

# **Consolidated Africa Limited**

**A.C.N 605 659 970**

**Interim Report - 31 December 2022**

# **Consolidated Africa Limited**

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**31 December 2022**

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**Consolidated Africa Limited**  
**Corporate directory**  
**31 December 2022**

Directors	Mr Robin Armstrong (Executive Director) Mr Kane Marshall (Non-Executive Chairman) Mr George Joukador (Non-Executive Director)
Company secretary	Mr Kevin Nichol
Registered office	Level 21 459 Collins Street Melbourne VIC 3000 Ph: +61 3 8630 3321
Principal place of business	Level 21 459 Collins Street Melbourne VIC 3000
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Ph:(02) 1300 737 760 <a href="http://www.boardroomlimited.com.au">www.boardroomlimited.com.au</a>
Auditor	Connect National Audit Level 14, 333 Collins Street Melbourne VIC 3000
Stock exchange listing	Consolidated Africa Limited shares are listed on the National Securities Exchange (NSX code: CRA)
Website	<a href="https://consolidatedafrica.wixsite.com/cra1">https://consolidatedafrica.wixsite.com/cra1</a>

**Consolidated Africa Limited**  
**Directors' report**  
**31 December 2022**

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2022.

**Directors**

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

Mr Robin Armstrong (Executive Director) - appointed 29 November 2022  
Mr Kane Marshall (Non-Executive Chairman) - appointed 29 November 2022  
Mr George Joukador (Non-Executive Director) - appointed 29 November 2022  
Ms Mei Zhang (Non-Executive Director) - resigned 29 November 2022  
Mr Graeme Watchirs (Non-Executive Chairman) - resigned 29 November 2022  
Mr Douglas Cahill (Non-Executive Director) - resigned 29 November 2022

**Dividends**

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

**Review of operations**

During the half year December 2022, the company recorded a loss of \$85,916 (31 December 2022: \$1,102,885)

**Financial Position**

As 31 December 2022, the company had a cash balance of \$152,730 (30 June 2022: \$256,834) and a working capital being current assets less current liabilities of \$135,984 (30 June 2022: \$239,948).

The Board and management continued to review operations and operate the business as efficiently and effectively as possible. During the half year expense management continually became a priority and costs were reduced.

**Significant changes in the state of affairs**

On 9 October 2022 the company announced the proposed acquisition of the Corktree West Project which was owned by Wavecrest Investments Pty Ltd. In accordance with the acquisition, it was proposed that the Company would issue 115,705,266 shares following receipt of shareholder approval at the upcoming Annual General Meeting (AGM). Shareholder approval for the proposed acquisition was received at the AGM on 24 November 2022 and the Company completed the acquisition on 14 December 2022.

There were no other significant changes in the state of affairs of the company during the financial year.

**Likely developments and expected results of operations**

The success of the Company will depend on exploration activities proposed to be carried out on the Company's project areas of interest which have been acquired or granted to the Company.

**Environmental regulation**

The Company is now holds an interest in an exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. To the best of the Directors' knowledge, the Company has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and are not aware of any breach of those requirements during the financial period and up to the date of the Directors' report.

**Matters subsequent to the end of the financial half-year**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**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.

**Consolidated Africa Limited**  
**Directors' report**  
**31 December 2022**

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



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Kane Marshall  
Non-executive Chairman

14 March 2023

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of Consolidated Africa Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Consolidated Africa Limited.

A handwritten signature in black ink, appearing to read 'Robin King Heng Li'.

Robin King Heng Li  
Director  
Connect National Audit Pty Ltd  
ASIC Authorised Audit Company No.: 521888  
Melbourne, Victoria  
14 March 2023

**Consolidated Africa Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2022**

	Note	31 December 2022 \$	31 December 2021 \$
<b>Expenses</b>			
Employee benefits expense		-	(220,574)
Administration		(12,803)	(42,337)
Corporate Expenses		(73,113)	(66,742)
Realised currency gain and losses		-	(935)
Fair value loss on financial assets through profit and loss		-	(772,297)
		<hr/>	<hr/>
<b>Loss before income tax expense</b>		(85,916)	(1,102,885)
Income tax expense		-	-
		<hr/>	<hr/>
<b>Loss after income tax expense for the half-year attributable to the owners of Consolidated Africa Limited</b>		(85,916)	(1,102,885)
Other comprehensive income for the half-year, net of tax		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the half-year attributable to the owners of Consolidated Africa Limited</b>		<u>(85,916)</u>	<u>(1,102,885)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	8	(0.05)	(0.97)
Diluted earnings per share	8	(0.05)	(0.97)

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

**Consolidated Africa Limited**  
**Statement of financial position**  
**As at 31 December 2022**

	Note	31 December 2022 \$	30 June 2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		152,730	256,834
Trade and other receivables		5,342	660
Prepayments		8,918	-
Total current assets		<u>166,990</u>	<u>257,494</u>
<b>Non-current assets</b>			
Exploration and evaluation		300,834	-
Total non-current assets		<u>300,834</u>	<u>-</u>
<b>Total assets</b>		<u>467,824</u>	<u>257,494</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		<u>31,007</u>	<u>17,546</u>
Total current liabilities		<u>31,007</u>	<u>17,546</u>
<b>Total liabilities</b>		<u>31,007</u>	<u>17,546</u>
<b>Net assets</b>		<u>436,817</u>	<u>239,948</u>
<b>Equity</b>			
Issued capital	4	6,128,097	5,845,314
Accumulated losses		<u>(5,691,280)</u>	<u>(5,605,366)</u>
<b>Total equity</b>		<u>436,817</u>	<u>239,948</u>

