



ACN 138 145 114

(Renamed Voltaic Strategic Resources Ltd, effective from 13 July 2022)

Half Year Report

For the six month period ended 30 June 2021

Contents

DIRECTORS' REPORT	1
CORPORATE INFORMATION	1
REVIEW OF OPERATIONS	2
DIVIDENDS	3
AUDITOR INDEPENDENCE DECLARATION TO THE DIRECTORS OF VOLTAIC STRATEGIC RESOURCES LTD	3
AUDITOR'S INDEPENDENCE DECLARATION	4
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9
DIRECTORS' DECLARATION	18
INDEPENDENT AUDITORS' REPORT	19
APPENDIX 4D	21

DIRECTORS' REPORT

CORPORATE INFORMATION

The Directors submit herewith the financial report of Eon NRG Ltd (name changed to Voltaic Strategic Resources Limited effective from 13 July 2022) and its subsidiaries (collectively "the Group") for the half-year ended 30 June 2021.

This half year report is of the group comprising Voltaic Strategic Resources Ltd (formerly Eon NRG Limited) ("the parent entity") and its subsidiaries (collectively "the Group"). **The Group's functional and presentation currency was AUD Dollars (\$) (effective from 1 January 2021).**

A description of the Group's operations and its principal activities is included in the review of operations and activities in the directors' report on page 3. The Directors' report is not part of the financial report.

This interim financial report does not include all the notes of the type that are normally included in an annual financial report other than significant accounting policy changes that have occurred in the current reporting period. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2020 and any public announcements made by the Company during the interim report period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors

John Hannaford (Chairman) (Appointed 30 March 2021)

Simon Adams (Non-executive Director) (Appointed 26 June 2019)

Lachlan Reynolds (Appointed 18 March 2022)

Matthew McCann (Chairman) (Appointed Director July 2014, Retired 29 June 2022)

Gerard McGann (Non-executive Director) (Appointed July 2009, Retired 21 February 2022)

John Whisler (Managing Director - Appointed July 2014, Retired 24 December 2020; Non executive director – Appointed 24 December 2020, Retired 30 March 2021)

Company Secretary

Simon Adams

Registered office

Suite 2, 38 Colin Street

West Perth, WA 6005

Telephone: +61 8 6444 1788

Web: www.voltaicresources.com

Auditors

Dry Kirkness (Audit) Pty Ltd (formerly Butler Settineri (Audit) Pty Ltd during the period under review)

Ground Floor, 50 Colin Street

West Perth WA 6005

Share Registry

Link Market Services

Level 12/ 250 St Georges Terrace

Perth WA 6000

REVIEW OF OPERATIONS

During 2020, following default of the Company's loan facility with ANB Bank, negotiations were carried out over an extended period with ANB to agree on a workout arrangement that was suitable for ANB and the Company.

On 10 December 2020, the Company entered into a Workout Agreement with ANB Bank (**ANB**) which resulted in the settlement of the repayment claims from ANB on Voltaic due to its default on the loan to ANB in Q2-2020.

A summary of the Workout Agreement is as follows:

- As at November 17, 2020, the principal and accrued interest on the loan was \$6,683,368;
- In exchange for conveyance of various collateral assets (listed below) ANB would release Voltaic and its US subsidiaries from the guarantee and payment of the outstanding monies owed to ANB;

Collateral Securities –

- Incremental Oil and Gas LLC (owner of Sheep Springs Oilfield);
- Incremental Oil and Gas (Round Mountain) LLC (owner of Round Mountain Oilfield);
- The Mortgage and Securities that were associated with the Borie Oilfield
- The Mortgage and Securities that were associated with the Govt Kaehne oil well in the Powder River Basin;
- The cash deposits that were pledged to the Wyoming Oil and Gas Conservation Commission for idle well bonds associated rehabilitation of the Wyoming properties (approx. value \$667,600);
- The operating bank account of Incremental Oil and Gas USA Holdings.
- Voltaic would retain the Cobalt lode claims in Nevada and be granted a 2 year option to purchase the rights to carry out exploration activities on the leases that were acquired in the Powder River Basin (consideration payable on exercise of the option was \$135,568)

The Workout Agreement was completed on 24 December 2020.

Battery mineral exploration

Voltaic established a battery minerals exploration division in 2018 with a long-term strategic view that global energy demands will require a range of new technologies and energy supply and storage solutions in the future.

