



GOLDEN DEEPS

LIMITED

AND CONTROLLED ENTITIES

ACN: 054 570 777

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2021**

GOLDEN DEEPS LIMITED

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GOLDEN DEEPS LIMITED

COMPANY DIRECTORY

DIRECTORS

Michael Rodriguez
Michael Scivolo
Michael Norburn
Robert Collins
Scott Mathewson

AUDITOR

Crowe Perth
Level 5, 45 St Georges Terrace
Perth, WA, 6000

COMPANY SECRETARY

Martin Stein

BANKERS

Westpac Banking Corporation
109 St George's Terrace
Perth, WA, 6000

REGISTERED OFFICE

Level 1, 8 Parliament Place
West Perth, WA, 6005

Telephone: (08) 9481 7833
Facsimile: (08) 9481 7835

Email: ged@goldendeeps.com
Website: www.goldendeeps.com

SHARE REGISTRY

Advanced Share Registry Limited
110 Stirling Highway
Nedlands, WA, 6009

Telephone: (08) 9389 8033
Facsimile: (08) 9262 3723

SOLICITORS

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth, WA, 6000

STOCK EXCHANGE LISTING

Golden Deeps Limited is listed on the
Australian Securities Exchange.

ASX code for shares: GED

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Golden Deeps Limited and its controlled entities for the year ended 30 June 2021.

DIRECTORS

The Directors of the Company during and since the end of the financial year were:

Michael Rodriguez
Michael Scivolo
Michael Norburn
Robert Collins
Scott Mathewson

REVIEW OF OPERATIONS

The Golden Deeps Ltd ('Golden Deeps' or 'the Company') primary focus is high-grade copper and vanadium (with lead, zinc and silver) projects in the World-Class Otavi-Mountain-Land (OML) copper district, northeast Namibia, Africa (see Figure 1). The Company also holds high-grade gold and copper-gold projects at Tuckers Hill and Havilah in central NSW, Australia (Figure 7) and cobalt-silver projects at Professor and Waldman in Ontario, Canada (Figure 9). Appendix 1 includes a tabulation of current tenements and details.

Key projects in Namibia include the Abenab high-grade vanadium (lead, zinc) project (Abenab), the Nosib Block high-grade vanadium, copper, lead, silver project (Nosib) and the Khusib Springs high-grade copper-silver Project, all within 20km of each other (Figure 2).

The Company completed a mining study⁵ on the Abenab Project that established that there is potential for a viable underground mining operation focused on the higher-grade portions of the current Abenab Mineral Resource at a targeted production rate of 14,500 tonnes per month (tpm) or 174,000 tonnes per annum (tpa) of high-grade Vanadium ore with lead and zinc by-products.

Processing studies are in progress⁵, focused on leaching high-grade vanadium concentrate to produce a saleable, high-value, vanadium product (intermediate or vanadium pentoxide - V_2O_5).

Drilling at Nosib Project, 20km along strike to the southwest of Abenab (Figure 2), intersected high-grade vanadium, copper, lead and silver mineralisation from surface including, in **NSBRC010²: 29m @ 1.54% Cu, 4.49% Pb, 1.19% V₂O₅, 6.97 g/t Ag from 2m incl. 9m @ 3.66% Cu, 11.91% Pb, 3.62% V₂O₅, 7.70 g/t Ag²**. A deeper zone of stratabound copper-silver mineralisation up to 45m thick was also intersected and remains open at depth. Further drilling is planned to commence shortly to define and extend both the shallow high-grade copper, lead, vanadium zone and the deeper copper-silver mineralisation.



Figure 1: Key Projects in Namibia, location

Drilling also tested shallow projections of the Khusib Springs deposit that previously produced **300,000t at 10% Cu and 584 g/t Ag⁴** to only 300m depth. Deeper drilling is planned to target a repeat of this very-high-grade copper-silver shoot at depth.

On the Lachlan fold Belt (LFB) projects in NSW, drilling is planned to test for high-grade gold shoots at Tuckers Hill once access agreements for Crown Land are finalised with the Native title claimant, and soil sampling is planned for the Havilah copper-gold project, in the vicinity of historical high-grade copper mines.

Exploration is also planned for the Professor and Waldman cobalt-silver projects in Ontario, where previous rockchip sample grades up to **1.01% Co, 200 g/t Ag and 0.6 g/t Au¹⁵** have been produced.

EXPLORATION AND DEVELOPMENT STUDIES - NAMIBIA

The Company holds an 80% interest in five Exclusive Prospecting Licences (EPL's) over 433.72 km². The two key tenements, EPL 3543 and EPL 5496, include the historically important and high-grade Abenab vanadium mine, the very-high-grade Khusib Springs copper-silver mine and the Nosib Block prospect (Figure 2).

The Companies Projects are located in the Otavi Mountain Land (OML), northeast Namibia (Figure 1), which is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb, Kombat, and Berg Aukas mines as well as Abenab and Khusib Springs.

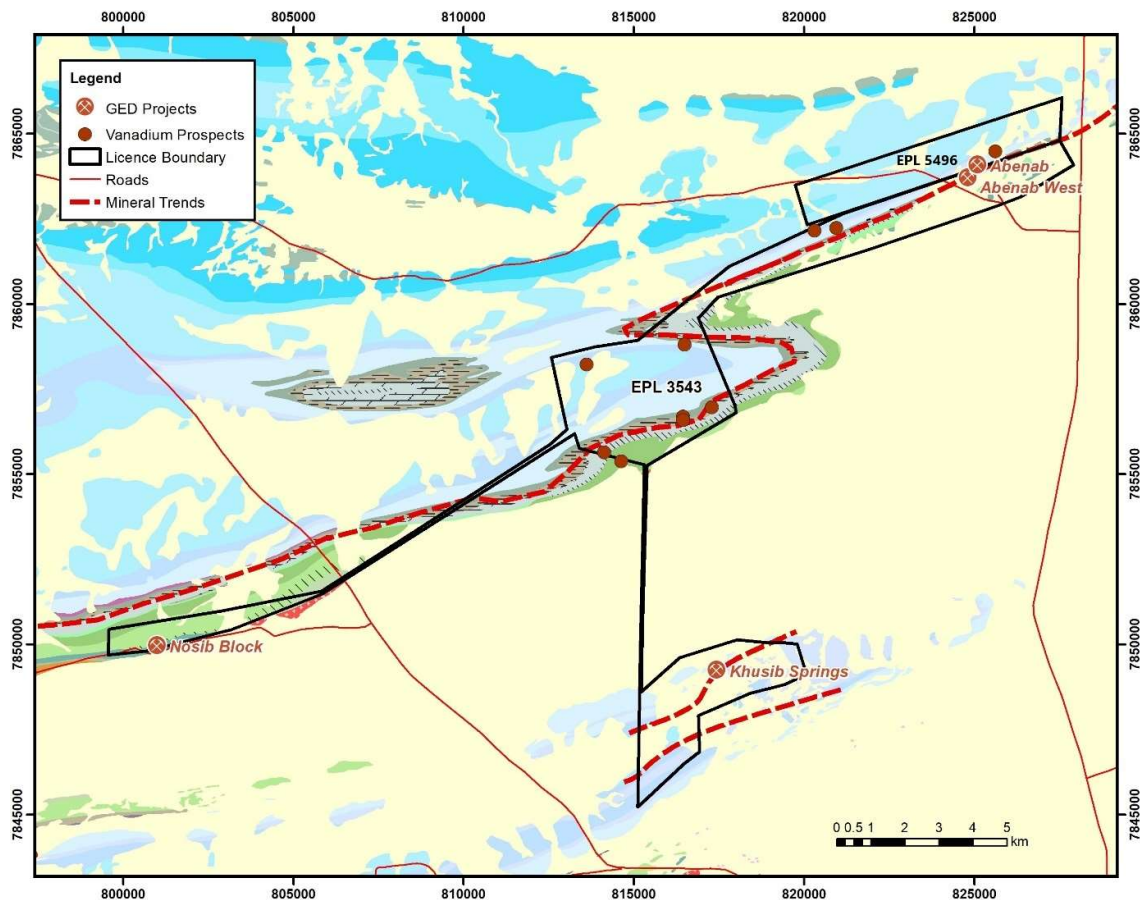


Figure 2: Location plan EPL 3543 and EPL 5496, northeast Namibia (see Figure 1), with key project locations

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

Nosib Block High-Grade Copper-Vanadium-Lead-Silver Drilling Intersections:

Nosib Block was a high-grade copper-vanadium mine that is located at the western end of EPL3543, 16km west of Khusib Springs and 20km along strike from the Company's Abenab high-grade Vanadium Project (Figure 2). Copper mineralisation was discovered at Nosib in 1915 with mine access development work between 1917 to 1920. The historic No 2 shaft was developed on three levels to a depth of 120m but not mined. Golden Deeps' geologists accessed the three levels of the mine and took underground channel samples from the walls of the drives. Best channel results include **NOUG0001: 6m at 9.3% Cu, 4.72% Pb, 7.92g/t Ag⁶**.

The high-grade copper-silver-vanadium-lead mineralisation dips moderately to the north and is hosted by conglomerate and sandstone (mine sequence) in contact with dolomite to the north and basement granite to the south. The mineralisation shows good continuity and remains in-situ because the areas between the development drives were not mined.

The drilling at Nosib tested between the previously developed levels, targeting extensions to the high-grade copper-lead-silver-vanadium ore that was channel sampled. A total of 15 reverse circulation (RC) for 958m were completed at Nosib Block. Copper mineralisation was intersected in all 15 holes, with the majority of the holes producing significant copper, lead and high-grade vanadium intersections, as well as increasing silver assays with depth.

Two key zones have been identified at Nosib Block, including:

- i) The shallow high-grade, copper-lead-vanadium zone that is open along strike to the southwest and northeast, that includes the following key intersections:
 - **NSBRC007¹: 24m @ 1.33% Cu, 4.77% Pb, 1.37% V₂O₅, 3.67g/t Ag from 3m**
incl. 6m @ 3.67% Cu, 14.9% Pb, 4.40% V₂O₅, 12.16g/t Ag from 6m
 - **NSBRC010²: 29m @ 1.54% Cu, 4.49% Pb, 1.19% V₂O₅, 6.97g/t Ag from 2m**
incl. 9m @ 3.66% Cu, 11.91% Pb, 3.62% V₂O₅, 7.70g/t Ag from 3m
- ii) The deeper thick, stratabound, copper-silver zone, that is developed across the entire ~45m thickness of the arenite/conglomerate host unit, that includes the following key intersections:
 - **NSBRC009²: 45m @ 0.64% Cu, 4.19g/t Ag from 38m**
incl. 5m @ 2.58% Cu, 18.75g/t Ag from 61m, and,
Incl. 3m @ 1.18% Cu, 7.03 g/t Ag from 74m
 - **NSBRC003¹ 44m @ 0.74% Cu, 0.17% Pb, 4.37 g/t Ag from 46m**
incl. 4m @ 2.28% Cu, 1.10% Pb, 6.17 g/t Ag from 51m, and,
incl. 4m @ 1.67% Cu, 17.0 g/t Ag from 68m, and,
incl. 1m @ 3.46% Cu, 18.9 g/t Ag from 75m

Further drilling is now planned to define the resource potential and test strike extensions of the shallow high-grade copper-lead-vanadium zone as well as test the down plunge potential of the stratabound, copper-silver zone (see Figure 3, cross section, below).

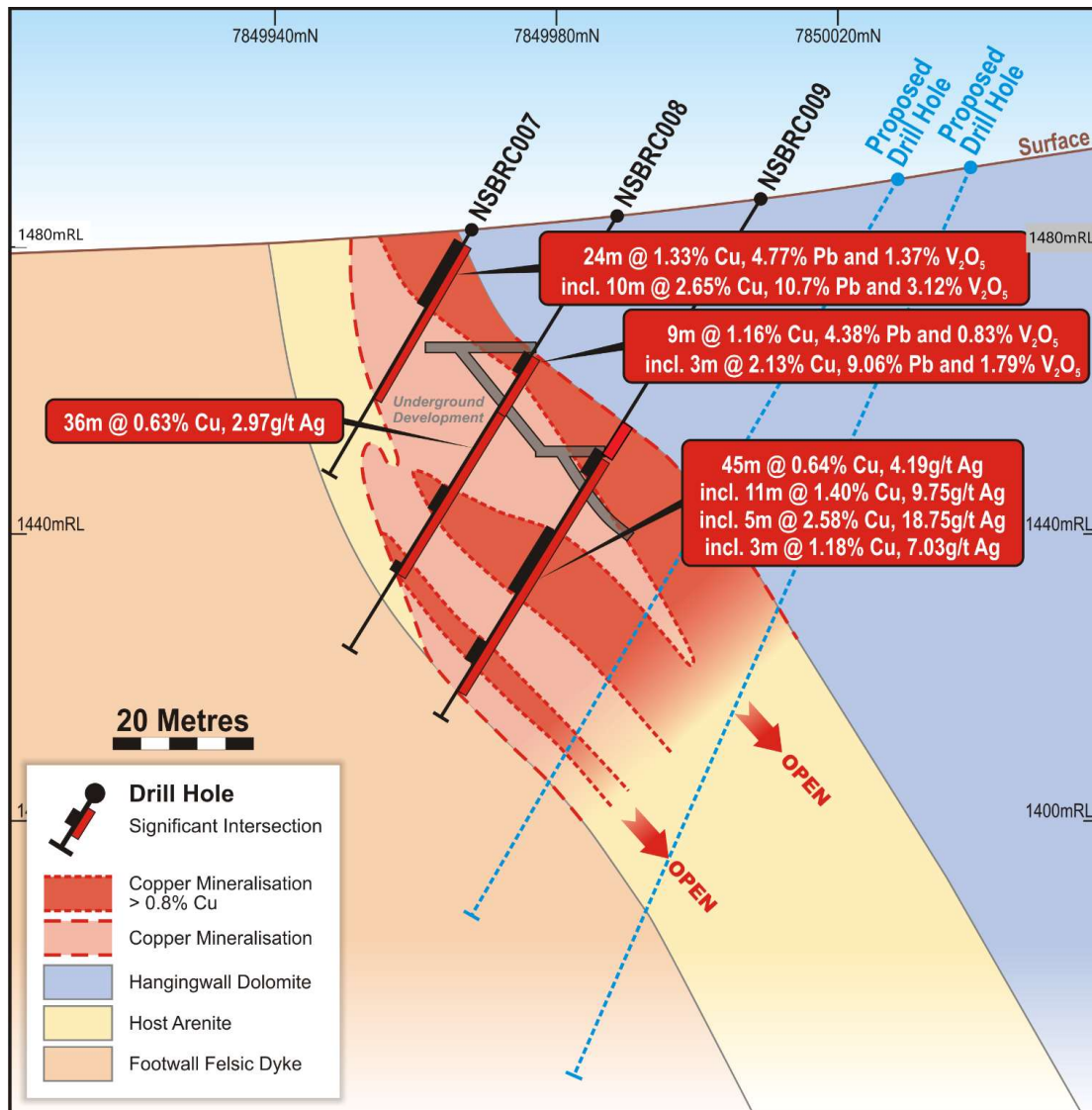


Figure 3: Nosib Cross section 801,015mE with high-grade copper-Lead-Vanadium-Silver intersections

Khusib Springs High-Grade Copper-Silver Project:

The **Khusib Springs** copper-silver mine is also located on EPL3543, approximately 10km west of Nosib Block but on a separate, parallel, corridor (Figure 2). The mine previously produced a very high-grade **300,000t at 10% Cu and 584g/t Ag⁴**, to only 300m depth, with drilling down dip having intersected further copper-silver mineralisation, that is open at depth (see Figure 4 below).

