



BOSS
ENERGY LTD

ACN 116 834 336

Financial Results
Half-Year ended 31 December 2021

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Corporate Directory

DIRECTORS	Mr Peter O'Connor Mr Duncan Craib Mr Bryn Jones Mr Wyatt Buck Ms Jan Honeyman	Non-Executive Chairman Managing Director Non-Executive Director Non-Executive Director Non-Executive Director
COMPANY SECRETARY	Mr Mathew O'Hara	
PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	Suite 3, Churchill Court 234 Churchill Avenue Subiaco WA 6008 Ph: +61 8 6263 4494 Website: www.bossenergy.com Twitter: @Boss_Energy Email: boss@bossenergy.com	
AUDITORS	KPMG 235 St George's Terrace Perth WA 6000	
STOCK EXCHANGE LISTINGS	Australian Securities Exchange (ASX Code: BOE) OTCQX Market (OTCQX Code: BQSSF)	
SHARE REGISTRY	Automic Registry Services Level 5, 126 Phillip Street Surry Hills NSW 2000 Ph: +61 2 9698 5414	

Directors' Report

The Directors present their report on the Group (consisting of Boss Energy Limited and the entities it controlled) at the end of, or during, the half-year ended 31 December 2021. Boss Energy Limited changed its name from Boss Resources Limited on 18 November 2020.

Directors

The names of the Directors in office at any time during or subsequent to the reporting period are:

Mr Peter O'Connor	(Non-Executive Chairman)
Mr Duncan Craib	(Managing Director)
Mr Bryn Jones	(Non-Executive Director)
Mr Wyatt Buck	(Non-Executive Director)
Ms Jan Honeyman	(Non-Executive Director – appointed 21 February 2022)
Mr Dudley Kingsnorth	(Non-Executive Director – resigned 30 November 2021)

Operating Results

The profit for the Group for the half-year ended 31 December 2021 was \$15.90 million (31 December 2020: loss of \$1.67 million).

The net assets of the Group increased during the half-year period by \$16.18 million to \$101.64 million. (30 June 2021: \$85.46 million).

The Group's working capital, being current assets less current liabilities, was \$17.47 million at 31 December 2021 (30 June 2021: \$20.41 million).

Principal Activities and Review of Operations

Boss Energy Limited (**Boss** or the **Company**) is pleased to report on the strong progress it made during the half-year towards its goal of being Australia's next uranium producer at its Honeymoon Project in South Australia (**Honeymoon**). Honeymoon is unique because it is a fully permitted uranium operation with an export licence and \$170 million of established infrastructure, a plant under care & maintenance, in good condition, that has produced and exported uranium from the safe jurisdiction of South Australia, where it holds approved Heritage and Native Title mining agreements.

Following release of the highly successful Enhanced Feasibility Study for Honeymoon in June 2021, Boss has rapidly advanced key workstreams in line with its strategy to ensure Honeymoon is as close as practicably possible to re-starting production once the Company determines that the uranium price makes it commercially desirable to do so.

Expansion of Owner's Team

During the half-year, Boss continued to grow its in-house expertise with the appointment of Jonathan Owen as Project Manager of Honeymoon's restart. Joining the established process plant Owners' Team of Trevor Robinson (Process Manager), Merrill Ford (NIMCIX Specialist) and Jeremy Green (Structural Engineer), Mr Owen brings a strong focus on integrating Owners' Team skills and project EPC execution. South Australian-based Ben Jeuken (GM Wellfield and Resources) and Jason Cherry (Geology Manager)

Directors' Report

further complement this team to provide more focus on resource and wellfield development. Boss deemed it important to move quickly to secure key personnel to deliver a detailed project execution plan to ensure wellfield development and construction activities on Honeymoon's restart. With much of the expertise now in-house, several key milestones in preparation for production development are progressing rapidly.

Engineering Process and Project Execution Plan

During the period, the Company continued the critical planning tool of Front-End Engineering Design (FEED) studies. At the time of writing this work was on target to finish by 31 March 2022. This will allow detailed design to commence immediately after an FID is made. Boss also approved the Project Execution Plan for Honeymoon's restart, which outlines the objectives, processes and strategies to be employed by the Company's personnel and appointed EPCM Engineer. This plan will also establish a framework to ensure that project expectations and key performance indicators are met. The Piping and Instrumentation diagrams are also now finalised, a total of 95 diagrams.

