expenditure	426,450	-
	<b>1,842,950</b>	<b>-</b>

(i) On 22 September 2021 the Company entered into an agreement to acquire Majestic Gold Mines Pty Ltd which completed on 28 September 2021. The consideration for this acquisition was the issue of five million ordinary shares at a deemed value of \$0.20 each for a total of \$1 million. Also Refer to note 8 Issued capital.

(ii) During the first half of the financial year, the Company acquired tenements in NSW for \$416,500 which were payable by way of \$246,500 in cash and \$170,000 in equity, by way of the issue of 850,000 shares at an issue price of \$0.20 each. Also Refer to note 8 Issued capital.

The acquisition of Majestic Gold Mines Pty Ltd and the NSW tenements are not deemed business combination. When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase acquisition and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

## 6. Commitments

### Tenement expenditure commitments

In order to maintain current rights of tenure to tenements the Group is required to incur minimum expenditures to meet the requirements specified by the Western Australian State Government. These obligations may change depending on the age and type of the tenements. The Group has a minimum expenditure commitment on tenures under its control. The Group can apply for exemption from compliance with minimum tenement expenditure requirements.

Due to the nature and scale of the Group's activities the Group is unable to estimate its likely tenement holdings and therefore minimum expenditure requirements more than 1 year ahead.

	<b>31 Dec 2021</b>	<b>30 Jun 2021</b>
	<b>\$</b>	<b>\$</b>
Within one year	334,180	-
Between one and five years	-	-
Due later than five years	-	-
	<b>334,180</b>	<b>-</b>

Other than the above, the Director of Orange considers that there are no other material commitments outstanding as at 31 December 2021.

## 7. Share-based payments

	<b>31 Dec 2021</b>	<b>31 Dec 2021</b>
	<b>No.</b>	<b>\$</b>
Issue of options to directors, management and consultants (i)	9,050,000	968,350
Issue of performance rights to directors (ii)	2,904,942	11,345
Sub-total		979,695
Share based payments expense in the profit and loss		<b>979,695</b>

(i) The company has issued 9,050,000 unlisted options on 14 October 2021 to directors, management and consultants with a three-year life and exercisable at \$0.30. The Director, Management and Consultant Options have been valued using the Black-Scholes option pricing model. The options vested on company being admitted to the official list of ASX.

(ii) The company has issued 2,904,942 performance rights on 15 October 2021 to directors in six different classes each with its own specific vesting milestone. The performance rights vest subject to company being admitted to the official list of the ASX, and on the date that the performance milestone relating to the performance right has been satisfied.

## 7. Share-based payments (cont'd)

### Performance milestones

Each Performance Right is a right of the holder to acquire one fully paid ordinary share in the capital of the Company subject to the below terms and conditions.

Name	Number of rights issued	Fair Value	Performance Milestones
Class A	428,906	\$85,781 \$0.20 per right	Completion of a total of 2,000m of drilling at the Company's Calarie Project, Ophir Prospect and Wisemans Creek Prospect tenements by 28 February 2022.
Class B	428,906	\$85,781 \$0.20 per right	The Company earning a 51% beneficial interest in the Calarie Project and the Ophir and Wisemans Creek prospect tenements by completing the stage one farm-in under the three applicable joint venture agreements by 28 February 2024.
Class C	599,785	\$119,957 \$0.20 per right	The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 250,000 ounces of gold at a minimum grade of 1g/t (or other minerals equivalent at the Board's discretion) at any of the Company's projects, verified by an independent competent person.
Class D	763,829	\$152,766 \$0.20 per right	The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 400,000 ounces of gold at a minimum grade of 1g/t (or other minerals equivalent at the Board's discretion) at any of the Company's projects, verified by an independent competent person.
Class E	341,758	\$56,390 (ref. valuation table below)	The volume weighted average market price of the Company's shares on ASX over 20 consecutive trading days (on which the Shares have been traded) being at least \$0.375.
Class F	341,758	\$51,605 (ref. valuation table below)	The volume weighted average market price of the Company's shares on ASX over 20 consecutive trading days (on which the Shares have been traded) being at least \$0.50.
Total	2,904,942		

Management evaluates estimates and judgements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Management estimates that it is more than likely that performance milestones for Class B will be achieved. For the reporting period, \$4,595 have been recognised as a share-based payment for these performance rights, being the fair value expensed over management's best estimate of the vesting period (28 months from grant date).

## 7. Share-based payments (cont'd)

Significant management judgement is involved and management estimates that it is not likely that performance milestones for Class A (which has now expired), C and D will be achieved, therefore no value has been recognised as at balance date.