A targeting study on Khusib Springs was completed by South African based geological consultancy, Shango Solutions, in January 2021⁸, and indicated potential for remnant zones of copper-silver mineralisation on the margins of the mined stopes, as well as significant potential for a repeat of the very-high grade Khusib Springs copper-silver orebody at depth (Figure 4).

A shallow RC drilling program totalling 10 holes for 331m tested for shallow, high-grade, copper-silver mineralisation adjacent to the historical stopes and up-plunge from orebodies mined underground, producing significant copper-silver intersections that include:

- KHRC004³: 6m @ 1.07% Cu, 86.03 g/t Ag from 13m incl. 2m @ 2.59% Cu, 179 g/t Ag
- KHRC005³: 3m @ 0.77% Cu, 113.92 g/t Ag from 32m incl. 1m @ 1.28% Cu, 144 g/t Ag

Several holes intersected previous stoping/mining that extends above the modelled openings. The intersections above verify that a proportion of the remnant shallow copper-silver mineralisation remains un-mined and further interpretation and modelling will be carried out to determine open pit resource potential.

Potential for a deeper repeat of the very-high-grade Khusib Springs copper-silver orebody highlighted by the Shango study, is currently the focus of further interpretation, modelling and targeting. Deeper diamond drilling will be planned to further test the highly prospective zone on the northern side of an apparent normal-fault, where mineralisation has already been intersected by previous drilling (Figure 4). **The discovery of a repeat of Khusib Springs would be a 'game-changer' for Golden Deeps and will be a key focus of the 2021-22 program.**

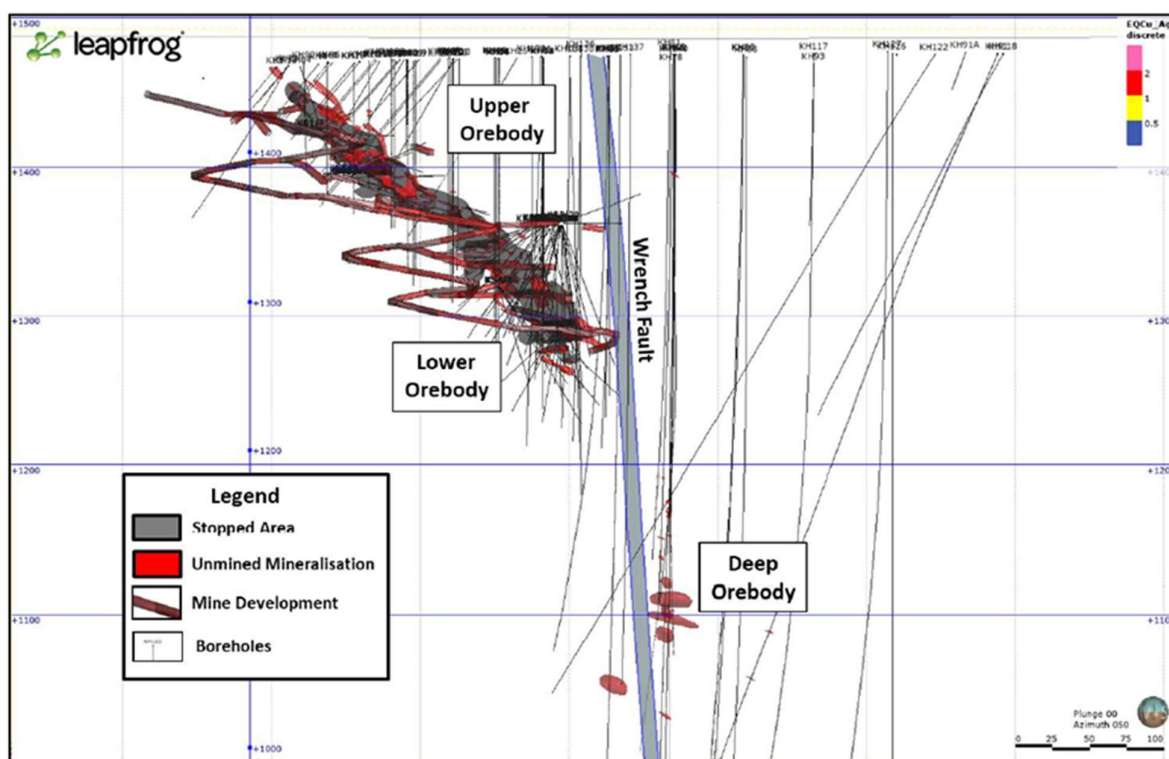


Figure 4: Cross section, Khusib Springs Mine, showing stope area, mine development & un-mined mineralisation

Abenab Vanadium Project Mining Study Completed and Processing Study in progress:

The historical Abenab Mine was a major open pit and underground vanadium and base metal mining operation in the Otavi Mountain Land, with reported historical ore production of ~1.8Mt @ 1.05% V₂O₅ for approximately 102,000t of concentrate grading 18% V₂O₅, 13% Zn and 42% Pb. Historical exploration and more recent drilling indicates that there is potential for extensions of the mineralisation at depth and laterally. Potential exists to re-open the Abenab Mine and to process the high-grade V-Zn-Pb mineralisation using simple, low-cost processing methods.

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In January 2019, Golden Deeps reported an upgrade in the resource following detailed geological reviews and creation of a new geological model. The Inferred Mineral Resource reported is **2.8Mt at 0.66% V₂O₅, 2.35% Pb and 0.94% Zn at a cut-off grade of 0.2% V₂O₅⁹.**

Abenab Mining Study:

During the reporting year the company completed a mining study on the Abenab high-grade vanadium-lead-zinc project (the **Mining Study**⁵).

The Mining Study was carried out by Bara Consulting, based in South Africa, with the aim of providing an understanding of likely mining scenarios, costs and cut-off grades to guide further development and processing studies and aid decision making during the current and ongoing exploration programs.

The study has established that there is potential for a viable underground mining operation focused on the higher-grade portions of the current Mineral Resource⁹ at a targeted production rate of 14,500 tonnes per month (tpm) or 174,000 tonnes per annum (tpa) of high-grade Vanadium ore.

Mining costs based on mechanised cut and fill methodology are estimated to be in the order of US\$44/t at the above production rate and, with high-level processing cost assumptions, leads to an effective Run of Mine (ROM) break-even cut-off grade of 1% V₂O₅ equivalent⁵ (approximately 0.7% V₂O₅).

The Mineral Resource available to mine at the above ROM cut-off grade is 873,000 tonnes at an average grade of 1.6% EqV¹⁰. Mining recovery assuming planned ore-loss in the production cycle is in the order of 724,000 tonnes at 1.5% EqV (approximately 1% V₂O₅).

Access was modelled based on extending the existing shaft for different production rates as well as establishing a new decline from surface (and maintaining the existing shaft for ventilation). The difference in cost and timeframe to refurbish and extend the shaft for a 14,500 tpm production rate versus establishing a new decline is not substantial, and the decline option is favoured due to flexibility of production rate should additional ore-sources be brought into production.

The available resource for mining is based on a grade – tonnage versus cut-off grade calculation at the assumed production rate and mining and processing cost inputs⁵. There is a significant opportunity to increase the mineable resource as a sub-set of what is currently defined through reducing input cost assumptions and increasing recovery. If this is achieved the tonnage increases exponentially below a cut-off grade of 0.5% EqV⁵ (approximately 0.35% V₂O₅), as the large volume of lower grade resource becomes accessible and bulk-tonnage mining methods can be introduced – increasing the mining rate and reducing costs.

Further exploration success, delineating additional resources (targeted at depth, Figure 5), would increase the mineable resource inventory and extend mine-life as well as provide an opportunity for increased mining volumes if tonnes per vertical metre at the shallower levels is improved.

Abenab Processing Study:

In addition, a **processing study** has been initiated through metallurgical consultants and processing engineers, Core Resources ("Core"), in Brisbane, for Phase 2, downstream processing testwork to develop flow-sheet options for the generation of high-value Vanadium

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Pentoxide (V_2O_5) as well as lead and zinc (and potentially Copper) products from initial gravity concentrate.

Previous testwork on the high-grade underground resource material by Avonlea Minerals Ltd in 2012¹¹, using gravity separation, produced a high concentrate grade of 21% V_2O_5 , 14% Zn and 53% Pb. Further, Phase 1, testwork by Golden Deeps on the Abenab mineralisation by specialist metallurgical testwork company, Mintek, in South Africa, was completed on remnant low-grade mineralised material from historic surface stockpiles (much lower grade than the high-grade underground resource material). **This work confirmed that low-grade mineralisation could also be substantially concentrated through simple gravity separation methods from material grading 0.30% V_2O_5 , 1.29% Pb and 1.14% Zn to an approximate 30 times upgrade of 8.9 % V_2O_5 , 30.5% Pb, 8.95% Zn¹².**

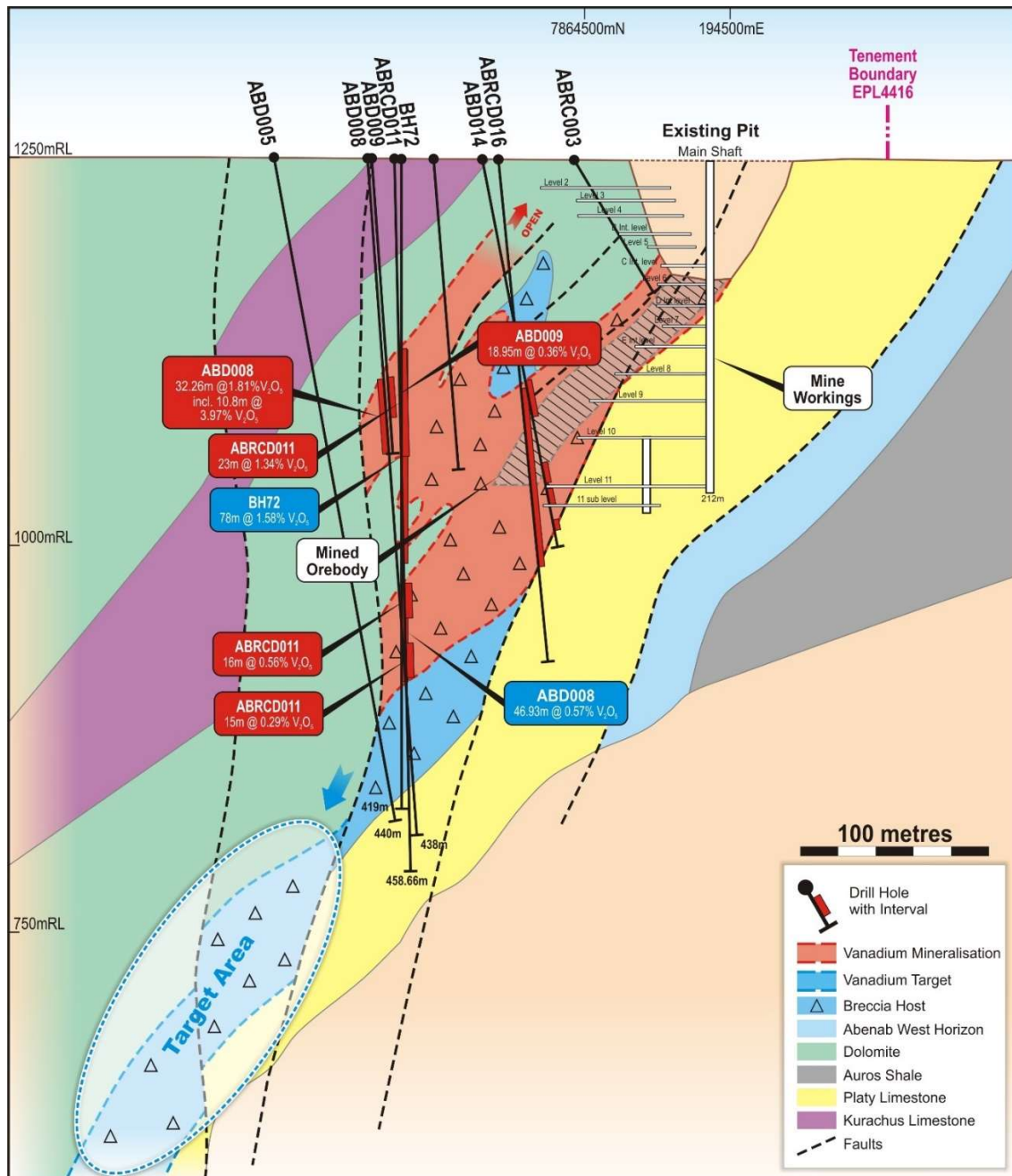


Figure 5: Cross section through Abenab breccia showing high-grade mineralisation and potential at depth

Concentrate from the Mintek testwork was provided to Core to carry out the, Phase 2, downstream processing testwork. Preliminary results have demonstrated favourable leach recoveries of >90% for Vanadium and Zinc with the majority of the Lead reporting to the residue.

