



EMETALS

— LIMITED —

(formerly Corizon Limited)

ABN 71 142 411 390

Interim Financial Report

31 December 2019

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DIRECTORS' REPORT

Your directors submit the financial report of eMetals Limited (formerly Corizon Limited) ("the Company") for the half-year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Gary Lyons	Non-executive Chairman
Mathew Walker	Non-executive Director
Teck Wong	Non-executive Director

Review and Results of Operations

Review of Operations

Highlights during the period and since the end of the period include:

Principal Activities

The principal activity of the Company during the period related predominately to the acquisition of the 100% interest in three highly prospective exploration projects in Western Australia through the acquisition of RWG Minerals Pty Ltd.

Operations highlights and update

- Subsequent to 31 December 2019, the Public offer (Offer) successfully closed, raising \$4,354,000 (before costs), strengthening the balance sheet and providing capital to be deployed across the tenements acquired as part of the RWG Minerals Pty Ltd (RWG) acquisition. The offer also provides capital for the company to pursue commercial opportunities in and around the regions of Kelantan, northeast of Peninsular Malaysia, Perak, northwest of Peninsular Malaysia and Terengganu, Malaysia (Areas of Mutual Interest).
- The Offer was strongly supported by a mix of institutional, high net-worth and retail investors with the Top Twenty shareholders holding 72.14%.
- Pursuant to the letter agreement (Agreement) announced to the Australian Securities Exchange (ASX) on 29 April 2019, EMT is seeking to progress development of commercial relationships to identify and evaluate mineral interests (Prospects) in the Areas of Mutual Interest.
- EMT Schedule of Tenements acquired subsequent to 31 December 2019.

Project	Tenements	No of Shares	Granted	Expires	Area (Blocks)
Nardoo Well	E09/2114	100/100	28/08/2015	27/08/2020	42
Twin Hills	E29/950	100/100	23/09/2015	22/09/2020	10
Cookes Creek	E46/1095	100/100	05/04/2017	04/04/2022	13
Cookes Creek	E46/1163	100/100	08/02/2018	07/02/2023	3

Ordinary shares under option

At the date of this report, there are no options over ordinary shares on issue.

Significant changes in the state of affairs

EMT is pleased to advise that it recommenced trading on 24 January 2020, following its re-compliance with Chapters 1 and 2 of the ASX Listing Rules. EMT acquired RWG (to be accounted for as an asset acquisition) pursuant to the quotation of its securities on the ASX effective 24 January 2020. The Company had also recently changed its name from Corizon Limited to eMetals Limited. In January 2020 the Company issued the following securities:

- 217,700,00 Shares under the Public Offer; and
- 10,000,000 Shares under the Vendor Offer.

There have not been any further significant changes in the state of affairs during the half year ended 31 December 2019 other than the above mentioned, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company.

Financial position

The cash balance as at 31 December 2019 was \$11,617.

Operating results

The loss of the Company for the period was \$384,403 (31 December 2018: \$402,532).

Auditor Independence and Non-Audit Services

Section 307C of the Corporation Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 5 and forms part of this directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Gary Lyons
Non-Executive Chairman
Perth, Western Australia; Dated this 10th day of March 2020



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of eMetals Limited (formerly Corizon Limited) for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
10 March 2020

A handwritten signature in blue ink, appearing to read 'Norman Neill', written in a cursive style.

N G Neill
Partner

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Notes	31 Dec 2019 \$	31 Dec 2018 \$
Other income	2	144	2,908
Professional expenses	2	(284,652)	(146,483)
Employment benefits expense	2	(74,220)	(74,220)
Other administrative expenses	2	-	(125,487)
Net fair value gain/(loss) on equity investment		(25,675)	(59,250)
Loss before income tax expense		(384,403)	(402,532)
Income tax expense		-	-
Loss after tax from continuing operations		(384,403)	(402,532)
Discontinued operations		-	-
Loss after tax from discontinued operations		-	-
Net loss for the period		(384,403)	(402,532)
Other comprehensive income		-	-
Items that may be reclassified to Profit or Loss:		-	-
Exchange differences on translation of foreign operations		-	-
Total comprehensive loss for the period		(384,403)	(402,532)
Basic and diluted loss per share (cents per share)		(0.24)	(0.13)

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	NOTES	31 Dec 2019 \$	30 Jun 2019 \$
CURRENT ASSETS			
Cash		11,617	268,493
Other current assets		112,051	107,101
Total Current Assets		123,668	375,594
NON-CURRENT ASSETS			
Financial assets	4	88,875	114,550
Total Non-Current Assets		88,875	114,550
TOTAL ASSETS		212,543	490,114
CURRENT LIABILITIES			
Trade and other payables		190,841	84,039
Total Current Liabilities		190,841	84,039
TOTAL LIABILITIES		190,841	84,039
NET ASSETS		21,702	406,105
SHAREHOLDERS' EQUITY			
Share capital		9,844,618	9,844,618
Share based payments reserve		796,644	796,644
Accumulated losses		(10,619,560)	(10,235,157)
Equity attributable to owners of the parent		21,702	406,105

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Issued Capital \$	Accumulated Losses \$	Share Based Payments Reserve \$	Total Equity \$
Balance at 1 July 2018	9,844,618	(9,585,456)	796,644	1,055,806
Loss for the year	-	(402,532)	-	(402,532)
Total comprehensive loss for the period	-	(402,532)	-	(402,532)
Balance at 31 December 2018	9,844,618	(9,987,988)	796,644	(653,274)
Balance at 1 July 2019	9,844,618	(10,235,157)	796,644	(406,105)
Loss for the year	-	(384,403)	-	(384,403)
Total comprehensive loss for the period	-	(384,403)	-	(384,403)
Balance at 31 December 2019	9,844,618	(10,619,560)	796,644	(21,702)

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	31 Dec 2019 \$ Inflows/ (Outflows)	31 Dec 2018 \$ Inflows/ (Outflows)
Cash flows from operating activities		
Payments to suppliers and employees	(257,020)	(376,149)
Interest received	144	2,908
Net cash used in operating activities	(256,876)	(373,241)
Cash flows from investing activities		
Payments for equity investments	-	-
Net cash used in investing activities	-	-
Net decrease in cash held	(256,876)	(373,241)
Cash and cash equivalents at the beginning of the period	268,493	852,530
Cash and cash equivalents at the end of the financial period	11,617	479,289

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The half-year financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by EMetals Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year.

