

# **Larvotto Resources Limited and controlled entities**

**ABN 16 645 596 238**

**Interim financial report for the half-year ended 30 June 2022**

**Larvotto Resources Limited**  
**Corporate Directory**  
**30 June 2022**

Directors	Mr Ronald Heeks - Managing Director and Chief Executive Officer Mr Mark Tomlinson - Non-Executive Director and Chair Ms Anna Nahajski-Staples - Non-Executive Director
Company secretary	Ms Suzanne Irwin
Registered office	136 Stirling Highway Nedlands WA 6009
Principal place of business	136 Stirling Highway Nedlands WA 6009
Share Register	Automic Group Leve 5, 191 St George Terrace Perth WA 6000 Telephone: 1300 288 664
Stock Exchange Listing	Larvotto Resources Limited shares are listed on the Australian Securities Exchange (ASX code: LRV)
Auditor	Nexia Perth Audit Services Pty Ltd Level 3, 88 William Street Perth WA 6000
Website	<a href="https://www.larvottoresources.com/">https://www.larvottoresources.com/</a>

**Larvotto Resources Limited**  
**Directors' report**  
**30 June 2022**

The directors present their Interim financial report, together with the financial statements, on the consolidated entity (referred to hereafter as the Consolidated Entity) consisting of Larvotto Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2022.

**Directors**

The following persons were directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

Ronald Heeks - Managing Director and Chief Executive Officer  
Mark Tomlinson - Non-Executive Director and Chair  
Anna Nahajski-Staples - Non-Executive Director

**Principal activities**

Larvotto Resources Limited was established on 2 November 2020, to advance exploration and development projects in both Australia and overseas. The Company, via its Subsidiaries, has entered into agreements under which it has acquired interest in the following projects:

- The Eyre project comprising five granted exploration licences and one exploration licence application, located in Norseman in Western Australia (the Eyre Project) (100%);
- The Ohakuri project comprising one granted exploration permit located in Rotorua, New Zealand (the Ohakuri Project) (up to 75%); and
- The Mt Isa Copper project comprising eleven granted exploration permits located in the Mt Isa region in Queensland (Mt Isa Copper Project) (100%).

**Dividends**

There were no consolidated dividends paid or declared during the half-year ended 30 June 2022.

**Review of operations**

The consolidated loss after providing for income tax, for half-year ended 30 June 2022, for the Consolidated Entity amounted to \$1,249,859 (2021: \$818,933).

The consolidated loss for the half-year ended 30 June 2022 is consistent with the principal activities of the Consolidated Entity with no revenue-generating activities.

**Going Concern**

The Interim financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

The Consolidated Entity has reported a loss for the half-year of \$1,249,859 (2021: \$818,933) and a cash outflow from operating activities of \$1,165,318 (2021: \$689,708).

At the end of the half year, the Consolidated Entity had \$3,390,523 (31 December 2021: \$4,673,278) in cash and cash equivalents.

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

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds as necessary. In the event that the Consolidated Entity is not successful in managing the discretionary expenditure as well as in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the interim financial report.

**Matters subsequent to the end of the half-year ended 30 June 2022**

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

**Larvotto Resources Limited**  
**Directors' report**  
**30 June 2022**

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink that reads "Ron Heeks". The signature is written in a cursive style with a large initial 'R'.

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Ronald Heeks  
Managing Director

12 September 2022  
Perth

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

To the Directors of Larvotto Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 30 June 2022 there have been:

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

Yours sincerely



**Nexia Perth Audit Services Pty Ltd**



**Muranda Janse Van Nieuwenhuizen**

Director

Perth

12 September 2022

### Nexia Perth

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## Larvotto Resources Limited

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### General information

The consolidated financial statements cover Larvotto Resources Limited as a Consolidated Entity consisting of Larvotto Resources and the entities it controlled at the end of, or during, the half-year ended 30 June 2022. The consolidated financial statements are presented in Australian dollars, which is Larvotto Resources Limited's functional and presentation currency.

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

#### Registered office

136 Stirling Highway  
Nedlands  
Western Australia 6009

#### Principal place of business

136 Stirling Highway  
Nedlands  
Western Australia 6009

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 September 2022.