Well Design Optimisation

Honeymoon's wellfields have been planned over the mineable resource. Wellfield pattern radii are varied to suit the orebody morphology and achieve an economic wellfield development cost-per-pound of uranium.

A detailed review of the high-grade Historic Wellfields has revealed that of the existing near-mine Wellfields A B and C, only 28% (0.7 Mlbs) of the total uranium resource was produced. The findings show that the previous wells were constructed with standard water supply well technology which failed to accurately target the mineralised horizons. The primary reason for the incomplete leaching of the basal sand resource is that wellfields had been constructed using methods applicable to agricultural water supply wells. Such designs comprised PVC Pipe installed to the top of the approximate mineralisation. The well was then drilled to depth and a stainless-steel mesh screen was telescoped into the approximate position of the mineralisation.

Honeymoon's wellfields are now designed with a very precise production zone that directs the injected leach solution into contact with the target ore horizons. The opening between the well and the ore horizon is precisely cut (under-reamed) out of a sealed PVC bore casing. This well design is standard In-Situ Recovery technology used globally, representing a significant enhancement over the previous the previous wellfields.

Exploration Activities

The Company's focus on exploration is aimed at increasing Honeymoon's production profile and extending its mine life. The strategy is two-fold:

1. Targeting the greenfields exploration prospects to further advance current identified zones of potential high-grade mineralisation; and
2. Upgrading the satellite JORC resources of the Jason's and Gould's Dam Deposits.

During the half-year, Boss announced the successful combination of passive seismic and trial surveys of the modern seismic reflection as the last step of geophysical data integration before mobilisation of drill rigs, with all new surface exploration information continuously integrated with all other available geoscientific datasets. This includes the collation of all AEM, magnetics, gravity and radiometric survey

Directors' Report

data, all available geochemical surface sampling data, and the comprehensive suite of 3D geological models created since 2018.

This combination of all datasets is critical to the ongoing development and progression of any exploration project. Resulting interpretations were utilised to support the ongoing exploration field season, with continued introduction of innovative exploration alternatives for palaeovalley definition, smarter drill target generation, and the eventual growth of existing uranium JORC mineral resources (currently totalling 71.6Mlbs U₃O₈)¹.

The first phase of exploration drilling, which as part of the Company's Accelerated Discovery Initiative, was completed in December 2021, comprising 37 rotary mud holes for 4,448m. The drilling intersected mineralisation outside the current JORC Resource, with intersections including² (PRN results, ppm U₃O₈):

- **BMR109** (Brooks Dam North): **2.25m @ 774ppm pU₃O₈** from 82.25m (GT = 1,742 m.ppm)
- **BMR113** (Jason's South): **2.00m @ 907ppm pU₃O₈** from 110.00m (GT = 1,814 m.ppm)
- **BMR108** (Brooks Dam North): **1.00m @ 1,727ppm pU₃O₈** from 99.50m (GT = 1,727 m.ppm)
- **BMR092** (Brooks Dam Ext): **1.50m @ 903ppm pU₃O₈** from 113.25m (GT = 1,355 m.ppm)
- **BMR120** (Jason's South): **0.75m @ 1,715ppm pU₃O₈** from 105.00m (GT = 1,286 m.ppm)

A cultural heritage clearance survey was also carried out within the Eastern Region tenements in late December 2021 with 8 representatives from the Ngadjuri Adnyamathanha Wilyakali Native Title Aboriginal Corporation. The survey was designed to cover several key priority areas for future exploration and infill drilling, including the Jason's resource area, Brooks Dam, Brooks Dam North, Eaglehawk Dam and East Kalkaroo Extension. The Company would like to thank the Traditional Owners and all others involved in the organisation and execution of what was a very successful clearance survey.

With the successful completion of the first phase of exploration drilling and heritage clearance survey, in combination with ongoing drill data interpretation and modelling, Boss Energy has now commenced planning for both the second phase of exploration drilling (scheduled for March 2022), and resource infill drilling of the satellite deposit at Jason's, which is proposed for the 2022 field season.

Corporate Activities

The Company announced that it had entered into an exploration earn-in agreement with global mining company First Quantum Minerals Ltd (TSE: FM) (**FQM**), in respect to base and precious metal rights over five tenements within the Honeymoon Uranium Project in South Australia.

