



# RAGNAR

METALS LTD.

ABN 12 108 560 069

## **INTERIM FINANCIAL REPORT 31 DECEMBER 2020**

*Note: The information contained in this condensed report is to be read in conjunction with Ragnar Metals Limited's 2020 annual report and any announcements made by the company during the half-year period ending 31 December 2020*

## **Corporate directory**

### **Directors**

Steven Formica	Non-executive Chairman
Eddie King	Non-executive Director
David Wheeler	Non-executive Director

### **Company Secretary**

Jessamyn Lyons

### **Registered Office**

Street:	Suite 2, 11 Ventnor Avenue
Postal:	West Perth WA 6005
Telephone:	+61 (0)8 6245 2050
Facsimile:	+61 (0)8 6245 2055
Email:	info@ragnarmetals.com.au
Website:	www.ragnarmetals.com.au

### **Auditor**

Bentleys Audit & Corporate (WA) Pty Ltd  
London House  
Level 3, 216 St Georges Terrace  
Perth WA 6000

### **Share Registry**

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

### **Securities Exchange**

Australian Securities Exchange

### **ASX Code**

RAG

# RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

## INTERIM FINANCIAL REPORT 31 DECEMBER 2020

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## Directors' report

Your Directors present their report together with the condensed financial statements of the Group, being the Company and its controlled entities, for the half-year ended 31 December 2020.

### Directors

The names of Directors in office at any time during or since the end of the half-year are:

Steven Formica	Non-executive Chairman
Ariel (Eddie) King	Non-executive Director
David Wheeler	Non-executive Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

## Review of operations

### PROJECTS

#### Gaddebo Nickel Project

Historical mining was undertaken at Gaddebo for nickel, copper, cobalt, platinum, and palladium. The Gaddebo nickel mine is located on the border of the Enköping and Sala Municipalities. Approximately 1,432 tonnes of nickel ore was produced from the workings between 1870 and 1871. An average grade of 0.8% copper and 0.3% nickel was reported (with grades of up to 4.9% nickel) based on subsequent trial mining in 1918 (BERGSKRAFT BERGSALGEN AB, 2014). Exploration works by Ragnar in 2018 identified abundant nickel sulphide mineralisation within the host mediumcoarse grained olivine rich gabbroic rocks which host the historic mining operations

Ragnar holds a 100% interest in exploration permit 2014:91, Gaddebo nr 3, located within the Bergslagen District of Sweden, 110km NW of the capital Stockholm (Figure 1). During August and September 2020, 617818 Ontario Inc ("Ontario Inc") completed work at Gaddebo.

Highlights included:

- EM modelling has defined two distinct anomalous bodies requiring follow-up detailed ground EM surveying;
- Both anomalies occur adjacent to the historic Gaddebo nickel mine; and
- IP gradient array survey completed with data currently being processed.

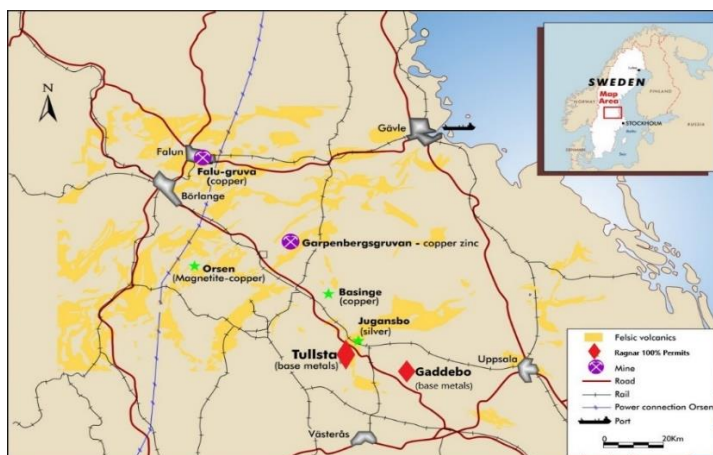
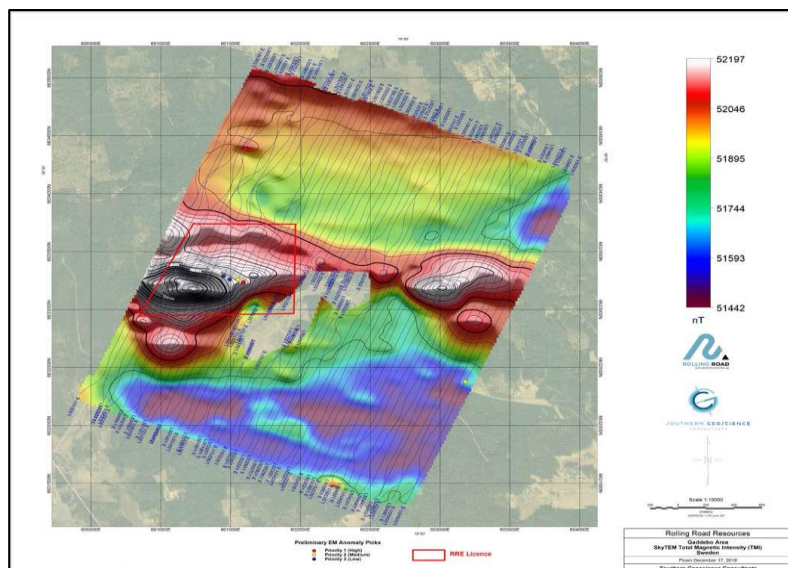


