evresources

Interim Financial Report

For the Half Year ended 31 December 2021

ASX:EVR

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Corporate Directory

Directors
Mr Luke Martino – Non-Executive Chairman
Mr Adrian Paul – Executive Director
Mr Navinderjeet Singh – Executive Director
Mr Steven Dellidis – Non-Executive Director
Mr Jim Malone – Non-Executive Director
Ms Lynette Suppiah – Non-Executive Director

Company Secretary
Ms Louisa Martino

Registered office
311-313 Hay Street
SUBIACO, WESTERN AUSTRALIA 6008

Website: www.EVResources.com.au

Auditor
Grant Thornton Audit Pty Ltd
Level 43, Central Park
152-158 St Georges Terrace
PERTH, WESTERN AUSTRALIA 6000

Bankers
National Australia Bank
1238 Hay Street
WEST PERTH, WESTERN AUSTRALIA 6005

Share Registry
Advance Share Registry
110 Stirling Highway
NEDLANDS, WESTERN AUSTRALIA 6909

Securities Exchange Listing
ASX Limited
20 Bridge Street
SYDNEY, NEW SOUTH WALES 2000
ASX Code – EVR

Frankfurt Exchange; R1E.F
Berlin Exchange; R1E.B
Stuttgart Exchange; R1E.SG

Directors' Report

The Directors' present their report together with the financial report of EV Resources Limited (ASX: EVR) and its controlled entities ("the Company", "EVR" or "consolidated entity") for the half year ended 31 December 2021.

Directors

The names and the particulars of the Directors who held office during and up to the date of this report are disclosed below.

L Martino	(Non-Executive Chairman)
A Paul	(Executive Director)
N Singh	(Executive Director)
S Dellidis	(Non-Executive Director)
J Malone	(Non-Executive Director)
L Suppiah	(Non-Executive Director)

Significant changes in the state of affairs

In the Opinion of the Directors, there were no significant changes in the state of affairs of the Group which have not been disclosed elsewhere in this report.

Review of Operations

The Company underwent a transformation during the reporting period, with Jadar Resources Limited (ASX:JDR) renaming to EV Resource Limited (ASX:EVR). The new focus of the Company is to strategically acquire projects that are diversified across electric vehicle and green technology metals.

During the reporting period, the Company's new focus has been put into action with the finalisation of the acquisition of the Khartoum Project, acquisition of the Shaw River Project, acquisition of additional Pilbara lithium tenements and acquisition of the New Standard Copper Project.

Shaw River Project

Lithium, Tin and Tantalum (EVR 80% interest) [1]

During the half year, the Company announced that the Due Diligence and acquisition was complete at the Shaw River Project (the "Project"). The Shaw River Exploration License 45/5849 comprises 22 sub-blocks or 70 square kilometers and covers several areas of historic tin-tantalum workings. The Project, located 220km from Port Hedland and 70km from Marble Bar, comprises a granted exploration license. The area has a strong history with successful mining of alluvial tin and tantalum as part of the Shaw River Tin Field and demonstrated potential for lithium and rare earth minerals. The acquisition has strategically expanded EVR's portfolio of mining assets to service the battery technology and high growth electronics sectors.

In December 2021, the Company announced that it had received reconnaissance sampling at the Project. Samples collected were predominantly from outcropping pegmatite, with four stream sediment and one float sample also collected. Maximum lithium value was 212ppm in two samples, both collected from outcropping mica-rich pegmatite. A cluster of k/Rb ratio values around 30 in the sample group in the western part of the tenure may be indicative of a highly fractionated pegmatite. A high Caesium value of almost 100ppm in sample Sh00024 and Sn to 267ppm in Sh00001 is also considered as evidence for a Rare Element Pegmatite. Based on minimal sampling, with only 10 to 20 percent of the tenement visited to date, the Company considers the Shaw River Project to have considerable potential to host lithium-tantalum mineralisation.

The next stage of exploration at Shaw River will comprise of geological mapping and systematic channel sampling across pegmatite outcrop, particularly in the Hillside and Upper Five Mile Creek areas where elevated K/Rb ratios were recognised.

Pilbara Project

Lithium (EVR acquiring 100% interest)[2]

During the half year EVR entered into an agreement to acquire 100% of four exploration licenses in the East Pilbara region of Western Australia from Calatos Pty Ltd ("Calatos", "Vendor"). The region is renown as a world-class lithium and already hosts two of the largest hard rock lithium deposits in the world at Wodgina and Pilgangoora with several other resources defined by other companies. The four tenements, E45/6088, E45/5717, E45/5821 and E45/5879 are located

[1] ASX Announcement 01 October 2021- Field Work Commences at Shaw River Project

ASX Announcement 07 October 2021 - Shaw River Tenement Granted

[2] ASX Announcement 10 November 2021 - Jadar Expands Lithium Footprint in Pilbara Region

within 100km of the Shaw River Tin-Tantalum-Lithium Project. The acquisition strategically expands EVR's portfolio of critical green metal assets to service the battery technology and high growth electronics sectors. Acquisition consideration totals the issuance of 8,500,000 EVR shares.

In November 2021, EVR completed a preliminary field assessment on all four exploration licenses. The field assessment was undertaken as part of the Company's due diligence process and involved geological reconnaissance and the collection of samples to determine the prospectivity of the tenements. The preliminary reconnaissance visit has confirmed the prospectivity of the tenure visited with all tenements either displaying evidence of mineralisation via historic working and/or evidence of targeted lithology, particularly pegmatite in the western tenements. All samples have been submitted to the laboratory and results are awaited.

Khartoum Project

Tin-Silver-Tungsten (EVR 100% Interest)[3]

The Khartoum Project located approximately 100km southwest of Cairns Queensland, consists of five granted Exploration License for Minerals (EPM) EPM14797, EPM19112, EPM19113, EPM19114 and EPM19203 covering a total area of 396km^2.

During the reporting period, an early-stage reconnaissance field trip was conducted throughout the region. The aim of the work was to inspect regional access roads and tracks to finalise the upcoming proposed field work and drilling program. The initial proposed area of focus for the field work and drilling program is the Boulder-Ahmets area which comprises a 9km by 3km zone of anomalous tin defined by surface geochemistry and geological mapping. Initial mapping and rock chip sampling identified strong greisen alteration primarily along two sub-parallel, NNW-SSE trending ridges, each zone extending for over five kilometers.

