



Greentech Minerals Limited

ABN 85 115 050 452

**Interim Financial Statement for the half-year period ended
31 December 2021**



The directors present their report, together with the financial statements, on the Group for the period ended 31 December 2021.

Directors

The following persons were directors of the Group during the whole of the financial period and up to the date of this report, unless otherwise stated:

Michael Ivkovic
Hugh Renhuo Shao Dai
Stephen Ross (appointed 1 October 2021)

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Review of operations

The Group is reporting a total comprehensive income of \$621,098 for the half-year period ended 31 December 2021, after reporting a total comprehensive loss of \$2,339,076 for the full year that ended on 30 June 2021.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial period

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

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Company secretary

Terry Grace was appointed on 3 October 2021.

Auditor's independence declaration

The Auditor's Independence Declaration to the Directors of the Consolidated Entity on page 2' forms part of the Directors' Report for the half-year ended 31 December 2021.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Hugh Dai

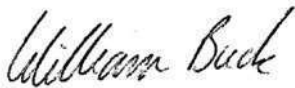
20 January 2022

Greentech Minerals Limited

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

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



William Buck
Accountants & Advisors
ABN: 16 021 300 521



Rainer Ahrens
Partner
Sydney, 20 January 2022

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Greentech Minerals Limited

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General information

The financial statements cover Greentech Minerals Limited as a consolidated entity consisting of Greentech Minerals Limited and the entities it controlled at the end of, or during the period. The financial statements are presented in Australian dollars, which is Greentech Minerals Limited's functional and presentation currency.

Greentech Minerals Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Australia Square
Suite 3101
264-278 George Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 January 2022. The directors have the power to amend and reissue the financial statements.

Greentech Minerals Limited
Statement of profit or loss and other comprehensive income
For the period ended 31 December 2021

	Note	6 months ending 31 December 2021 \$	12 months ending 30 June 2021 \$
Expenses			
Other expense		(41,975)	(39,226)
Share of losses of associates accounted for using the equity method		(25,376)	(74,349)
Tenement holding and exploration costs expensed		(117,253)	-
Director fees		(52,500)	(148,950)
Legal and consulting fees		(87,424)	(134,522)
Loss before income tax expense from continuing operations		(324,528)	(397,047)
Income tax expense		-	-
Loss after income tax expense from continuing operations		(324,528)	(397,047)
Profit/(loss) after income tax expense from discontinued operations	2	945,626	(1,940,562)
Profit/(loss) after income tax expense for the period		621,098	(2,337,609)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Derecognition of foreign currency reserve			12,033
Other comprehensive income for the period, net of tax		-	12,033
Total comprehensive income/(loss) for the period		<u>621,098</u>	<u>(2,325,576)</u>
Profit/(loss) for the period is attributable to:			
Non-controlling interest		-	(410,666)
Owners of Greentech Minerals Limited	6	621,098	(1,914,910)
		<u>621,098</u>	<u>(2,325,576)</u>
Total comprehensive income for the period is attributable to:			
Continuing operations		-	-
Discontinued operations		-	(410,666)
Non-controlling interest		-	(410,666)
Continuing operations		(324,528)	(385,014)
Discontinued operations		945,626	(1,529,896)
Owners of Greentech Minerals Limited		621,098	(1,914,910)
		<u>621,098</u>	<u>(2,325,576)</u>

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

Greentech Minerals Limited
Statement of financial position
As at 31 December 2021

	Note	31 December 2021 \$	30 June 2021 \$
Assets			
Current assets			
Cash and cash equivalents		1,141,507	7,945
Trade and other receivables		22,033	26,239
Other		-	23,736
Total current assets		<u>1,163,540</u>	<u>57,920</u>
Non-current assets			
Financial assets at fair value through other comprehensive income		275,275	300,651
Tenement assets	3	<u>1,119,760</u>	<u>1,119,760</u>
Total non-current assets		<u>1,395,035</u>	<u>1,420,411</u>
Total assets		<u>2,558,575</u>	<u>1,478,331</u>
Liabilities			
Current liabilities			
Trade and other payables		105,744	135,942
Employee benefits		-	90,360
		<u>105,744</u>	<u>226,302</u>
Liabilities directly associated with assets classified as held for sale		-	615,465
Total current liabilities		<u>105,744</u>	<u>841,767</u>
Non-current liabilities			
Borrowings		240,000	240,000
Lease liabilities		-	330,161
Total non-current liabilities		<u>240,000</u>	<u>570,161</u>
Total liabilities		<u>345,744</u>	<u>1,411,928</u>
Net assets		<u>2,212,831</u>	<u>66,403</u>
Equity			
Issued capital	4	31,636,227	30,110,897
Reserves	5	237,990	237,990
Accumulated losses	6	<u>(29,661,386)</u>	<u>(30,282,484)</u>
Total equity		<u>2,212,831</u>	<u>66,405</u>