Figure 1: Gaddebo is located in the Bergslagen District NW of Stockholm. The region is well supported by infrastructure and mining operations.



**Figure 2: Gaddebo project area. SkyTEM helicopter EM anomaly locations presented on RTP TMI and Bing imagery.**

### Termination of Heads of Agreement in respect of Gaddebo nr 3

Ragnar entered into a binding head of agreement (“HOA”) on 21 November 2019 with Ontario Inc pursuant to which Ontario Inc had been granted an option over the Company’s exploration permit 2014:91 Gaddebo nr 3. On 10 November 2020 the Company advised Ontario Inc has given notice of termination with effect from 29 November 2020 of the Heads of Agreement between the Company and Ontario Inc.

### CORPORATE AND ADMINISTRATIVE

- **Board Update**

On 9 November the Company announced the resignation of Ms Julia Beckett as company secretary and appointment of Ms Jessamyn Lyons as company secretary. Ms Lyons has 15 years of experience working in the stockbroking and banking industries and is a Chartered Secretary and Associate of the Governance Institute of Australia.

- **Continuation of suspension from quotation – Listing Rules 12.1 and 12.2**

The Company is considering its options to be able to satisfy ASX that it has a sufficient level of activities and financial condition to warrant the reinstatement to quotation of its securities. These options include the acquisition of additional mineral exploration assets, and raising of additional equity capital.

The Company continues to evaluate appropriate opportunities to augment its exploration and development portfolio. Any substantial acquisitions are likely to require shareholder and regulatory approval.

The Company anticipates that its suspension from quotation will continue until 18 March 2021.

- **Operations**

Ragnar is still considering options to fund the next stage of exploration at its Granmuren project in Sweden and is also evaluating mineral exploration and development opportunities in Australia.

- **Working Capital**

The Company raised \$400,000 to fund its working capital requirements by the issue of convertible notes to the value of \$200,000 to sophisticated investors (**Convertible Notes**), and unsecured loans from director-related entities and an unrelated party of \$200,000.

The issue of the Convertible Notes, which are convertible into a maximum number of 47,013,608 fully paid ordinary shares, has been made without shareholder approval using the Company’s placement capacity under Listing Rule 7.1.

The Company chose to raise these funds by way of the issue of Convertible Notes rather than by way of a pro rata entitlements issue or securities purchase plan in order to be able to access the funds immediately.

**TENEMENT SCHEDULE**

<b>Tenement and Name</b>	<b>Interest at beginning of Period</b>	<b>Expired</b>	<b>Interest at end of Period</b>
<b>Tullsta-Granmuren Project</b>			
Tullsta nr 5 2017:140	100%	100%	0%
Tullsta nr 6 2017:158	100%	N/A	100%
Tullsta nr 7 2018	100%	N/A	100%
Tullsta nr 8 2020	100%	N/A	100%
Berga nr 1 2018:48	100%	N/A	100%
<b>Other Projects</b>			
Gaddebo nr 3 2014:91	100%	N/A	100%

## **RAGNAR METALS LIMITED**

AND CONTROLLED ENTITIES

ABN 12 108 560 069

**INTERIM FINANCIAL REPORT 31 DECEMBER 2020**

### **Financial Review**

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the half-year of \$241,124 (December 2019: \$235,570 loss).

