

31 March 2022

**Mila Resources Plc**  
**(“Mila” or “the Company”)**  
**Interim Results**

Mila Resources Plc, a London listed natural resources company, is pleased to present its interim results for the six-month period ended 31 December 2021.

**Highlights:**

- Acquired an initial 30% interest in the Kathleen Valley Gold Project in Western Australia (“Kathleen Valley” or the “Project”). The Project is located in the prolific Wiluna-Norseman gold belt which hosts several world-class mines including those owned by ASX listed Bellevue Gold Ltd (‘Bellevue’).
- Capital Raise of £3.5m (before expenses) to fund an 11,000-metre plus drilling programme.
- Drilling underway with the first 11 drill holes. Assay results returned:
  - Identification of a 10m wide zone of mineralisation with multiple +10g/t Au & Ag grades at Coffey; and
  - Post period end (1<sup>st</sup> March 2022) and in the same area, the Company identified a ~9.3m wide mineralised sulphide zone from 195.68m, containing 2m of “Bellevue Style” quartz-sulphide lodes from 201.5m to 203.5m.
- Cash at bank and in hand at the end of the period £2,516,043.

**Chairman Statement**

I am pleased to present the interim financial statements to shareholders for the six months ended 31 December 2021.

Mila Resources was listed on the London Stock Exchange in 2016 with a view to acquiring projects in the natural resources sector which its Directors believed have a significant innate value that can be unlocked without excessive capital, and which offer access to early cash flow and stable market prices. In November 2021, we acquired an interest in an asset which we believe meets these stringent investment criteria - the Kathleen Valley Gold Project in Western Australia, in which we acquired an initial 30% interest, with the option to acquire an additional 50% interest in two further tranches. With our readmission to trading achieved concurrently with the Project acquisition, the period under review has been transformational for Mila. We are now firmly focused on realising the significant value potential of Kathleen Valley as we cement our position as a post-discovery gold exploration accelerator.

Testament to this commitment, within two weeks of acquiring our interest in Kathleen Valley we commenced a 11,000m drill campaign. The purpose of this drill campaign, which is still ongoing, is to build on the Project’s initial JORC Inferred resource of 21,000 oz gold which, significantly, is part of a much larger JORC Exploration Target of 145,000-280,000 oz at 1.8-2.5g/t gold. It is important to note that this has been defined solely at

the Coffey deposit ('Coffey'), in the southern area of the Project following just 12 reverse circulation drill holes totalling 2,160m. Accordingly, we are confident in our ability to enhance both the scale and confidence of the resource.

In December 2021 we received assay results for our first 11 drill holes, which exceeded our expectations. A stand-out result included the identification of a 10m wide zone of mineralisation with multiple +10g/t Au & Ag grades at Coffey, which our Chief Technical Officer, Neil Hutchison, described as "one of the most consistent and best overall gold intersections" he has seen in his 30-year career. This area is accordingly a high priority target and post period end has continued to deliver encouraging results, with a 9.3m wide mineralised sulphide zone from 195.7 to 205m identified that contains 2m of "Bellevue Style" quartz-sulphide lodes from 201.5m to 203.5m.

The discovery of "Bellevue Style" mineralisation is significant because underpinning our resource discovery confidence is Kathleen Valley's location. The Project is situated in one of the world's most productive gold regions, next to ASX listed Bellevue Gold Ltd ('Bellevue'), which has a market cap of circa AUD1 billion and is considered one of the most successful exploration plays in Western Australia. Evidence to date shows that Kathleen Valley exhibits similar geological characteristics to Bellevue, with gold-silver mineralisation occurring within the same Mt Goode Basalt sequence.

Encouragingly, mineralisation also appears to be improving with depth and now extends down dip for >150m, which is where we are currently focusing our drill efforts. Alongside Coffey, additional deposits will be tested in this current drill programme, including Sturrock and Powell in the north of the licence area where a zone of highly anomalous gold geochemistry has been identified.

We believe that the potential of this Project is substantial, and we are committed to unlocking it as swiftly as possible. Furthermore, the Project is in an area of established mining infrastructure being close to both the main Goldfields Highway and the electrical grid, and there are several gold processing plants in the district which may provide commercial development routes without the need to build a stand-alone processing plant, thus reducing future capital expenditure requirement.