Follow-up channel sampling, comprising continuous 5 meter composite rock chip samples across the extent of the more strongly identified greisen targets, returned numerous anomalous results including:

- 35m at 0.34% Sn
- 49m at 0.22% Sn
- 10m at 0.31% Sn
- 4m at 1.0% Sn

The rock chip sampling results subsequently led to a drilling program to determine the significance of the surface sampling results, comprising 5 RC holes and one diamond hole. Apart from broad, lower-grade tin mineralisation, the drilling also intersected individual higher-grade vein hosted tin mineralisation up to 3.0% Sn in BARC07-02, likely the target for historic miners. Hence, the greisen alteration also hosts higher-grade vein-style tin mineralisation that will increase the overall grade of potential resources. Further drilling is required to determine the depth of greisen development and associated tin mineralisation, and the lateral extent of the potentially economic tin-greisen mineralisation, along the defined greisen alteration trends. The proposed drilling program will be step out drilling from previous significant intercepts to further delineate the extent of mineralisation. In parallel to this work an additional drilling program will be defined to test the other known mineralised outcropping greisen bodies within the prospect area.

New Standard Project

Copper (EVR acquiring 100% Interest)[4]

During the reporting period, the Company entered into an agreement for the acquisition of the New Standard Copper Project ("Project"), located in the Cienega Mining District of La Paz County, Arizona, USA. The Project comprises 6 lode claims covering 120 contiguous acres, in a district of considerable old workings dating back to the 19th century. Historic workings provide evidence of copper mineralisation over a 1.5-kilometre extent. It appears from desktop studies of historical reports that mining and processing continued to approximately 1922.

Historic shafts are reported to 365 feet (112 metres) depth with development on at least four levels. No modern exploration has been undertaken in the area and EVR intends to commence a program of geological mapping, outcrop and mine sampling, and geophysics to define high-grade copper targets before moving rapidly to drill testing.

[3] ASX Announcement 26 October 2021 – Field Work and Drilling Program Planned for Khartoum Project

[4] ASX Announcement 08 February 2022 - EV Exercises Option to Acquire New Standard Copper Project

The project has a strong history of mining and hosts some of the largest copper discoveries in the world, such as Bagdad and Miami, and one of the largest undeveloped copper resources in the Resolution deposit.

Following an agreement being reached, EVR mobilised a geology team to the project to commence geological mapping and sampling to commence due diligence in Arizona, as well as to define targets for immediate drill permitting and testing once the Project is acquired. Samples will be collected by a veteran professional geologist, for analysis at local laboratories, and planning will start for intensive geological programs. An historical description of the workings was detailed in reports lodged with the Arizona Geological Society. EVR has made an initial site inspection which confirmed promising geology and provided information for definition of potential drill targets.

EVR is working closely with SRK Consulting, a leading international mining consultancy firm providing focused services to clients in the resource industry.

Weinebene and Eastern Alps Projects
Lithium (EVR 80% interest)

The Company's Weinebene and Eastern Alps Lithium Projects are located in Southern Austria approximately 3 hours south-west of Vienna. The Austrian prospects containing indications of high-grade lithium targets with significant residual brownfields plus greenfields exploration potential across the entire 64.1 km^2 project area.

The lithium mineralisation in Austria comprises of spodumene-bearing pegmatites bodies hosted by Paleozoic metamorphic units predominantly mica schist, amphibolite and marbles.

In May 2021, EVR and European Lithium Limited entered into Collaboration Agreement to progress the Weinebene and Eastern Alps Projects. Under the Collaboration Agreement it was proposed that a Technical Advisory Committee be established for the purpose of jointly collaborating in connection with the Weinebene and Eastern Alps Projects and sharing information to identify the best options to advance those assets and operations. This includes making recommendations for exploration programs, budgets, and development scenarios in relation to the assets and operations.

During the half year, the Company proceeded with the establishment of the Technical Advisory Committee which was proposed under the Collaboration Agreement between the Company and European Lithium Limited (ASX:EUR) (FRA:PF8) (OTC:EULIF) in order to grow and expand the world class Wolfsberg Lithium Project.

The Technical Advisory Committee comprising of Mr. Tony Sage of European Lithium and Mr. Luke Martino of EVR has now been established and has commenced joint efforts to expand the Wolfsberg Lithium Project and look for potential extensions to the mineralisation that may continue into the Weinebene Project. Review of the previous drilling has commenced under the direction of the Technical Advisory Committee in order to appropriately plan follow up programs.

Mapping, rock chips and soil sampling undertaken in the area to date have identified numerous spodumene bearing pegmatites with very high lithium values up to 3.39% Li_2O. The project area has significant exploration potential.
The Company is working with the EUR technical team to co-ordinate the proposed drilling program for the extension of the Wolfsberg Mine.

Yanamina Gold Project (EVR 100% interest)
EVR continues to work with the local representatives to understand the potential impacts on the community from mining activities however, progress has been hindered by restrictions in place due to the COVID pandemic.

Tierra Blanca (EVR option to acquire 100% interest)
No further work was carried out during the reporting period.

Compliance Statements
Shaw River Project
This report contains information on the Shaw River Project extracted from ASX market announcement dated 23 December 2021 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Khartoum Project
This report contains information on the Khartoum Tin Silver and Tungsten Project extracted from ASX market announcements dated 9 February 2021 and 30 March 2021 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcements.

Weinebene Project

This report contains information on the Weinebene Project extracted from an ASX market announcement dated 19 February 2019 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). JDR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Eastern Alps Project

This annual report contains information on the Eastern Alps Project extracted from an ASX market announcement dated 14 March 2019 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). JDR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement. No further work was carried out during the reporting period.

Corporate Activity

Change of Company Name and ASX Ticker[5]

During the reporting period following shareholder approval Jadar Resources Limited (ASX:JDR) renamed to EV Resources (ASX:EVR).