**Larvotto Resources Limited**  
**Condensed consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 30 June 2022**

	Note	Consolidated 30 June 2022 \$	30 June 2021 \$
<b>Expenses</b>			
Administration and corporate costs	4	(657,826)	(713,413)
Exploration expenditure	5	(592,033)	(105,520)
Total expenses		<u>(1,249,859)</u>	<u>(818,933)</u>
<b>Loss before income tax expense</b>		(1,249,859)	(818,933)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		(1,249,859)	(818,933)
<b>Other comprehensive income</b>			
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive loss for the half-year</b>		<u>(1,249,859)</u>	<u>(818,933)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	13	(2.24)	(4.46)
Diluted earnings per share	13	(2.24)	(4.46)

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

**Larvotto Resources Limited**  
**Condensed consolidated statement of financial position**  
**As at 30 June 2022**

	Note	Consolidated 30 June 2022 \$	31 December 2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		3,390,523	4,673,278
Trade and other receivables		87,310	89,622
Related part receivables		-	27,500
<b>Total current assets</b>		<u>3,477,833</u>	<u>4,790,400</u>
<b>Non-current assets</b>			
Plant & Equipment		144,430	18,733
Exploration and evaluation expenditure		1,077,370	1,092,370
<b>Total non-current assets</b>		<u>1,221,800</u>	<u>1,111,103</u>
<b>Total Assets</b>		<u>4,699,633</u>	<u>5,901,503</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	6	<u>143,531</u>	<u>234,912</u>
<b>Total current liabilities</b>		<u>143,531</u>	<u>234,912</u>
<b>Total liabilities</b>		<u>143,531</u>	<u>234,912</u>
<b>Net assets/(liabilities)</b>		<u>4,556,102</u>	<u>5,666,591</u>
<b>Equity</b>			
Contributed equity	7	7,165,691	7,165,691
Reserves		110,553	75,183
Accumulated loss		<u>(2,720,142)</u>	<u>(1,574,283)</u>
<b>Total equity/(deficiency)</b>		<u>4,556,102</u>	<u>5,666,591</u>

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



**Larvotto Resources Limited**  
**Condensed consolidated statement of changes in equity**  
**As at 30 June 2022**

	Note	Contributed equity \$	Share based payment reserve \$	Accumulated losses \$	Differences in currency translation \$	Total equity \$
<b>Consolidated - 2022</b>						
Balance at 1 January 2022		7,165,691	75,183	(1,574,283)	-	5,666,591
Loss after income tax expense for the half-year		-	-	(1,249,859)	-	(1,249,859)
Other comprehensive income for the half-year, net of tax		-	-	-	-	-
Total comprehensive income for the half-year		-	-	(1,249,859)	-	(1,249,859)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	7	-	-	-	-	-
Share based payments	14	-	37,637	104,000	-	141,637
Translation currency difference		-	-	-	(2,267)	(2,267)
Balance at 30 June 2022		<u>7,165,691</u>	<u>112,820</u>	<u>(2,720,142)</u>	<u>(2,267)</u>	<u>4,556,102</u>
<b>Consolidated - 2021</b>						
		Contributed equity \$	Share based payment reserve \$	Accumulated losses \$	Differences in currency translation \$	Total equity \$
Balance at 1 January 2021		6,000	-	(62,241)	-	(56,241)
Loss after income tax expense for the half-year		-	-	(818,933)	-	(818,933)
Other comprehensive income for the half-year, net of tax		-	-	-	-	-
Total comprehensive loss for the half-year		-	-	(818,933)	-	(818,933)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs		996,250	-	-	-	996,250
Balance at 30 June 2021		<u>1,002,250</u>	<u>-</u>	<u>(881,174)</u>	<u>-</u>	<u>121,076</u>

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

**Larvotto Resources Limited**  
**Condensed consolidated statement of cash flows**  
**For the half-year ended 30 June 2022**

	<b>Note</b>	<b>Consolidated</b>	<b>30 June</b>	<b>30 June</b>
		<b>2022</b>	<b>2021</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>				
Payments to suppliers and employees (inclusive of GST)		(473,459)	(689,708)	
Payments for exploration and evaluation expenditure (inclusive of GST)		(691,859)	-	
Net cash used in operating activities	12	<u>(1,165,318)</u>	<u>(689,708)</u>	
<b>Cash flows from investing activities</b>				
Refund for exploration & evaluation		15,000	-	
Payments for property, plant, and equipment		(132,437)	(19,923)	
Net cash used in investing activities		<u>(117,437)</u>	<u>(19,923)</u>	
<b>Cash flows from financing activities</b>				
Proceed from shares issue		-	868,500	
Share issue transaction costs		-	(23,750)	
Net cash used in financing activities		<u>-</u>	<u>844,750</u>	
Net increase/(decrease) in cash and cash equivalents		(1,282,755)	135,119	
Cash and cash equivalents at the beginning of the financial half-year		<u>4,673,278</u>	<u>130,000</u>	
Cash and cash equivalents at the end of the financial half-year		<u><u>3,390,523</u></u>	<u><u>265,119</u></u>	

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

## **Note 1. General information**

The consolidated financial statements are presented in Australian dollars, which is Larvotto Resources Limited's functional and presentation currency.