For performance rights with market-based milestones (Class E and F), have been valued at \$107,996. For the reporting period, \$6,750 have been recognised as a share-based payment, being the fair value expensed over management's best estimate of the vesting period (24 months from grant date).

### Share-based payments valuation

	Lead Manager Options	Options to directors, management and consultants	Performance rights to directors Class E Rights	Performance rights to directors Class F Rights
Grant date	30 November 2021	14 October 2021	15 October 2021	15 October 2021
Spot price	\$0.200	\$0.200	\$0.200	\$0.200
Exercise price	\$0.300	\$0.300	Nil	Nil
Life of the Options / Rights (Years)	3.00	3.00	3.00	3.00
Volatility %	100%	100%	100%	100%
Risk free rate	0.155%	0.155%	0.155%	0.155%
Dividend yield	Nil	Nil	Nil	Nil
Number of Options / Rights	2,000,000	9,050,000	341,758	341,758
Valuation per Option / Right	\$0.107	\$0.107	\$0.165	\$0.151
Total Valuation	\$214,000	\$968,350	\$56,390	\$51,605

### Options

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

Option series	Number	Grant date	Exercise price \$	Expiry date	Vesting date
OMXE24 OPT	5,350,000	14 Oct 2021	0.3000	14 Oct 2024	6 Dec 2021
OMXE24 OPTA	2,000,000	30 Nov 2021	0.3000	30 Nov 2024	6 Dec 2021
OMXE OPT1	3,700,000	14 Oct 2021	0.3000	14 Oct 2024	6 Dec 2021

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

## 7. Share-based payments (cont'd)

### Options granted during the half year

The following options were granted during the period:

- a) On 14 October 2021, the Company issued 9,050,000 unlisted options to directors, management and consultants exercisable at \$0.30 with 14 October 2024 expiry date.
- b) On 30 November 2021, the Company issued 2 million options to the Lead Manager with a three-year life and exercisable at \$0.30.

## 8. Issued capital

	31 Dec 2021 \$	30 Jun 2021 \$
81,990,000 fully paid ordinary shares (30 June 2021: 17,000,000)	<b>8,623,756</b>	<b>1</b>

Fully paid ordinary shares	31 Dec 2021		30 Jun 2021	
	No.	\$	No.	\$
Balance at beginning of period	17,000,000	1	-	-
Issue of shares (i)	13,000,000	130,000	-	-
Issue of shares (ii)	11,140,000	1,114,000	-	-
Issue of shares (iii)	5,000,000	1,000,000	-	-
Issue of shares (iv)	850,000	170,000	-	-
Issue of shares (v)	35,000,000	7,000,000	-	-
Shares issued - 1 May 21	-	-	1	1
Share split - 11 June 21	-	-	16,999,999	-
Share issue costs	-	(790,245)	-	-
	<b>81,990,000</b>	<b>8,623,756</b>	<b>17,000,000</b>	<b>1</b>

(i) Issue of fully paid ordinary shares at \$0.010 each on 2 July 2021 pursuant to a Promoter round of capital raising.

(ii) Issue of fully paid ordinary shares at \$0.100 each on 18 August 2021 pursuant to a Seed round of capital raising.

(iii) Issue of fully paid ordinary shares at \$0.200 each on 28 September 2021 pursuant to the acquisition of Majestic Gold Mines Pty Ltd. Refer to Note 5.

(iv) Issue of fully paid ordinary shares at \$0.200 each on 20 October 2021 pursuant to the acquisition of exploration tenement. Refer to Note 5.

(v) Issue of fully paid ordinary shares at \$0.200 each on 30 November 2021 pursuant to a Public Offer.

## 9. Reserves

	6 months ended 31 Dec 2021 \$	12 months ended 30 Jun 2021 \$
Balance at beginning of the period	-	-
Issue of options to directors, management and consultants <sup>(i)</sup>	968,350	-
Issue of Lead Manager Options <sup>(ii)</sup>	214,000	-
Issue of performance rights to directors <sup>(iii)</sup>	11,345	-
Carrying value at end of the period	<b>1,193,695</b>	-

## 9. Reserves (cont'd)

(i) Issue of 9,050,000 unlisted options to directors, management and consultants exercisable at \$0.30 with 14 October 2024 expiry date have been valued using the Black Scholes option pricing model. Also Refer to Note 7.

(ii) Issue of 2,000,000 unlisted options to the Lead Manager with a three-year life and exercisable at \$0.30. The Lead Manager Options have been valued using the Black-Scholes option pricing model as the value of the service couldn't be determined. Also Refer to Note 7.