Spin out of Serbian Assets[6]

In July 2021 the Company completed the spin-out of its Serbian lithium and borate assets (comprising of its Rekovac Lithium and Borate Project and pending applications for new exploration permits in Serbia) into a newly incorporated subsidiary, Balkan Mining and Minerals Limited (ASX:BMM). On 12 July 2021 the spin-out was completed with BMM admitted to the Official List of the ASX. The Company continues to hold a 22% interest in BMM.

ESG Plan[7]

EVR completed its maiden Sustainability Plan, which sets the foundations and framework for sustainability in respect of the Company's future development activities across its suite of projects.

THAISARCO Agreement[8]

The Company signed a non-binding Memorandum of Understanding ("MOU") with tin smelter, Thailand Smelting and Refining Co. Ltd, known as "THAISARCO" to negotiate the supply of tin concentrate from EVR's Khartoum Project including a right of first refusal for all other tin projects (subject to the final offtake agreement), including any joint venture projects between the Parties.

Ya Hua Strategic Investment[9]

The Company signed a non-binding Memorandum of Understanding ("MOU") with Ya Hua International Investment and Development Co. Ltd ("Yahua") for the development of lithium projects and for the supply of spodumene concentrates.

A strategic investment in the Company was made by Yahua who subscribed for 80m fully paid Ordinary shares at an issue price of A$0.045 per share to raise proceeds of A$3.6 million. In January 2022, the shares were issued and the proceeds were received.[10]

Significant Events After the Balance Date

Subsequent to period end the following key events have occurred:

(a) Subsequent to the reporting period, the Company have received total proceeds of A$3,600,000 from Ya Hua International Investment and Development Co. Ltd ("Yahua") for 80,000,000 ordinary shares in EV Resources Limited at A$0.045 per share. The strategic investment provides funding for the exploration and development of the Company's lithium projects, and associated working capital.

(b) As announced on 31 January 2022, the Company has agreed terms with tin smelter Thailand Smelting and Refining Co. Ltd, known as "THAISARCO" for the supply of tin concentrate from the Company's Khartoum Project including delivery of a minimum of 1,200mt p.a. of tin concentrates (min. 60% Sn), with THAISARCO given a right of first refusal to increase this amount up to 3,600mt p.a..

The terms of the agreement are binding for the supply of tin concentrate offtake. The parties may enter into an additional agreement to include standard terms, which is normal practice for metals trading contracts. Terms of the agreement are as follows.

[5] ASX Announcement 8 December 2021 – Change of Company Name and ASX Ticker

[6] ASX Announcement 12 July 2021 – Successful Completion of Balkan Mining and Minerals IPO

[7] ASX Announcement 22 October 2021 - Jadar Commits to Sustainability

[8] ASX Announcement 15 November 2021 - MOU Executed With Globally Significant Smelter, THAISARCO

[9] ASX Announcement 2 December 2021 - Jadar Executes MOU with Yahua to Acquire & Develop Projects

[10] ASX Announcement 14 January 2022 – Yahua Placement funds Received

- Pricing of tin concentrate – the daily closing cash bid price of the London Metals Exchange ("LME") on agreed pricing dates;
- Delivery – EVR to use reasonable endeavours to deliver 1,200 metric tons ("mt") per annum of tin concentrates (min. 60% Sn), with THAISARCO given a right of first refusal to increase this amount up to 3,600mt per annum from the Khartoum Project;
- Payment - 100% after 30 days of arrival of material at Thaisarco's works and subject to settlement of weights, assays, and pricing;
- Concentrate specifications – specifications for the quality of the tin concentrate, impurity charges and International Atomic Energy Agency (IAEA) calculations have been set;
- Term - The parties intend that the initial term of the agreement will be three years, which can be extended by mutual agreement;
- Termination – standard terms include default and rights remediation and termination for extended Force majeure.
- Due diligence – terms are subject to due diligence on each company's supply chain policies which have been put in place to avoid dealing in materials which through their mining, production or supply have either knowingly or inadvertently been of benefit to illegal armed groups or are in any way contributing to conflict or human rights abuses.

(c) As announced on 8 February 2022, the Company has exercised its option to acquire the New Standard Copper Project in the Cienega Mining District of La Paz County, Arizona, USA. Terms of the agreement are as follows.

The Company has reached an agreement with Gold Rush Expeditions, Inc. ("Seller"), to buy 100% of the New Standard Project. The Company has acquired a 3-month option over the Project for US$20,000 (non-refundable), over which time it will carry out due diligence.

Upon satisfaction of due diligence, the Company will acquire 100% of the Project for US$600,000 and a 2% Net Smelter Royalty ("NSR"). The cash consideration is to be settled in 3 equal payments of US$200,000 as follows:

1. On exercise of the Option, EVR is to pay US$200,000 in cash and acquires a 33.33% ownership in the Project, which shall be placed into a new limited liability company.
2. On the 12-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.33% shareholding (total 66.66% holding in the Project).
3. On the 24-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.34% holding in the Project (total 100% holding in the Project).

The percentage ownership of the asset will be relinquished by EVR if payments are not made.

The Seller agrees that EVR, at its sole discretion, has the right but not the obligation to buy back from the Seller, a 1% NSR for US$1,000,000 at any point in the future upon written confirmation from EVR to the Seller.
Additionally, Performance Bonus Payments will be made to the Seller on the satisfaction of certain milestones. Performance Bonus Payments are payable as follows:

1. Payment of US$750,000 in cash upon declaration of a maiden Indicated Mineral Resource estimate under the JORC-2012 code at a cut-off grade of no less than 1.5% copper.
2. Payment of US$750,000 in cash upon publication of a successful Pre-Feasibility Study with a post-tax, ungeared Internal Rate of Return ("IRR") of not less than 25%.
3. Payment of US$1,000,000 in cash upon Readiness to Mine (Feasibility Study completed, all permits received and notices issued to Mines Safety and Health Administration ("MSHA") of intent to mine.
4. A further bonus payment of US$1,400,000 in cash upon commercial production, defined as the production and sale of 5,000 metric tonnes of copper in ore, concentration, or metallic form.