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

136 Stirling Highway  
Nedlands  
WA 6009

A description of the nature of the Consolidated Entity'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 12 September 2022.

## **Note 2. Significant accounting policies**

These general purpose consolidated financial statements for the half-year ended 30 June 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These consolidated general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these consolidated financial statements are to be read in conjunction with the Annual report for the year ended 31 December 2021.

The principal accounting policies adopted are consistent with those of the previous financial period and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards**

The Consolidated Entity 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**

The Interim financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

The Consolidated Entity has reported a loss for the half-year of \$1,249,859 (2021: \$818,933) and a cash outflow from operating activities of \$1,165,318 (2021: \$689,708).

At the end of the half year, the Consolidated Entity had \$3,390,523 (31 December 2021: \$4,673,278) in cash and cash equivalents.

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

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds as necessary. In the event that the Consolidated Entity is not successful in managing the discretionary expenditure as well as in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the interim financial report.

**Note 2. Significant accounting policies (continued)**

**Principal of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Larvotto Resources Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the half-year then ended. Larvotto Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances, and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*

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

**Note 4. Administration and corporate costs**

	<b>Consolidated</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Employment expenses*	268,968	166,945
Corporate expenses	338,970	182,954
<i>General expenses</i>	44,167	39,772
Occupancy and outgoing expenses	5,721	5,660
Capital structuring costs	-	318,082
	<u>657,826</u>	<u>713,413</u>

\*Employment expenses included \$141,637 related to share based payment. Refer to note 14.

**Note 5. Exploration expenditure**

	<b>Consolidated</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Exploration expenses – Highlands project	316,601	45,564
Exploration expenses – Eyre project	125,890	26,568
Exploration expenses – Ohakuri project	149,542	33,388
	<u>592,033</u>	<u>105,520</u>

**Note 6. Current liabilities – Trade and other payable**

	<b>Consolidated</b>	
	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
Trade and Other payables	131,031	221,573
Accrued expenses	12,500	13,339
	<u>143,531</u>	<u>234,912</u>
	<u>143,531</u>	<u>234,912</u>

**Note 7. Equity - Issued capital**

	<b>30 June 2022</b>	<b>31 December 2021</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>Number</b>	<b>Number</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>56,145,003</u>	<u>55,820,003</u>	<u>7,165,691</u>	<u>7,165,691</u>

During the half-year ended 30 June 2022, the Company has issued 325,000 fully paid ordinary shares at an issue price of \$0.00 per share for performance rights vested and converted during the half-year.

**Note 8. Equity - Dividends**

There were no dividends paid or declared during the half-year ended 30 June 2022 (2021 : nil).

**Note 9. Commitments, Contingent Assets and Liabilities**

**9.1 Commitments**

There have been no material changes to commitments as disclosed in the 31 December 2021 Annual report.

**9.2 Contingent Assets and Liabilities**

There have been no material changes to contingent assets or liabilities as disclosed in the 31 December 2021 Annual report.

**Note 10. Interests in subsidiaries**

Information relating to subsidiaries are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2022 %	31 December 2021 %
Eyre Resources Pty Ltd	Australia	100%	100%
Madeleine Exploration Pty Ltd	New Zealand	100%	100%
TAS Exploration Pty Ltd	Australia	100%	100%

**Note 11. Events after the half-year ended 30 June 2022**

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

**Note 12. Reconciliation of loss after income tax to net cash used in operating activities**

	30 June 2022 \$	30 June 2021 \$
Loss after income tax expense for the half-year	(1,249,859)	(818,933)
<u>Adjustments for:</u>		
Depreciation	6,740	-
Shares-based payment expense	141,637	-
Unrealised exchange loss	(2,267)	-
<u>Change in operating assets and liabilities:</u>		
Decrease in trade and other receivables	29,818	(30,462)
Decrease in trade and other payable	(91,387)	159,687
Net cash used in operating activities	<u>(1,165,318)</u>	<u>(689,708)</u>

