

A C C E N T
R E S O U R C E S N . L .



ACN 113 025 808

HALF-YEAR REPORT

**FOR THE SIX MONTHS ENDED
31 DECEMBER 2020**



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Directors

Yuzi (Albert) Zhou – Executive Chairman
Dianzhou He - Non-Executive Director and
Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Jie You – Non-Executive Director

Company Secretary

Robert Allen

Auditors

Deloitte Touche Tomatsu
Tower 2
Brookfield Place
123 St Georges Terrace
PERTH WA 6000

Bankers

BankWest
1/1215 Hay St
WEST PERTH WA 6005

Solicitors

House Legal
86 First Avenue
MT LAWLEY WA 6050

Lawton Lawyers
Level 1, Irwin Chambers
16 Irwin Street
PERTH WA 6000

Share Registry

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009

Stock Exchange Listing

Australian Securities Exchange Limited
(Home Branch - Perth)
ASX Code: ACS

Registered Office

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MELBOURNE, VIC 3000
Telephone +613 9670 0888

Exploration & Administration Office

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WEST PERTH WA 6005
Telephone +618 9481 3006

Contacts

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Your Directors present their report together with the financial report of Accent Resources NL (“the Company” or “Accent” or “ACS”) for the half-year ended 31 December 2020.

Directors

The Directors in office at the date of this report and at any time during the half-year are as follows:

Yuzi (Albert) Zhou – Executive Chairman
Dianzhou He – Non-Executive Director and Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Jie You – Non-Executive Director (appointed 24 February 2021)

Directors were in office for the entire period unless otherwise stated.

Results of Operations

The net loss of the Company after income tax for the six months ended 31 December 2020 amounted to \$1,217,612 (2019: \$1,059,740.) The Company also received \$50,000 from the Cash Flow Boost ATO Stimulus Package.

Review of Operations

Magnetite Range Iron Ore Project (ACS 100%)

The Company’s wholly owned Magnetite Range Project (“MRP”) is located in the Midwest region of Western Australia, immediately adjacent to the Extension Hill iron ore mine, and contains a total JORC resource of 434.5 Mt at 31.4% Fe at 15% weight recovery cut off, as announced to the ASX on 28 November 2012.

Mining Lease application M59/764 was submitted on 18th December 2020 for a total area of 1658Ha. M59/764 is a partial conversion of existing E59/875, Accent will retain 100% of the remainder portion of E59/875. Infrastructure requirements for the project area have been considered in consultation with CSA Global and independent engineer(s). Tenement application E59/2423 is progressing through grant process, ACS are negotiating with relevant parties regarding two objections to the application.

A soils sampling program totally 1205 samples was completed in September 2020. CSA Global are in the process of completing an analysis of the results. This program was aimed at defining lithological contacts and targeting areas for further resource potential outside of the existing resource envelope.

A review of existing flora and fauna survey requirements is ongoing, a gap analysis has been completed and recommendations have been presented to the board for consideration during 2021.

The Company remains committed to development of the project, although exploration costs are currently being impaired. ACS continue to review land access, logistics, infrastructure and corporate options moving the project continually towards pre-feasibility studies.

Norseman Gold Project (ACS 100%)

The Norseman Gold Project occurs within a strongly mineralised portion of the southern Norseman-Wiluna greenstone belt and is located 5km south of the Norseman town site.

A JORC 2004 Code Mineral Resource for Iron Duke and Surprise deposits of 1,039,400 tonnes @ 1.8 g/t Au for 59,500 ounces (99 percentile upper cut, 1.0 g/t Au lower cut off) was announced to the ASX on 26 November 2012. Over 70-80% of the resource is shallow, within 50m of surface.

The Norseman Project has seen a number of activities completed during the half year including completion of stage one RC drilling and rehabilitation of 14 drill pads (NSRC001-014; 1269m), and grant of MLA 63/657 following successful negotiations with Ngadju Native Title Corporation. The results of the drilling were released in December 2020 quarterly report and a subsequent release containing further detailed information for the drilling program.