Ongoing work will examine differential precipitation of V_2O_5 and recovery of Zinc from the leach solution, as well as extraction of Lead from the leach residue. Continued testwork is also examining options for reducing acid-consumption and minimising operating costs.

The outcomes of this testwork will guide development of an optimal processing flow-sheet, with the upside opportunity of establishing stand-alone mining and processing operations at Abenab to produce vanadium, zinc, lead and possibly copper.

Based on the positive outcomes of the Mining Study and initial processing testwork the Company is currently re-evaluating and modelling the potential to locate extensions to the high-grade Vanadium and base metal sulphide mineralisation both within the vicinity of the current resources and at depth (Figure 5).

Other EPLs in the Otavi Mountain Land:

Golden Deeps holds three Exclusive Prospecting Licences, EPL's 5232, 5233 and 5234, between the towns of Kombat and Otavi near the Deblin Copper Mine (Figure 6). Soil sampling programs have been conducted at the Hohentweil and Kombat South prospects on EPL5232 and EPL5233.

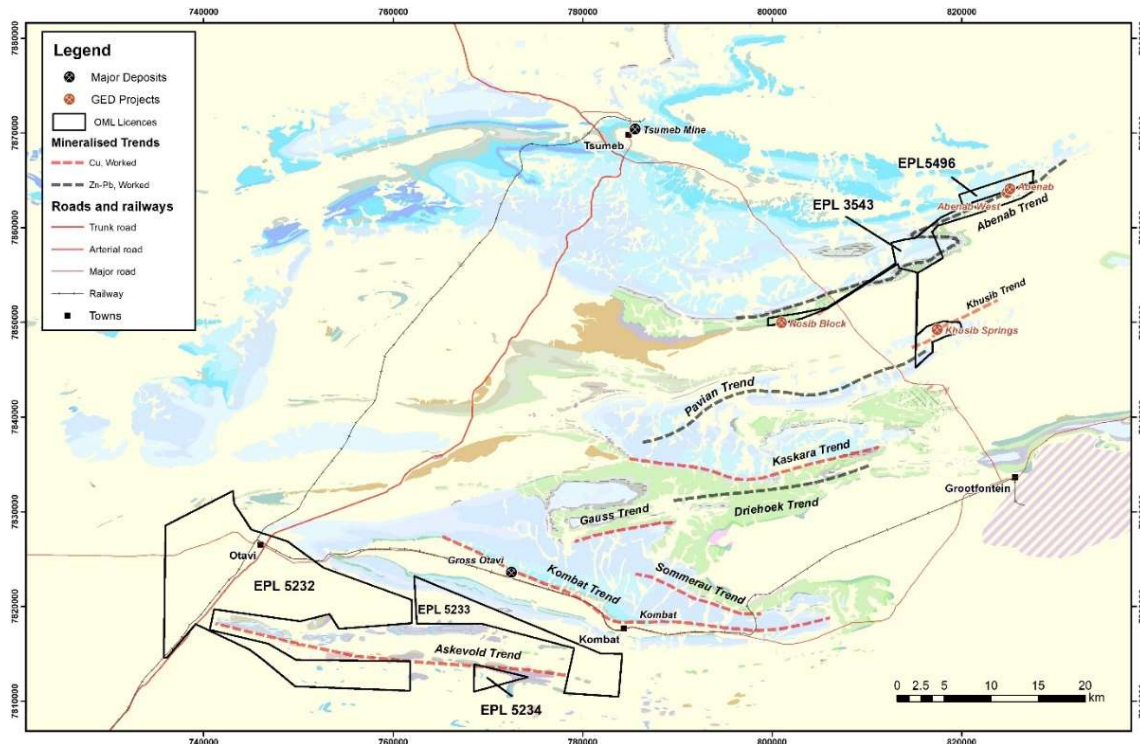


Figure 6: Location plan EPL's 5232, 5233 and 5234 SW of Khusib Springs, Nosib Block and Abenab

At the **Hohentweil prospect** on EPL5232, 205 soil samples were collected and analysed. The peak value was 279ppm Cu in a background of less than 50ppm Cu¹⁶. The copper anomaly is over 1km long by 400m wide and coincides with a low hill surrounded by sandy transported soil that is geochemically inert (Figure 7). Copper mineralisation was mapped at the surface at the contact between a carbonate rock and metavolcanics that trends to the southwest.

The Hohentweil prospect is located approximately 5km along strike to the west of the Deblin Copper Mine that is held by Votorantim Metals. The Deblin Mine mineralised trend shows good continuity and is likely to continue under cover to the west of Hohentweil where it has not been tested with drilling.

At the **Kombat South prospect** on EPL5233, 330 soil samples were collected and analysed with a peak value of 365ppm Cu in a background of less than 50ppm Cu¹⁶. Two anomalies were identified on low hills aligned in an approximate east-west direction parallel to bedding. The larger anomaly is 500m long by 200m wide and is surrounded by transported sandy soil that has shielded the bedrock geochemical response.

Shallow reconnaissance drilling is planned to test the copper anomalies at the Kombat South and Hohentweil prospects. Drilling will test the mineralised Deblin trend and extend the coverage into areas with shallow cover where the soil sampling was not effective.

Additional soil sampling is planned at other priority targets on EPL5232, 5233 and 5234 to generate targets for drilling.

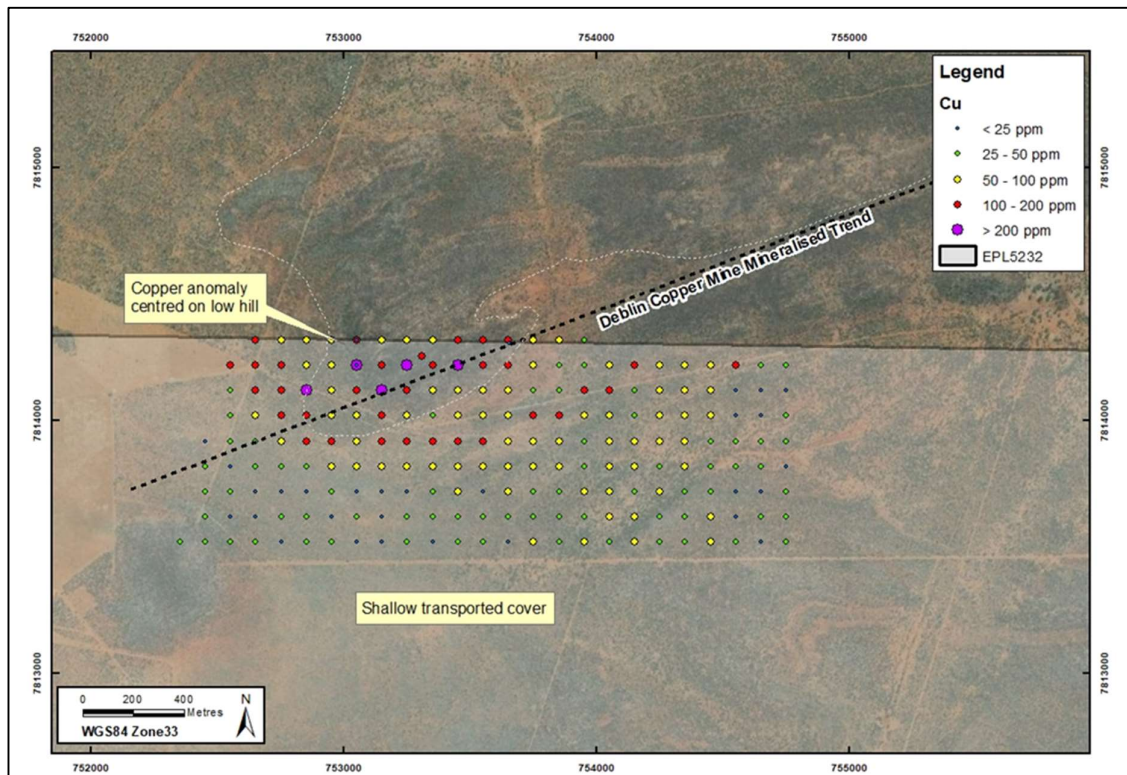


Figure 7: Hohentweil prospect soil sample grid showing copper results

AUSTRALIAN GOLD AND COPPER-GOLD PROJECTS:

The Company holds a 100% interest in two granted exploration licences, EL9014, Tuckers Hill and EL8936, Haviilah, located near Mudgee in the Lachlan Fold Belt of NSW (see Figure 8).

The projects are located in the east LFB, a high-profile mining and exploration region that contains several major gold, copper-gold and silver deposits. These include Newcrest Mining Ltd's Cadia-Ridgeway Mine, Evolution Mining Ltd's Lake Cowal Mine, China Molybdenum Co. Ltd's North Parkes Mine, Alkane Resources Ltd's Tomingley mine, and Silver Mines Ltd's Bowdens deposit.

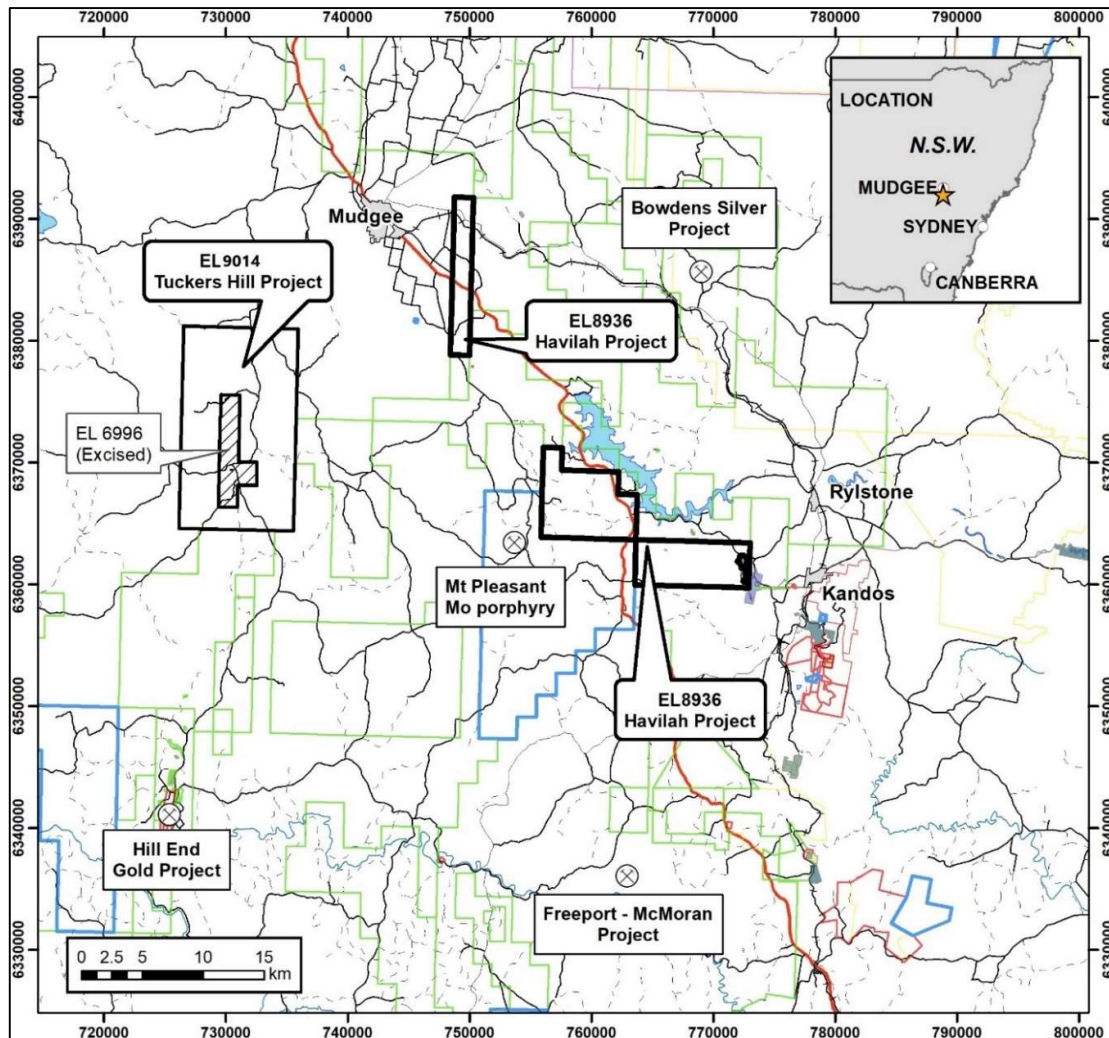


Figure 8: Location plan – Havilah and Tuckers Hill Projects, East Lachlan Fold Belt, New South Wales

Tuckers Hill Gold Project (EL9014)

The Tuckers Hill Gold Project is located near the town of Hargraves in New South Wales at the northern end of the Hill End Goldfield (Figure 8). Peak Minerals Ltd has reported a total Mineral Resource of **4.68Mt @ 3.3g/t Au¹³** for Hill End.

Diamond drilling is planned to test gold mineralised veins in the east limb of the Tuckers Hill anticline below previous underground mining. The holes are planned from the crest of the hill and will target high-grade gold in saddle reefs and leg structures at the apex of the anticline.

