



PEGMONT

Half-Year Report 2024

Financial Report for the
Half-Year ended 30 June 2024

Directors' Report

The Directors of Pegmont Mines Limited submit herewith the financial report for the half-year ended 30 June 2024. In order to comply with the provisions of the Corporations Act, the Directors report as follows: -

The names and particulars of Directors of the company in office during the year and on the day this report is made out are:

ORITI, Hadyn G. (Non-Executive Chairman) *LLB*

Mr Oriti, aged 61, is a practicing solicitor in Port Macquarie with experience in commercial investments.

MAYGER, Malcolm A. (Executive Managing Director) *BCom, CA, FAICD*

Mr Mayger, aged 84, has over 50 years experience in exploration, mining and investment. Malcolm Mayger founded the company in 1987 and has guided its subsequent development from an exploration concept to royalty holder and mining investment.

MONTGOMERIE, John W. (Non-Executive Director) *FCA*

Mr Montgomerie, aged 76, is a Chartered Accountant with 30 years experience in raising finance and in various listed and unlisted companies as a director, founder and shareholder.

WOODS, Richard S. (Alternate for Mr M A Mayger) *FCA*

Mr Woods, aged 71, is a Chartered Accountant and former partner of Walker Wayland NSW Chartered Accountants for 27 years with extensive taxation experience.

Review of Operations

The company's operations during the half year to 30 June 2024 resulted in a net loss of \$184,091, an increase on a loss of \$166,352 to June 2023. This result is after expensing all administration and receiving an exploration refund following the cessation of exploration. The loss included a share trading loss of \$54,015(2023- loss \$8,413).The loss has been subjected to a review by the auditor.

	Segment Revenue 2024 \$	Segment Profit/(Loss) 2024 \$	Segment Profit/(Loss) 2023 \$
Share Trading before market gain/loss	59,892	(63,936)	9,587
Dividend Received	—	—	—
Gross Revenue from share trading	59,892	(63,936)	9,587
Interest	11,134	11,134	10,552
Exploration expenditure-net of recoveries		12,605	(25,521)
Unallocated expenses		(153,815)	(142,970)
Fair value gain/(loss) on financial assets		9,921	(18,000)
Income Tax Expense		—	—
Profit/(loss) for the half- year after income tax		(184,091)	(166,352)
Earnings(loss) per share		(0.002)	(0.002)

Activities

The near-term share investing activities of the Company continues to maintain the “Patient Investing” strategy. The current portfolio is concentrated on strongly growing companies with cash balances in excess of debt. At 30 June 2024, total investments comprised of 4 stocks at a cost of \$151,221 and a market value of \$156,980.

The Company continued with the cessation of exploration activities during the half year resulting in no direct field exploration being undertaken by the Company during the period. Austral Resources Ltd who operate the Reefway Royalty Tenements are not mining ore at Anthill but solely leaching the heaps at Mount Kelly and hopefully trying to increase their recoveries. The total estimated sale of cathode copper to date is about 69,000 tonnes. Austral’s last announcement about intersecting 20m @ 3%Cu at Lady Collene is the subject of a follow up drill program. Vendetta Mining Corp of Canada owns the Pegmont leases is undertaking financial evaluation studies. Royalty becomes payable after the recovery of optimum exercise payments of \$5million from cash flow at 1.5% NSR.

Changes In State Of Affairs

A one for ten Non Renounceable Entitlements issue of 7,500,000 ordinary shares at 4 cents each was announced by the Company on the 1 March 2024. The Entitlement offer which closed on 23 April 2024 successfully raised \$300,000.

The Company continued to place cash funds on bank term deposits with a balance held of \$466,058 at 30 June 2024 changed from \$612,128 at 30 June 2023.

Since Subsidiary Companies Pilbara Ventures Limited and Kimberley Ventures Limited have been inactive for a number of years the Directors are considering closing both Companies with ASIC which will remove any future financial and legal obligations of the Subsidiary Companies and its officeholders.