Voltaic acquired 42 lode claims covering 840 acres of land in the Stillwater Range, Nevada, which was seen as having exploration potential for a range of battery minerals including cobalt and copper. The claims cover a number of historic mine workings and adits are within 3 miles of the Lovelock Mine which has a history of producing high grade cobalt.

The strategic objectives of mineral exploration in this area of Nevada includes:

- Nevada is a superior mining jurisdiction which hosts several copper-gold projects nearby and benefits from having excellent infrastructure;
- The Stillwater Range has good access and infrastructure in place and is only 150 kilometres east of Sparks Nevada, home to Tesla's Gigafactory 1;
- The nearby Lovelock mine has historically had limited, yet high-grade, production of cobalt, nickel and copper in the 1880s but the area has never been thoroughly explored in the modern era;

- The District shows strong enrichment in cobalt, nickel and copper making it very attractive for further exploration and expansion through other attractive growth opportunities.

CORPORATE

During 2021, the Company was unsuccessful in gaining approval from ASX to have the voluntary suspension of its shares lifted on the basis of its remaining assets. Negotiations were carried out with numerous vendors to acquire assets across various energy commodities including oil and gas and hard-rock minerals such as lithium, uranium, graphite and vanadium to facilitate a relisting. These negotiations were undertaken to facilitate the best outcome possible for existing shareholders.

The Company continued to operate on limited funds with the support of creditors and with limited salaries or fees paid to employees or directors during the suspension period.

DIVIDENDS

No dividends were paid, recommended or declared during the current period.

AUDITOR INDEPENDENCE DECLARATION TO THE DIRECTORS OF VOLTAIC STRATEGIC RESOURCES LTD

Section 307C of the Corporations Act 2001 requires our auditors, Dry Kirkness (Audit) Pty Ltd, to provide the directors of Voltaic Strategic Resources Limited with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 5 and forms part of the director's report for the half-year ended 30 June 2021.

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

On behalf of the directors


John Hannaford
Chairman

3 October 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Voltaic Strategic Resources Limited for the half year ended 30 June 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.

This declaration is in respect of Voltaic Strategic Resources Limited and the entities it controlled during the half year period.

DRY KIRKNESS (AUDIT) PTY LTD



MARCIA JOHNSON
Director

Perth
Date: 3 October 2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 30 June 2021

	Notes	Half-year ended	
		30 June 2021	30 June 2020 (Restated)
		\$	\$
Revenue	10(a)	-	1,365,801
Cost of Sales	10(b)	-	(1,745,622)
Gross Profit from operations		-	(379,821)
Exploration expense		-	(10,925)
Corporate administration expenses	10(c)	(241,811)	(892,745)
Depreciation		-	(75,610)
Impairment adjustment		-	2,743,934
Interest and finance expense		(10,885)	(319,411)
Interest income		-	7,230
Gain on sale of fixed assets		-	12,860
Other operating revenue		16,512	17,618
Foreign exchange gain		-	616,883
Profit/(loss) before income tax		(236,184)	1,720,013
Income Tax Expense		-	-
Profit/(loss) after income tax		(236,184)	1,720,013
Other Comprehensive income/(loss)		-	-
Total comprehensive loss for the period attributable to members of the entity		(236,184)	1,720,013
Earnings per share:			
		Six months to 30 June 2021	Six months to 30 June 2020
		Cents	
Basic (cents per share)	11	(0.031)	0.223
Diluted (cents per share)	11	(0.020)	0.147