Mining Lease application (M63/657) applied for on 2 September 2015, sought to convert several contiguous granted Prospecting Licenses and granted Mining Leases into one consolidated Mining Lease (M63/657) was granted on 15th December 2020. Forfeitures actions lodged over 4 tenements M63/229; 369; 247 and P63/1893 have been concluded. M63/229 remains held by Prodigy, 100% owned and operated by Accent Resources, M63/229; M63/369, M63/247 and P63/1893 now all form part of the recently granted M63/657. Tenement application P63/2191 is currently pending DMIRS grant process.

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resource and Ore Reserves is based on information compiled by Ms George Morton, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Morton is a full time employee of Accent Resources NL. Ms Morton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Morton consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Subsequent Events

Subsequent to the end of the financial year the Company signed an agreement with Xingang Resources (HK) Ltd to extend the term of the existing unsecured loan from 31 December 2021 to 31 December 2025 at an interest rate of 2.5%, with repayment due at maturity of the loan.

Subsequent to the end of the half-year ended 31 December 2020 the Company also signed a new loan agreement with Rich Mark Development (Group) Pty Ltd for \$4.8 million. The loan is available for drawdown in 6 tranches, the first being a cash advance of \$500,000 received on 1 February 2021 with the remainder becoming available quarterly through to 31 March 2022. The loan is unsecured and subject to interest at 2.5% pa which accrues six monthly and is payable along with the principal at maturity. The loan matures on 31 January 2024. Rich Mark Development (Group) Pty Ltd have the option to convert the principal and interest in part or whole into the

Company's shares. This will be subject to ASIC and ASX regulations, and independent expert report and shareholder approval.

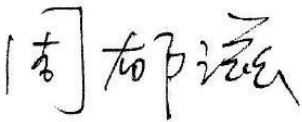
Subsequent to the end of the half-year ended 31 December 2020 the Company received a query from the ASX on 4th March 2021, about the timing of exploration results and announcement to the public. A response together with required reports and forms have been drafted and will be presented to the ASX for review. The Company will work towards meeting all requests and compliance in a timely manner.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration has been received and is included with this half-year report.

Signed in accordance with a resolution of the Board of Directors.



Yuzi (Albert) Zhou
Executive Chairman
15th March 2021

ACCENT RESOURCES NL
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020



	Note	31 December 2020 \$	31 December 2019 \$
Other income	3	52,548	3,458
Administration expenses		(226,224)	(263,069)
Depreciation		(22,696)	(19,149)
Occupancy expenses		(23,544)	(20,412)
Directors fees		(131,635)	(128,527)
Finance costs	4	(554,148)	(434,206)
Other expenses		(17,893)	(72,203)
Impairment of exploration expenditure	12	(294,020)	(125,632)
Loss before income tax expense		(1,217,612)	(1,059,740)
Income tax expense		-	-
Loss for the period attributable to the members of the company		(1,217,612)	(1,059,740)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net fair value loss on financial assets		-	-
Total other comprehensive loss		-	-
Total comprehensive loss for the period attributable to the members of the company		(1,217,612)	(1,059,740)
Cents Per Share			
Basic and diluted loss per share		(0.55)	(0.59)

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020



	Note	31 December 2020 \$	30 June 2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents		122,850	1,092,953
Trade and other receivables		73,676	51,695
Total Current Assets		196,526	1,144,648
Non-Current Assets			
Property, plant and equipment	11	267,926	90,840
Exploration and evaluation assets	12	3,669,068	3,537,795
Total Non-Current Assets		3,936,994	3,628,635
Total Assets		4,133,520	4,773,283
LIABILITIES			
Current Liabilities			
Trade and other payables		119,529	651,765
Lease liabilities	13	34,051	-
Borrowings	14	4,330,394	-
Provisions for employee entitlements		164,864	147,383
Total Current Liabilities		4,648,838	799,148
Non-Current Liabilities			
Lease liabilities	13	147,158	-
Borrowings	14	-	4,117,534
Convertible loan notes	15	-	3,846,139
Total Non-Current Liabilities		147,158	7,983,673
Total Liabilities		4,795,996	8,762,821
NET LIABILITIES		(662,476)	(3,989,538)
EQUITY			
Issued capital	10	33,665,126	29,058,955
Reserves		(760,000)	(760,000)
Convertible note reserve	15	-	61,497
Parent and shareholder contribution		3,430,441	3,430,441
Accumulated losses		(36,998,043)	(35,780,431)
TOTAL EQUITY		(662,476)	(3,989,538)