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

Greentech Minerals Limited
Statement of changes in equity
For the period ended 31 December 2021

	Issued capital \$	Share options \$	Foreign currency transaction reserves \$	Non- controlling interest \$	Retained profits \$	Total equity \$
Balance at 1 July 2020	29,323,052	208,335	(12,033)	410,666	(28,355,541)	1,574,479
Loss after income tax expense for the period	-	-	-	(410,666)	(1,926,943)	(2,337,609)
Other comprehensive income for the period, net of tax	-	-	12,033	-	-	12,033
Total comprehensive income for the period	-	-	12,033	(410,666)	(1,926,943)	(2,325,576)
<i>Transactions with owners in their capacity as owners:</i>						
Proceeds from capital raising	471,000	-	-	-	-	471,000
Shares swaps arrangement	125,000	-	-	-	-	125,000
Shares issued to directors	350,000	-	-	-	-	350,000
Capital raising charges	(158,155)	29,655	-	-	-	(128,500)
Balance at 30 June 2021	<u>30,110,897</u>	<u>237,990</u>	<u>-</u>	<u>-</u>	<u>(30,282,484)</u>	<u>66,403</u>
	Issued capital \$	Share option \$	Foreign currency transaction reserves \$	Non- controlling interest \$	Retained profits \$	Total equity \$
Balance at 1 July 2021	30,110,897	237,990	-	-	(30,282,484)	66,403
Profit after income tax expense for the period	-	-	-	-	621,098	621,098
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	621,098	621,098
<i>Transactions with owners in their capacity as owners:</i>						
Proceeds from capital raising	1,599,227	-	-	-	-	1,599,227
Shares issued to brokers	143,000	-	-	-	-	143,000
Capital raising charges	(216,897)	-	-	-	-	(216,897)
Balance at 31 December 2021	<u>31,636,227</u>	<u>237,990</u>	<u>-</u>	<u>-</u>	<u>(29,661,386)</u>	<u>2,212,831</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Greentech Minerals Limited
Statement of cash flows
For the period ended 31 December 2021

	Note	6 months ending 31 December 2021 \$	12 months ending 30 June 2021 \$
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(361,768)	(970,183)
Net cash used in operating activities		(361,768)	(970,183)
Cash flows from investing activities			
Payments for exploration and evaluation	3	-	(29,696)
Proceeds generated on disposal of discontinued operations		-	310,540
Net cash from investing activities		-	280,844
Cash flows from financing activities			
Net proceeds from issue of shares	4	1,495,330	342,500
Proceeds from borrowings		-	240,000
Net cash from financing activities		1,495,330	582,500
Net increase/(decrease) in cash and cash equivalents		1,133,562	(106,839)
Cash and cash equivalents at the beginning of the financial period		7,945	114,784
Cash and cash equivalents at the end of the financial period		<u>1,141,507</u>	<u>7,945</u>

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

Greentech Minerals Limited
Notes to the financial statements
31 December 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern

For the half-year ended 31 December 2021, the Group is reporting a total comprehensive income of \$621,098 incurred net cash outflows from operating activities of \$361,768 while holding net assets of \$2,212,833 as at that date. The half-year results are a significant change compared to the total comprehensive loss of \$2,325,576 reported for the year ended 30 June 2021.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlements of liabilities in the normal course of business over the next 12 months period for the following reasons:

- the Group being able to raise net capital of \$1,495,330 during the 6-month period ended 31 December 2021;
- the Board succeeding in disposing its interest in Sinoquartz Tech (Lianyungang) Co. Ltd on 25 November 2021, resulting in the lease liability of \$945,627 being de-recognised from the Group's consolidated balance sheet; and
- the Directors having prepared detailed budgets and cash flow forecasts which consider the Group's current and future working capital requirements allowing the Directors to closely monitor and control cash requirements of the Group.

However, the Directors are acutely aware that the continuing viability of the Group and its ability to continue as a going concern and to meet its debts and commitments as and when they fall due are contingent upon the Group being successful in raising additional sources of capital and to commence exploiting its tenement holdings.