The above Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	30 June 2021	31 December 2020	1 January 2020 (Restated)
		\$	\$	\$
ASSETS				
Current assets				
Cash and cash equivalents	12	7,376	15,590	2,652,610
Trade and other receivables	13	8,650	4,607	773,964
Inventories		-	-	95,215
Total current assets		16,026	20,197	3,521,789
Non-current assets				
Other financial assets		-	-	998,958
Oil and gas properties		-	-	9,734,329
Exploration and evaluation expenditure				
Continuing operations	14	102,480	102,480	98,732
Discontinued operations		-	-	1,272,429
Property, plant and equipment		-	-	587,210
Right of use asset		-	-	85,579
Total non-current assets		102,480	102,480	12,777,237
Total assets		118,506	122,677	16,299,026
LIABILITIES				
Current liabilities				
Trade and other payables				
Continuing operations	15	275,051	53,585	102,808
Discontinued operations		-	-	2,868,815
Borrowings		-	-	8,996,080
Provisions		-	-	269,853
Lease liabilities		-	-	92,058
Total current liabilities		275,051	53,585	12,329,614
Non-current liabilities				
Provisions		-	-	5,411,079
Lease liabilities		-	-	8,710
Total non-current liabilities		-	-	5,419,789
Total Liabilities		275,051	53,585	17,749,403
Net Assets		(156,545)	69,092	(1,450,377)
EQUITY				
Issued share capital	16(a)	27,375,608	27,375,608	27,375,608
Convertible notes	16(b)	263,906	253,358	-
Shares to be issued – Debt shares	16(c)	200,000	200,000	-
Reserves		389,925	389,925	389,925
Foreign currency translation reserve		-	-	68,892
Retained Earnings		(28,385,984)	(28,149,799)	(29,284,802)
Total Equity		(156,545)	69,092	(1,450,377)

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 30 June 2021

2020	Issued Capital	Convertible Notes	Shares to be issued	Retained Earnings	Foreign Currency Translation Reserves	Share Option Reserve	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2020 (Restated)	27,375,608	-	-	(29,284,802)	68,892	389,925	(1,450,377)
Profit/(Loss) for the period	-	-	-	1,720,013	-	-	1,720,013
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	1,720,013	-	-	1,720,013
Transactions with owners in their capacity as owners:							
Realisation of FX movement on translation	-	-	-	-	(716,027)	-	(716,027)
	-	-	-	-	(716,027)	-	(716,027)
Balance at 30 June 2020	27,375,608	-	-	(27,564,789)	(647,135)	389,925	(446,391)
2021	Issued Capital	Convertible Notes	Shares to be issued	Retained Earnings	Foreign Currency Translation Reserves	Share Option Reserve	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 31 December 2020	27,375,608	253,358	200,000	(28,149,799)	-	389,925	69,092
Profit/(Loss) for the period	-	-	-	(236,184)	-	-	(236,184)
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	(236,184)	-	-	(236,184)
Transactions with owners in their capacity as owners:							
Convertible notes from capitalised interest	-	10,548	-	-	-	-	10,548
	-	10,548	-	-	-	-	10,548
Balance at 30 June 2021	27,375,608	263,906	200,000	(28,385,984)	-	389,925	(156,545)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 30 June

	Notes	Half-year ended	
		30 June 2021 \$	30 June 2020 (Restated) \$
Cash flows from operating activities			
Receipts from customers		-	1,719,070
Other income		16,511	35,289
Interest received		-	886
Payments to suppliers and employees		(23,259)	(2,060,036)
Payment of state taxes		-	(346,513)
Receipts from asset transfer		-	12,860
Payment of interest and finance charges		-	(131,323)
Net cash outflow from operating activities		(6,748)	(769,767)
Cash flows from investing activities			
Payments for acquisition of investment		-	-
Payments for exploration		-	(1,954,751)
Net cash outflow from investing activities		-	(1,954,751)
Cash flows from financing activities			
Proceeds from issues of shares		-	-
Proceeds from loans		-	178,849
Proceeds from convertible notes		-	-
Net cash inflow from financing activities		-	178,849
Net increase/(decrease) in cash and cash equivalents			
		(6,748)	(2,545,669)
Cash and cash equivalents at the beginning of the period		15,590	2,652,610
Foreign Exchange movement		(1,466)	(52,482)
Cash and cash equivalents at end of period	12	7,376	54,459

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Voltaic Strategic Resources Limited (formerly Eon NRG Ltd) (**Voltaic** or the **Company**) is a company limited by shares, domiciled and incorporated in Australia. The financial statements cover Voltaic as a Group consisting of Voltaic Strategic Resources Ltd and the entities that it controlled at the end of, or during, the half year.

At the record date, the nature of operations and principal activities had transitioned from oil and gas exploration and production (E&P) to being a passive holder of an option over leases which have oil and gas exploration potential in Wyoming, USA and holders of lode claims for mineral exploration in Nevada, USA. The Company ceased to be an E&P company in 2020 when it closed a settlement arrangement with its bankers which resulted in the assignment of its production assets to ANB Bank in exchange for being released of its loan obligations to ANB Bank.