Gold continues to appeal as a safe haven for investors, with a favourable pricing forecast ahead for the commodity.

## **Outlook**

Located in a recognised tier one mining jurisdiction, Kathleen Valley is surrounded by mining success stories, including the gold producing Wiluna Mining (~60km to the north), BHP's Mount Keith nickel mine (~20km to the north), and Kathleen Valley Gold (to the north), which in 2015 extracted 65,900 oz gold over an 18-month period. Through our targeted drill programme and utilisation of electromagnetic exploration techniques (a methodology also successfully applied by Bellevue Gold) we are focussed on substantially growing the resource zone and building commercial confidence. Given the positive results within three months of drilling, I am hopeful for what the future may hold.

Finally, I would like to thank the Mila team and our advisers for their consistent hard work and you, our shareholders, for your support. I look forward to building this company with you.

## Finance and Corporate

### *Results*

The interim results for the six months to 31 December 2021 shows a loss of £760,806 (2020: £122,037). This loss includes a non-cash accounting charge of £493,232 relating to the issuance of Warrants and Options as part of the capital raise in November 2021, as set out in the Prospectus dated 29 October 2021.

### *Acquisition of an initial 30% interest in the Kathleen Valley Project*

The Company acquired an initial 30% interest in the Kathleen Valley gold project and the exploration licence E36/876 in the Kathleen Valley satisfied by the issue of 83,543,197 Ordinary Shares at a price of £0.024 per Ordinary Share, £300,000 in cash consideration, the issue of 15,448,370 Ordinary Shares to Diversified Minerals Pty Ltd ("DM") pursuant to the DM loan agreement dated 4 February 2021, and by novating the £229,393 Series 3 Loan Notes from New Generation Minerals Limited to the Company which were converted to 12,744,032 Ordinary Shares on readmission.

Conditional on the successful completion of 11,000 metres drilling at Kathleen Valley, the Company will have a right to purchase a further 25% interest in the Kathleen Valley Project and the Kathleen Valley Licence from Trans Pacific Energy Group Pty Ltd ("TPE") for consideration of £2,343,750 by way of issuing 97,656,750 new Ordinary Shares at a price of £0.024 per Ordinary Share in the Company (the "Second Consideration Shares") to TPE. The Company will then seek to list the Second Consideration Shares.

Finally, and conditional on a second spend by the Company of not less than £1,500,000, the Company will have a right to acquire an additional 25% interest in the Kathleen Valley Project and Kathleen Valley Licence from TPE for consideration of £2,343,750 by way of issuing 97,656,750 new Ordinary Shares in the Company at a price of £0.024 per Ordinary Share (the "Third Consideration Shares") to TPE. On completion of the allotment, the Company will also seek to list the Third Consideration Shares. There is no guarantee that the Company will issue the Second Consideration Shares and/or the Third Consideration Shares, as they are dependent on the aforementioned conditions being met in relation to the Project and pursuant to the Acquisition Agreement.

### *Fund Raise*

Concurrently with the acquisition of the Kathleen Valley Project the Company concluded a £3.5m fund raising (before costs) by issuing 145,833,329 new ordinary shares ("Investor Shares") at 2.4p each. The shares carry equal voting rights and rank *pari passu* for the distribution of dividends and repayment of capital. The Investor Shares each come with a 5-year warrant attached which has an exercise price of 4.8p.

### *Company Convertible Loan Notes*

The Convertible Loan notes in existence on 30 June 2021 have all been fully converted in the period to ordinary shares as part of the successful Kathleen Valley transaction and in accordance with the terms of the Convertible Loan Note Instrument.

### *Amendments to existing warrants in issue at 30 June 2021*

The IPO Warrants in issue at the end of 30 June 2021 have had their exercise price changed from 10p to 4.8p as announced in the prospectus for the Kathleen Valley transaction. The Series 2 Warrants in issue at the end of 30 June 2021 have had their exercise price changed from 5p to 4.8p as announced in the prospectus for the Kathleen Valley transaction. For further detail please see note 3 of the notes to the financial statements.