The net assets of the Group have decreased by \$258,542 from 30 June 2020 to \$91,472 at 31 December 2020.

As at 31 December 2020, the Group's cash and cash equivalents increased from 30 June 2020 by \$105,631 to \$247,691 and had a working capital deficit of \$259,577 (June 2020: \$42,705 working capital surplus).

### **Events Subsequent to Reporting Date**

On 21 January 2021, the Company announced that it will acquire two highly prospective West Australian Gold projects ("Proposed Acquisitions" – Refer announcement dated 21<sup>st</sup> January 2021).

In order to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, the Company proposes to undertake a 1:5 consolidation of its issued capital (Consolidation).

In connection with the Proposed Acquisitions, the Company is proposing to undertake a capital raising to raise \$5,500,000 consisting of the issue of 275,000,000 Shares (post-Consolidation) at an issue price of \$0.02 per Share together with one (1) free attaching option to acquire a Share exercisable at \$0.04 each on or before the date that is two years from the date of issue (New Option) for every three Shares issued (Capital Raising). The Capital Raising will be conducted pursuant to prospectus to be lodged by the Company with the Australian Securities and Investments Commission (ASIC) (Prospectus).

There are no other material events subsequent to reporting date.

### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the half-year ended 31 December 2020 has been received and can be found on page 8 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s306(3) of the Corporations Act 2001 (Cth).



**STEVEN FORMICA**

Non-executive Chairman

Dated this Wednesday, 3 February 2021

**AUDITOR'S INDEPENDENCE DECLARATION**



Bentleys Audit & Corporate  
(WA) Pty Ltd

London House  
Level 3,  
216 St Georges Terrace  
Perth WA 6000

PO Box 7775  
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

bentleys.com.au

To The Board of Directors

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

As lead audit Partner for the review of the financial statements of Ragnar Metals Limited for the period ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

**BENTLEYS**  
Chartered Accountants

**MARK DELAURENTIS** CA  
Partner

Dated at Perth this 3<sup>rd</sup> day of February 2021



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- ▶ Advisors
- ▶ Accountants
- ▶ Auditors



**RAGNAR METALS LIMITED**

AND CONTROLLED ENTITIES

ABN 12 108 560 069

**INTERIM FINANCIAL REPORT 31 DECEMBER 2020****Condensed consolidated statement of profit or loss and other comprehensive income**

For the Half-Year Ended 31 December 2020

	Note	Dec 2020 \$	Dec 2019 \$
Other income		51	426
Accounting and audit fees		(23,489)	(28,475)
Computers and software		(50)	(453)
Contractors and consultant		(1,200)	(40,000)
Company secretarial		(18,000)	(28,140)
Directors' fees		(28,500)	(52,292)
Exploration Consultants		(26,786)	-
Exploration costs written off		(40,728)	-
Exploration costs expensed		-	(4,993)
Finance costs		(28,463)	-
Facility fee		(9,000)	-
Insurance		(7,555)	(12,884)
Legal and professional fees		(47,022)	(21,740)
Other expenses		14,600	(15,209)
Public relations and advertising		(870)	(2,200)
Registry and ASX fees		(24,112)	(20,710)
Share based payments	7(b)	-	(8,900)
Loss before income tax		<b>(241,124)</b>	<b>(235,570)</b>
Income tax expense		-	-
Loss from continuing operations		<b>(241,124)</b>	<b>(235,570)</b>
<b>Other comprehensive income, net of income tax</b>			
▶ <i>Items that will not be reclassified subsequently to profit or loss:</i>			
▶ <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(17,418)	(4,303)
<b>Other comprehensive income for the year, net of income tax</b>		(17,418)	(4,303)
<b>Total comprehensive income attributable to members of the parent entity</b>		<b>(258,542)</b>	<b>(239,873)</b>
<b>Earnings per share</b>		<b>¢</b>	<b>¢</b>
Basic and diluted (loss) per share (cents per share)	2	(0.07)	(0.08)

The accompanying notes form part of these financial statements.