AUDITORS’ INDEPENDENCE- SECTION 307C

The lead auditor’s independence declaration under S307C of the *Corporations Act 2001* is set out on page 13 for the half-year ended 30 June 2024.

This report is made in accordance with a resolution of the directors.

Dated this 29 day of August 2024

On behalf of the Directors



MA Mayger

Director

Directors' Declaration

For The Half-Year Ended 30 June 2024

In accordance with a resolution of the Directors of Pegmont Mines Limited, the Directors declare that:

1. The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
 - a) Complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b) Giving true and fair view of the Consolidated Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that Pegmont Mines Limited will be able to pay its debts as and when they become due and payable.



MA Mayger

Director

Dated this day 29 day of August 2024.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

For The Half-Year Ended 30 June 2024

	Note	Half-year Ended 30 June 2024 \$	Half-year ended 30 June 2023 \$
Revenue from continuing operations			
Gross revenue from share trading		59,892	83,538
Cost of sales		(123,828)	(73,951)
Gain/(Loss) on sale of shares		(63,936)	9,587
Fair value gain/ (loss) on financial assets		9,921	(18,000)
		(54,015)	(8,413)
Investment income		11,134	10,552
Expenses from ordinary activities		(141,210)	(168,491)
Income tax credit/(expense)	5	–	
Net Profit/(loss) from ordinary activities for half-year after income tax		(184,091)	(166,352)
Profit/(loss) for half year attributable to members of Pegmont Mines Ltd and recognised directly in equity		(184,091)	(166,352)
Retained Profits brought forward		(5,728,512)	(5,444,700)
Dividend Paid		–	
Retained Profits at end of half-year		(5,912,603)	(5,611,052)
Earnings (loss) per share – basic	4	(0.002)	(0.002)

Consolidated Balance Sheet**As at 30 June 2024**

	Half-year 30 June 2024	Annual Report 31 Dec 2023	Half-year 30 June 2023
	\$	\$	\$
Current Assets			
Cash and Cash Deposits	344,720	292,016	236,729
Receivables	5,308	10,509	8,849
Financial assets at amortised cost	466,058	455,943	612,128
Financial assets at fair value through profit and loss	136,803	110,001	108,358
Total Current Assets	952,889	868,469	966,064
Non-Current Assets			
Royalty assets	200,000	200,000	200,000
Total Non-Current Assets	200,000	200,000	200,000
Total Assets	1,152,889	1,068,469	1,166,064
Current Liabilities			
Payables	23,885	55,374	35,509
Total Current Liabilities	23,885	55,374	35,509
Non-Current Liabilities	—	—	—
Total Liabilities	23,885	55,374	35,509
Net Assets	1,129,004	1,013,095	1,130,555
Equity			
Contributed equity	4,841,607	4,541,607	4,541,607
Reserves	2,200,000	2,200,000	2,200,000
Retained profits	(5,912,603)	(5,728,512)	(5,611,052)
Total entity interest	1,129,004	1,013,095	1,130,555
Total parent equity interest	1,129,004	1,013,095	1,130,555
Net tangible assets per share cents	1.4	1.4	1.6

Consolidated Statement of Cash Flows**For The Half-Year Ended 30 June 2024**

	Note	Half-year ended 30 June 2024 \$	Half-year ended 30 June 2023 \$
Cash flows from operating activities			
Directors & secretary fees		(73,570)	(80,228)
Payments to suppliers and contractors		(81,836)	(61,312)
Interest and other items of a similar nature received		11,134	10,552
Net cash from operating activities		(144,272)	(130,988)
Cash Flows Related to Investing Activities			
Exploration recovery/(expenditure)		12,605	(25,521)
Payments for purchase of shares		(140,710)	(139,309)
Receipts from sale of shares		59,892	83,538
Purchase of financial assets at amortised cost		(10,115)	(9,075)
Net cash provided from investing activities		(78,328)	(90,367)
Cash flows from financing activities			
Share Issue		300,000	—
Share Issue costs		(24,697)	—
Net cash flows from financing activities		275,303	—
Net increase/(decrease) in cash and cash equivalents		52,703	(221,355)
Cash and cash equivalents at the beginning of the half year		292,017	458,084
Cash and cash equivalents at end of half year	3	344,720	236,729