### *Establishment of EMI share option scheme*

The Company has established an employee EMI share option scheme (the "EMI Options") as outlined in the prospectus dated 29 October 2021. The newly established EMI share option scheme has granted options to two Directors over 6,000,000 ordinary shares. The EMI Options are fully vested and have an exercise price of 2.4p with a 5-year exercise period.

### *Cash Position*

At 31 December 2021, cash and cash equivalents amounted to £2,516,043 (2020: £212,811).

### **Directors**

The following Directors have held office during the period:

Mark Stephenson

Lee Daniels

Neil Hutchison (Appointed 23 Nov 2021)

Lindsay Mair (Appointed 23 Nov 2021)

### **Corporate Governance**

The UK Corporate Governance Code (September 2014) ("the Code"), as appended to the Listing Rules, sets out the Principles of Good Corporate Governance and Code Provisions which are applicable to listed companies incorporated in the United Kingdom. As a standard listed company, the Company is not subject to the Code, but the Board recognises the value of applying the principles of the Code where appropriate and proportionate and has endeavoured to do so where practicable.

### **Responsibility Statement**

The Directors are responsible for preparing the Unaudited Interim Financial Statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Accounting Standard 34 on Interim Reporting ("IAS 34").

The Directors confirm that, to the best of their knowledge, this condensed consolidated interim report has been prepared in accordance with IAS 34 as adopted by the European Union. The interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 31 December 2021 and their impact on the condensed consolidated financial statements for the period, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- related party transactions that have taken place in the six months ended 31 December 2021 and that have materially affected the financial position or the performance of the business during that period.

On behalf of the board

**Mark Stephenson**

**Director**

30 March 2021

MILA RESOURCES PLC  
Interim Statement of Comprehensive Income (Unaudited)  
For the six months ended 31 December 2021

	Notes	Six months ended 31 December 2021 Unaudited £	Six months ended 31 December 2020 Unaudited £	Year ended 30 June 2021 Audited £
Administrative expenses		(267,574)	(123,590)	(421,440)
Share warrant and options expense	3	(493,232)	-	-
<b>Operating loss</b>		<b>(760,806)</b>	<b>(123,590)</b>	<b>(421,440)</b>
Other revenue		-	-	37,500
Interest receivable		-	1,553	1,553
<b>Loss on ordinary activities before taxation</b>		<b>(760,806)</b>	<b>(122,037)</b>	<b>(382,387)</b>
Income tax expense	4	-	-	-
<b>Loss for the period</b>		<b>(760,806)</b>	<b>(122,037)</b>	<b>(382,387)</b>
Other comprehensive income / (loss)		-	-	-
<b>Total comprehensive income for the period attributable to equity holders</b>		<b>(760,806)</b>	<b>(122,037)</b>	<b>(382,387)</b>
Earnings per share (basic and diluted) attributable to equity holders (p)	5	(1.42)	(0.53)	(1.65)

The income statement has been prepared on the basis that all operations are continuing operations.

MILA RESOURCES PLC  
Interim Statement of Financial Position (Unaudited)  
As at 31 December 2021

	Notes	At 31 December 2021 Unaudited £	At 31 December 2020 Unaudited £	At 30 June 2021 Audited £
<b>ASSETS</b>				
<b>Non-current assets</b>				
Exploration and evaluation assets	6	3,459,356	-	-
		<u>3,459,356</u>	<u>-</u>	<u>-</u>
<b>Current assets</b>				
Trade and other receivables		5,293	835	24,185
Cash at bank and in hand		2,516,043	212,811	329,628
		<u>2,521,336</u>	<u>213,646</u>	<u>353,813</u>
<b>Total assets</b>		<u>5,980,692</u>	<u>213,646</u>	<u>353,813</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		134,096	126,483	178,309
Convertible loan notes		-	-	348,692
		<u>134,096</u>	<u>126,483</u>	<u>527,001</u>
<b>Total liabilities</b>		<u>134,096</u>	<u>126,483</u>	<u>527,001</u>
<b>Net assets</b>		<u>5,846,596</u>	<u>87,163</u>	<u>(173,188)</u>
<b>EQUITY</b>				
Share capital	7	3,063,311	232,000	232,000
Share premium	7	4,259,486	849,300	849,300
Share based payment reserve		543,813	4,720	4,720
Retained losses		(2,020,014)	(998,857)	(1,259,208)
<b>Shareholders' equity</b>		<u>5,846,596</u>	<u>87,163</u>	<u>(173,188)</u>