Under the terms of the agreement, which relates to the base and precious metals rights over five tenements at Boss' Honeymoon Uranium Project, FQM will fund an initial base and precious metals exploration program. The agreement provides FQM with the right to earn a 51% interest in any base or precious metal discovery at Honeymoon by spending \$6m on exploration and a further 24% interest by sole-funding expenditure up until a Decision to Mine.

FQM is a significant Canadian-listed group operating eight mines across four continents producing copper, nickel, and gold with an additional three mines under development. With a proven track record in discovering and developing deposits, Boss considers FQM an ideal partner in the exploration and potential development of any base or precious metal discoveries at Honeymoon.

¹ Refer ASX announcement dated 25 February 2019.

² Refer ASX announcement dated 2 February 2022.

Directors' Report

Following shareholder approval, received at the 2021 Annual General Meeting, the Company completed a consolidation of its share capital at a ratio of one-for-eight, reflecting Boss' ongoing strategy to generate increasing ownership of its stock among leading global institutional investors.

The Company also announced that its shares had begun trading on the OTCQX Best Market in the US, having been upgraded from trading on the OTCQB Venture Market where they had been trading since August 2021.

During the half-year, Mr Dudley Kingsnorth resigned from the Board and Ms Jan Honeyman was appointed as a Non-Executive Director on 21 February 2022.

Events Subsequent to the Reporting Period

The following subsequent events have occurred following the end of the half-year:

- On 10 February 2022, the Company announced that it had entered into an agreement with FQM in respect to base and precious metal rights over five tenements within the Honeymoon Uranium Project in South Australia. The agreement provides FQM with the right to earn a 51% interest in any base or precious metal discovery at Honeymoon by spending \$6m on exploration and a further 24% interest by sole-funding expenditure up until a Decision to Mine;
- On 16 February 2022, the Company announced that its shares had begun trading on the OTCQX Best Market in the US, having been upgraded from trading on the OTCQB Venture Market where they had been trading since August 2021; and
- On 21 February 2022, the Company announced the appointment of Jan Honeyman as a Non-Executive Director.

Other than disclosed above, between the end of the half-year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinions of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Honeymoon Project Mineral Resource (lower cut-off of 250 ppm U₃O₈)

Classification	Tonnage (Million Tonnes)	Average Grade (ppm U ₃ O ₈)	Contained Metal (Mkg, U ₃ O ₈)	Contained Metal (Mlb, U ₃ O ₈)
Measured	3.1	1,100	3.4	7.6
Indicated	18.4	630	12.0	25.5
Inferred	30.9	570	18.0	38.5
Total	52.4	620	32.5	71.6

Directors' Report

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included within this financial report.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.



Peter O'Connor

Chairman

DATED at PERTH this 14th day of March 2022

Competent Person's Statement

In relation to the results of the Enhanced Feasibility Study announced 21 June 2021, the Company confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

The mineral resource estimates in this report were reported by the Company in accordance with ASX listing rule 5.8 on 25 February 2019. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed.

The historical exploration results referred to in this report were reported by the Company in accordance with listing rule 5.7 on 2 February 2022. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms the form and context of the Competent Person's finding are presented

This announcement includes forward-looking statements. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties, and other factors, many of which are outside the control of Boss Energy, which could cause actual results to differ materially from such statements. Boss Energy makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.



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

To the Directors of Boss Energy Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Boss Energy Ltd for the half-year ended 31 December 2021 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.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG

A handwritten signature of Derek Meates, written in blue ink.

Derek Meates
Partner

Perth

14 March 2022

Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2021

	Note	Consolidated	
		Half-Year ended 31 December 2021 \$	Half-Year ended 31 December 2020 \$
Revenue			
Interest revenue		29,107	56,196
Gain on investment in uranium and financial assets	2	18,821,419	173,826
Other income	2	152,235	52,235
Expenses			
Employees and consultants		(1,292,216)	(645,743)
Professional and service fees		(332,418)	(128,861)
Exploration and evaluation expenditure		(930,048)	(381,044)
Financing charges		(55,975)	(67,079)
Share based payments expense		(280,536)	(569,700)
Other expenses	2	(212,230)	(161,722)
Profit/(loss) before income tax expense		15,899,338	(1,671,892)
Income tax expense		-	-
Profit/(loss) after income tax expense for the half-year		15,899,338	(1,671,892)
Other comprehensive income for the half year, net of tax		-	-
Total comprehensive profit/(loss) for the half-year		15,899,338	(1,671,892)
Basic earnings/(loss) per share (cents per share)		5.58	(0.79)
Diluted earnings/(loss) per share (cents per share)		5.33	(0.79)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2021