(d) Subsequent to the reporting period, 20,000,000 incentive performance rights have been issued to the executive directors, Mr Adrian Paul and Mr Navinderjeet Singh. The performance rights will be able to be converted into EVR shares subject to satisfaction of the achievement of a 5 day Volume Weighted Average Price (VWAP) of EVR shares on ASX being equal to or exceeding $0.10 per share within 12 months from the date of issue.

(e) On 28 February 2022, the Company entered into an in-principle agreement with the principle shareholder of Minera Montserrat S.A.C, a Peruvian company and 100% owner of the Don Enrique Copper-Gold-Silver Project. The consideration for the acquisition of 100% of Minera Monsterrat S.A.C. is US1.3m, payable over 2 years.
The Don Enrique Project consists of 4 licences covering 1,800Ha in an area 30km north east of Jauja and approximately 260km from the Nation's capital, Lima:

1. Don Enrique, Licence number: 0100769-12, 1000 Ha
2. Chaupiloma 2007, Licence Number: 0105549-07, 100 Ha.
3. Chaupiloma 2008, Licence Number: 0101581-08, 100 Ha.
4. COCOA BEACH, Licence Number: 010155815, 600 Ha.

Under the agreement EV Resources has agreed to acquire 100% of Montserrat on the following transaction terms:

- On signing of a definitive agreement (Definitive Agreement), payment of US$300,000 in cash to buy 50% of the shares of Montserrat;
- Up until the 24 month anniversary of signing the Definitive Agreement, EV Resources has the option to acquire the remaining 50% of the shares of Montserrat for the sum of US$1,000,000 ("Option");
- From the date 12 months after submission of a drilling permit application to expiry or exercise of the Option by EV Resources, the Vendor shall have the right to sell the remaining 50% shares in Montserrat to a 3rd party, provided that EV Resources shall have a right of first refusal to buy those shares on the same terms bid.
- A 1% NSR shall be payable to the Vendor.

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 11 for the half-year ended 31 December 2021.

This report is signed in accordance with a resolution of the Board of Directors.

Adrian Paul
Executive Director
Dated this day of 15 March 2022

In accordance with a resolution of the directors of EV Resources Limited, I state that:

In the opinion of the directors:

1. The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

   (a) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

   (b) give a true and fair view of the economic entity's financial position as at 31 December 2021 and the performance for the half-year ended on that date.

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.

_____

Adrian Paul
Executive Director
Dated this 15 March 2022

Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

Correspondence to:
PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000
F +61 8 9480 2050
E info.wa@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of EV Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of EV Resources Limited for the half-year ended 31 December 2021, 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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman

Partner – Audit & Assurance

Perth, 15 March 2022

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	Note	31 December 2021 $	31 December 2020 $
Interest income		112	321
Government grants		-	45,215
Gain on investment	6	1,684,862	-
Consulting fees		(254,583)	(108,674)
Director fees		(216,000)	(190,371)
Depreciation		(1,512)	(1,163)
Employee expenses		(177,126)	(100,203)
Exploration and evaluation expenses		(362,710)	(195,239)
Exploration written off		-	(17,475)
Marketing and investor relations		(55,824)	(11,600)
Other expenses		(237,524)	(41,159)
Professional fees	2	(224,785)	(561,420)
Share registry and listing fees		(94,954)	(38,594)
Share based payments		(62,125)	(57,390)
Share of loss of associates for using equity method	6	(446,974)	-
Loss before income tax		(449,143)	(1,277,752)
Income tax expense		-	-
Loss after tax		**(449,143)**	**(1,277,752)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		28,586	(32,638)
Other comprehensive loss for the period, net of tax		**28,586**	**(32,638)**
Total comprehensive loss for the period		**(420,557)**	**(1,310,390)**
Loss attributable to:			
Members of the parent entity		(445,026)	(1,277,245)
Non-controlling Interest		(4,117)	(507)
		(449,143)	**(1,277,752)**
Total comprehensive loss for the period attributable to:			
Members of the parent entity		(415,172)	(1,308,041)
Non-controlling interest		(5,385)	(2,349)
		(420,557)	**(1,310,390)**
Loss per share			
Basic and diluted loss per share (cents)	10	(0.05)	(0.22)

Statement of Financial Position

As at 31 December 2021

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	Note	31 December 2021 $	30 June 2021 $
Current Assets			
Cash and cash equivalents		3,396,262	1,675,448
Trade and other receivables	3	134,345	116,940
Other current assets	4	352,764	529,561
Total Current Assets		**3,883,371**	**2,321,949**
Non-Current Assets			
Exploration asset	5	2,270,314	2,347,024
Plant and equipment		3,930	8,313
Other receivables		4,349	-
Investment in associate	6	1,553,026	-
Total Non-Current Assets		**3,831,619**	**2,355,337**
Total Assets		**7,714,990**	**4,677,286**
Current Liabilities			
Trade and other payables	7	229,953	515,398
Employee entitlements		3,080	11,981
Total Current Liabilities		**233,033**	**527,379**
Total Liabilities		**233,033**	**527,379**
Net Assets		**7,481,957**	**4,149,907**
Equity			
Issued capital	8	47,183,798	44,713,880
Reserves	9	1,437,888	125,345
Accumulated losses		(41,152,280)	(40,707,254)
Non-controlling interest		12,551	17,936
Total Equity		**7,481,957**	**4,149,907**