MILA RESOURCES PLC  
 Statements of changes in equity (Unaudited)  
 For the six months ended 31 December 2021

	Share Capital £	Share Premium Account £	Share Based Payment Reserve £	Retained Loss £	TOTAL £
<b>Balance at 30 June 2020</b>	232,000	849,300	4,720	(876,821)	209,199
Total comprehensive income for the year	-	-	-	(382,387)	(382,387)
<b>Balance at 30 June 2021</b>	232,000	849,300	4,720	(1,259,208)	(173,188)
Total comprehensive income for the period	-	-	-	(760,806)	(760,806)
Capital Raising - Issue of shares	1,458,333	2,041,667	-	-	3,500,000
Capital Raising - Issue Costs	-	(221,135)	-	-	(221,135)
Issue of Shares in Lieu of Fees	59,792	83,708	-	-	143,500
Conversion of Convertible Loan Notes	477,754	382,202	-	-	859,956
Acquisition of Kathleen Valley	835,432	1,169,605	-	-	2,005,037
Share warrants and options expense	-	(45,861)	539,093	-	493,232
<b>Balance at 31 December 2021</b>	3,063,311	4,259,486	543,813	(2,020,014)	5,846,596



MILA RESOURCES PLC  
Statement of cash flow (Unaudited)  
For the six months ended 31 December 2021

	Six months to 31 December 2021 £	Six months to 31 December 2020 £	12 months to 30 June 2021 £
<b>Cash flows from operating activities</b>			
Loss for the period	(760,806)	(122,037)	(382,387)
<i>Adjustments for:</i>			
Warrants / Options expense (non-cash)	493,232	-	-
Costs settled by the payment of shares	143,500	-	-
Operating cashflow before working capital movements	(124,074)	(122,037)	(382,387)
Decrease / (Increase) in trade and other receivables	18,892	6,491	(480)
(Decrease) / Increase in trade and other payables	(44,213)	56,192	91,638
Interest income	-	-	(1,553)
Interest expense	3,801	-	8,692
<b>Net cash flow from operating activities</b>	<b>(145,594)</b>	<b>(59,354)</b>	<b>(284,090)</b>
<b>Cash flow from investing activities</b>			
Acquisition of Kathleen Valley	(300,000)	-	-
Acquisition costs	(336,732)	-	-
Funds used for drilling and exploration	(310,124)	-	-
Repayment of loan from E-Tech	-	85,849	85,849
Interest Income received	-	-	1,553
<b>Net cash (outflow) / inflow from investing activities</b>	<b>(946,856)</b>	<b>85,849</b>	<b>87,402</b>
<b>Cash flow from financing activities</b>			
Proceeds from share issues	3,500,000	-	-
Issue costs paid in cash	(221,135)	-	-
Convertible Loan Notes	-	-	340,000
<b>Net cash inflow from financing activities</b>	<b>3,278,865</b>	<b>-</b>	<b>340,000</b>
<b>Net Increase in cash and cash equivalents</b>	<b>2,186,415</b>	<b>26,495</b>	<b>143,312</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>329,628</b>	<b>186,316</b>	<b>186,316</b>
<b>Cash and cash equivalents at end of the period</b>	<b>2,516,043</b>	<b>212,811</b>	<b>329,628</b>

**MILA RESOURCES PLC**  
**Notes to the financial statements**  
**For the six months ended 31 December 2021**

**1 General information**

Mila Resources Plc (the “Company”) was listed on the London Stock Exchange in 2016 with a view to acquiring projects in the natural resources sector that had a significant innate value that could be unlocked without excessive capital. In November 2021, the Company acquired an interest in a gold exploration project in Western Australia.