(iii) Issue of 2,904,942 performance rights to directors in six different classes each with its own specific vesting milestone. Class E, F have been valued using the Hoadley Parisian Barrier Approach. Also refer to Note 7.

## 10. Contingent liabilities and contingent assets

Upon acquiring tenements in the Lachlan Fold Belt, NSW, from Drummond West Pty Ltd (a wholly owned subsidiary of Impact Minerals Limited), Orange Minerals (NSW) Pty Ltd is liable to provide Drummond West Pty Ltd with a 1% net smelter return royalty on all minerals extracted from EL8632 and EL8505 (partial). The obligation to pay the royalty accrues upon receipt by the Company of revenue received from the sale or other disposal of minerals extracted, such royalty to be calculated and payable within 30 days after the end of each quarter.

In October 2021 Orange Minerals (NSW) Pty Ltd entered into an Royalty Deed with Monarch Royalty & Investments Pty Ltd for the Calarie, Wisemans, Copper Hill and Boda projects as well as for the tenements purchased from Bullseye Gold Pty Ltd and Western Silver Pty Ltd . Orange Minerals (NSW) Pty Ltd is liable to pay Monarch Royalty & Investments Pty Ltd a 2.5% net smelter return royalty on the company's share of all product produced and sold, removed or otherwise disposed of. The obligation to pay the royalty accrues upon receipt by the Company of revenue received from the sale or other disposal of products, such royalty to be calculated and payable within 60 days after the end of each quarter.

Majestic Gold Mines Pty Ltd is liable to provide Redland Plains Pty Ltd with a net smelter return Gold royalty on all Gold products sold from the mining area within the boundaries of the Tenements held by the company. The Gold Royalty is calculated in accordance with the table below. The obligation to pay the royalty accrues upon receipt by the Company of revenue received from the sale of Gold produced, such royalty to be calculated and payable within 30 days after the end of each quarter.

Troy ounces of Gold Product Sold from Mining Area	Royalty rate for Gold Royalty
0 to 29,999	0%
30,000 to 149,999	1.5% of Gold Net Smelter Return
150,000 and above	2.5 of Gold Net Smelter Return

Majestic Gold Mines Pty Ltd is also liable to provide Redland Plains Pty Ltd with a 2.5% net smelter return Minerals royalty on all Minerals other than Gold sold from the mining area. The obligation to pay the royalty accrues upon receipt by the Company of revenue received from the sale of minerals produced, such royalty to be calculated and payable within 30 days after the end of each quarter.

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

## 11. Related Party Transactions

### 11.A Entities under the control of the Group

The Group consists of the parent entity Orange Minerals NL and its wholly owned subsidiaries Orange Minerals (NSW) Pty Ltd and Majestic Gold Mines Pty Ltd.

### 11.B Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

#### Remuneration of key management personnel

31 December 2021	Short-term employee benefits			Post-employment benefits	Total
	Salary & fees \$	Unpaid salary & fees \$	Other \$	Super-annuation \$	
<b>Directors</b>					
John Smyth	16,250	5,000	-	-	21,250
David Greenwood	78,182	-	-	7,818	86,000
Conrad Karageorge	14,875	-	-	-	14,875
<b>Total</b>	<b>109,307</b>	<b>5,000</b>	<b>-</b>	<b>7,818</b>	<b>122,125</b>

#### Options & Performance Rights granted to Directors

The details for options and performance rights issued to key management personnel are as below. For valuation details, refer Note 7 on share-based payments.

Directors	Options	Performance Rights					
		Class A	Class B	Class C	Class D	Class E	Class F
John Smyth	500,000	136,624	136,624	191,057	243,311	108,864	108,864
David Greenwood	1,000,000	175,700	175,700	245,700	312,900	140,000	140,000
Conrad Karageorge	1,350,000	116,582	116,582	163,029	207,619	92,894	92,894
<b>Total</b>	<b>2,850,000</b>	<b>428,906</b>	<b>428,906</b>	<b>599,786</b>	<b>763,830</b>	<b>341,758</b>	<b>341,758</b>

## **12. Subsequent events**

Subsequent to 31 December 2021, the following occurred:

The Company announced the appointment of Phil Shields as Exploration Manager. Phil commenced employment in early January and is based in Orange, NSW. Phil has over 30 years of mining / exploration experience in base and precious metals, within Australia, Indonesia and Africa.

In January 2022, a soil survey commenced at the Kurnalpi Project (Eastern Goldfields Projects, WA) to identify follow up targets for drill testing.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.