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

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	Note	Issued capital	Unissued capital	Share Based Payment Reserves	Foreign Currency Reserve	Accumulated Losses	Non-controlling Interest	Total
		$	$	$	$	$	$	$
Balance at 1 July 2020		**40,480,698**	**-**	**269,721**	**(25,794)**	**(37,796,823)**	**(1,415)**	**2,926,387**
Loss attributable to members of parent entity		-	-	-	-	(1,277,245)	(507)	(1,277,752)
Other comprehensive income		-	-	-	(30,796)	-	(1,842)	(32,638)
Sub-total		-	-	-	(30,796)	(1,277,245)	(2,349)	(1,310,390)
Issue of shares		2,152,000	-	-	-	-	-	2,152,000
Agreements for issue of shares		-	270,000	-	-	-	-	270,000
Exercise and expiry of options		-	-	(118,198)	-	118,198	-	-
Conversion of performance rights		47,600	-	(47,600)	-	-	-	-
Capital raising cost		(85,116)	-	-	-	-	-	(85,116)
Share based payment	9	-	-	57,391	-	-	-	57,391
Balance at 31 December 2020		**42,595,182**	**270,000**	**161,314**	**(56,590)**	**(38,955,870)**	**(3,764)**	**4,010,272**
Balance at 1 July 2021		**44,713,880**	**-**	**201,318**	**(75,973)**	**(40,707,254)**	**17,936**	**4,149,907**
Loss for the year		-	-	-	-	(445,026)	(4,117)	(449,143)
Other Comprehensive income		-	-	-	29,854	-	(1,268)	28,586
Total comprehensive loss of the year		-	-	-	29,854	(445,026)	(5,385)	(420,557)
Issue of shares for capital raising	8	3,500,000	-	-	-	-	-	3,500,000
Issue of shares for acquisition of asset	8	400,000	-	-	-	-	-	400,000
Issue of broker options for capital raising		-	-	250	-	-	-	250
Capital raising cost	8, 9	(1,430,082)	-	1,220,314	-	-	-	(209,768)
Share based payment		-	-	62,125	-	-	-	62,125
Balance at 31 December 2021		**47,183,798**	**-**	**1,484,007**	**(46,119)**	**(41,152,280)**	**12,551**	**7,481,957**

The consolidated statement of changes in equity is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

	31 December 2021 $	31 December 2020 $
Cash Flow from Operating Activities		
Payments to suppliers	(852,646)	(472,826)
Payment for exploration & evaluation	(133,154)	-
Payments for staff costs	(538,111)	(341,028)
Interest received	112	321
Government grant and tax incentives received	-	36,969
Net cash flows used in operating activities	(1,523,799)	(776,564)
Cash Flow from Investing Activities		
Payment for tenements	-	(447,329)
Payment for property plant and equipment	(2,187)	(1,479)
Payment for exploration and evaluation	(430,589)	(188,951)
Payment for non-current asset	-	(124,099)
Net cash flows used in investing activities	(432,776)	(761,858)
Cash Flow from Financing Activities		
Proceeds from issue of shares and options	3,500,250	1,500,000
Proceeds from exercise of options	-	652,000
Transaction costs related to issues of shares, convertible notes or options	(209,767)	(85,116)
Repayment of loan	396,520	-
Net cash flows provided by financing activities	3,687,003	2,066,884
Net decrease in cash and cash equivalents	1,730,428	528,462
Foreign exchange	(9,614)	(28,322)
Cash and cash equivalents at the beginning of the period	1,675,448	965,172
Cash and cash equivalents at the end of the period	3,396,262	1,465,312

The consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

1. Statement of Significant Accounting Policies

(a) Reporting Entity

EV Resources Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial statement of the Company as at and for the six months ended 31 December 2021 comprises the Company and its controlled entities (together referred to as the consolidated entity).

This interim financial report was issued on 15 March 2022 by the directors of the Company.

(b) Statement of Compliance

The half-year consolidated financial statements are general purpose financial statements 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'.

These half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, they 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 these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by EV Resources Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

(c) Basis of Preparation

The half-year report has been prepared on a historical cost basis. 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. The financial statements have been prepared on a going concern basis.

The Accounting policies adopted in the preparation of this half-year financial report are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended 30 June 2021.

Estimates and Judgements

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2021.

New, revised or amending Accounting Standards and Interpretations adopted

There were no new, revised or amended accounting standards adopted in the period.

Going concern basis of preparation

These financial statements have been prepared on a going concern basis which assumes that the Company will continue in operation for the foreseeable future and at least one year from the date of signing.

(c) Basis of Preparation (Continued)

For the half-year ended 31 December 2021 the Group recorded a loss of $449,143 (31 December 2020: $1,277,752 loss), a strong cash balance of $3,396,262 (31 December 2020: 1,675,448), a net working capital surplus of $3,650,338 (30 June 2021: $1,794,570), net cash outflows from operating activities of $1,523,799 (31 December 2020: $776,564) and net cash outflows from investing activities of $432,776 (31 December 2020: $761,858).

2. Professional fees

	Consolidated entity	
	31 December 2021	**30 December 2020**
	$	**$**
Accounting and company secretary fees	(73,191)	(73,580)
Audit fees	(18,500)	(13,107)
Legal fees	(133,094)	(474,733)
	(224,785)	**(561,420)**

3. Trade and Other Receivables

	Consolidated entity	
	31 December 2021	**30 June 2021**
	$	**$**
Other receivables	134,345	116,940
	134,345	**116,940**

All amounts are short-term and the carrying values are considered to approximate fair value.

4. Other current assets

	Consolidated entity	
	31 December 2021	**30 June 2021**
	$	**$**
Prepayments – Tierra Blanca, Mexico	180,277	163,154
Prepayments – USA Arizona New Standard Project[1]	126,865	-
Prepayments – La Fortuna, Mexico[2]	-	246,510
Other prepayments	45,622	119,897
	352,764	**529,561**

1. During the reporting period, the Company entered into an option agreement to acquire the New Standard copper project located in Arizona, USA. Terms of the agreement are as follows.

   The Company has reached an agreement with Gold Rush Expeditions, Inc. to buy 100% of the New Standard Project. The Company has acquired a 3-month option over the Project for US$20,000 (non-refundable), over which time it will carry out due diligence.

Upon satisfaction of due diligence, the Company will acquire 100% of the Project for US$600,000 and a 2% Net Smelter Royalty. The cash consideration is to be settled in 3 equal payments of US$200,000 as follows:

- On exercise of the Option, EVR is to pay US$200,000 in cash and acquires a 33.33% ownership in the Project, which shall be placed into a new limited liability company.
- On the 12-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.33% shareholding (total 66.66% holding in the Project).
- On the 24-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.34% holding in the Project (total 100% holding in the Project).

2. The Company was unable to complete its due diligence of the La Fortuna project and has decided not to exercise the option to acquire the project. The prepayments for the acquisition and any exploration activities performed have been expensed.