The drill sites are located on Crown Land Lots that have varying status that require land access agreements and Heritage agreements with the Native Title claimants. Golden Deeps continues its engagement with the various stakeholders and the Native Title claimants to gain access approvals for drilling. Rangott Exploration, based in Orange, NSW is assisting with land access approvals.

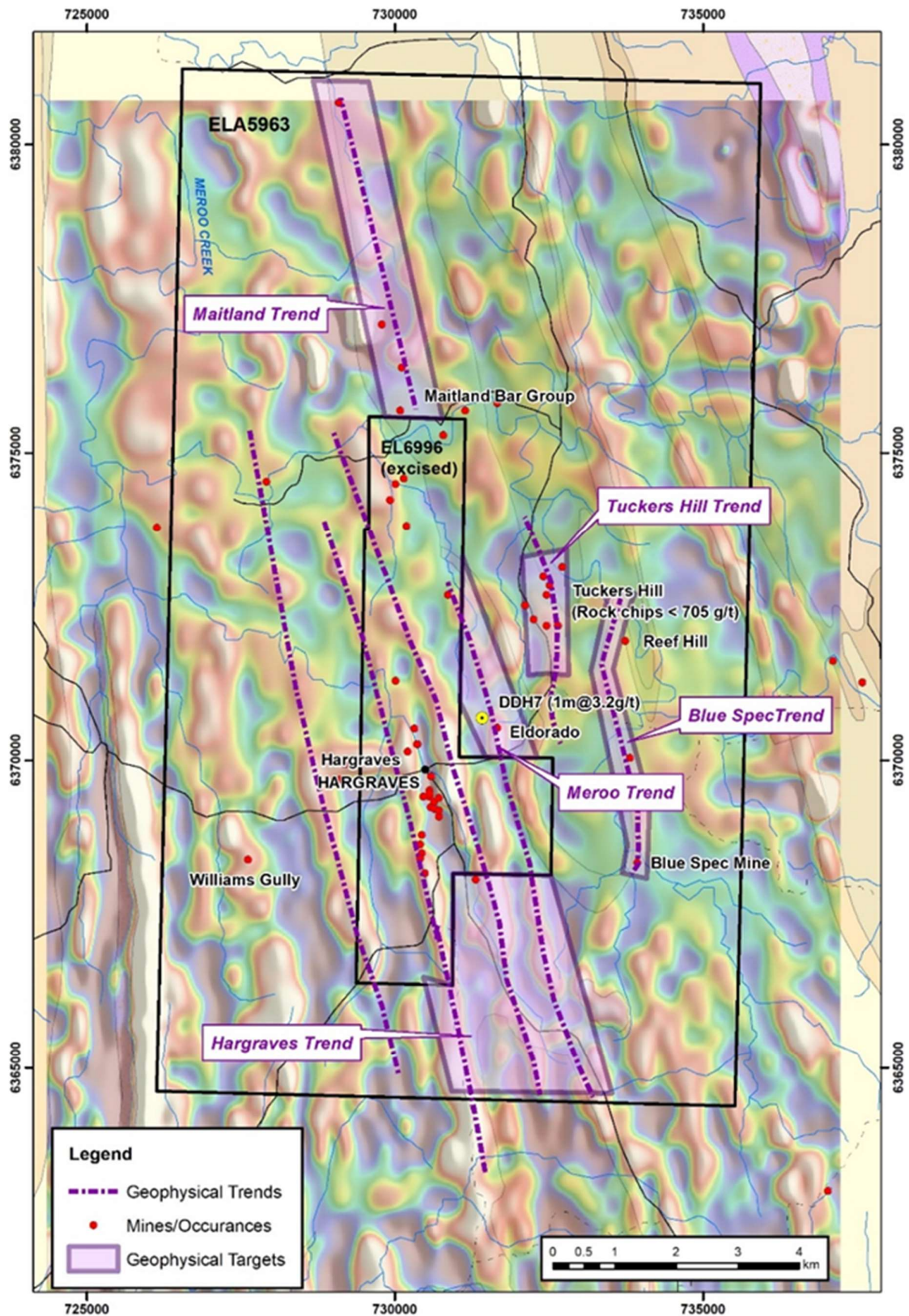


Figure 9: Aeromagnetic image (TMI-1VD ENE shade) of Tuckers Hill Project showing the five gold mineralised trends.

Havilah Project (EL8936)

Havilah EL8936 is a granted Exploration Licence located 20km east of Tuckers Hill near Mudgee in NSW. The Project is located within the East Lachlan Fold Belt (LFB) close to Peak Minerals Pty Ltd's Hill End Gold Project and Silver Mines Limited's Bowdens Silver Project that has a **Mineral Resource of 128Mt at 40g/t Ag, 0.38% Zn, 0.26% Pb**¹⁴ (Figure 10).

The priority target at Havilah is a belt of Ordovician age volcanic rocks that form part of the Macquarie Arc that hosts the Cadia, North Parkes and Lake Cowal deposits. Historical workings at the Milfor Prospect and Cheshire Mine are hosted by Ordovician aged volcanic rocks that contain pyrite and chalcopryite, that occur close to the northern margin of the Mt Pleasant "porphyry" intrusion – evident in magnetic imagery.

A soil sampling program is planned to cover the area between the Cheshire copper mine and the Milfor prospect (Figure 10) to generate targets for drilling. A land access agreement has been signed with the local landholder and, subject to final planning, the soil sampling program will commence shortly.

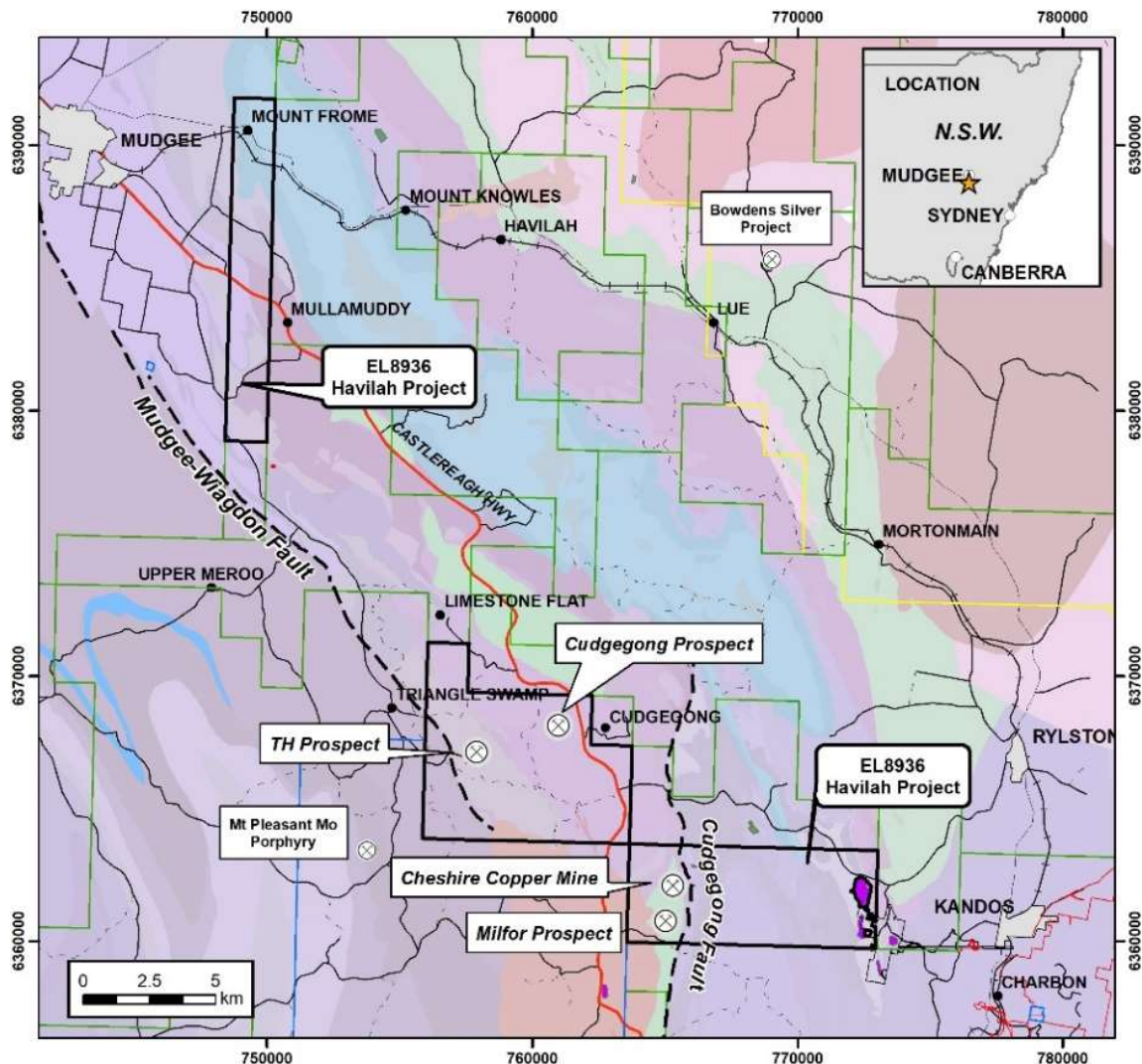


Figure 10: Havilah EL8936 Location plan showing main prospect areas. Ordovician volcanics and intrusives in green

ONTARIO COBALT PROJECTS

Golden Deeps acquired 70% of the Professor and Waldman cobalt-silver projects in December 2017. The projects are located in the historic Cobalt Mining Camp, approximately 5 kilometres and 3 kilometres (respectively) southeast of the town of Cobalt, Ontario (Figure 11). The projects exhibit similar geology to other past operating and producing cobalt and silver mines in the region.

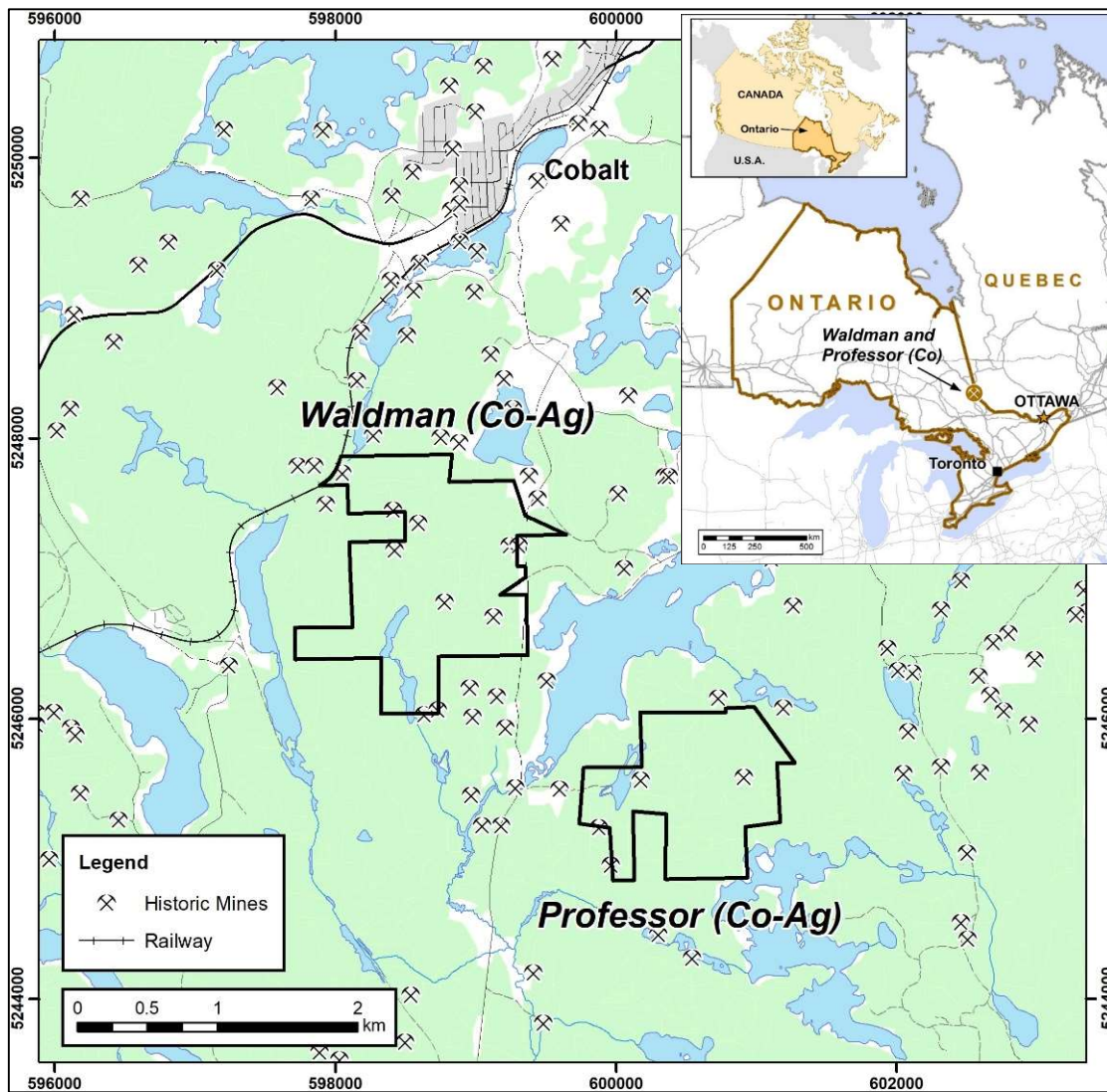


Figure 11: Location of Professor & Waldman projects, Ontario, Canada showing historic/producing mines in region

The **Professor Co-Ag Project** is located in the north-eastern portion of Gillies Limit Township, approximately 5 km southeast of the town of Cobalt (Figure 16). The Professor Project consists of a contiguous landholding of 15 patent and leasehold claims for a total of 123 hectares and includes historical workings known as the Professor Adit, 3 Oxford Shafts and the Cummins Pits.