		Consolidated	
	Note	31 December 2021 \$	30 June 2021 \$
Current Assets			
Cash and cash equivalents		18,310,531	20,873,411
Trade and other receivables		114,818	1,158
Other assets		78,181	28,369
Total Current Assets		<u>18,503,530</u>	<u>20,902,938</u>
Non-Current Assets			
Plant and equipment		36,797	50,801
Investment in uranium	3	72,577,867	53,872,850
Other financial assets	4	8,957,463	9,461,801
Exploration and evaluation expenditure	5	11,512,170	10,584,340
Total Non-Current Assets		<u>93,084,297</u>	<u>73,969,792</u>
TOTAL ASSETS		<u>111,587,827</u>	<u>94,872,730</u>
Current Liabilities			
Trade and other payables	6	894,739	350,097
Provisions		136,167	145,586
Total Current Liabilities		<u>1,030,906</u>	<u>495,683</u>
Non-Current Liabilities			
Restoration provision		8,917,463	8,917,463
Total Non-Current Liabilities		<u>8,917,463</u>	<u>8,917,463</u>
TOTAL LIABILITIES		<u>9,948,369</u>	<u>9,413,146</u>
NET ASSETS		<u>101,639,458</u>	<u>85,459,584</u>
Equity			
Issued capital	7	151,617,044	151,617,044
Reserves		11,055,248	10,774,712
Accumulated losses		(61,032,834)	(76,932,172)
TOTAL EQUITY		<u>101,639,458</u>	<u>85,459,584</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Half-Year Ended 31 December 2021

Consolidated	Issued Capital	Accumulated Losses	Share Based Payment Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	151,617,044	(76,932,172)	10,774,712	85,459,584
Profit after income tax expense for the half-year	-	15,899,338	-	15,899,338
Total comprehensive profit for the half-year	-	15,899,338	-	15,899,338
Share based payments	-	-	280,536	280,536
Balance at 31 December 2021	151,617,044	(61,032,834)	11,055,248	101,639,458
Balance at 1 July 2020	79,306,493	(77,796,921)	10,555,412	12,064,984
Loss after income tax expense for the half-year	-	(1,671,892)	-	(1,671,892)
Total comprehensive loss for the half-year	-	(1,671,892)	-	(1,671,892)
Shares issued during the half-year	15,275,705	-	-	15,275,705
Capital raising costs	(807,833)	-	-	(807,833)
Share based payments	350,400	-	219,300	569,700
Balance at 31 December 2020	94,124,765	(79,468,813)	10,774,712	25,430,664

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Half-Year Ended 31 December 2021

	Consolidated	
	Half-Year ended 31 December 2021 \$	Half-Year ended 31 December 2020 \$
Cash flows from operating activities		
Payments to suppliers and employees	(1,729,172)	(991,146)
Payments for mineral exploration and evaluation	(736,598)	(735,622)
Proceeds from government grants and tax incentives	150,000	50,000
Interest received	23,504	47,606
Net cash used in operating activities	<u>(2,292,266)</u>	<u>(1,629,162)</u>
Cash flows from investing activities		
Payments for project pre-development activities	(923,694)	(541,336)
Payments for plant and equipment	(2,189)	(7,086)
Payments associated with investment in uranium	(367,252)	-
Proceeds from disposal of financial assets	1,018,995	-
Proceeds on disposal of plant and equipment	2,235	2,235
Net cash used in by investing activities	<u>(271,905)</u>	<u>(546,187)</u>
Cash flows from financing activities		
Repayment of promissory note and interest	-	(350,334)
Net (costs)/proceeds from equity issues	-	14,467,873
Net cash provided by/(used in) financing activities	<u>-</u>	<u>14,117,539</u>
Net increase/(decrease) in cash	<u>(2,564,171)</u>	<u>11,942,190</u>
Cash at beginning of the period	20,873,411	3,822,329
Exchange differences on cash and cash equivalents	1,291	2
Cash at the end of the financial half-year	<u>18,310,531</u>	<u>15,764,521</u>

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the Half-Year Ended 31 December 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose interim financial statements of Boss Energy Limited (**Boss** or the **Company**) and controlled entities (**Group**) for the half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Act 2001*. 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'.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by Boss during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2021

In the period 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 and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group.