5. Exploration and evaluation assets

	Consolidated entity	
	31 December 2021	**30 June 2021**
	$	**$**
Opening balance	2,347,024	2,111,317
Exploration & Expenditure acquisition[1]	615,000	-
Exploration capitalised	88,205	253,182
Exploration write off[2]	-	(17,475)
Serbia asset spin-out[3]	(779,915)	-
Closing balance	**2,270,314**	**2,347,024**

1. During the period, the Company acquired its Khartoum tenements for a consideration of $165,000. The project hosts previously exploited lead-zinc-silver, tungsten, copper and gold occurrences. Rock chip sampling has returned elevated indium values to 480ppm which has demonstrated potential for both economic low-grade, bulk tonnage greisen-style mineralisation and high-grade vein-style mineralisation within the Project.

   The Company also acquired an 80% interest of the Shaw River project for consideration of $50,000 cash payment and issue of 13,333,333 shares of EV Resources Limited at an issue price of $0.03 per share ($400,000). The Shaw River Exploration Licence 45/5849 comprises 22 sub-blocks or 70 square kilometres and covers several areas of historic tin-tantalum workings.

2. During the period, the Company was unable to complete its due diligence of the La Fortuna project and has decided not to exercise the option to acquire the project.

   The Company also terminated the acquisition of the Mt Wells and Maranboy project.

   As a result of rigorous project prioritisation, the Company will continue to focus on its remaining projects and on acquiring new projects, that seek to provide a broad range of electric metals for application in all facets of the innovation in technology; including the demand for tin, tungsten, copper, zinc and silver.

3. During the period, the Company spun-out its Serbian assets to Balkan Mining and Minerals (ASX: BMM). The Company retained 22% of equity interest in BMM and have significant influence. However due to loss of control, BMM is not part of EVR consolidated group and the Serbian exploration assets have been excluded.

6. Investment in Associates

	Consolidated entity	
	31 December 2021	30 June 2021
	$	$
Investment in associates	1,553,026	-
	1,553,026	**-**

During the reporting period, the spin-out company Balkan Mining and Minerals (ASX: BMM), which holds Serbian assets previously held by the Company, was admitted to the Official List of the ASX. The Company retained 10,000,000 shares which is an equity interest of 22% in BMM (escrowed for 2 years) alongside Sandfire Resources Limited (ASX: SFR) who also holds an equity interest of 22% in BMM following completion of the subscription and collaboration agreement between the parties. The retained equity interest in BMM allows the Company to retain indirect exposure to the Serbian lithium and borate assets.

The investment in associates has been calculated as follows:

	Consolidated entity	
	31 December 2021	30 June 2021
	$	$
Net assets of subsidiary derecognised	315,138	-
Gain on investment	1,684,862	-
Fair value consideration	2,000,000	-
Share of net loss recognised during the period	(446,974)	-
Investment in associates	**1,553,026**	**-**

7. Trade and Other Payables

	Consolidated entity	
	31 December 2021	30 June 2021
	$	$
Trade and other payables	166,376	424,560
Accruals	23,243	49,924
Other payables	40,334	40,914
	229,953	**515,398**

All amounts are short-term and the carrying values are considered to approximate fair value.

8. Share Capital

	Note	Consolidated entity 31 December 2021 $	30 June 2021 $
842,234,071 (30 June 2021: 712,234,072) Fully paid ordinary shares	(a)	47,183,798	44,713,880
a) Ordinary Shares			
At beginning of the reporting period		44,713,880	40,480,698
Issue of shares – for capital raising[1]		3,500,000	3,300,000
Issue of shares – exercise of options		-	652,000
Issue of shares – acquisition of asset		400,000	-
Issue of shares – acquisition option fee		-	270,000
Issue of shares – performance rights		-	47,600
Issue of shares – financing facility fee		-	150,000
Capital raising cost		(1,430,082)	(186,418)
At reporting date		**47,183,798**	**44,713,880**
			No. of shares
At beginning of the reporting period		712,234,072	524,884,071
Issue of shares – for capital raising[1]		116,666,666	167,600,001
Issue of shares – acquisition option fee		-	9,000,000
Issue of shares – acquisition of asset		13,333,333	-
Issue of shares – performance rights		-	7,000,000
Issue of shares – financing facility fee		-	3,750,000
At reporting date		**842,234,071**	**712,234,072**

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

1. During the reporting period, the Company raised A$3.5m from the issue of 116,666,666 shares at $0.03 per share with an attaching 1 option for every 2 shares. The funds were raised to provide additional funding optionality for the acquisition of the Khartoum Tin Projects. The New Shares and Options were issued in two tranches in accordance with the Company's available capacity in accordance with ASX Listing Rules 7.1 and 7.1A.

   - Tranche 1 – 58,333,333 New Shares were issued pursuant to the Company's existing placement capacity under Listing Rule 7.1A and 29,166,666 New Options were issued pursuant to the Company's existing placement capacity under Listing Rule 7.1;
   - Tranche 2 – 58,333,333 New Shares and 29,166,666 New Options were issued and shareholder approval was obtained at a General Meeting.

   Fees associated with the capital raise total 6% of gross funds raised and 50,000,000 New Options were issued pursuant to the Company's existing placement capacity under Listing Rule 7.1.

9. Reserves

	Consolidated entity	
	31 December 2021	30 June 2021
	$	$
Reserves		
Foreign currency reserve	(46,119)	(75,973)
Option reserve 133,333,332 (30 June 2021: 25,000,000)	1,342,007	121,443
Performance right reserve 20,000,000 (30 June 2021: 30,000,000)	142,000	79,875
	1,437,888	**125,345**

a) Foreign Currency Reserve

At the beginning of reporting period	(75,973)	(25,794)
Movement	29,854	(50,179)
At the end of reporting period	**(46,119)**	**(79,793)**

b) Share Based Payment Reserves

Option Reserve	$	$
At beginning of the reporting period	121,443	239,641
Issue of options[1]	1,220,564	-
Exercise of options	-	(62,794)
Expiry of options	-	(55,404)
At the end of reporting period	**1,342,007**	**121,443**