The historic 280 metre-long Professor Adit, with approximately 590 metres of lateral workings, was mined on the property in the early 1960's. The adit, which is still accessible, exposed four vein systems containing disseminated to semi-massive cobalt-silver mineralisation.

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DIRECTORS' REPORT

Very little work and limited drilling has been completed on the project area since the mid-1960's and it is considered to be under-explored. In January 2018, rock chip sampling of calcite veins in the Professor Mine adit, carried out by Golden Deeps, returned grades of up to **0.623 g/t Au, 200 g/t Ag and 1.01% Co**¹⁵. The veins also contained high levels of lead which is typical of the Cobalt area.

The **Waldman Ag-Co project** is located about 3 km south of Cobalt (Figure 16) and consists of a contiguous landholding of 19 Crown Claims, for a total of 188.0 hectares. The claim block includes the past producing Waldman Mine located on the eastern side of the claim block that was operated periodically from 1910 to 1930. A total of 58 tons (52.6 metric tonnes) of ore was taken from Waldman Mine, from which a total of 33,525 ounces of silver and 2,066 pounds of cobalt was produced.

Grab samples assayed in the vicinity of the Waldman Mine in 2004 returned values as high as 1.9% Co, 2.2% Ni, 1.4% Pb and 3.1% Zn¹⁷.

Exploration targets are narrow, high-grade mineralised veins (such as those historically exploited underground) and for broader zones of vein or disseminated mineralisation that may be potentially amenable to open-pit or larger-scale underground mining operations.

In light of the recent resurgence in both the cobalt and the silver price the Company is reviewing the potential of the Professor and Waldman Co-Ag projects with further exploration to be planned. Work should include compilation of previous exploration data and target generation prior to planned fieldwork.

References

- ¹ Golden Deeps Ltd announcement, 21st June 2021. Nosib More Exceptional Copper, Lead, Vanadium intersections.
- ² Golden Deeps Ltd announcement, 15th June 2021. Nosib Exceptional Copper, Lead & Vanadium intersections.
- ³ Golden Deeps Ltd announcement, 28th June 2021. Drilling to Test High-Grade Copper and silver at Nosib and Khusib.
- ⁴ Melcher, F. et. al. 2005. Geochemical and mineralogical distribution of germanium in the Khusib Springs Cu-Zn-Pb-Ag sulphide deposit, Otavi Mountain Land, Namibia.
- ⁵ Golden Deeps Ltd announcement, 11th June 2021. Abenab Vanadium Project, Positive Results of Mining Study.
- ⁶ Golden Deeps Ltd announcement, 26th August 2013. High-grade copper and lead at Nosib Block.
- ⁷ Tsumeb, Namibia. PorterGeo Database: www.portergeo.com.au/database/mineinfo.asp?mineid=mn290
- ⁸ Golden Deeps Ltd announcement, 5th February 2021. New High-Grade Copper-Silver Targets at Khusib Springs Mine.
- ⁹ Golden Deeps Ltd ASX release 31 January 2019: Golden Deeps confirms major Resource Upgrade at Abenab Vanadium project
- ¹⁰ King C M H 1995. Motivation for diamond drilling to test mineral extensions and potential target zones at the Khusib Springs Cu-Pb-Zn-Ag deposit. Unpublished Goldfields Namibia report.
- ¹¹ Avonlea Minerals Limited (ASX:AVZ) ASX release 8 March 2012: Positive Vanadium Gravity Separation Test Work.
- ¹² Golden Deeps Ltd ASX release 22 August 2019: Pathway to Production Secured through 30x Increase in Vanadium Concentrate Grade from Existing Abenab Stockpiles
- ¹³ Golden Deeps Ltd (ASX:GED) announcement 22 January 2021 "Sampling confirms gold mineralisation at Tuckers Hill: Diamond drilling planned".
- ¹⁴ Silver Mines Limited (ASX: SVL) announcement 13 September 2019 "Presentation Denver Gold".
- ¹⁵ Golden Deeps Ltd announcement, 18th January 2018. High-Grade Assays at Professor Cobalt-Silver Project
- ¹⁶ Golden Deeps Pty Ltd (ASX:GED) announcement 17 December 2020 "Three new copper anomalies identified at surface on newly granted tenements near the Kombat Mine, Namibia."
- ¹⁷ S. Sears, July 2004 Report on a Stripping Program In Gillies Limit North Area, Waldman, Cummins Pit and Oxford Areas)

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal continuing activity of the Company and its controlled entity is the exploration for mineral deposits.

RESULTS

The consolidated loss for the financial year after providing for income tax amounted to \$676,547 (2020: \$867,934).

DIVIDENDS

No amounts have been paid or declared as payable during the course of the financial year.

FINANCIAL POSITION

The net assets of the Group have increased by \$4,729,431 from \$2,348,177 at 30 June 2020 to \$7,077,608 at 30 June 2021.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue to explore its tenements in Australia, Namibia and Canada. Refer to Review of Operations for more details.

INFORMATION ON DIRECTORS, CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY

Qualifications, experience and special responsibilities of Directors:

DIRECTORS

- (i) Michael Rodriguez (Non-Executive Director)

Mr Rodriguez has over 30 years' experience in the design, construction, commissioning, operation and management of hydrometallurgical and pyrometallurgical plants across Australia, Turkey, Europe and the Americas. He is a qualified metallurgist with a strong background in project construction mechanical completion and site handover to operations.

Mr Rodriguez brings to the Company a wealth of metallurgical process and construction experience. The appointment brings closer, and supports Golden Deeps' goal, of bringing the Abenab vanadium project into production as a low capital cost, low operating cost, vanadium producer.

- (ii) Michael Scivolo B, Com, FCPA (Non-Executive Director)

Mr Scivolo has extensive experience in the fields of accounting and taxation in both corporate and non-corporate entities. He was a Director of Blaze International Limited until 4 December 2015, K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014. He is currently a Director of Metals Australia Ltd, Sabre Resources Ltd and Blina Minerals NL.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

INFORMATION ON DIRECTORS, CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY (continued)

- (iii) Michael Norburn, BSc (Hons) (Non-Executive Director)

Mr Norburn graduated from the University of Birmingham with an honours degree in engineering and has worked for over twenty five years in the resource industry in Australia, the Middle East and Africa.

- (iv) Robert Collins (Non-Executive Director)

Mr Collins has served on a number of ASX listed industrial and mining company boards, and owned a large accounting practice serving the corporate sector. He is currently a Non-Executive Director of Metals Australia Ltd and Sabre Resources Ltd. He was formerly a Director of K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016, Blaze International Limited until 8 April 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014.

- (v) Scott Mathewson (Non-Executive Director)

Mr Mathewson has over 25 years of experience in senior operational, technical and leadership roles in the metals, mining and mineral processing sectors with a focus on operations, mining, process engineering and business improvement. He has a passion for safety and fostering a caring culture across the business.

Prior to joining Golden Deeps, Scott was the EGM of Global Mining and Production for an international mineral sands producer where he was responsible for all mining & production operations and the development of future growth and expansion opportunities. Prior to this, he was Technical Director within the Corporate Finance sector responsible for raising capital for new mining operations in Australia and Internationally. Across his career, Scott has also held senior positions with Rio Tinto, Alcoa World Alumina and Atlantic Vanadium.

Scott holds a Bachelor of Chemical Engineering from Curtin University and an MBA from the University of Southern Queensland where he majored in OHS and Corporate Finance. He also holds an Unrestricted WA Quarry Manager Certification.

The following persons acted as Chief Executive Officer during the financial year:-

- (i) Jon Dugdale FAusIMM (appointed 1 June 2021)

Mr Dugdale is a very well credentialed geologist and brings over 30 years of experience in the resources sector to Golden Deeps, including a strong track record of discovery, promotion and capital raising.

Mr Dugdale spent the first 20+ years of his career with WMC and then MPI Mines and was involved in major discovery programs at the St Ives and Agnew Gold projects in WA and with MPI, the exploration and development of several discoveries made by the MPI exploration team, including Silver Swan nickel deposit in Western Australia and direct involvement in the >1Moz Golden Gift discovery in Western Victoria.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

INFORMATION ON DIRECTORS, CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY (continued)

The last 10+ years Mr Dugdale has spent time as a Fund Manager with Lion Selection Group then as Managing Director of several ASX listed companies, directly involved with the promotion and raising of over \$70 million of capital to advance exploration and complete pre-feasibility studies into nickel and gold projects in the Philippines.

The following persons acted as Company Secretary during the financial year:

- (i) Martin Stein B. Bus., CA, FCG, FGIA

Mr Stein is a finance and governance professional and has previously held executive positions with PwC and Anvil Mining Ltd. He is a Chartered Accountant, Fellow of The Chartered Governance Institute and Fellow of Governance Institute of Australia.

Mr Stein brings to the Company a wealth of experience in the corporate and resource sectors, both in Australia and overseas.

Mr Stein is also the Chief Financial Officer of the Company.

DIRECTORS' INTEREST IN CONTRACTS

No Director has an interest, whether directly or indirectly, in a contract or proposed contract with the Company, other than by way of contracts for engagement of services in their capacity as a director.

REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2021 were:

Key Management Personnel	Position
M Rodriguez	Non-executive Director
M Scivolo	Non-executive Director
M Norburn	Non-executive Director
R Collins	Non-executive Director
S. Mathewson	Non-executive Director
J. Dugdale	Chief Executive Officer

The directors were all in office for the full year unless otherwise stated. There are no committees of directors.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

Remuneration of KMP

2021

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments	Percentage of remuneration paid in Equity	
	Directors Fees	Consulting Fees				Total	
	\$	\$	\$	\$	\$	\$	%
M Rodriguez	24,000	-	-	-	-	24,000	-
M Norburn	14,000	-	-	-	-	14,000	-
M Scivolo	14,000	-	-	1,330	-	15,330	-
R Collins	14,000	-	-	-	-	14,000	-
S. Mathewson	16,966	-	-	1,612	-	18,578	-
J Dugdale ¹	-	-	-	-	-	-	-
	82,966	-	-	2,942	-	85,908	-

¹ Mr Jon Dugdale was appointed as the Company's Chief Executive Officer without:

- Golden Deeps and Mr Dugdale entering into an employment, service or consultancy agreement with Golden Deeps, or a child entity of Golden Deeps; or
- Golden Deeps and Mr Dugdale entering into any other agreement.

The services of Mr Dugdale to Golden Deeps is governed by a Services Agreement between Golden Deeps and Corporate Resource Services Pty Ltd ("CRS"), which provides the services of Mr Dugdale to Golden Deeps.

Mr Dugdale is not being paid by Golden Deeps in his capacity as the Company's Chief Executive Officer. The remuneration of Mr Dugdale relating to Golden Deeps is paid by CRS, which in turn on charges the remuneration paid to Mr Dugdale to Golden Deeps at cost without any mark up or profit.

2020

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments	Percentage of remuneration paid in Equity	
	Directors Fees	Consulting Fees				Total	
	\$	\$	\$	\$	\$	\$	%
M Rodriguez	24,000	-	-	-	-	24,000	-
M Norburn	14,000	-	-	-	-	14,000	-
M Scivolo	15,215	-	-	1,445	-	16,660	-
R Collins	14,000	-	-	-	-	14,000	-
S. Mathewson ¹	-	-	-	-	-	-	-
M Minosora	119,000	-	-	-	-	119,000	-
	186,215	-	-	1,445	-	187,660	-

¹Mr. Mathewson received remuneration as an employee of the Company prior to terminating his employment contract and becoming a Non-Executive Director.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

Key Management Personnel Options and Rights Holdings

There were no options over ordinary shares held by any KMP as at 30 June 2021 or 30 June 2020.

Key Management Personnel Share Holdings

The following table shows the movements in the relevant interests of key management personnel in the share capital of the Company:

2021	Opening balance 1 July 2020	Additions	Disposals	Closing balance 30 June 2021
Key Management Personnel				
M Rodriguez	-	-	-	-
M Norburn	-	-	-	-
M Scivolo	-	-	-	-
R Collins	620,000	-	-	620,000
S. Mathewson	-	-	-	-
J. Dugdale	-	-	-	-
	620,000	-	-	620,000

2020	Opening balance 1 July 2020	Additions	Disposals	Closing balance 30 June 2021
Key Management Personnel				
M Rodriguez	-	-	-	-
M Norburn	-	-	-	-
M Scivolo	-	-	-	-
R Collins	620,000	-	-	620,000
S. Mathewson	-	-	-	-
M Minosora	500,000	2,884,615	(3,384,615) ¹	-
	1,120,000	2,884,615	(3,384,615)	620,000

¹ At date of resignation.

Directors' Fees

Directors receive a fixed fee as remuneration.

Board policy on the remuneration for this exploration company is influenced by comparing fees paid to directors in other companies within the exploration industry, and then set at a level to attract qualified people, to accept the responsibilities of directorship.

No Director has an employment contract.

Terms of employment for Key Management Personnel require that thirty days' notice of termination of contract is required from either employer or employee. There is no agreement to pay any termination payment other than accrued salary and annual leave.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

Being an exploration company with no earnings, a relationship is yet to be established between an emolument policy and the company's performance. During the year the Company did not engage remuneration consultants to review its existing remuneration policies.

At the last AGM shareholders voted to adopt the remuneration report for the year ended 30 June 2020. The Company did not receive specific feedback at the AGM regarding its remuneration practices.