**Condensed consolidated statement of financial position**

As at 31 December 2020

	Note	Dec 2020 \$	Jun 2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		247,691	142,060
Trade and other receivables	3	23,211	22,868
<b>TOTAL CURRENT ASSETS</b>		<b>270,902</b>	<b>164,928</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation assets	4	351,049	307,309
<b>TOTAL NON-CURRENT ASSETS</b>		<b>351,049</b>	<b>307,309</b>
<b>TOTAL ASSETS</b>		<b>621,951</b>	<b>472,237</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	162,808	122,223
Borrowings	6	367,671	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>530,479</b>	<b>122,223</b>
<b>TOTAL LIABILITIES</b>		<b>530,479</b>	<b>122,223</b>
<b>NET ASSETS</b>		<b>91,472</b>	<b>350,014</b>
<b>EQUITY</b>			
Issued capital	7(a)	28,641,172	28,641,172
Reserves		834,259	851,677
Accumulated losses		(29,383,959)	(29,142,835)
<b>TOTAL EQUITY</b>		<b>91,472</b>	<b>350,014</b>

The accompanying notes form part of these financial statements.

**RAGNAR METALS LIMITED**

AND CONTROLLED ENTITIES

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**INTERIM FINANCIAL REPORT 31 DECEMBER 2020****Condensed consolidated statement of changes in equity**

For the Half-Year Ended 31 December 2020

	Issued Capital	Accumulated Losses	Options Reserve	Share Based Payments Reserve	Foreign Exchange Translation Reserve	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	<b>28,641,172</b>	<b>(28,650,217)</b>	<b>343,490</b>	<b>525,944</b>	<b>(29,255)</b>	<b>831,134</b>
Loss for the period	-	(235,570)	-	-	-	(235,570)
Other comprehensive income for the period	-	-	-	-	(4,303)	(4,303)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(235,570)</b>	<b>-</b>	<b>-</b>	<b>(4,303)</b>	<b>(239,873)</b>
<b>Transaction with owners, directly in equity</b>						
Options issued	-	-	8,900	-	-	8,900
<b>Balance at 31 December 2019</b>	<b>28,641,172</b>	<b>(28,885,787)</b>	<b>352,390</b>	<b>525,944</b>	<b>(33,558)</b>	<b>600,161</b>
<b>Balance at 1 July 2020</b>	<b>28,641,172</b>	<b>(29,142,835)</b>	<b>352,390</b>	<b>525,944</b>	<b>(26,657)</b>	<b>350,014</b>
Loss for the period	-	(241,124)	-	-	-	(241,124)
Other comprehensive income for the period	-	-	-	-	(17,418)	(17,418)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(241,124)</b>	<b>-</b>	<b>-</b>	<b>(17,418)</b>	<b>(258,542)</b>
<b>Transaction with owners, directly in equity</b>						
Options issued	-	-	-	-	-	-
<b>Balance at 31 December 2020</b>	<b>28,641,172</b>	<b>(29,383,959)</b>	<b>352,390</b>	<b>525,944</b>	<b>(44,075)</b>	<b>91,472</b>

The accompanying notes form part of these financial statements.

**Condensed consolidated statement of cash flows**

For the Half-Year Ended 31 December 2020

Note	Dec 2020 \$	Dec 2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	51	426
Payments to suppliers and employees	(186,561)	(204,627)
Interest paid	-	-
<b>Net cash used in operating activities</b>	<b>(186,510)</b>	<b>(204,201)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration expenditure	(51,661)	(116,128)
<b>Net cash from / (used in) investing activities</b>	<b>(51,661)</b>	<b>(116,128)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	344,000	-
<b>Net cash provided by financing activities</b>	<b>344,000</b>	-
<b>Net increase/(decrease) in cash held</b>	<b>105,829</b>	<b>(320,329)</b>
Cash at the beginning of the period	142,060	732,749
Effect of exchange rates on cash holdings in foreign currencies	(198)	126
<b>Cash at the end of the period</b>	<b>247,691</b>	<b>412,546</b>

The accompanying notes form part of these financial statements.

## RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2020

### Notes to the condensed consolidated financial statements

For the Half-Year Ended 31 December 2020

#### NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These are the condensed consolidated financial statements and notes of Ragnar Metals Limited (**Ragnar Metals** or **the Company**) and controlled entities (collectively **the Group**). Ragnar Metals is a company limited by shares, domiciled and incorporated in Australia.

The financial statements were authorised for issue on 3 February 2021 by the directors of the Company.

##### a. Basis of preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements Ragnar Metals Limited and controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Group for the year ended 30 June 2020, together with any public announcements made during the half-year.