**Note 13. Earnings per share**

	<b>30 June 2022 \$</b>	<b>30 June 2021 \$</b>
Loss after income tax attributable to the owners of Larvotto Resources Limited	<u>(1,249,859)</u>	<u>(818,933)</u>
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	(2.24)	(4.46)
Diluted loss per share	(2.24)	(4.46)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>55,862,626</u>	<u>18,367,296</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>55,862,626</u>	<u>18,367,296</u>

**Note 14. Share based payment reserve**

	<b>30 June 2022 \$</b>	<b>31 December 2021</b>
Share based payment Reserve	<u>112,820</u>	<u>75,183</u>
<b>Movement in Share based Reserve during the half-year</b>	<b>\$</b>	
Opening balance	75,183	-
Share based payment expense	-	75,183
Performance rights issued (Shares based payments expense) *	141,637	-
Performance rights vested (Amount transferred to accumulated losses)	<u>(104,000)</u>	<u>-</u>
Closing balance	<u>112,820</u>	<u>75,183</u>

\*On 6 June 2022, 3,150,000 Performance Rights were granted to directors of the Company in four tranches with an expiry date of 26 May 2026.

During the half year ended 30 June 2022, Consolidated Entity has recognised \$141,637 as share base payment expense (2021: nil).

The Performance Rights will vest subject to satisfaction of the following performance milestones:

**Performance Rights Class A:**

By 20 May 2026, the Company's share price trades on or above a 10-day VWAP of \$0.30, being 50% premium to the initial IPO price of \$0.20 and subject to continued employment up to the satisfaction of the performance condition. On 6 June 2022, the Company announced that the price milestone hurdle for Performance Rights Class A had been met.

**Larvotto Resources Limited**  
**Notes to the financial statements**  
**30 June 2022**

**Performance Rights Class B:**

By 26 May 2026, the Company's share price trades on or above a 10-day VWAP of \$0.35, being 75% premium to the initial IPO price of \$0.20 and subject to continued employment up to the satisfaction of the performance condition.

**Performance Rights Class C:**

By 26 May 2026, the Company's share price trades on or above a 10-day VWAP of \$0.40, being 100% premium to the initial IPO price of \$0.20 and subject to continued employment up to the satisfaction of the performance condition.

**Performance Rights Class D:**

By 26 May 2026, the Company's share price trades on or above a 10-day VWAP of \$0.50, being 150% premium to the initial IPO price of \$0.20 and subject to continued employment up to the satisfaction of the performance condition.

<b>Valuation and Assumptions of Performance Rights</b>	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>	<b>Class D</b>
Grant Date	26/05/2022	26/05/2022	26/05/2022	26/05/2022
Number of Rights	325,000	625,000	925,000	1,275,000
Spot price	\$0.320	\$0.320	\$0.320	\$0.320
Exercise Price	-	-	-	-
Barrier Price	\$0.300	\$0.350	\$0.400	\$0.500
Expiry Date	26/05/2022	26/05/2022	26/05/2022	26/05/2022
Volatility	100%	100%	100%	100%
Risk-free interest rate	2.81%	2.81%	2.81%	2.81%
Value per right	\$0.3200	\$0.3156	\$0.3116	\$0.3038
Fair value of Performance Rights	\$104,000	\$197,238	\$288,221	\$387,358



**Larvotto Resources Limited**  
**Directors declaration**  
**30 June 2022**

**Directors declaration**

In the directors' opinion:

- the attached consolidated financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached consolidated financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



---

Ronald Heeks  
Managing Director

12 September 2022

## Independent Auditor's Review Report to the members of Larvotto Resources Limited

### Report on the Interim Financial Report

#### Conclusion

We have reviewed the accompanying Interim financial report of Larvotto Resources Limited (the "Company") and its controlled entities (the "Consolidated Entity"), which comprises the Condensed consolidated statement of financial position as at 30 June 2022, the Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of accounting policies, selected other explanatory notes and the directors' declaration of the Consolidated Entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim financial report of Larvotto Resources 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 30 June 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

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

## Material Uncertainty Related to Going Concern

Without modifying our review conclusion, we draw attention to Note 2 to the financial report, which indicates that, if the Consolidated Entity is not successful in managing the discretionary expenditure as well as in raising funds from the issue of new equity there exists material uncertainty that may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and therefore the Consolidated Entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our review conclusion is not modified in respect of this matter.

## Responsibility of the Directors for the Interim Financial Report

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

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

Our responsibility is to express a conclusion on the Interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



## Nexia Perth Audit Services Pty Ltd



**Muranda Janse Van Nieuwenhuizen**  
Director

Perth  
12 September 2022