END OF REMUNERATION REPORT

ANALYSIS OF MOVEMENT IN SHARES

During the year the Company had movement in its fully paid ordinary shares as follows:

	Number	\$
Opening balance 1 July 2020	350,760,699	18,728,801
Shares issued 18 August 2020 at \$0.0125 per share	187,680,000	2,346,000
Shares issued 29 October 2020 at \$0.016 per share	1,250,000	20,000
Shares issued 15 December 2020 at \$0.014 per share	234,922,646	3,288,917
Shares issued 10 February 2021 at \$0.015 per share	238,095	3,571
Shares issued 30 June 2021 at \$0.015 per share	1,000,000	15,000
Expiration of options		342,071
Capital raising costs	-	(740,665)
Closing balance 30 June 2021	775,851,440	24,003,695

ANALYSIS OF MOVEMENT IN SHARE OPTIONS

During the year a number of options were granted as follows:

Class	Balance 1 July 2020	Issued During Year	Exercised or expired during year	Balance 30 June 2021
Exercisable at 15.0 cents each on or before 01/09/2020	4,250,000	-	(4,250,000)	-
Exercisable at 20.0 cents each on or before 01/09/2020	4,250,000	-	(4,250,000)	-
Exercisable at 15.0 cents each on or before 30/06/2021	-	693,516,691	(693,516,691)	-

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors during the year ended 30 June 2021 and the number of meetings attended were:

Name	Eligible to Attend	Attended
M Rodriguez	4	4
M Scivolo	4	4
M Norburn	4	4
R Collins	4	4
S Mathewson	4	3

The Company also conducted business via Circular Resolutions.

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Michael Scivolo retired by rotation as a Director at the Annual General Meeting held on 21 October 2020 and was re-elected.

Scott Mathewson, having been appointed a director by the directors, offered himself for re-election at the Annual General Meeting held on 21 October 2020 and was re-elected.

At the forthcoming Annual General Meeting, Michael Norburn, retires by rotation as a Director and will offer himself for re-election.

RELEVANT INTEREST IN SHARES OF THE COMPANY

Mr Collins held a relevant interest in 620,000 ordinary fully paid shares in the Company as at 30 June 2021.

ENVIRONMENTAL ISSUES

The Company's objective is to ensure that a high standard of environmental care is achieved and maintained on all properties. There are no known environmental issues outstanding.

EVENTS SUBSEQUENT TO REPORTING DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

INDEMNIFYING OFFICER OR AUDITORS

No indemnities have been given, or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

SHARE OPTIONS

As at the date of this report, there are nil share options on issue.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independent auditor's declaration as required by section 307c of the *Corporations Act 2001* is set out on page 57.

AUDIT COMMITTEE

No Audit Committee has been formed as the Directors believe that the Company is not of a size to justify having a separate Audit Committee. Given the small size of the Board, the Directors believe an Audit Committee structure to be inefficient.

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

- All non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year under review, the Company's auditor, Crowe Perth, also provided services in relation to taxation matters. Details of the amounts paid and payable to the auditor of the company, Crowe Perth and its related entities for audit and non-audit services provided during the year are set out in Note 5 to the Financial Statements.

CORPORATE GOVERNANCE STATEMENT

The Company is committed to achieving and demonstrating the highest standards of corporate governance information about the Company's Corporate Governance policies are set out in the Annual Report.

This report is made in accordance with a resolution of the Directors and Section 298(2) of the *Corporations Act 2001*.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT



Michael Rodriguez
DIRECTOR

Dated this 30th day of September 2021
Perth, Western Australia

Cautionary Statement regarding Forward-Looking information

This report contains forward-looking statements concerning Golden Deeps Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Golden Deeps Ltd as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this report that relates to exploration results has been reviewed, compiled and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is the Chief Executive Officer of Golden Deeps Limited and a Fellow of the Australian Institute of Mining and Metallurgy ('FAusIMM'). Mr Dugdale has sufficient experience, including over 34 years' experience in exploration, resource evaluation, mine geology and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Appendix 1 – Golden Deeps Ltd Tenement Schedule as at 30 June 2021

Tenement ID	Tenement Type	Jurisdiction	Project	Interest	Area km ²	Expiry Date
EPL3543	Exclusive Prospecting Licence	Otavi, Namibia	Abenab	80%	90.00	6/07/2022
EPL5496	Exclusive Prospecting Licence	Otavi, Namibia	Abenab Nth	80%	13.00	6/07/2022
EPL5232	Exclusive Prospecting Licence	Otavi, Namibia	Otavi	80%	260.00	7/08/2022
EPL5233	Exclusive Prospecting Licence	Otavi, Namibia	Kombat Sth	80%	63.00	7/08/2022
EPL5234	Exclusive Prospecting Licence	Otavi, Namibia	Askevold Sth	80%	8.00	7/08/2022
EL5963	Exploration Licence	NSW, Australia	Tuckers Hill	100%	48.00	6/10/2026
EL9014	Exploration Licence	NSW, Australia	Havilah	100%	34.00	4/02/2022

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

123450	Mining Claim	Ontario, Canada	Waldman	70%	0.07	30/10/2021
155118	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
199634	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
236092	Mining Claim	Ontario, Canada	Waldman	70%	0.01	30/10/2021
236093	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
283242	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
290776	Mining Claim	Ontario, Canada	Waldman	70%	0.01	30/10/2021
320124	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
324858	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
189303	Mining Claim	Ontario, Canada	Waldman	70%	0.03	15/12/2021
321848	Mining Claim	Ontario, Canada	Waldman	70%	0.01	15/12/2021
296687	Mining Claim	Ontario, Canada	Waldman	70%	0.00	24/02/2022
156804	Mining Claim	Ontario, Canada	Waldman	70%	0.22	4/05/2022
174898	Mining Claim	Ontario, Canada	Waldman	70%	0.05	4/05/2022
203776	Mining Claim	Ontario, Canada	Waldman	70%	0.22	4/05/2022
227355	Mining Claim	Ontario, Canada	Waldman	70%	0.02	10/05/2022
306085	Mining Claim	Ontario, Canada	Waldman	70%	0.22	10/05/2022
203057	Mining Claim	Ontario, Canada	Waldman	70%	0.22	22/06/2022
275742	Mining Claim	Ontario, Canada	Waldman	70%	0.22	22/06/2022
LEA-19762	Mining Lease	Ontario, Canada	Professor	70%	0.11	30/04/2023
LEA-19733	Mining Lease	Ontario, Canada	Professor	70%	0.07	31/08/2022
LEA-19732	Mining Lease	Ontario, Canada	Professor	70%	0.07	31/08/2022
LEA-19730	Mining Lease	Ontario, Canada	Professor	70%	0.08	31/07/2022
LEA-19729	Mining Lease	Ontario, Canada	Professor	70%	0.08	31/07/2022
PAT-30214	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-30213	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19703	Mining Patent	Ontario, Canada	Professor	70%	0.09	No Expiry
PAT-19701	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19700	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19699	Mining Patent	Ontario, Canada	Professor	70%	0.10	No Expiry
PAT-19698	Mining Patent	Ontario, Canada	Professor	70%	0.09	No Expiry
PAT-19695	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19696	Mining Patent	Ontario, Canada	Professor	70%	0.07	No Expiry
PAT-18039	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Consolidated 2021 \$	2020 \$
Income			
Interest earned		435	345
Proceeds received from joint venture partner		-	5,117
Other income		25,376	34,158
		25,811	39,620
Expenses			
Employee benefits expense		(6,528)	(37,715)
Management fees		(272,593)	(200,484)
Directors' fees and services	6	(85,908)	(187,660)
Impairment of receivables		(68,083)	(50,045)
Professional services		(196,463)	(273,774)
Securities Exchange fees		(27,991)	(27,766)
Depreciation		-	(290)
Other operating costs		(44,792)	(129,820)
		(702,358)	(907,554)
(Loss) before income tax		(676,547)	(867,934)
Income tax	4	-	-
(Loss) after income tax		(676,547)	(867,934)
Other Comprehensive Income, net of tax			
<i>Items that may be subsequently transferred to profit or loss:</i>			
Exchange differences on translating foreign controlled entities		131,084	(242,922)
Total Comprehensive (Loss), net of tax		(545,463)	(1,110,856)
Loss for the year attributable to:			
Owners of the parent	13	(665,512)	(834,756)
Non-controlling interest		(11,035)	(33,178)
Total (Loss) for the year, net of tax		(676,547)	(867,934)
Total Comprehensive (Loss) for the year attributable to:			
Owners of the parent		(560,645)	(994,582)
Non-controlling interest		15,182	(116,274)
Total Comprehensive (Loss), for the year		(545,463)	(1,110,856)
Earnings per share		Cents	Cents
Basic / Diluted earnings/(loss) per share	15	(0.11)	(0.32)

Diluted earnings/(loss) per share have no effect as compared to the Basic earnings (loss) per share.

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	Notes	Consolidated 2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	7	3,002,865	668,598
Trade and other receivables	8	54,200	37,437
Total Current Assets		3,057,065	706,035
Non-Current Assets			
Exploration and evaluation expenditure	9	4,259,145	3,738,660
Trade and other receivables	8	-	49,257
Plant and equipment		1,170	1,053
Total Non-Current Assets		4,260,315	3,788,970
Total Assets		7,317,380	4,495,005
Current Liabilities			
Trade and other payables	10	239,772	519,224
Total Current Liabilities		239,772	519,224
Non-Current Liabilities			
Trade and other payables	10	-	1,627,604
Total Non-Current Liabilities		239,772	1,627,604
Total Liabilities		239,772	2,146,828
Net Assets		7,077,608	2,348,177
Equity			
Issued capital	11	24,003,695	18,728,801
Foreign currency translation reserve		(141,237)	(246,104)
Share Option Reserve	12	-	60,274
Accumulated losses	13	(16,463,870)	(15,858,632)
Parent interests		7,398,588	2,684,339
Non-controlling interest		(320,980)	(336,162)
Total Equity		7,077,608	2,348,177

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non- controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2019	16,772,574	64,205	(86,278)	(15,027,807)	1,722,694	(219,888)	1,502,806
Loss for the year	-	-	-	(834,756)	(834,756)	(33,178)	(867,934)
Other comprehensive gain (loss) for the period, net of tax	-	-	(159,826)	-	(159,826)	(83,096)	(242,922)
Total comprehensive (loss) for the year	-	-	(159,826)	(834,756)	(994,582)	(116,274)	(1,110,856)
Transactions with owners:							
Issues of capital	2,075,672	-	-	-	2,075,672	-	2,075,672
Capital raising costs	(119,445)	-	-	-	(119,445)	-	(119,445)
Expiration of options	-	(3,931)	-	3,931	-	-	-
Issue of options	-	-	-	-	-	-	-
Balance as at 30 June 2020	18,728,801	60,274	(246,104)	(15,858,632)	2,684,339	(336,162)	2,348,177

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non- controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2020	18,728,801	60,274	(246,104)	(15,858,632)	2,684,339	(336,162)	2,348,177
Loss for the year	-	-	-	(665,512)	(665,512)	(11,035)	(676,547)
Other comprehensive gain (loss) for the period, net of tax	-	-	104,867	-	104,867	26,217	131,084
Total comprehensive (loss) for the year	-	-	104,867	(665,512)	(560,645)	15,182	(545,463)
Transactions with owners:							
Issues of capital	5,673,488	-	-	-	5,673,488	-	5,673,488
Capital raising costs	(740,665)	-	-	-	(740,665)	-	(740,665)
Expiration of options	342,071	(60,274)	-	60,274	342,071	-	342,071
Issue of options	-	-	-	-	-	-	-
Balance as at 30 June 2021	24,003,695	-	(141,237)	(16,463,870)	7,398,588	(320,980)	7,077,608

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Consolidated 2021 \$	2020 \$
Cash flow from operating activities			
Payments to suppliers and employees		(2,642,085)	(1,076,423)
Receipts from customers		-	22,790
Interest received		435	345
Receipts from joint venture		-	5,117
Government grant received		25,376	25,376
Net cash (outflow) from operating activities	14	<u>(2,616,274)</u>	<u>(1,022,795)</u>
Cash flow from investing activities			
Payments for plant and equipment		-	(1,307)
Exploration and Evaluation expenditure		(284,607)	(674,128)
Payments for security deposits		(10,000)	-
Net cash (outflow) from investing activities		<u>(294,607)</u>	<u>(675,435)</u>
Cash flow from financing activities			
Proceeds from capital raising		5,656,288	2,055,672
Payments for cost of capital raising		(411,140)	(119,445)
Repayment of borrowings	10 (b)	-	(62,000)
Net cash inflow from financing activities		<u>5,245,148</u>	<u>1,874,227</u>
Net increase / (decrease) in cash and cash equivalents held		2,334,267	175,997
Cash and cash equivalents at the beginning of the financial year		668,598	492,601
Effect of exchange rates on cash holdings in foreign currencies		-	-
Cash and cash equivalents at the end of the financial year	7	<u>3,002,865</u>	<u>668,598</u>

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. CORPORATE INFORMATION

The financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group) for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 28 September 2021.

Golden Deeps Limited is a company incorporated and domiciled in Australia, limited by shares which are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are mineral exploration and investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and complies with other requirements of the law, as appropriate for for-profit oriented entities. The financial report has also been prepared on an accruals basis and on a historical cost basis, except for financial assets and liabilities, which have been measured at fair value.

The financial report also complies with International Financial Reporting Standards (IFRS).

The financial report is presented in Australian dollars.

(b) New or Amended Accounting Standards and interpretations adopted

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

(d) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2021. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation (continued)

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

(e) Foreign currency translation

Both the functional and presentation currency of Golden Deeps Limited, Cerep Pty Ltd, Glendale Asset Pty Ltd, Jewell Corporation Pty Ltd, Extract Minerals Pty Ltd and Tuckers Gold Pty Ltd is the Australian dollar (A\$), and the functional and presentation currency for Huab Energy (Pty) Ltd and Oshivela Mining (Pty) Ltd is the Namibian Dollar (N\$).

Cash remittances from the parent entity to the Namibian subsidiaries are sent in Australian Dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date the assets and liabilities of any overseas subsidiaries were translated into the presentation currency of Golden Deeps Limited at the rate of exchange ruling at the reporting date and the statement of Profit or Loss and Other Comprehensive Incomes are translated at the average exchange rates for the period.

The exchange differences arising on the translation are taken directly to Other Comprehensive Income.