##### i. Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* (Cth) and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

##### ii. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

##### b. Critical Accounting Estimates and Judgments

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2020 annual report.

##### i. Key Judgments – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The carrying value of capitalised expenditure at reporting date is \$351,049.

During the half-year, the Group undertook assessment of its tenement assets. As a result of this assessment, the Group decided to impair some of its exploration assets. Refer Note 4.

##### c. Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2020. All applicable new standards and interpretations issued since 1 July 2020 have been adopted. There was no significant impact on the Group.

## **Notes to the condensed consolidated financial statements**

### **For the Half-Year Ended 31 December 2020**

**d. Accounting Standards that are mandatorily effective for the current reporting period**

In the half-year ended 31 December 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2020. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to the Group's accounting policies.

**e. Accounting standards in issue but not yet effective**

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2021. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to the Group's accounting policies.

**f. Going Concern**

The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group incurred a loss of \$241,124 (2019: \$235,570) and had net cash outflows from operating and investing activities of \$186,510 (2019: \$204,201) and \$51,661 (2019: \$116,128) respectively for the half year ended 31 December 2020. As at that date, the Group had net current liabilities of \$259,577 (2020: \$42,705).

On 21 January 2021, the Company announced that it will acquire two highly prospective West Australian Gold projects ("Proposed Acquisitions" – Refer announcement dated 21<sup>st</sup> January 2021).

In order to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, the Company proposes to undertake a 1:5 consolidation of its issued capital (Consolidation).

In connection with the Proposed Acquisitions, the Company is proposing to undertake a capital raising to raise \$5,500,000 consisting of the issue of 275,000,000 Shares (post-Consolidation) at an issue price of \$0.02 per Share together with one (1) free attaching option to acquire a Share exercisable at \$0.04 each on or before the date that is two years from the date of issue (New Option) for every three Shares issued (Capital Raising). The Capital Raising will be conducted pursuant to prospectus to be lodged by the Company with the Australian Securities and Investments Commission (ASIC) (Prospectus).

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the Company be unsuccessful in raising additional funds through the issue of new equity, there is a material uncertainty which may cast significant doubt whether the Group will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

**RAGNAR METALS LIMITED**

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**INTERIM FINANCIAL REPORT 31 DECEMBER 2020****Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2020

**NOTE 2 LOSS PER SHARE (EPS)****a. Reconciliation of earnings to net loss**

Loss used in the calculation of basic and dilutive EPS

Note	Dec 2020	Dec 2019
	\$	\$
	(241,124)	(235,570)

**b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS**

Weighted average number of dilutive options outstanding

Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS

	Dec 2020	Dec 2019
	No.	No.
	313,424,062	313,424,062
	N/A	N/A
	313,424,062	313,424,062

**c. Earnings per share**

Basic and diluted earnings per share (cents per share)

	Dec 2020	Dec 2019
	¢	¢
	(0.07)	(0.08)

d. At 31 December 2020, the Group has 96,500,001 unissued shares under options (30 June 2020: 96,500,001). During the 6 month period to 31 December 2020 the Group's unissued shares under option were not dilutive as they would decrease the loss per share.

**NOTE 3 TRADE AND OTHER RECEIVABLES****Current**

Trade debtors

GST and VAT receivable

Other receivables

	Dec 2020	Jun 2020
	\$	\$
	-	-
	17,227	18,881
	5,984	3,987
	23,211	22,868

**NOTE 4 EXPLORATION AND EVALUATION ASSETS****a. Non-current**

Exploration at cost:

Carrying amount at the end of the period

Expenditure during the year

Impairment of exploration expenditure

Carrying amount at the end of the year

	Dec 2020	Jun 2020
	\$	\$
	307,309	113,602
	84,468	210,753
	(40,728)	(17,046)
	351,049	307,309

b. Recoverability of carrying amounts of exploration assets is dependent upon successful exploration of the areas of interest.

c. The Group has no material commitments in relation to its exploration assets.

**Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2020

**NOTE 5 TRADE AND OTHER PAYABLES**

**a. Current**

*Unsecured*

Trade and other payables

Accruals

Employment related payables

	<b>Dec 2020</b>	<b>Jun 2020</b>
	\$	\$
	93,727	78,958
	69,081	25,750
	-	17,515
	<b>162,808</b>	<b>122,223</b>

b. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 45 days.