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2020



	Note	Issued Capital \$	Accumulated Losses \$	Reserves \$	Convertible Note Reserve \$	Parent and Shareholder Contribution \$	Total Equity \$
Balance at 1 July 2019		29,058,955	(33,761,434)	(760,000)	-	2,041,776	(3,420,703)
Loss for the year		-	(1,059,740)			-	(1,059,740)
Total Comprehensive loss for the period		-	(1,059,740)	-		-	(1,059,740)
Transactions with owners in their capacity as owners							
Contribution from shareholder	8	-	-	-	-	1,116,568	1,116,568
Equity component of convertible note	15	-	-	-	61,497	-	61,497
Balance at 31 December 2019		29,058,955	(34,821,174)	(760,000)	61,497	3,158,344	(3,302,378)
Balance at 1 July 2020		29,058,955	(35,780,431)	(760,000)	61,497	3,430,441	(3,989,538)
Loss for the year		-	(1,217,612)			-	(1,217,612)
Total Comprehensive loss for the period		-	(1,217,612)	-		-	(1,217,612)
Transactions with owners in their capacity as owners							
Conversion of convertible note	15	4,606,171	-	-	(61,497)	-	4,544,674
Balance at 31 December 2020		33,665,126	(36,998,043)	(760,000)	-	3,430,441	(662,476)

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020



	31 December 2020 \$	31 December 2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(363,051)	(446,772)
Interest received	2,548	3,458
Government grants and tax incentives	50,000	-
Net cash used in operating activities	(310,503)	(443,314)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(4,470)	(6,651)
Payments for exploration and evaluation	(655,130)	(295,180)
Net cash used in investing activities	(659,600)	(301,831)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	1,000,000
Repayment of lease liabilities	-	(7,980)
Net cash provided by financing activities	-	992,020
Net increase in cash and cash equivalents held	(970,103)	246,875
Cash and cash equivalents at the beginning of the financial period	1,092,953	362,005
Cash and cash equivalents at the end of the financial period	122,850	608,880

The accompanying notes form part of these financial statements.

1. GENERAL INFORMATION

Accent Resources NL (the Company) is a Company limited by shares incorporated and registered in Australia. The address of the Company's registered office is shown on page 1.

The principal activities of the Company and the nature of the Company's operations are explained on page 2.

The functional currency and presentation currency of Accent Resources NL is Australian dollars.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These general purpose financial statements for the interim half year reporting period ended 31 December 2020 have been prepared in accordance with the *Corporations Act 2001* and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent financial report.

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2020 annual financial report for the financial year ended 30 June 2020, except for the impact of the Standards and Interpretations described below. The accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

The financial statements were authorised for issue on 13 March 2021.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company has incurred a net loss of \$1,217,612 (December 2019: \$1,059,740) and experienced net cash outflows from operating and investing activities of \$970,103 (December 2019: \$745,145) for the half-year ended 31 December 2020. As at 31 December 2020, the Company had a cash balance of \$122,850, a working capital deficit of \$4,452,312 (June 2020: Surplus of \$345,500) and a net liability position of \$662,476 (June 2020: \$3,989,538).

Included in the Company's working capital deficit is the loan outstanding from Xingang Resources (HK) Ltd of \$4,330,394, which was due for repayment on 31 December 2021. On 4 March 2021, the Company obtained a loan extension for this loan to 31 December 2025.

On 4 February 2021, a new loan agreement of \$4,800,000 was entered into with Rich Mark Development (Group) Pty Ltd which matures on 31 January 2024. In accordance with the loan agreement, the Company will receive the loan funding quarterly over 6 tranches to 31 March 2022, in

accordance with the Company's cash flow forecast to the period ending 31 March 2022. The first tranche of \$500,000 being received on 1 February 2021.