The financial report of Voltaic Strategic Resources Ltd is for the period ending **30 June 2021**. This interim financial report does not include all the notes of the type that are normally included in an annual financial report other than significant accounting policy changes that have occurred in the current reporting period.

2. Basis of Preparation

These condensed consolidated interim financial statements for the period ending 30 June 2021 have been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This financial report also complies with *IAS 34 Interim Financial Reporting*, as issued by the International Accounting Standards Board.

These condensed consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report.

The financial report has been prepared on a historical costs basis and has been presented in Australian Dollars (AUD) rounded to the nearest AUD1 unless otherwise stated.

3. Accounting Policies

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2020. New and revised Standards and amendments thereof and Interpretations effective for the current period that are relevant to the Group include:

- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not yet issued in Australia.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

4. Statement of Compliance

The financial report complies with Australian Accounting Standards. The Group has adopted all new and revised Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB) which are mandatory to apply to the current year.

5. Change in Functional and Presentation Currency

Functional Currency

In December 2020, the Company completed a workout agreement with ANB Bank which resulting in all of its core US based oil and gas production assets being assigned to the bank. Consequently, the Directors have determined that the functional currency of the Company and all its subsidiaries is Australian dollars (AU\$) effective 1 January 2021. The change in functional currency has been applied prospectively with effect from 1 January 2021 in accordance with the requirements of the Accounting Standard (AASB121 The Effects of Changes in Foreign Exchange Rates). To give effect to the change in functional currency, the assets and liabilities of entities with a United States (US\$) functional currency at 1 January 2021 were converted into AU\$ at a fixed exchange rate of US\$0.7702: AU\$1.00.

Presentation Currency

Following the change in functional currency, the Company changed its presentation currency from US\$ to AU\$. The change in presentation currency is to provide comparable information to users and better reflect the Group's business activities. Prior to the change, the Company reported its financial statements in US\$. A change in presentation currency is a change in accounting policy which is accounted for retrospectively. In making this change in presentation currency, the Company followed the requirements set out in *AASB 121 The Effects of Changes in Foreign Exchange Rates*. As required by *AASB 121*, the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for each period have been translated into the presentation currency using the average exchange rates prevailing during each reporting period. All assets and liabilities have been translated using the exchange rate prevailing at the consolidated statement of financial position dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of the various capital transactions. All resulting exchange differences arising from the translation are included as a separate component of other comprehensive income. All comparative financial information has been restated to reflect the Company's results as if they had been historically reported in AU\$.

6. Principals of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Voltaic as at 30 June 2021 and the results of all subsidiaries for the period then ended. Voltaic and its subsidiaries together are referred to as the Group. Subsidiaries are all those entities (including special purpose entities) over which the Group has power to govern the financial and operating policies, so as to obtain benefits from its activities, generally accompanying a shareholding of more

than one-half of the voting rights. The existence and potential effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Entity, using consistent accounting policies. Accounting policies of subsidiaries have been changed when necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. There are deconsolidated from the date that control ceases. Intercompany transactions and balances, income and expenses and profit and losses between Group companies, are eliminated.

7. Segment Information

The Group has determined that it operates in one operating segment, being and this is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources in the Group. Accordingly, the financial results of the segment are equivalent to the financial statements of the Group as a whole.

The Australian head office does not engage in business activities from which it generates or earn revenues. As a result, the Australian head office does not represent an operating segment.

8. Going Concern

The financial report has been prepared on a going concern basis which contemplates that as at the report balance date, it was likely that there would be continuity of normal business activity and realisation of assets and the settlement of liabilities in the normal course of business.

However, there are events that have occurred during the financial period which creates a material uncertainty with regards to the Group's ability to continue to operate on this basis. In 2020, the Company sold and assigned the oil and gas production assets from which it generated revenue that contributed towards the payment of operating and administrative costs for the Group. However, the sale of these assets has cleared all of its bank debt obligations which placed the Group in a strong position to raise additional new equity to acquire and develop new assets.

At the balance date of this report, the Company was actively seeking new business opportunities that would enable it to seek additional capital and seek relisting of its shares on ASX.

The Group incurred a net loss of \$236,184 and experienced net cash outflows from operations of \$6,748 for the half-year ended 30 June 2021. The Group had liabilities of \$275,051 and cash on hand of \$7,376 as at 30 June 2021.