After consideration of the above matters, the Directors believe it to be appropriate for the financial statements to be prepared on a going concern basis.

Basis of preparation

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

This 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 2021 and any public announcements made by the Group during the interim reporting period, in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The Report has been prepared on an accruals basis and is based on historical costs.

The same accounting policies and methods have been consistently applied by the Consolidated Entity in these interim financial statements as compared with the most recent annual financial statements.

Greentech Minerals Limited
Notes to the financial statements
31 December 2021

Note 2. Discontinued operations

Financial performance information

	6 months ending 31 December 2021 \$	12 months ending 30 June 2021 \$
Lease liability forgone on sale of subsidiary	945,626	-
Impairment charges incurred	-	(945,627)
Right of use asset depreciation expense	-	(244,750)
Separation fee paid	-	(310,540)
Caretaker expenditure incurred during the year	-	(394,935)
Lease liability interest charge	-	(44,710)
Total expenses	<u>945,626</u>	<u>(1,940,562)</u>
Profit/(loss) before income tax expense	945,626	(1,940,562)
Income tax expense	-	-
Profit/(loss) after income tax expense from discontinued operations	<u>945,626</u>	<u>(1,940,562)</u>

After 30 June 2021, the board initiated voluntary wind-up ('VA') proceedings relating to its Chinese subsidiaries, by formally engaging Chinese-based legal representation on 23 November 2021. Separate to these VA proceedings commencing, the board also formally disposed of its Chinese shareholding on 26 November 2021 to an independent external party, on specific non-recourse terms, to provide legal certainty to Greentech and resulting in all lease liabilities being derecognised from the Group's consolidated balance sheet, as of that date.

Note 3. Non-current assets - tenement assets

	31 December 2021 \$	30 June 2021 \$
Tenements: exploration and evaluation charges capitalised	<u>1,119,760</u>	<u>1,119,760</u>

The Group, together with ROM Resources, completed a resource estimate report relating to the Maydowns tenement on 22 July 2019. The latest report, compiled under the JORC framework, reconfirms the industrial quantities of high-quality quartz identified to 24 September 2019, confirming approximately 70,000 tons of commercial-grade product.

As of 28 October 2021, all tenements were confirmed to be in good standing in terms of all statutory obligations as required under the Mineral Resources Act 1989.

The Group's existing tenements may be subject to claim(s) under the Native Title (or jurisdictional equivalent) or contain sacred sites, or sites of significance to the indigenous people of Australia. As a result, exploration properties or areas within the tenements may be subject to exploration and mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of any such claims, if any.

Greentech Minerals Limited
Notes to the financial statements
31 December 2021

Note 4. Equity - issued capital

	31 December 2021 Shares	30 June 2021 Shares	31 December 2021 \$	30 June 2021 \$
Ordinary shares - fully paid	172,556,233	149,326,241	31,636,227	30,110,897
	<u>172,556,233</u>	<u>149,326,241</u>	<u>31,636,227</u>	<u>30,110,897</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	149,326,241		30,110,897
Pre-IPO Capital raise		21,323,032	\$0.075	1,599,227
Share issue to Service Providers		1,906,960	\$0.075	143,000
Capital raising costs allocated		-	-	(216,897)
Balance	31 December 2021	<u>172,556,223</u>		<u>31,636,227</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position.

Note 5. Equity - reserves

	31 December 2021 \$	30 June 2021 \$
Options reserve	<u>237,990</u>	<u>237,990</u>

Share option reserve

On 26 August 2021 an extraordinary meeting of shareholders passed a resolution to consolidate the outstanding options on a 1 for 3 basis and increase the exercise price from 20c to 30c and to extend the exercise date to 30 June 2023. This resolution has the effect of reducing the number of options from 71,945,000 to 23,981,667 on issue.

Greentech Minerals Limited
Notes to the financial statements
31 December 2021

Note 6. Equity - accumulated losses

	31 December 2021	30 June 2021
	\$	\$
Accumulated losses at the beginning of the financial period	(30,282,484)	(28,355,541)
Profit/(loss) after income tax expense for the period	621,098	(1,926,943)
	<u>(29,661,386)</u>	<u>(30,282,484)</u>

Note 7. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Note 8. Commitments

1) Joint Venture Farm-In agreement with MultiMines Pty Ltd

The consolidated entity has also entered into a JV Farm-In agreement with MultiMines Pty Ltd ("MM") in relation to EPM 25894 where MM will fund all exploration, including drilling and geologists reports and manage the process with identifiable outcomes in looking for minerals other than quartz such as copper, cobalt and other minerals under this mining licence.