	No. of options	No. of options
At beginning of the reporting period	25,000,000	125,250,000
Issue of options	108,333,332	-
Exercise of options	-	(32,600,000)
Expiry of options	-	(67,650,000)
At the end of reporting period	**133,333,332**	**25,000,000**

Performance Right Reserve	$	$
At beginning of the reporting period	79,875	30,080
Performance rights expense	62,125	124,323
Conversion of performance rights	-	(47,600)
Forfeited or lapsed of performance rights	-	(26,928)
At the end of reporting period	**142,000**	**79,875**

	No. of performance rights	No. of performance rights
At beginning of the reporting period	30,000,000	17,000,000
Issue of performance rights	-	20,000,000
Conversion of performance rights	-	(7,000,000)
Forfeited or lapsed of performance rights	(10,000,000)	-
At the end of reporting period	**20,000,000**	**30,000,000**

1. During the reporting period, the Company raised A$3.5m from the issue of 116,666,666 shares at $0.03 per share with an attaching 1 option for every 2 shares. Fees associated with the capital raise total 6% of gross funds raised and 25,000,000 New Options (Refer to Note 8) per tranche. 50,000,000 New Options issued (exercise price $0.045, expiry date 31 August 2024) were valued using the Black-Scholes model. The cost of raising capital have been charged to Issued Capital.

10. Loss Per Share

Both the basic and diluted loss per share have been calculated using the profit attributable to shareholders of the parent company (EV Resources Limited) as the numerator, ie, no adjustments to losses were necessary during the six-month periods to 31 December 2021 and 31 December 2020. The weighted average number of shares for the purposes of the calculation of diluted loss per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic loss per share as follows:

	Consolidated entity	
	31 December 2021	**31 December 2020**
Basic and diluted loss per share (cents)	(0.05)	(0.22)
Losses used to calculate basic and diluted EPS ($)	(420,557)	(1,277,752)
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS*	763,819,217	591,205,177
Weighted average number of ordinary shares outstanding during the period used in calculating dilutive EPS*	763,819,217	591,205,177

Anti-dilutive options and performance rights have not been used in the EPS calculation. As at 31 December 2021 there were 133,333,332 options and 20,000,000 performance rights on issue.

11. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group's reportable segments have been identified around geographical areas and regulatory environments. The following table presents revenue and result information and certain asset and liability information regarding the relevant segments for the year ended 31 December 2021 for the consolidated entity.

Segment Information	**Australia**	**Serbia**	**Austria**	**Peru**	**Mexico**	**Total**
6 months to 31 December 2021						
Segment Result	**$**	**$**	**$**	**$**	**$**	**$**
Other Income	-	-	-	-	-	-
Supplier, consulting, investor relations and other	(180,989)	-	(4,945)	(46,110)	(345,654)	(577,698)
Employment	(140,050)	-	(15,644)	-	-	(155,694)
Impairment	-	-	-	-	-	-
Segment result	(321,039)	-	(20,589)	(46,110)	(345,654)	(733,392)
Corporate						284,249
Segment assets and liabilities						
Cash at bank, trade and other receivables	3,114	-	27,836	35,796	25,963	92,709
Segment other assets	2,992	-	-	-	-	2,992
Segment property, plant and equipment	-	-	-	1,298	-	1,298
Segment exploration asset	672,000	-	1,257,435	340,878	-	2,270,313
Segment liabilities	(24,796)	-	(48,969)	(39,387)	-	(113,152)
Corporate assets						5,347,678
Corporate liabilities						(119,881)

Segment Information	**Australia**	**Serbia**	**Austria**	**Peru**	**Mexico**	**Total**
6 months to 31 December 2020						
Segment Result	**$**	**$**	**$**	**$**	**$**	**$**
Other Income	-	928	44,286	-	-	45,214
Supplier, consulting, investor relations and other	-	(25,599)	(25,752)	(45,163)	-	(96,514)
Employment	-	(21,405)	(21,405)	-	-	(42,810)
Impairment	-	-	(17,475)	-	-	(17,475)
Segment result	-	(46,076)	(20,346)	(45,163)	-	(111,585)
Corporate / Australia						(1,166,167)
Segment assets and liabilities						
Cash at bank, trade and other receivables	-	4,608	64,606	20,539	-	89,753
Segment other assets	-	118	-	-	-	118
Segment property, plant and equipment	-	1,072	-	2,266	-	3,338
Segment exploration asset	-	729,463	1,236,847	264,210	-	2,230,520
Segment liabilities	-	(22,339)	(15,591)	(15,855)	-	(53,785)
Corporate assets						1,950,792
Corporate liabilities						(210,464)

12. Contingencies

As announced on 17 November 2020, the Company has entered into option agreement in respect of the acquisition of gold/silver project, located in Mexico, known as the Tierra Blanca Project.

In consideration for the Tierra Blanca option, the Company agreed to an upfront cash payment of US$30,000 and the issue of 3,000,000 Shares. The Tierra Blanca option terms are spread over 3 years at a cost of US$24,000 per annum in equal monthly instalments in addition to meeting the license costs of the vendor. A payment equivalent to US$25,000 will become payable at the decision to mine along with a royalty of US$2.00 per tonne of ore fed to the mill from the Tierra Blanca Project.

Whilst the Company has expressly reserved all of its rights relating to or arising from the MRV Metals Transaction, including (but not limited to) rights against the Receivers and the purported secured creditors, the Company may have a contingent liability from the liquidators costs in respect of this transaction which is unknown at the date of this report.

Other than the above, there have been no other changes in the Contingent Assets or Liabilities of the Group since 30 June 2021.

13. Events Subsequent to Balance Date

Subsequent to period end the following key events have occurred:

(a) Subsequent to the reporting period, the Company have received total proceeds of A$3,600,000 from Ya Hua International Investment and Development Co. Ltd ("Yahua") for 80,000,000 ordinary shares in EV Resources Limited at A$0.045 per share. The strategic investment provides funding for the exploration and development of the Company's lithium projects, and associated working capital.

(b) As announced on 31 January 2022, the Company has agreed terms with tin smelter Thailand Smelting and Refining Co. Ltd, known as "THAISARCO" for the supply of tin concentrate from the Company's Khartoum Project including delivery of a minimum of 1,200mt p.a. of tin concentrates (min. 60% Sn), with THAISARCO given a right of first refusal to increase this amount up to 3,600mt p.a..