The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales, with registration number 09620350.

The Company’s registered office is Lockstrood Farm, Ditchling Common, Burgess Hill, West Sussex RH15 0SJ.

**2 Accounting policies**

The principal accounting policies applied in preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

*Basis of preparation*

The interim unaudited financial statements for the period ended 31 December 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. This interim financial information is not the Company’s statutory financial statements and should be read in conjunction with the annual financial statements for the period ended 30 June 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been delivered to the Registrars of Companies. The auditors have reported on those accounts; their report was unqualified, did not include references to any matters which the auditors drew attention by way of emphasis of matter without qualifying their report and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

The interim financial information for the six months ended 31 December 2021 is unaudited. In the opinion of the Directors, the interim consolidated financial information presents fairly the financial position, and results from operations and cash flows for the period.

The Directors have made an assessment of the Company’s ability to continue as a going concern and the interim report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Company, therefore, continues to adopt the going concern basis in preparing its consolidated financial statements.

The financial information of the Company is presented in British Pounds Sterling (£).

*Critical accounting estimates and judgements*

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, the resulting accounting estimates will, by definition, seldom equal related actual results.

In preparing the interim financial information, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty. New accounting policies adopted in the period are listed below.

**MILA RESOURCES PLC**  
**Notes to the financial statements**  
**For the six months ended 31 December 2021**

*New accounting policies adopted in the period*

*Intangible assets – Exploration and evaluation expenditures (E&E) Development expenditure*

Expenditure on the construction, installation and completion of infrastructure facilities including service, is capitalized initially within intangible fixed assets and when the asset has formally commenced commercial production, then it is transferred to property, plant and equipment and is depreciated from the commencement of production as described in the accounting policy for property, plant and equipment.

*Drilling costs and intangible licenses*

The Company applies the successful efforts method of accounting, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Statement of Comprehensive Income.

Expenditure incurred on the acquisition of a licence interest is initially capitalised within intangible assets on a licence by licence basis. Costs are held, unamortised, until such time as the exploration phase of the field area is complete or commercial reserves have been discovered. The cost of the licence is subsequently transferred into property, plant and equipment and depreciated over its estimated useful economic life.

Exploration expenditure incurred in the process of determining exploration targets is capitalised initially within intangible assets as drilling costs. Drilling costs are initially capitalised on a licence by licence basis until the success or otherwise has been established. Drilling costs are written off unless the results indicate that reserves exist and there is a reasonable prospect that these reserves are commercially viable. Drilling costs are subsequently transferred into 'Drilling expenditure' within property, plant and equipment and depreciated over their estimated useful economic life.

*Impairment*

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. This includes consideration of the IFRS 6 impairment indicators for any intangible exploration and evaluation expenditure capitalised as intangible assets. Examples of indicators of impairment include whether:

- (a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.
- (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- (d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount, which is the higher of its fair value less costs to sell and its value in use. Any impairment identified is recorded in the statement of comprehensive income

**MILA RESOURCES PLC**  
**Notes to the financial statements**  
**For the six months ended 31 December 2021**

*Share-based payments*

The Company records charges for share-based payments.

For warrant-based or option-based share-based payments, to determine the value of the warrants or options, management estimate certain factors used in the Black Scholes Pricing Model, including volatility, vesting date exercise date of the warrants or option and the number likely to vest. At each reporting date during the vesting period management estimate the number of shares that will vest after considering the vesting criteria. If these estimates vary from actual occurrence, this will impact on the value of the equity carried in reserves.