**NOTE 6 BORROWINGS**

**Current**

Loans (a)

Convertible notes – Face value (b)

Convertible notes – Embedded derivative (c)

	<b>Dec 2020</b>	<b>Jun 2020</b>
	\$	\$
	150,000	-
	167,671	-
	50,000	-
	<b>367,671</b>	<b>-</b>

**Note a - Loans**

On 12 August 2020, the Company executed Loan Agreements with an entity controlled by Mr Steve Formica, an entity controlled by Mr Eddie King and an unrelated party lender for loan facilities of \$200,000. The loans are unsecured, can be drawn down until 11 October 2020, will be repayable by 12 August 2021, and carry an interest rate of 10% per annum. The Company will pay a facility fee to the lenders of 6% of the funds drawn down. The terms of the Loans do not confer on either the Company or the lender a right to convert the Loan into equity securities. The amount drawn down as of 31 December 2020 was \$150,000.

**Note b – Convertible Notes – Face value**

On 12 August 2020, the Company executed Convertible Notes Agreements with sophisticated investors for a total value of \$200,000. Interests on the Convertible Notes accrue at 10% per annum. The Convertible Notes mature on 12 August 2021. The Convertible Notes were initially recognised at \$150,000 and a derivative financial liability was recognised for \$50,000. The Convertible Notes are then unwound back to the Face Value of the Notes over the life of the instrument. As at 31 December 2020 \$16,671 was unwound and recognised as finance costs within the Consolidated Statement of Profit and Loss.

**Note c – Convertible Notes – Embedded derivative**

The conversion price has been set at the lower of \$0.004 and 80% of the volume weight average price of the Company's share traded on ASX on the 5 trading days immediately prior to the conversion. The Embedded Derivative was valued at 31 December 2020 using a discounted cash flows as a derivative financial liability of \$50,000.



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**INTERIM FINANCIAL REPORT 31 DECEMBER 2020****Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2020

**NOTE 7 ISSUED CAPITAL**

	31 December 2020 No.	30 June 2020 No.	31 December 2020 \$	30 June 2020 \$
Fully paid ordinary shares at no par value	313,424,062	313,424,062	28,641,172	28,641,237
<b>a. Ordinary Shares</b>				
At the beginning of the reporting period	313,424,062	313,424,062	28,641,237	28,641,237
► Unmarketable parcel buy back	-	-	-	(65)
At reporting date	313,424,062	313,424,062	28,641,172	28,641,172

	31 December 2020 No.	30 June 2020 No.	31 December 2020 \$	30 June 2020 \$
<b>b. Options</b>				
Options	96,500,001	93,500,001	352,390	343,490
At the beginning of the period	96,500,001	93,500,001	352,390	343,490
Options issued/(lapsed) during the year:				
○ 1.5 cent options expiring 2 Sept 2022	-	3,000,000	-	8,900
At reporting date	96,500,001	96,500,001	352,390	352,390

## Notes to the condensed consolidated financial statements

For the Half-Year Ended 31 December 2020

### NOTE 8 SHARE BASED PAYMENTS

There were no share based payments issued for the half year ended 31 December 2020.

The following share-based payment arrangements existed at 31 December 2020:

*i. Share-based payments – Share options*

- On 4 May 2017 the company issued 14,000,000 Director options at an exercise price of \$0.03 each, exercisable on or before 4 May 2021.
- On 8 June 2017 the company issued 35,000,001 and 2,000,000 Director options at an exercise price of \$0.02 and \$0.03 each, exercisable on or before 8 June 2021.
- On 14 June 2017 the company issued 17,500,000 Adviser options at an exercise price of \$0.02 each, exercisable on or before 13 June 2021.
- On 15 March 2018 the company issued 11,000,000 Director options at an exercise price of \$0.025 each, exercisable on or before 8 June 2021.
- On 15 March 2018 the company issued 14,000,000 Advisor options at an exercise price of \$0.025 each, exercisable on or before 8 June 2021.
- On 29 Aug 2019 the company issued 3,000,000 Formica options at an exercise price of \$0.015 each, exercisable on or before 2 September 2022.

At balance date, no share options have been exercised or expired.

### NOTE 9 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**a. Transactions with related parties:**

**Edwards Mac Scovell**

- ▶ Ms Kelly, Non-executive Chairman of the Company is a Partner of Edwards Mac Scovell who provide legal services to the Group.