On disposal of a foreign entity, the deferred cumulative amount recognised in Other Comprehensive Income relating to that particular foreign operation is recognised in the statement of Profit or Loss.

(f) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(h) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Share-based payment transactions

(i) Equity settled transactions:

The Group provides benefits to Directors, management personnel and consultants in the form of share-based payments whereby personnel render services in exchange for options to purchase shares.

The cost of these equity-settled transactions was measured by reference to the fair value of the equity instruments at the date on which they were granted. The fair value was determined using the Black Scholes formula.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Golden Deeps Limited (market conditions). The cost of equity-settled transactions was recognised, together with the corresponding increase in equity, on the date of grant of the options. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Golden Deeps Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(o) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/(loss) attributable to members of the parent, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(r) Comparatives

Certain comparatives have been reclassified where necessary to be consistent with the current year's disclosures.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(t) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(u) Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

(v) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(y) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(z) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(i) *Significant accounting judgments include:*

(a) Exploration and evaluation expenditure

The Group determines whether exploration and evaluation expenditure is impaired on at least an annual basis based on historical information and best available current information. This requires an estimation of the various technical factors of future costs which may be incurred in rehabilitating exploration sites.

(b) Share Based Payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(d) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4. Income Tax

	Consolidated	
	2021	2020
	\$	\$
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable/(credit) on profit from original activities before income tax at 30% (2020: 27.5%)	<u>(202,964)</u>	<u>(260,380)</u>
Add:		
Tax effect of:		
Other non-allowable items	23,935	49,767
Other assessable items		83
Other allowable deductions		-
Deferred tax asset not brought to account	<u>183,167</u>	<u>222,971</u>
	4,138	12,441
Less:		
Tax effect of:		
Effective overseas tax rate	<u>(4,138)</u>	<u>(12,441)</u>
	(4,138)	(12,441)
Income tax attributable to entity	<u>-</u>	<u>-</u>
Unrecognised deferred tax assets:		
- Tax losses: revenue	2,475,415	2,242,375
- Tax losses: capital	48,778	48,778
- Temporary differences	555,158	467,010
- Foreign tax losses	<u>85,104</u>	<u>85,104</u>
	<u>3,164,455</u>	<u>2,843,267</u>
Unrecognised deferred tax liabilities	<u>104,048</u>	<u>81,809</u>

The benefits from unrecognised deferred tax assets will only be obtained if:

- (i) The companies derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;
- (ii) The companies continue to comply with the conditions for deductibility imposed by the Law; and
- (iii) No changes in tax legislation adversely affect the companies in realising the benefits from the deductions for the losses.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5. Auditors' Remuneration

	2021	Consolidated 2020
	\$	\$
Remuneration of the auditor of the parent entity, Crowe Perth		
- auditing or reviewing the financial report	16,900	12,000
- taxation services provided by a related practice of the auditor	3,735	3,625
Remuneration of other auditors of subsidiaries for:		
- auditing or reviewing the financial reports of subsidiaries	11,898	16,237
	<u>32,533</u>	<u>31,862</u>

6. Remuneration of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for Details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2021.

The totals of remuneration paid to KMP during the year are as follows:

Short-term employee benefits	82,966	186,215
Superannuation	2,942	1,445
	<u>85,908</u>	<u>187,660</u>

7. Cash and Cash Equivalents

Represented by:		
Cash at bank	3,002,865	668,598
Deposits	-	-
	<u>3,002,865</u>	<u>668,598</u>

8. Trade and Other Receivables

Current Assets		
Trade debtors	-	27,849
Less allowance for expected credit losses	-	(27,849)
Other receivables	54,200	37,437
	<u>54,200</u>	<u>37,437</u>
Non-Current Assets		
Other receivables	-	49,257

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

9. Exploration and Evaluation Expenditure

	Consolidated	
	2021	2020
	\$	\$
Opening balance	3,738,660	3,262,304
Exploration and evaluation expenditure (including foreign currency exchange differences)	520,485	456,356
Value of securities issued to acquire tenements	-	20,000
Write off exploration and evaluation expenditure	-	-
	4,259,145	3,738,660

Exploration and evaluation expenditure projects

Exploration and evaluation expenditure – Namibia	4,254,668	3,738,660
Exploration and evaluation expenditure – Canada	4,477	-
	4,259,145	3,738,660

10. Trade and Other Payables

Trade Payables

	Consolidated	
	2021	2020
	\$	\$
Current		
Trade payables	239,772	517,489
Other payables	-	1,735
	239,772	519,224
Non-Current Liabilities		
Deferred trade payables	-	1,627,604

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

11. Issued Capital

Date	Details	Number of Shares	Amount \$
30 June 2019	Balance	212,080,789	16,772,574
19/08/2019	Conversion of options	1,300,000	19,500
27/08/2019	Conversion of options	1,610,000	24,150
29/08/2019	Conversion of options	21,387,000	320,805
02/10/2019	Issue of shares at \$0.026	41,346,155	1,075,000
29/11/2019	Issue of shares at \$0.026	2,884,615	75,000
13/05/2020	Issue of shares at \$0.008	70,152,140	561,217
	Capital raising costs	-	(119,445)
30 June 2020	Balance	350,760,699	18,728,801
18/08/2020	Issue of shares at \$0.0125	187,680,000	2,346,000
29/10/2020	Issue of shares at \$0.016	1,250,000	20,000
15/12/2020	Issue of shares at \$0.014	234,922,646	3,288,917
10/02/2021	Issue of shares at \$0.015	238,095	3,571
30/06/2021	Conversion of options	1,000,000	15,000
	Expiration of options	-	342,071
	Capital raising costs	-	(740,665)
30 June 2021	Balance	775,851,440	24,003,695

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised capital. The shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held.

At shareholders' meetings each fully paid Ordinary Share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

12. Share Option Reserve

Date		Number of Options	Amount \$
30 June 2019	Balance	47,800,000	64,205
19 August 2019	Options converted	(1,300,000)	-
27 August 2019	Options converted	(1,610,000)	-
29 August 2019	Options converted	(21,387,000)	-
31 August 2019	Options expired	(15,003,000)	(3,931)
30 June 2020	Balance	8,500,000	60,274
1 September 2020	Options expired	(8,500,000)	(60,274)
30 June 2021	Balance	-	-

ANALYSIS OF MOVEMENT IN OPTIONS

During the year, options were exercised, expired and were granted as follows:

Class	Balance 1 July 2020	Issued During Year	Exercised or expired during year	Balance 30 June 2021
Exercisable at 15.0 cents each on or before 01/09/2021	4,250,000	-	(4,250,000)	-
Exercisable at 20.0 cents each on or before 01/09/2021	4,250,000	-	(4,250,000)	-
Exercisable at 15.0 cents each on or before 30/06/2021	-	693,516,691	(693,516,691)	-
Total	8,500,000	693,516,691	(702,016,691)	-

The weighted average exercise price of the options on hand at year end is 0.0 cents (2020: 17.5 cents).

The remaining contractual life of the options outstanding at the end of the year is a weighted average of 0.0 years (2020: 0.17 years).

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

12. Share Option Reserve (continued)

Summary of Options Granted

The following table sets out the number and weighted average exercise price (WAEP) of, and movements in, share options granted during the year or prior years:

	2021 Number	2021 WAEP (cents)	2020 Number	2020 WAEP (cents)
Outstanding at beginning of year	8,500,000	17.5	47,800,000	4.8
Granted during the year	693,516,691	15.0	-	-
Expired during year	(701,016,691)	(15.0)	(15,003,000)	(1.5)
Exercised during the year	(1,000,000)	15.0	(24,297,000)	(1.5)
Outstanding at the end of the year	-	-	8,500,000	17.5

13. Accumulated Losses

	2021 \$	2020 \$
Accumulated losses at the beginning of the year	(15,858,632)	(15,027,807)
Loss for year	(665,512)	(834,756)
Expiration of options	60,274	3,931
Accumulated losses at the end of the financial year	(16,463,870)	(15,858,632)

14. Cash Flow Information

	2021 \$	2020 \$
Reconciliation of Cash Flow from operations with Loss after tax		
Operating (loss) after income tax:	(665,512)	(834,756)
Non-cash flows in operating loss:		
Depreciation		290
Share based payments expense		-
Unrealised (gains) / losses on foreign exchange movements	(21,983)	(133,177)
Expected credit loss provision	68,083	50,045
Exploration impairment		-
Non-controlling interest in loss	(11,035)	(33,178)
Changes in assets and liabilities:		
Decrease/(increase) in receivables	42,492	29,542
(Decrease)/increase in trade & other payables	(2,028,319)	(89,567)
(Decrease)/increase in provisions	-	(11,994)
Net cash flows (used in) operating activities	(2,616,274)	(1,022,795)

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

15. Earnings per share

	2021 Number	2020 Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	641,490,575	274,053,102
Profit/(loss) per share – cents- Basic and Diluted	2021 (0.11)	2020 (0.32)

16. Financial Instruments

(a) Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Consolidated Group	Floating Interest Rate 2021	Floating Interest Rate 2020	Non-Interest Bearing 2021	Non-Interest Bearing 2020	Total 2021	Total 2020
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	3,002,865	668,598	-	-	3,002,865	668,598
Trade and other receivables	-	-	54,200	82,694	54,200	82,694
Total Financial Assets	3,002,865	668,598	54,200	82,694	3,057,065	751,292

16. Financial Instruments (continued)

Financial Liabilities (at amortised cost):

Trade and other payables	-	-	(239,772)	(2,146,828)	(239,772)	(2,146,828)
Total Financial Liabilities	-	-	(239,772)	(2,146,828)	(239,772)	(2,146,828)
Net Financial Assets	3,002,865	668,598	(185,572)	(2,064,134)	2,817,293	(1,395,536)

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the Consolidated Statement of Financial Position and notes to the financial report.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

16. Financial Instruments (continued)

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

(d) Financial Risk Management

The Group's financial instruments consist mainly of deposits with recognised banks, accounts receivable and accounts payable. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested in bank higher interest bank accounts. The Directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The main risks the Group is exposed to through its financial instruments are the depository banking institution itself, holding the funds, and interest rates. The Group has no exposure to foreign currency risks. The Group's credit risk is minimal, as being an exploration company, no goods are sold, or services provided, for which consideration is claimed. Risk management on the Group's investments is achieved by maintaining a close watch on market conditions as they apply to the investee companies.

(e) Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages the risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Consolidated Group	Within 1 year		1 to 5 years		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Financial Liabilities – Due for Payment						
Trade and other payables	(239,772)	(519,224)	-	(1,627,604)	(239,772)	(2,146,828)
Total Expected Outflows	(239,772)	(519,224)	-	(1,627,604)	(239,772)	(2,146,828)

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

16. Financial Instruments (continued)

Financial Assets:

Cash and cash equivalents	3,002,865	668,598	-	-	3,002,865	668,598
Trade and other receivables	54,200	33,437	-	49,257	54,200	82,694
Total anticipated inflows	3,057,065	702,035	-	49,257	3,057,065	751,292
Net (outflow) / inflow on financial instruments	2,817,293	182,811	-	(1,578,347)	2,817,293	(1,395,536)

(f) Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2021, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be minimal:

	Consolidated	
	2021	2020
	\$000	\$000
<i>Change in profit</i>		
.Increase in interest rate by 2%	36	11
.Decrease in interest rate by 2%	(36)	(11)
<i>Change in Equity</i>		
.Increase in interest rate by 2%	36	11
.Decrease in interest rate by 2%	(36)	(11)

Foreign Currency Risk Sensitivity Analysis

There is minimal foreign currency risk as insignificant balances of foreign currency are held.

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

17. Investment in controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding (%)		Book Value of Investment		Contribution to Consolidated Result	
			2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Cerep Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Glendale Asset Pty Ltd	Australia	Ordinary	100	100	1,474,158	1,474,158	-	-
Jewell Corporation Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Huab Energy Pty Ltd	Namibia	Ordinary	80	80	-	-	(52,342)	(59,463)
Oshivela Mining Pty Ltd	Namibia	Ordinary	80	80	-	-	(2,834)	(43,473)
Cobalt Resources Inc	Canada	Ordinary	100	100	1	1	-	-
Extract Minerals Pty Ltd	Australia	Ordinary	100	100	59,745	59,745	-	-
Tuckers Gold Pty Ltd	Australia	Ordinary	100	100	100	100	-	-

18. Related Parties

The Group's related parties include its subsidiaries, key management and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were received or given.

Related Party	Relationship	Nature Of Transaction	Year ended 30 June 2021		Year ended 30 June 2020	
			Transaction	Balance	Transaction	Balance
Huab Energy (Pty) Ltd	Subsidiary	Loan advances	(208,433)	2,123,141	(468,053)	1,914,708
Oshivela Mining (Pty) Ltd	Subsidiary	Loan advances	(4,598)	798,058	(29,982)	793,460
Sabre Resources Ltd	Common directorship	Geological expenses received	-	-	(164,014)	(10,478)
Metals Australia Ltd	Common directorship	Geological income received	-	-	8,181	-

Particulars of key management personnel compensation and share option holdings are disclosed in Note 6.