The ability of the Group Company's ability to continue as a going concern is dependent upon the success of the fundraising under a prospectus issued, relisting on ASX and it maintaining sufficient funds for its operations and commitments. This requirement gives rise to a material uncertainty that may cast a significant doubt over the Group's ability to continue as a going concern and therefore that it will be able to realise its assets and discharge its liabilities in the normal course of business, and at the amount stated in the financial report. The Board believes it will have sufficient funding in place to meet its operating objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- The Group has completed a capital raise under a prospectus which raised \$4.5 million (before costs) from the issue of 225 million shares plus an additional \$50,000 (before costs) from the issue of 100 million options;
- The offer under the Prospectus closed over subscribed with funds now transferred to the Group and securities issued;

The Group has raised a further \$500,000 of capital since the end of this reporting period through the issue of convertible notes.

The final condition under the prospectus is relisting with ASX. Should the Group not be able to comply with all the relisting requirements the Group may not be able to meet its debts as and when they fall due and thus continue as a going concern.

9. Significant events occurring after the reporting date

Subsequent to the end of the half year balance date of this report, Voltaic secured a portfolio of new exploration assets, targeting battery and precious metals, and applied under a re-compliance plan to have the Company's shares relist on the ASX. The Company received in principle approval from ASX for its re-compliance and subsequently received Shareholder approval for the re-capitalisation and change of nature and scale of the business. On completion of the re-compliance process, the project acquisitions will result in a significant change in the nature and scale of the Company's current activities.

As part of the re-compliance the Company raise \$5.79M via:

- a placement under the company's 15% placement capacity to raise up to \$115,483 (**Placement**) – completed in June 2022;
- a convertible note issue to raise \$500,000 with the notes converting to shares at the time of re-compliance at the re-compliance price (**Convertible Note Placement**) completed in August 2022; and
- the re-compliance capital raising of \$4.5M (**Public Offer**), coupled with an offer of options to raise an addition \$50,000. Existing Shareholders will be offered to participate in a \$1M priority offer in the Public Offer.

In addition to the above capital raisings, the Company has completed the following corporate actions as part of its re-compliance plan:

- consolidate its capital on a 1:20 basis, bringing the Shares on issue post 15% Placement to 44,268,614 with a share price of \$0.02 (**Consolidation**) – completed in July 2022;
- issue of Options under the Placement (participants in the Placement will receive a 1 for 1, 3 year Option at a 50% premium to the re-listing price, the issue of which is subject to Shareholder approval) (**Placement Options**) – completed 28 September 2022;
- settle debts owed to current and previous Directors to the value of \$317,804 via the issue of Shares to the value of \$200,000 – completed 28 September 2022;
- issue previous employees 661,942 Shares owing under their previous employee agreements – completed 28 September 2022;
- convert related party and unrelated party convertible notes to the value of \$730,000, convertible to both Shares and Options – completed 28 September 2022;

- (f) issue of 60,000,000 Shares at the re-listing price of \$0.02 and 26,250,000 Options exercisable at a 50% premium to the re-listing price with an expiry date of three years from re-compliance listing date, in consideration for the Project Acquisitions – completed 28 September 2022;
- (g) acquire 100% of the issued shares in Monomatapa Coal Pty Ltd (**MCPL**) in consideration for the issue of 31,250,000 Company Shares to MCPL shareholders in order for the Company to access additional cash on hand of \$625,000 – completed 28 September 2022;
- (h) issue Options to Directors on the following terms:
 - (i) 10,000,000 Options exercisable at a 50% premium to the re-listing price and expiring 3 years from the relisting date – completed 28 September 2022; and
 - (ii) 10,000,000 Options exercisable at a 100% premium to the re-listing price and expiring 4 years from the relisting date – completed 28 September 2022; and
- (i) issue \$250,000 worth of Shares to nominees of CPS at \$0.02 with a 1 for 1, 3 year Option exercisable at a 50% premium to the re-listing price, forming part of the consideration under the lead manager mandate – completed 28 September 2022;
- (j) adopt an Employee Share Option Plan and new Constitution – completed 13 July 2022; and
- (k) Change the Company’s name to Voltaic Strategic Resources Ltd – completed 13 July 2022.

A Prospectus to raise \$4.5 million was lodged with ASIC on the 6th July 2022 and an application for relisting of shares on ASX was lodged with ASX on 12th July. A shareholder meeting was held on 13th July to approve the capital raising and acquisition of the new exploration tenements in Western Australia.