(b) Basis of preparation

The interim report has been prepared on a historical cost basis except for the revaluation of selected financial assets. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purposes of preparing the half-year financial report, the half-year has been treated as a discrete financial reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact of the new Standards and Interpretations effective 1 July 2019 disclosed in section (d) to this note. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(c) Significant accounting judgements and key estimates

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

In preparing this interim report, the significant judgements made by management in applying the Company's accounting policies and the key estimates of uncertainty were the same as those applied for the year ended 30 June 2019, except for the impact of the new Standards and Interpretations effective 1 July 2019 disclosed in section (d) to this note.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

(d) Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2019

In the period ended 31 December 2019, 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 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 and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(e) Going Concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Company's assets and the discharge of its liabilities in the normal course of business. During the half-year ended 31 December 2019 the Company recorded a net loss of \$384,403 (2018: \$402,532) and a net operating cash outflow of \$256,876 (2018: \$373,241). At the end of the half-year, total cash assets of \$11,617 (2018: \$479,289). The directors are of the opinion that the company is a going concern for the following were reason:

- Subsequent to year end the Company raised \$4,354,000 of equity capital via an issue of ordinary shares at \$0.02 per share. The funds raised will be used to meet the ongoing working capital requirements of the Company.

Based on the above factors, the Directors believe that the Company will be able to pay its debts as and when they fall due and realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

The following revenue and expense items are relevant in explaining the performance for the half-year from continuing operations:

	31 Dec 2019 \$	31 Dec 2018 \$
Income		
Interest income	144	2,908
Expenses		
ASX and registry fees	10,754	86,583
Employee benefits expenses	74,220	74,220
Legal	77,748	46,890
Accounting	63,952	36,453
Geological Services	70,673	37,980
Other administration expenses	61,525	64,064

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 3: ISSUED CAPITAL AND RESERVES

	31 December 2019		30 June 2019	
	No.	\$	No.	\$
Ordinary shares				
<i>Movement in number of fully paid ordinary shares</i>				
Opening balance	157,500,000	9,844,618	157,500,000	9,844,618
Shares issued	-	-	-	-
Transaction costs arising from issue of shares	-	-	-	-
Closing balance	157,500,000	9,844,618	157,500,000	9,844,618
Company options				
<i>Movement in number of options</i>				
Opening balance	-	796,644	-	796,644
Options issued	-	-	-	-
Lapsed Options	-	-	-	-
Closing balance	-	796,644	-	796,644

NOTE 4: FINANCIAL ASSETS

	31 December 2019	30 June 2019
	\$	\$
Listed shares – at fair value	88,875	114,550

This balance represents the company's shareholding of 1,975,000 shares in Lustrum Minerals Limited (ASX:LRM).

This note provides information about how the Company determines fair values of various financial assets and liabilities.

Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis

The Company's financial assets are measured at fair value through Profit or Loss at the end of the reporting period based on Level 1 inputs in the fair value hierarchy.

Measurement of fair value of financial instruments

There have been no transfers between the levels of fair value hierarchy during the half-year.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Company did not measure any financial asset or financial liabilities at fair value on a non-recurring basis as at 31 December 2019.

Fair value of other financial assets and financial liabilities

The Company also has a number of financial instruments which are not measured at fair value in the statement of financial position.

The carrying amounts of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 5: DIVIDENDS

The directors of the Company have not declared an interim dividend.

NOTE 6: CONTINGENT LIABILITIES

There were no contingencies as at 31 December 2019.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

EMT is pleased to advise that it recommenced trading on 24 January 2020, following its re-compliance with Chapters 1 and 2 of the ASX Listing Rules. EMT acquired RWG (to be accounted for as an asset acquisition) pursuant to the quotation of its securities on the ASX effective 24 January 2020. The Company had also recently changed its name from Corizon Limited to eMetals Limited. In January 2020 the Company issued the following securities:

- 217,700,00 Shares under the Public Offer; and
- 10,000,000 Shares under the Vendor Offer.

There has not been any further matter or circumstance occurring subsequent to the end of the half year financial period that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

In the opinion of the directors of EMetals Limited ('the Company'):

1. the financial statements and notes thereto, as set out on pages 7 to 13, are in accordance with the Corporations Act 2001 including:
 - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half-year then ended; and
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.
3. the interim financial statements and notes there to are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to S.303 (5) of the Corporations Act 2001.



Gary Lyons
Non-Executive Chairman
Dated this 10th March 2020



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of eMetals Limited (formerly Corizon Limited)

Report on the Condensed Interim financial report

Conclusion

We have reviewed the accompanying interim financial report of eMetals Limited ("the company"), which comprises the condensed statement of financial position as at 31 December 2019, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising 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 interim financial report of eMetals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2019 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*.

Directors' responsibility 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

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, 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 company's financial position as 31 December 2019 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*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a 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.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

**Perth, Western Australia
10 March 2020**

A handwritten signature in blue ink, appearing to read 'Norman G. Neill'.

**N G Neill
Partner**