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



**Consolidated Africa Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2022**

	<b>Issued capital \$</b>	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2021	5,809,889	(4,085,849)	1,724,040
Loss after income tax expense for the half-year	-	(1,102,885)	(1,102,885)
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	(1,102,885)	(1,102,885)
Balance at 31 December 2021	<u>5,809,889</u>	<u>(5,188,734)</u>	<u>621,155</u>
	<b>Issued capital \$</b>	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	5,845,312	(5,605,364)	239,948
Loss after income tax expense for the half-year	-	(85,916)	(85,916)
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	(85,916)	(85,916)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs (note 4)	282,785	-	282,785
Balance at 31 December 2022	<u>6,128,097</u>	<u>(5,691,280)</u>	<u>436,817</u>

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

**Consolidated Africa Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2022**

	<b>31 December 2022 \$</b>	<b>31 December 2021 \$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees (inclusive of GST)	(104,104)	(170,844)
Net cash used in operating activities	(104,104)	(170,844)
<b>Cash flows from investing activities</b>		
Net Cash received from the disposal of financial assets	-	70,891
Net cash from investing activities	-	70,891
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(104,104)	(99,953)
Cash and cash equivalents at the beginning of the financial half-year	256,834	153,524
Cash and cash equivalents at the end of the financial half-year	<u>152,730</u>	<u>53,571</u>

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

**Consolidated Africa Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 1. General Information**

The financial statements for the current financial year cover the Consolidated Africa as a single entity. The financial statements are presented in Australian dollars, which is Consolidated Africa Limited's functional and presentation currency.

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

Level 21  
459 Collins Street  
Melbourne VIC 3000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2023. The directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 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 general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

**New or amended Accounting Standards and Interpretations adopted**

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

During the half-year period the Company incurred a loss of \$85,916 (2021: \$1,102,885). At 31 December 2022, the Company has cash and cash equivalents of \$152,730 (30 June 2022: \$256,834) and a working capital being current assets less current liabilities of \$135,984 (30 June 2022: \$239,948).

Based on the recent history of the company the directors believe future capital raises will be successful. Accordingly, the financial report has been prepared on the going concern basis based on the ability of the company to achieve sufficient cash inflows from raise further equity. where necessary, to fund working capital. on this basis the directors consider that the company remains a going concern and these financial statements have been prepared on this basis.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

### **Note 3. Operating segments**

#### *Identification of reportable operating segments*

The company is organised into one operating segments which consists of exploration for minerals and in particular graphite around the world. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

### **Note 4. Equity - issued capital**

	<b>31 December 2022 Shares</b>	<b>30 June 2022 Shares</b>	<b>31 December 2022 \$</b>	<b>30 June 2022 \$</b>
Ordinary shares - fully paid	<u>231,410,532</u>	<u>115,705,266</u>	<u>6,128,097</u>	<u>5,845,314</u>

#### *Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	30 June 2022	115,705,266		5,845,314
Issue of shares for acquisition of project	26 October 2022	115,705,266	\$0.0026	300,833
Costs associated to issue of shares		-	-	(18,050)
Balance	31 December 2022	<u>231,410,532</u>		<u>6,128,097</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.

#### *Share buy-back*

There is no current on-market share buy-back.

#### *Capital risk management*

The company'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, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

### **Note 5. Equity - dividends**

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

**Consolidated Africa Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 6. Contingent liabilities**

There are no contingent liabilities as at 31 December 2022.

**Note 7. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Note 8. Earnings per share**

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Consolidated Africa Limited	<u>(85,916)</u>	<u>(1,102,885)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>159,331,842</u>	<u>113,934,185</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>159,331,842</u>	<u>113,934,185</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.05)	(0.97)
Diluted earnings per share	(0.05)	(0.97)

**Consolidated Africa Limited**  
**Directors' declaration**  
**31 December 2022**

In the directors' opinion:

- the attached 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 financial statements and notes give a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company 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



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Kane Marshall  
Non-executive Chairman

14 March 2023

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF CONSOLIDATED AFRICA LIMITED

#### Report on the Half-Year Financial Report

##### *Conclusion*

We have reviewed the accompanying half-year financial report of Consolidated Africa Limited (the "Company").

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 the Company 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 2022 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 Half-year Financial Report comprises:

- Statement of financial position as at 31 December 2022;
- 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 8 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

##### *Material Uncertainty Related to Going Concern*

Without qualifying our opinion, we draw attention to matters set forth in Note 2 which indicates the existence of a material uncertainty that may cast doubt over the Company's ability to continue as a going concern. If the Company is unable to continue as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

##### *Responsibilities of the Directors for the Half-year Financial Report*

The Directors of the Company are responsible for:

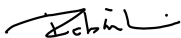
- The preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and Corporations Act 2001
- For such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that is free from material misstatement, whether due to fraud or error.

*Auditor's responsibility for the review of the Half-year Financial Report*

Our responsibility is to express a conclusion on the Half-year 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 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 2022 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. As auditor of Consolidated Africa Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

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



Robin King Heng Li  
Director

Connect National Audit Pty Ltd  
ASIC Authorised Audit Company No.: 521888  
Melbourne, Victoria  
Date: 14 March 2023