Statement of Change in Equity

For the Half-Year Ended June 2024

	Half-year Ended 30 June 2024 Number Issued	Half-year Ended 30 June 2023 Number Issued
Contributed Equity - Shares		
Ordinary shares issued at 31 December 2022	–	72,316,556
31 December 2023	72,316,556	–
Issued during current half year	7,500,000	–
Ordinary shares issued at 30 June 2023		72,316,556
30 June 2024	79,816,556	–
	79,816,556	72,316,556

An issue of 7,500,000 ordinary shares being one share for every 10 shares held at 4cents per share was completed.

Note: All shares that are Issued are Quoted.
There was no other category of Issued or Quoted Securities.

Options: There were no options on issue.

	\$	\$
Total Equity at the beginning of the period	1,013,095	1,296,907
Total recognised income and expense for the year	(184,091)	(166,352)
Shares Issued	300,000	–
Total Equity at the end of the period	1,129,004	1,130,555

Notes to the Financial Statements

For the Half-Year ended 30 June 2024

1. Basis of Preparation of Half-Year Financial Statements

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2024 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and International Financial Reporting Standards.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Pegmont Mines Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Market quoted shares are stated at fair value by reference to the lower of cost and market value.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Adoption of new and revised Accounting Standards

In the half-year ended 30 June 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 30 June 2024. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

2. Revenue and Expense

Operating profit before income tax is arrived at after:

	Current Half-year Consolidated \$	Previous Corresponding Half-year Consolidated \$
a) crediting interest as revenue	11,134	10,552
b) exploration recovered/ (expensed)	12,605	(25,521)

3. Reconciliation of cash

Cash at the end of the half-year as shown in the statement of cash flows is reconciled to the related items in the accounts as follows:

Cash on hand and at bank	309,506	139,870
Deposits at call	35,214	96,859
Cash and cash equivalents at 30 June 2023	344,720	236,729

The Company has continued to place cash funds on bank term deposits.

NOTES TO THE FINANCIAL STATEMENTS (CONT)**4. Earnings per share.**

	Current Half-year Consolidated \$	Previous Corresponding Half-year Consolidated \$
Basic losses per share	(0.002)	(0.002)
The weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	72,316,556	72,316,556

The diluted losses per share (\$0.003) is not materially different from the basic earnings per share.

5. Income Tax

Prima facie tax payable on the operating profit at 25%	—	—
Timing Differences	—	—
Income Tax Expense	—	—

Tax Losses at 30 June 2023 not taken to account were \$11,140,380.

6. Commitments for expenditure*Mineral tenement leases*

The Company does not hold any mineral tenements.

7. Segmental Information

The operations of the economic entity consist of investment in resource listed entities.

8. Subsequent Events

No matter or circumstance has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of the Company, or the state of affairs of the Company as reported to the half-year ended 30 June 2024

9. Fair Value Measurement

	30-Jun-24		31-Dec-23	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets	\$	\$	\$	\$
Financial assets mandatorily measured at fair value through profit or Loss:				
Held for trading Australian Shares	136,803	156,980	110,001	110,000
	136,803	156,980	110,001	110,000

As the carrying amount of cash and cash equivalents, trade and other receivables, and trade and other payables approximate their fair values, they have not been included in the above table.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PEGMONT MINES LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Pegmont Mines Limited and its controlled entities (the Group), which comprises the Consolidated Statement of Financial Position as at 30 June 2024, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- b) complying with Australian 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*. 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 the Code.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PEGMONT MINES LIMITED**

Responsibilities of the Directors for the Financial Report

The Directors of Pegmont Mines Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standard AASB 134 and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 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 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.

NorthCorp Accountants



Bart Lawler
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

29 August 2024

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF PEGMONT MINES LIMITED**

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Pegmont Mines Limited. As the lead auditor for the review of the financial report of Pegmont Mines Limited for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

NorthCorp Accountants



Bart Lawler
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

29 August 2024