**3 Share based payments – Warrants and Options**

The Warrants below were issued or amended during the period

Issued	Exercisable from	Expiry Date	Number outstanding	Exercise price	Share Based Payment Charge
Warrants - 12 September 2016 <sup>(1)</sup>	From date of issue	31 December 2022	350,000	4.8 pence	£ 60
Warrants - 26 September 2016 <sup>(2)</sup>	7 October 2016	31 December 2022	11,075,000	4.8 pence	-
Warrants - 22 November 2021 <sup>(3)</sup>	22 November 2021	31 December 2026	193,608,694	4.8 pence	-
Warrants - 22 November 2021 <sup>(3)</sup>	22 November 2021	31 December 2026	48,655,417	2.4 pence	£ 433,514
			<b>253,689,111</b>		<b>£ 433,574</b>

- The warrants were issued conditionally upon the Ordinary Shares being admitted to trading on the London Stock Exchange's main market for listed securities which occurred on 7 October 2016. On 22 November 2021 the strike price for these warrants was reduced from 10 pence to 4.8 pence.
- On 22 November 2021 the strike price for these warrants was reduced from 10 pence to 4.8 pence.
- On 22 November 2021, the Company granted 242,264,111 warrants, on the above terms and set out in the Prospectus dated 29 October 2021 to shareholders, directors, brokers and certain advisors.

The Options below were issued during the period

Issued	Exercisable from	Expiry Date	Number outstanding	Exercise price	Share Based Payment Charge
Options - 10 December 2021 <sup>(4)</sup>	10 December 2021	10 December 2026	6,000,000	2.4 pence	£ 59,658
			<b>6,000,000</b>		<b>£ 59,658</b>

- Issued under the Company's EMI Scheme established on the 10<sup>th</sup> of December 2021, as set out in the Prospectus dated 29 October 2021.

#### 4 Income tax expense

No tax is applicable to the Company for the six months ended 31 December 2021. No deferred income tax asset has been recognised in respect of the losses carried forward, due to the uncertainty as to whether the Company will generate sufficient future profits in the foreseeable future to prudently justify this.

#### 5 Earnings per share

Basic earnings per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The diluted profit per share is the same as the basic profit per share because, although certain warrants and options in issue were in the money as at 31 December 2021, the Company reported a loss, hence including the additional dilution would have resulted in a reduction of the loss per share.

	Earnings £	Weighted average number of shares unit	Per-share amount pence
Loss per share attributed to ordinary shareholders	(760,806)	53,542,360	(1.42)p

#### 6 Exploration and evaluation assets

	At 31 December 2021 Unaudited £	At 31 December 2020 Unaudited £	At 30 June 2021 Audited £
<b>Cost</b>			
Opening balance	-	-	-
Acquisition	2,812,500	-	-
Acquisition costs	336,732		
Additions	310,124	-	-
Net book value	<u>3,459,356</u>	<u>-</u>	<u>-</u>

In November 2021, the Company acquired a 30% interest in the Kathleen Valley (Gold) Project. The principal assets are leases with rights to exploration in Western Australia. At the period end the capitalised exploration and evaluation assets totalled £3.5m (31 December 2020: £nil) and all such costs capitalised related to exploration and evaluation activities conducted in relation to the Kathleen Valley Project.

Exploration and evaluation assets are regularly reviewed for indicators of impairment. If an indicator of impairment is found an impairment test is required, where the carrying value of the asset is compared with its recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell and value in use. The Directors are satisfied that no impairments are required for the current period.

MILA RESOURCES PLC  
Notes to the financial statements  
For the six months ended 31 December 2021

7 Share capital

	Number of shares In issue	Share capital £	Share premium £	Total £
Balance at 30 June 2021	23,200,000	232,000	849,300	1,081,300
Capital Raise	145,833,329	1,458,333	2,041,667	3,500,000
Issue Costs	-	-	(221,135)	(221,135)
Shares issued in lieu of fees	5,979,166	59,792	83,708	143,500
Acquisition-Kathleen Valley	83,543,197	835,432	1,169,605	2,005,037
Conversion of novated convertible loan notes as part of Kathleen Valley acquisition	28,192,402	281,924	225,539	507,463
Conversion of existing convertible loan notes	19,582,963	195,830	156,663	352,493
Broker warrants issued at time of Capital Raise	-	-	(45,861)	(45,861)
Movements during the period	283,131,057	2,831,311	3,410,186	6,241,497
<b>Balance at 31 December 2021</b>	<b>306,331,057</b>	<b>3,063,311</b>	<b>4,259,486</b>	<b>7,322,797</b>

The Company has one class of ordinary share.

8. Subsequent events

There are no subsequent events.