Standards and interpretations in issue not yet effective

The directors have also reviewed all of the new and revised standards and interpretations in issue not yet effective for the half-year ended 31 December 2021.

As a result of this review, the directors have determined that there will be no material impact of these standards and interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

Notes to the Financial Statements For the Half-Year Ended 31 December 2021

NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES

	Consolidated	
	Half-Year ended 31 December 2021 \$	Half-Year ended 31 December 2020 \$
Other income		
Government grants received	150,000	50,000
Other	2,235	2,235
	152,235	52,235
Gain on investment in uranium and financial assets		
Increase in fair value of listed investment	439,574	173,826
Increase in fair value of investment in uranium	18,705,017	-
Expenses associated with investment in uranium	(323,172)	-
	18,821,419	173,826
Other expenses		
Depreciation	(16,192)	(59,808)
Other expenses	(196,038)	(101,914)
	(212,230)	(161,722)

NOTE 3: INVESTMENT IN URANIUM

	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Balance at beginning of period	53,872,850	-
Purchase of uranium – cost	-	49,870,610
Gain on investment in uranium	18,705,017	4,002,240
Carrying amount at end of the period	72,577,867	53,872,850

During the year ended 30 June 2021, the Company entered two binding contracts to purchase a total amount of 1.25 million pounds of U₃O₈ at an average price of US\$30.15/lb. On 30 April 2021, the Company took delivery of 0.25 million pounds of U₃O₈ resulting in an increase in US\$7,537,500 (A\$9,938,687) on the Company's investment in uranium at the time of purchase. On 30 June 2021, the Company took delivery of the remaining 1 million pounds of U₃O₈ resulting in an increase in US\$30,150,000 (A\$39,754,747) on the Company's investment in uranium at the time of purchase. The Company incurred costs of A\$177,176 in relation to the investment in uranium.

Notes to the Financial Statements

For the Half-Year Ended 31 December 2021

NOTE 3: INVESTMENT IN URANIUM (CONTINUED)

The investment in uranium is held for long-term capital appreciation. Due to the lack of specific AASB guidance on accounting for investments in uranium the Directors consider that measuring the investment in uranium at fair value provides information that is most relevant to the economic decision-making of users. Consequently, the investment in uranium is presented at fair value through profit and loss which reflects that the nature of the investment being held is for long-term capital appreciation.

As at 31 December 2021, the spot price of uranium was US\$42.13 per pound. Using a USD/AUD exchange rate of 0.7256, this resulted in a gain on the investment in uranium over the six-month period of \$18,705,017. All uranium owned by the Company is stored at the ConverDyn Facility in Metropolis, Illinois.

NOTE 4: OTHER FINANCIAL ASSETS

	Consolidated	
	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Security bonds	8,957,463	8,882,380
Financial assets – at fair value through profit or loss	-	579,421
	<u>8,957,463</u>	<u>9,461,801</u>
Movement in listed investments at fair value:		
Opening fair value at beginning of period	579,421	54,430
Increase in fair value of listed investment	439,574	524,991
Proceeds from sale of listed investments	(1,018,995)	-
Closing fair value at end of period	<u>-</u>	<u>579,421</u>
Movement in security bonds:		
Opening value	8,882,380	8,882,380
Increase in security bonds	75,083	-
Closing value	<u>8,957,463</u>	<u>8,882,380</u>

Listed investments at fair value comprise an investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of listed investments at fair value are recognised in profit or loss. During the half year, the Company sold all its listed investments with total proceeds from sale being \$1,018,995.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks, with at least 'A' credit rankings, and the Department for Energy and Mining. No impairment provisions are recognised for security bonds as they are expected to be fully recoverable.

Notes to the Financial Statements For the Half-Year Ended 31 December 2021

NOTE 5: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Balance at the beginning of the period	10,584,340	8,813,373
Exploration expenditure incurred	927,830	1,674,863
Increase in associated restoration provision	-	96,104
Balance at the end of the period	<u>11,512,170</u>	<u>10,584,340</u>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. The balance of capitalised exploration and evaluation expenditure as at 31 December 2021 of \$11,512,170 (30 June 2021: \$10,584,340) solely reflects expenditure incurred on Honeymoon (ML6109).