Dec 2020	Dec 2019
\$	\$
-	17,970

During the half year, no other related party transactions have been entered into other than the loans as disclosed in Note 6(a).

### NOTE 10 CONTINGENT LIABILITIES

There are no contingent liabilities at 31 December 2020.

### NOTE 11 FINANCIAL INSTRUMENTS

The Company's financial instruments consist of those which are measured at amortised cost including trade and other receivables, less any provision for non-recovery, and trade and other payables. The carrying amount of these financial assets and liabilities approximate their fair value.

**RAGNAR METALS LIMITED**

AND CONTROLLED ENTITIES

ABN 12 108 560 069

**INTERIM FINANCIAL REPORT 31 DECEMBER 2020****Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2020

**NOTE 12 OPERATING SEGMENTS****a. Segment Performance****For the Half-Year Ended 31 December 2020**

	Exploration \$	Corporate \$	Total \$
Segment revenue	-	51	51
Segment results	-	(241,175)	(241,175)
Loss before income tax	-		(241,124)

**For the Half-Year Ended 31 December 2019**

Segment revenue	-	426	426
Segment results	(4,487)	(231,509)	(235,996)
Loss before income tax			(235,570)

**As at 31 December 2020**

	Exploration	Corporate \$	Total \$
Segment Assets	351,049	270,902	621,951
Segment Liabilities	-	(530,479)	(530,479)

**As at 30 June 2020**

Segment Assets	316,557	155,680	472,237
Segment Liabilities	(12,191)	(110,032)	(122,223)

**NOTE 13 EVENTS SUBSEQUENT TO REPORTING DATE**

On 21 January 2021, the Company announced that it will acquire two highly prospective West Australian Gold projects ("Proposed Acquisitions" – Refer announcement dated 21<sup>st</sup> January 2021).

In order to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, the Company proposes to undertake a 1:5 consolidation of its issued capital (Consolidation).

In connection with the Proposed Acquisitions, the Company is proposing to undertake a capital raising to raise \$5,500,000 consisting of the issue of 275,000,000 Shares (post-Consolidation) at an issue price of \$0.02 per Share together with one (1) free attaching option to acquire a Share exercisable at \$0.04 each on or before the date that is two years from the date of issue (New Option) for every three Shares issued (Capital Raising). The Capital Raising will be conducted pursuant to prospectus to be lodged by the Company with the Australian Securities and Investments Commission (ASIC) (Prospectus).


There are no other material events subsequent to reporting date.

## Directors' declaration

The Directors of the Company declare that:

1. The condensed financial statements and notes, as set out on pages 9 to 19, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - (b) give a true and fair view of the financial position as at 31 December 2020 and of the performance for the half-year ended on that date of the Company.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the directors by:



**STEVEN FORMICA**

Non-executive Chairman

Dated this Wednesday, 3 February 2021

# RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2020

## INDEPENDENT AUDITOR'S REVIEW REPORT



Bentleys Audit & Corporate  
(WA) Pty Ltd  
London House  
Level 3,  
216 St Georges Terrace  
Perth WA 6000

PO Box 7775  
Cloisters Square WA 6850

ABN 33 121 222 602

T +61 8 9226 4500

F +61 8 9226 4300

[bentleys.com.au](http://bentleys.com.au)

### Independent Auditor's Review Report

#### To the Members of Ragnar Metals Limited

##### Conclusion

We have reviewed the accompanying half-year financial report of Ragnar Metals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and 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 half-year financial report of Ragnar Metals Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Ragnar Metals Limited financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *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* 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.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.



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- ▶ Advisors
- ▶ Accountants
- ▶ Auditors

**Independent Auditor's Review Report**  
To the Members of Ragnar Metals Limited (Continued)



**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(f) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$241,124 during the half year ended 31 December 2020. This condition, along with other matters as set forth in Note 1(f), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**Responsibility of the Directors for the Financial Report**

The directors of the Ragnar Metals Limited 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 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 Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2020 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.

A handwritten signature in blue ink that reads 'Bentleys'.

**BENTLEYS**  
Chartered Accountants

A handwritten signature in blue ink that reads 'Mark DeLaurentis'.

**MARK DELAURENTIS** CA  
Partner

Dated at Perth this 3<sup>rd</sup> day of February 2021



**RAGNAR**  
METALS LTD.