10. Revenue, other income and expenses

	2021 \$	2020 \$
a) Revenue		
Sales from oil and gas production	-	1,301,709
Other revenue	-	64,092
	-	1,365,801
b) Cost of sales		
Lease operating expenses	-	960,033
Production taxes	-	80,679
Amortisation and depreciation	-	427,233
Rehabilitation provision movements	-	215,288
Other	-	62,389
	-	1,745,622
c) Corporate Administration Expenses		
Employee and consulting costs	120,093	638,421
Administration and compliance expenses	108,859	118,021
Other	12,859	136,303
	241,811	892,745

11. Earnings per share

	2021 \$	2020 \$
Profit/(Loss) used in calculating basic earnings per share	(236,184)	1,720,013
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic earnings per share	769,888,934	769,888,934
Effect of dilution securities:		
Convertible Notes and Shares to be issued	410,000,000	400,000,000
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	1,179,888,934	1,169,888,934

12. Cash and cash equivalents

	30 June 2021 \$	31 December 2020 \$
Cash at bank and on hand	7,376	15,590

13. Trade and Other Receivables

GST Receivable	8,650	4,607
----------------	-------	-------

14. Exploration and Evaluation Assets

Accounting Policy

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or
- activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing

	30 June 2021 \$	31 December 2020 \$
Opening balance at 1 January	102,480	98,732
Acquisition of E&E assets	-	-
Expenditure for the period	-	9,679
FX Movement	-	(5,931)
Closing Balance	102,480	102,480

15. Trade and other payables

	30 June 2021	31 December 2020
	\$	\$
Trade payables	157,391	42,816
Other payables	116,043	3,269
Accruals	1,617	7,500
	275,051	53,585

16. Issued Capital

a. Ordinary Shares

Movement in Ordinary Shares during the relevant accounting period as follows:

	31 December 2020	31 December 2020
	\$	Number¹
Opening balance	27,375,608	769,888,934
New shares issued	-	
Closing balance	27,375,608	769,888,934
	30 June 2021	30 June 2021
	\$	Number¹
Opening balance	27,375,608	769,888,934
New shares issued	-	
Closing balance	27,375,608	769,888,934

1. The number of shares is based on pre-consolidation securities (consolidation of securities on a ratio of 20:1) which was approved by Shareholders at a meeting on 13th July 2022. The consolidation was implemented on 26th July 2022.

b. Convertible Notes

	31 December 2021	31 December 2021
	\$	Number¹
Opening balance	-	-
New convertible notes issued ²	200,000	2,000,000,000
Value of attaching options ³	53,358	-
New convertible notes issued for capitalised interest	-	-
Closing balance	253,358	2,000,000,000
	30 June 2021	30 June 2021
	\$	Number¹
Opening balance	253,359	2,000,000,000
New convertible notes issued from interest	10,547	105,480,000
Closing balance	263,906	2,105,480,000

1. The number of convertible notes is based on pre-consolidation of securities (consolidation of securities on a ratio of 20:1) which was approved by Shareholders at a meeting on 13th July 2022. The consolidation was implemented on 26th July 2022.

2. The terms of the convertible notes are:
 - a. Convertible notes issued with conversion price of \$0.001 per share (pre-consolidation), interest rate of 10% per annum.
 - b. Notes to be converted to shares at the time that the Company relists on ASX.
 - c. Interest to accrue at rate of 10% per annum up to 30 June 2022 with interest accrued and paid in convertible notes on same terms as above.
3. Options to be issued on a 1:2 basis have been valued under Black Scholes model based on following assumptions:
 - i. Market Price \$0.001 (pre-consolidation)
 - ii. Exercise price \$0.0015 (pre-consolidation)
 - iii. Term of Option 3 years
 - iv. Annual Risk Free Rate 3.33%
 - v. Annual Volatility 100%

c. Debt Shares

On 17 December 2020 outstanding employee entitlements (including consulting fees, accrued annual leave and redundancy provisions) were converted into AUD \$200,000 of debt shares by way of deeds of settlement and release. The allotment of shares to previous directors Matthew McCann, Gerard McGann and John Whisler and current Director, Simon Adams, was approved at the general meeting of shareholders held on 13th July 2022.

d. Share Options

371,499,774 options expired on 22 February 2021. As at the 30 June 2021 there were no options on issue.