Notes to the Financial Statements For the Half-Year Ended 31 December 2021

NOTE 6: TRADE AND OTHER PAYABLES

	Consolidated	
	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Trade payables	512,934	93,649
Accrued expenses	381,805	256,448
	894,739	350,097

NOTE 7: ISSUED CAPITAL

Issued capital – share options issued for cash	1,000	1,000
Issued capital – fully paid ordinary shares	151,616,044	151,616,044
	151,617,044	151,617,044
Ordinary Shares	Number	\$
Balance at 1 July 2021	2,278,276,306	151,616,044
Shares issued on 2-Nov-2021 following exercise of Unquoted Options	5,564,516	-
Completion of Capital Consolidation*	(1,998,360,003)	-
Balance at 31 December 2021	285,480,819	151,616,044

*On 24 November 2021, at the Company's 2021 Annual General Meeting, shareholders approved the consolidation of the Company's issued capital on the basis that every 8 Shares be consolidated into 1 Share.

Notes to the Financial Statements

For the Half-Year Ended 31 December 2021

NOTE 8: CONTINGENT LIABILITIES AND COMMITMENTS

There has been no change in contingent liabilities since 30 June 2021. The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted, or joint venture agreements amended.

The exploration commitments disclosed below represent the Group's expected expenditure commitments for the exploration licences it holds as at the date of this Report.

	Consolidated	
	Half-Year ended 31 December 2021 \$	Year ended 30 June 2021 \$
Exploration expenditure		
Less than 12 months	390,000	390,000
12 months to 5 years	3,000,000	3,000,000
	<u>3,390,000</u>	<u>3,390,000</u>
Corporate and administration		
Less than 12 months	445,654	302,377
12 months to 5 years	-	-
	<u>445,654</u>	<u>302,377</u>

NOTE 9: DIVIDENDS

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

Notes to the Financial Statements

For the Half-Year Ended 31 December 2021

NOTE 10: SEGMENT REPORTING

The Group is organised into one operating segment, focused on conducting exploration and technical studies on tenements considered prospective for uranium in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources. As a result, the operating segment information for the half-year ended 31 December 2021 is as disclosed in the statements and notes to the financial statements throughout the report.

Although the Company has one operating segment in Australia, all uranium owned by the Company, being 1.25 million pounds, is currently stored at the ConverDyn Facility in Metropolis, Illinois.

NOTE 11: EVENTS SUBSEQUENT TO BALANCE DATE

The following subsequent events have occurred following the end of the half-year:

- On 10 February 2022, the Company announced that it had entered into an agreement with FQM in respect to base and precious metal rights over five tenements within the Honeymoon Uranium Project in South Australia. The agreement provides FQM with the right to earn a 51% interest in any base or precious metal discovery at Honeymoon by spending \$6m on exploration and a further 24% interest by sole-funding expenditure up until a Decision to Mine;
- On 16 February 2022, the Company announced that its shares had begun trading on the OTCQX Best Market in the US, having been upgraded from trading on the OTCQB Venture Market where they had been trading since August 2021; and
- On 21 February 2022, the Company announced the appointment of Jan Honeyman as a Non-Executive Director.

Other than disclosed above, between the end of the half-year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinions of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Directors' Declaration

In the opinion of the Directors of Boss Energy Limited:

1. The financial statements and notes, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year then ended.
2. 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 signed in accordance with a resolution by the Board of Directors made pursuant to section 303(3)(a) of the Corporations Act 2001.



Peter O'Connor

Chairman

DATED at PERTH this 14th day of March 2022



Independent Auditor's Review Report

To the shareholders of Boss Energy Ltd

Report on the Financial Results Report

Conclusion

We have reviewed the accompanying **Financial Results Report** of Boss Energy Ltd.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Financial Results Report of Boss Energy Ltd 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 2021 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 **Financial Results Report** comprises:

- Statement of financial position as at 31 December 2021.
- Statement of profit or loss and other comprehensive income, Statement of changes in equity and Statement of cash flows for the Half-year ended on that date.
- Notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information.
- The Directors' Declaration.

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

The **Half Year** is the 6 months ended on 31 December 2021.

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 these requirements.



Responsibilities of the Directors for the Financial Results Report

The Directors of the Company are responsible for:

- the preparation of the Financial Results 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 Financial Results 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 Results Report

Our responsibility is to express a conclusion on the Financial Results 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 Financial Results 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 2021 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

14 March 2022