The terms of the agreement are binding for the supply of tin concentrate offtake. The parties may enter into an additional agreement to include standard terms, which is normal practice for metals trading contracts. Terms of the agreement are as follows.

- Pricing of tin concentrate – the daily closing cash bid price of the London Metals Exchange ("LME") on agreed pricing dates;
- Delivery – EVR to use reasonable endeavours to deliver 1,200 metric tons ("mt") per annum of tin concentrates (min. 60% Sn), with THAISARCO given a right of first refusal to increase this amount up to 3,600mt per annum from the Khartoum Project;
- Payment - 100% after 30 days of arrival of material at Thaisarco's works and subject to settlement of weights, assays, and pricing;
- Concentrate specifications – specifications for the quality of the tin concentrate, impurity charges and International Atomic Energy Agency (IAEA) calculations have been set;
- Term - The parties intend that the initial term of the agreement will be three years, which can be extended by mutual agreement;

Events Subsequent to Balance Date (continued)

- Termination – standard terms include default and rights remediation and termination for extended Force majeure.
- Due diligence – terms are subject to due diligence on each company's supply chain policies which have been put in place to avoid dealing in materials which through their mining, production or supply have either knowingly or inadvertently been of benefit to illegal armed groups or are in any way contributing to conflict or human rights abuses.

(c) As announced on 8 February 2022, the Company has exercised its option to acquire the New Standard Copper Project in the Cienega Mining District of La Paz County, Arizona, USA. Terms of the agreement are as follows.

The Company has reached an agreement with Gold Rush Expeditions, Inc. ("Seller"), to buy 100% of the New Standard Project. The Company has acquired a 3-month option over the Project for US$20,000 (non-refundable), over which time it will carry out due diligence.

Upon satisfaction of due diligence, the Company will acquire 100% of the Project for US$600,000 and a 2% Net Smelter Royalty ("NSR"). The cash consideration is to be settled in 3 equal payments of US$200,000 as follows:

1. On exercise of the Option, EVR is to pay US$200,000 in cash and acquires a 33.33% ownership in the Project, which shall be placed into a new limited liability company.
2. On the 12-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.33% shareholding (total 66.66% holding in the Project).
3. On the 24-month anniversary of the exercise of the Option, a payment of US$200,000 in cash secures a further 33.34% holding in the Project (total 100% holding in the Project).

The percentage ownership of the asset will be relinquished by EVR if payments are not made.

The Seller agrees that EVR, at its sole discretion, has the right but not the obligation to buy back from the Seller, a 1% NSR for US$1,000,000 at any point in the future upon written confirmation from EVR to the Seller.

Additionally, Performance Bonus Payments will be made to the Seller on the satisfaction of certain milestones. Performance Bonus Payments are payable as follows:

1. Payment of US$750,000 in cash upon declaration of a maiden Indicated Mineral Resource estimate under the JORC-2012 code at a cut-off grade of no less than 1.5% copper.
2. Payment of US$750,000 in cash upon publication of a successful Pre-Feasibility Study with a post-tax, ungeared Internal Rate of Return ("IRR") of not less than 25%.
3. Payment of US$1,000,000 in cash upon Readiness to Mine (Feasibility Study completed, all permits received and notices issued to Mines Safety and Health Administration ("MSHA") of intent to mine.
4. A further bonus payment of US$1,400,000 in cash upon commercial production, defined as the production and sale of 5,000 metric tonnes of copper in ore, concentration, or metallic form.

(d) Subsequent to the reporting period, 20,000,000 incentive performance rights have been issued to the executive directors, Mr Adrian Paul and Mr Navinderjeet Singh. The performance rights will be able to be converted into EVR shares subject to satisfaction of the achievement of a 5 day Volume Weighted Average Price (VWAP) of EVR shares on ASX being equal to or exceeding $0.10 per share within 12 months from the date of issue.

Events Subsequent to Balance Date (continued)

(e) On 28 February 2022, the Company entered into an in-principle agreement with the principle shareholder of Minera Montserrat S.A.C, a Peruvian company and 100% owner of the Don Enrique Copper-Gold-Silver Project. The consideration for the acquisition of 100% of Minera Monsterrat S.A.C. is US1.3m, payable over 2 years.
The Don Enrique Project consists of 4 licences covering 1,800Ha in an area 30km north east of Jauja and approximately 260km from the Nation's capital, Lima:

1. Don Enrique, Licence number: 0100769-12, 1000 Ha
2. Chaupiloma 2007, Licence Number: 0105549-07, 100 Ha.
3. Chaupiloma 2008, Licence Number: 0101581-08, 100 Ha.
4. COCOA BEACH, Licence Number: 010155815, 600 Ha.

Under the agreement EV Resources has agreed to acquire 100% of Montserrat on the following transaction terms:

- On signing of a definitive agreement (Definitive Agreement), payment of US$300,000 in cash to buy 50% of the shares of Montserrat;
- Up until the 24 month anniversary of signing the Definitive Agreement, EV Resources has the option to acquire the remaining 50% of the shares of Montserrat for the sum of US$1,000,000 ("Option");
- From the date 12 months after submission of a drilling permit application to expiry or exercise of the Option by EV Resources, the Vendor shall have the right to sell the remaining 50% shares in Montserrat to a 3rd party, provided that EV Resources shall have a right of first refusal to buy those shares on the same terms bid.
- A 1% NSR shall be payable to the Vendor.

Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

Correspondence to:
PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000
F +61 8 9480 2050
E: info.wa@au.gt.com
W: www.grantthornton.com.au

Independent Auditor's Review Report

To the Members of EV Resources Limited

Report on the review of the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of EV Resources Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2021, and 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, a description of accounting policies, other selected explanatory notes, 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 EV Resources Limited does not comply with the *Corporations Act 2001* including:

a giving a true and fair view of the EV Resources Limited's financial position as at 31 December 2021 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*. 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 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.

Directors' responsibility 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 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.

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Auditor's responsibility

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 Group's financial position as at 31 December 2021 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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 15 March 2022