17. Related party transactions

a. Loans

During the reporting period of this financial statement, the following related party loan transactions were made by the Company:

Related party	2021 (to 30 June)		2020	
	Loan Received \$	Loan Repaid \$	Loan Received \$	Loan Repaid \$
Simon Adams	-	-	6,000	(6,000)

b. Fees and services

Mr Hannaford is a director and shareholder of Rockford Partners which has provided management and administration services to the Company at a rate of \$10,000 per month since December 2020. These fees have been accrued but have not been paid during the financial period and will not be paid until re-compliance and re-listing of the Company is completed.

Consulting fees have been accrued for Directors in relation to work carried out in 2021 as follows:

Director	30 Jun 2021 Amount Due \$	30 Jun 2020 Amount Due \$
Matthew McCann	29,833	-
Simon Adams	18,710	-
	48,543	-

c. Share based payments

On 17 December 2020 outstanding employee entitlements (including consulting fees, accrued annual leave and redundancy provisions) were converted into AUD \$200,000 of debt shares by way of deeds of settlement and release. These shares will be issued at the time of relisting of the Company on ASX and have been approved by shareholders. The names and details of directors who are to receive compensation by way of these shares are as follows:

Director	Value \$
John Whisler	80,013
Simon Adams	61,282
Matthew McCann	35,399
Gerard McGann	23,306
	<u>200,000</u>

There were no share based payments in 2021.

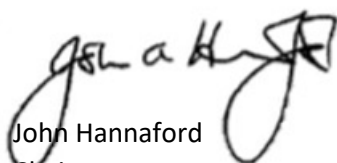
DIRECTORS' DECLARATION

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

In the opinion of the directors

- (a) The financial statements and notes of Voltaic Strategic Resources Limited are in accordance with the Corporations Act 2001, including;
 - i. Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half year ended on that date, and
 - ii. Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) Subject to achieving the matters set out in note 9 to the financial report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



John Hannaford
Chairman
Perth

3 October 2022

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF VOLTAIC STRATEGIC RESOURCES LIMITED**

Conclusion

We have reviewed the accompanying half year financial report of Voltaic Strategic Resources Limited (“the Company”) and its controlled entities (“the Group”), which comprises the condensed consolidated statement of financial position as at 30 June 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 summary of significant accounting policies and other explanatory information and the directors’ declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group’s financial position as at 30 June 2021 and of its financial 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*.

Emphasis of matter – material uncertainty related to going concern

We draw attention to Note 8 in the financial report which describes the principal conditions that raise doubt about the Group’s ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast doubt on the Group’s ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the ordinary course of business. Our review conclusion is not modified in respect of this matter.

Basis for Conclusion

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*. Our responsibilities are further described in the *Auditor’s responsibilities for the review of the half year 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 ethical requirements in accordance with the Code.

Directors' responsibilities for the half year financial report


The directors of the Company are responsible for the preparation and fair presentation of the half year financial report in accordance with the Accounting Standard AASB 134 *Interim Financial Reporting* 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 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 in order to state whether anything has come to our attention that causes us to 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 2021 and its financial performance and its cash flows 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.

DRY KIRKNESS (AUDIT) PTY LTD



MARCIA JOHNSON
Director

Perth

Date: 3 October 2021

APPENDIX 4D

ASX INFORMATION

The information that is required by the Australian Stock Exchange Limited Listing Rules is as follows.

1. Details of the results for this reporting period and the corresponding prior year period are provided elsewhere in this report.
2. Results for announcement to the market

	Change from prior period *	\$
2.1. Revenues from ordinary activities	100% ↓	Nil
2.2. Profit/(Loss) from ordinary activities after tax attributable to members	114% ↓	(236,184)
2.3. Net profit/(loss) for the period attributable to members	114% ↓	(236,184)
2.4. Dividends (distributions)	Nil	Nil

* Comparison of six months to 30 June 2021 with six months to 30 June 2020

3. Net tangible assets per security

	June 2021	December 2020
	\$	\$
Net tangible assets per security	(0.0002)	0.0000

4. Control was neither gained nor lost over any entities during the half year.
5. No dividends were paid during the period
6. The Company does not have a dividend re-investment plan.
7. The Company does not have any Associated Companies or Joint Ventures.