For an expenditure commitment of up to \$100,000 MM will earn a 20% interest, leaving the consolidated entity with an 80% interest in any discovery.

This matter has remained unchanged since 30 June 2021.

2) Directors' fees

A committed liability remains for unpaid directors' fees dating back to 2018 amounting to \$135,416. (2020: 135,416). As approved at 2018 EGM the outstanding fees will be paid only upon the successful listing of Greentech on the ASX.

This matter has remained unchanged since 30 June 2021.

3) Payment to Millungera Energy Minerals Pty Ltd

An amount of \$ 350,000 is payable under the Millungera Energy Minerals Pty Ltd (MEM) Acquisition Agreement (the 'MEM Agreement'), subject to a liquidity event as defined in the agreement occurring, namely:

- (i) Yilgarn Minerals Limited's ordinary shares are listed on the ASX;
- (ii) a third party acquires all the capital of Yilgarn Minerals Limited's on acceptable commercial terms; and
- (iii) a third party acquires the related tenement on commercial terms acceptable to Yilgarn Minerals Limited.

This matter has remained unchanged since 30 June 2021.

4) Royalties payable to Millungera Energy Minerals Pty Ltd

A contingent liability exists for royalties payable to MEM in accordance with the Royalty Agreement, as outlined in the MEM Agreement. Royalties are payable at A\$10 per metric tonne of Quartz product for a five-year period from the date Quartz is first produced and sold. Once the cumulative quantum of royalty payments exceeds \$600,000, Royalties are payable at the greater of:

- (i) 1% of the sale price (ex GST) under US\$500 per metric tonne
- (ii) A\$10 per metric tonne of Quartz produced and sold by the Group where the sale price is equal to or greater than US\$500 per metric tonne

This matter has remained unchanged since 30 June 2021.

Greentech Minerals Limited
Notes to the financial statements
31 December 2021

Note 9. Events after the reporting period

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

Note 10. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest -	
		31 December 2021 %	30 June 2021 %
Millungera Energy Minerals Pty Ltd	Australia	100.00%	100.00%
Sinoquartz Tech (Lianyungang) Co. Ltd	Jiangsu Province / China	0%	100.00%
Sinoquartz Material (Lianyungang) Co. Ltd	Jiangsu Province / China	0%	70.00%

The Board sought to expedite the derecognition of the Chinese subsidiaries following its decision to focus on its Australian operations, resulting in the disposing of its interest in Sinoquartz Tech (Lianyungang) Co. Ltd on 25 November 2021, effectively resulting in the entire Chinese-based sub-group to no longer be part of the Greentech Minerals Limited group structure as of that date.

Millungera Energy Minerals Pty Ltd is currently not operationally active.

Note 11: Related party transaction

During the half year ended 31 December 2021, the following related party transactions have occurred:

The Company issued shares in lieu of fees to the following:

- 300,000 shares to Roman Resource Management Pty Ltd (an entity associated with Stephen Ross) for director fees in lieu of cash; and
- 100,000 shares to Terry Grace for company secretarial fees in lieu of cash.

The total value of these shares recognised is \$30,000 recognised in the consolidated statement of profit or loss and other comprehensive income as follows:

- Director fees - \$22,500
- Professional fees - \$7,500

Other than the above, there have been no material changes to the nature of related party transactions since 30 June 2021, including the regular director fees arising under existing arrangements.

Greentech Minerals Limited
Directors' declaration
31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards 134: Interim Financial Reporting and the Corporations Regulations 2001;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Group 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.

On behalf of the directors



Hugh Dai

20 January 2022

Greentech Minerals Limited

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Greentech Minerals Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated 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, consolidated statement of changes in equity and 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 half-year financial report of Greentech Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 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 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.

Responsibility of Management for the Financial Report

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

Auditor's Responsibilities for the Review of the 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 Company'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*.

ACCOUNTANTS & ADVISORS

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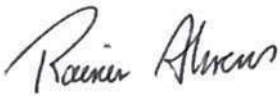
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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit 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.



William Buck
Accountants & Advisors
ABN: 16 021 300 521



Rainer Ahrens
Partner

Sydney, 20 January 2022