19. Segment Reporting

Identification of Reportable Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company is managed on the basis of its development and exploration of the group's mineral interests in the geographical regions of Namibia and Canada, and its corporate activities in Australia.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

19. Segment Reporting (continued)

Segment Performance – June 2021	Australia	Namibia	Canada	Total
Revenue	\$	\$	\$	\$
Interest revenue	435	-	-	435
Other income	25,376	-	-	25,376
Total Group revenue	25,811	-	-	25,811
Segment profit/(loss)				
Management Fees – unrelated parties	(272,593)	-	-	(272,593)
Corporate overheads - unrelated parties	(374,589)	(55,176)	-	(429,765)
Total Group profit/(loss)	(621,371)	(55,176)	-	(676,547)
Segment assets				
Cash and cash equivalents	2,962,637	40,228	-	3,002,865
Exploration and evaluation expenditure	-	4,254,648	4,477	4,259,145
Trade and other receivables	54,200	-	-	54,200
Plant and equipment	-	1,170	-	1,170
Total Group assets	3,016,837	4,296,066	4,477	7,317,380
Segment liabilities				
Trade and other payables	(113,634)	(126,138)	-	(239,772)
Total Group liabilities	(113,634)	(126,138)	-	(239,772)
Segment Performance – June 2020	Australia	Namibia	Canada	Total
Revenue	\$	\$	\$	\$
Joint venture income	-	5,117	-	5,117
Interest revenue	345	-	-	345
Other income	34,158	-	-	34,158
Total Group revenue	34,503	5,117	-	39,620
Segment profit/(loss)				
Management Fees – unrelated parties	(200,484)	-	-	(200,484)
Corporate overheads - unrelated parties	(540,889)	(165,891)	-	(706,780)
Depreciation	-	(290)	-	(290)
Impairment of exploration and evaluation assets	-	-	-	-
Share based payments	-	-	-	-
Total Group profit/(loss)	(706,870)	(161,064)	-	(867,934)
Segment assets				
Cash and cash equivalents	658,986	9,612	-	668,598
Exploration and evaluation expenditure	-	3,738,660	-	3,738,660
Trade and other receivables	86,694	-	-	86,694
Plant and equipment	-	1,053	-	1,053
Total Group assets	745,680	3,749,325	-	4,495,005
Segment liabilities				
Trade and other payables	(2,136,086)	(10,742)	-	(2,146,828)
Total Group liabilities	(2,136,086)	(10,742)	-	(2,146,828)

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

20. Commitments

(i) Mining Tenements

In New South Wales, Australia, the Company holds interests in two Exploration Licences (ELs). There are no contractual exploration commitments specified by the New South Wales Department of Mining, Exploration and Geoscience (MEG).

In Namibia the Company holds interests in five Exclusive Prospecting Licences (EPLs). There are no contractual exploration commitments specified by the Namibian Ministry of Mines and Energy.

On the Professor property in Ontario, Canada, the Company holds 10 freehold patents that include surface and mining rights and do not incur expenditure commitments. The Company also holds 5 mining leases at Professor that require expenditure of C\$4,400 per 16Ha or C\$11,000 in total prior to the next renewals during 2022/23.

At the Waldman property, in Ontario, Canada, the Company has a 70% interest in 19 Mining Claims. The claims incur a total exploration expenditure commitment of \$5,800 per annum.

(ii) Management Agreement

The Company has an agreement with a service company for the provision of services at \$288,000 (excluding GST) per annum plus CPI. Charges are at commercial terms in accordance with the agreement entered into on 11 May 2021 for a period of one year from 1 May 2021, within renewable one year periods at the cessation of the initial one year term.

21. Contingent Liabilities

On 29 June 2012, the Company acquired all the issued share capital of Glendale Asset Pty Ltd (Glendale) and Jewell Corporation Pty Ltd (Jewell), and these companies hold an 80% interest in Namibian companies that hold various mining rights. Terms of the transaction include the issue of a further 25 million shares on achieving inferred JORC resource from either the Huab or Oshivela Projects.

22. Events Subsequent to Reporting Date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

23. Parent Entity Information

The following details information related to the parent entity, Golden Deeps Limited, at 30 June 2021. The information presented here has been prepared using consistent accounting policies as shown in Note 2.

	Parent Entity	
	2021	2020
	₤	₤
Assets		
Current assets	3,016,837	696,423
Non-current assets	4,098,497	3,787,840
Total Assets	7,115,334	4,484,263
Liabilities		
Current liabilities	113,634	508,482
Non-current liabilities	-	1,627,604
Total Liabilities	113,634	2,136,086
Equity		
Issued capital	24,003,695	18,728,801
Share Option reserve	-	60,274
Accumulated losses	(17,001,995)	(16,440,898)
Total Equity	7,001,700	2,348,177
Financial Performance		
Profit/(loss) for the year	(621,371)	(940,396)
	(621,371)	(940,396)


No guarantees have been entered into by the parent entity on behalf of its subsidiary.

GOLDEN DEEPS LTD

DIRECTORS DECLARATION

1. In the opinion of the Directors of Golden Deeps Limited (the "Company"):
 - (a) the financial statements and notes set out on pages 27 to 55 and the Remuneration Report disclosures that are contained in pages 19 to 22 of the Remuneration Report in the Directors' Report, 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 financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
 - (b) the remuneration disclosures that are contained in pages 19 to 22 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2021.

Signed in accordance with a resolution of the Directors:



Michael Rodriguez
DIRECTOR

Dated this 30th day of September 2021
Perth,
Western Australia

DECLARATION OF INDEPENDENCE BY SEAN MCGURK TO THE DIRECTORS OF GOLDEN DEEPS LIMITED

As lead auditor for the audit of Golden Deeps Limited for the 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 audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Golden Deeps Limited and the entities it controlled during the year.



Crowe Perth



Sean McGurk
Partner

Signed at Perth, Western Australia

30 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN DEEPS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, and notes to the financial statements comprising a summary of significant accounting policies and the Director's Declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Group's financial position at 30 June 2021 and of its financial performance for the period then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group in accordance with the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How we addressed the Key Audit Matter
Consideration of impairment of capitalised mineral exploration and evaluation expenditure	
<p>The carrying amount of capitalised mineral exploration and evaluation expenditure was a significant component of the Group's total assets at \$4,259,145 at 30 June 2021.</p> <p>Judgement was required by the Group to assess whether there were indicators of impairment of the capitalised exploration and evaluation assets due to the need to make estimates about future events and circumstances, such as whether the mineral resources may be economically viable to mine in the future.</p> <p>This was a key audit matter because of the size of the balance and the risk of impairment should the Group dispose of or relinquish certain exploration or mining licences as it continues to assess future viability.</p>	<p>We performed the following procedures, amongst others:</p> <ul style="list-style-type: none"> • Evaluated the Group's assessment that there had been no indicators of impairment for its capitalised exploration and evaluation assets, including inquiries with management and the directors to develop an understanding of the current status and future intentions for the Group's projects. • For a sample of licences, tested whether the Group retained right of tenure for its exploration licence areas by obtaining licence status records maintained by the relevant government authorities in Namibia and Australia. • Considered the consistency of information provided with external reports prepared in relation to exploration licence areas that could suggest that the carrying value is unlikely to be recovered through development or sale and management's assessment of the future likely prospectivity of material licence areas. • Considered the consistency of information provided with other available information, such as ASX releases made by the Company about the results of the exploration drilling programs and other project development activities. • Obtained plans for future expenditure and where applicable compared these to contractual minimum licence expenditure requirements. • Reviewing the appropriateness of the related financial statement disclosures.

Information Other than the Financial Report and the Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2021 Annual Report for the period ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Golden Deeps Limited for the period ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Crowe Perth****Sean McGurk**

Partner

Signed at Perth, Western Australia

30 September 2021

GOLDEN DEEPS LTD

SHAREHOLDER INFORMATION

Additional information included in accordance with the listing requirements of the Australian Securities Exchange Limited. The information set out below is applicable as at 27 October 2021 unless otherwise stated.

Capital Structure

The Company currently has issued capital of 775,851,440 fully paid ordinary shares held by 1,734 holders.

Voting Rights

The Company's Constitution provides that at a meeting of shareholders, and on a show of hands, each shareholder present in person and each other person present as a proxy, attorney or representative, has one vote. On a poll, each shareholder present in person has one vote for each fully paid ordinary share held by the shareholder and each person as a proxy, attorney or representative of a shareholder has one vote for each fully paid ordinary share held by the shareholder that person represents.

The Company's option holders do not have any voting rights.

On-Market Buy-Back

The Company does not have an on-market buy-back.

Securities Subject to Escrow

There are no Company securities subject to voluntary escrow.

Distribution of Shareholders

(a) The distribution of members and their shareholdings was:

Range of Holding	Holders	Shares Held	Percent
1 - 1,000	139	39,224	0.01%
1,001 - 5,000	54	145,375	0.02%
5,001 - 10,000	51	438,280	0.06%
10,001 - 100,000	652	39,110,952	5.04%
100,001 and over	838	736,117,609	94.88%
	1,734	775,851,440	100%

(b) There were 377 shareholders with unmarketable parcels of shares based on the closing market price on 27 October 2021.

GOLDEN DEEPS LTD

SHAREHOLDER INFORMATION

Substantial Shareholders

The Company has received the requisite notices from substantial shareholders being:

Name	Number of Ordinary Shares	Percentage of Issued Capital
Coniston Pty Ltd and Kalgoorlie Mine Management Pty Ltd	79,197,000	10.21%

Top 20 Shareholders

The twenty (*) largest shareholders, representing 30.72% of the paid up capital were:

Name of holder	Number	Percent
CONISTON PTY LTD	54,150,000	6.98
CITICORP NOMINEES PTY LIMITED	22,246,300	2.87
KALGOORLIE MINE MANAGEMENT PTY LTD	21,047,000	2.71
10 BOLIVIANOS PTY LTD	12,142,635	1.57
PIO SERVICES LIMITED	12,000,000	1.55
MRS LISA GORDON	10,000,000	1.29
TAXQUESTOR PTY LTD	10,000,000	1.29
MR KHANH TRAN	10,000,000	1.29
MR JUNLONG LIANG	8,350,000	1.08
MR JOHN WILLIAM GREEN	8,100,000	1.04
BNP PARIBAS NOMS PTY LTD	7,467,844	0.96
MR ALEXANDER MICHAEL WORT	7,000,000	0.90
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD	6,609,640	0.85
COMSEC NOMINEES PTY LIMITED	6,354,166	0.82
CHENG WING RESOURCES LIMITED	6,000,000	0.77
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	5,985,472	0.77
MR VINCENZO BRIZZI + MRS RITA LUCIA BRIZZI	5,500,000	0.71
ACN 139 886 025 PTY LTD	5,400,000	0.70
*MR ANDREW JOHN GUNTHORPE	5,000,000	0.64
*METALS AUSTRALIA LTD	5,000,000	0.64
*MR MARX LIN	5,000,000	0.64
*MR ANTHONY NOEL HICKS	5,000,000	0.64
	238,353,057	30.72

*22 shareholders have been supplied in this list as four shareholders have 5,000,000 shares.

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TENEMENT INFORMATION

Tenement Schedule as at 27 October 2021

Tenement ID	Tenement Type	Jurisdiction	Project	Interest	Area km ²	Expiry Date
EPL3543	Exclusive Prospecting Licence	Otavi, Namibia	Abenab	80%	90.00	11/09/2019
EPL5496	Exclusive Prospecting Licence	Otavi, Namibia	Abenab Nth	80%	13.00	6/04/2019
EPL5232	Exclusive Prospecting Licence	Otavi, Namibia	Otavi	80%	260.00	7/08/2022
EPL5233	Exclusive Prospecting Licence	Otavi, Namibia	Kombat Sth	80%	63.00	7/08/2022
EPL5234	Exclusive Prospecting Licence	Otavi, Namibia	Askevold Sth	80%	8.00	7/08/2022
EL5963	Exploration Licence	NSW, Australia	Tuckers Hill	100%	48.00	6/10/2026
EL9014	Exploration Licence	NSW, Australia	Havilah	100%	34.00	4/02/2022
123450	Mining Claim	Ontario, Canada	Waldman	70%	0.07	30/10/2021
155118	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
199634	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
236092	Mining Claim	Ontario, Canada	Waldman	70%	0.01	30/10/2021
236093	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
283242	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
290776	Mining Claim	Ontario, Canada	Waldman	70%	0.01	30/10/2021
320124	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
324858	Mining Claim	Ontario, Canada	Waldman	70%	0.22	30/10/2021
189303	Mining Claim	Ontario, Canada	Waldman	70%	0.03	15/12/2021
321848	Mining Claim	Ontario, Canada	Waldman	70%	0.01	15/12/2021
296687	Mining Claim	Ontario, Canada	Waldman	70%	0.00	24/02/2022
156804	Mining Claim	Ontario, Canada	Waldman	70%	0.22	4/05/2022
174898	Mining Claim	Ontario, Canada	Waldman	70%	0.05	4/05/2022
203776	Mining Claim	Ontario, Canada	Waldman	70%	0.22	4/05/2022
227355	Mining Claim	Ontario, Canada	Waldman	70%	0.02	10/05/2022
306085	Mining Claim	Ontario, Canada	Waldman	70%	0.22	10/05/2022
203057	Mining Claim	Ontario, Canada	Waldman	70%	0.22	22/06/2022
275742	Mining Claim	Ontario, Canada	Waldman	70%	0.22	22/06/2022
LEA-19762	Mining Lease	Ontario, Canada	Professor	70%	0.11	30/04/2023
LEA-19733	Mining Lease	Ontario, Canada	Professor	70%	0.07	31/08/2022
LEA-19732	Mining Lease	Ontario, Canada	Professor	70%	0.07	31/08/2022
LEA-19730	Mining Lease	Ontario, Canada	Professor	70%	0.08	31/07/2022
LEA-19729	Mining Lease	Ontario, Canada	Professor	70%	0.08	31/07/2022
PAT-30214	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-30213	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry

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TENEMENT INFORMATION

Tenement ID	Tenement Type	Jurisdiction	Project	Interest	Area km ²	Expiry Date
PAT-19703	Mining Patent	Ontario, Canada	Professor	70%	0.09	No Expiry
PAT-19701	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19700	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19699	Mining Patent	Ontario, Canada	Professor	70%	0.10	No Expiry
PAT-19698	Mining Patent	Ontario, Canada	Professor	70%	0.09	No Expiry
PAT-19695	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry
PAT-19696	Mining Patent	Ontario, Canada	Professor	70%	0.07	No Expiry
PAT-18039	Mining Patent	Ontario, Canada	Professor	70%	0.08	No Expiry