The directors have prepared a cash flow forecast for the period ending 31 March 2022 which indicates current cash resources will meet expected cash outflows in relation to the Company's planned exploration and evaluation program and working capital requirements. The ability of the Company to continue as a going concern is dependent on:

- Progressively receiving the quarterly drawdowns from Rich Mark Development (Group) Pty Ltd as specified in the new loan agreement; and
- Managing and deferring costs where applicable to coincide with the funding to be received outlined above to ensure all obligations can be met.

The directors are satisfied that they will achieve the matters set out above and therefore the going concern basis of preparation is appropriate.

Should the Company be unable to achieve the matters listed above, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business. The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Adoption of new and revised Accounting Standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period, being the half year end 31 December 2020. New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Company include:

- AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business;
- AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material;
- AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework;
- AASB 2019-3 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform;
- AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia; and
- AASB 2020-4 Amendments to Australian Accounting Standards - COVID-19-Related Rent Concessions.

The adoption of the amendments and interpretation have not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods.

Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ending 31 December 2020. Management is in the process of assessing the impact of the adoption of these standards and interpretations on the Company.

Government grant

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. It is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income is presented as a credit in profit or loss, under "Other income".

3. REVENUE AND EXPENSES

	31 December 2020	31 December 2019
Other income	\$	\$
Interest income	2,548	3,458
ATO Stimulus Package	50,000	-
Total other income	52,548	3,458

4. FINANCE COSTS

	31 December 2020	31 December 2019
Finance costs	\$	\$
Interest on borrowings	212,860	396,274
Interest on convertible note	331,973	37,089
Interest on lease liability	9,315	843
Total finance costs	554,148	434,206

5. DIVIDENDS PAID

There have been no dividends paid nor declared since the last reporting date.

6. COMMITMENTS

The Company has annual exploration expenditure and rent commitments of \$251,118 (2019: \$227,933) and \$7,636 (2019: \$22,560), respectively.

7. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

8. RELATED PARTY TRANSACTIONS

(a) Loans from Related Parties

The Company's related party loans remained consistent during the period, with the exception of the following:

The convertible note issued to Rich Mark Development (Group) Pty Ltd, which previously had shareholdings representing 15.59% of the Company was converted to shares on 6 December 2020 with a face value of \$5,700,541. Based on the \$0.02 per share conversion price, 285,027,050 shares were issued taking its shareholding to 67.20%. Details of the convertible note have been disclosed in Note 14.

Party	Description	Balance 30 June 2020	Shareholder / parent contribution	Interest expense for period	Balance as at 6 December 2020	Balance as at 31 December 2020
Xingang Resources (HK) Ltd.	Borrowings	\$4,117,534	\$1,515,482	\$212,860	N/A	\$4,330,394
Rich Mark Development (Group) Pty Ltd	Convertible Note	\$3,846,139	\$1,914,960	\$331,973	\$3,846,139	\$nil

(b) Transactions with Related Parties

\$3,818 was accrued for rent owed to Rich Mark Development (Group) Pty Ltd for the office premises at Level 9, 250 Queen Street, Melbourne during the half-year ended 31 December 2020. A further \$25,110 has been accrued in on the lease at Level 2, 72 Kings Park Road, West Perth during the half-year ended 31 December 2020.

There has been no other change with other transactions with related parties that have already been disclosed in the annual financial report for the year ended 30 June 2020.

9. SEGMENT INFORMATION

Identification of Reportable Segment

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

The Company operates in mineral exploration in Australia. The financial information in the Statement of Profit or loss and other Comprehensive Income and the Statement of Financial Position is the same as that presented to the chief operating decision maker.

ACCENT RESOURCES NL
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020



10. ISSUED CAPITAL

On 29 November 2019, the shareholders approved the Company to issue a convertible note to Rich Mark Development (Group) Pty Ltd. The convertible note was converted to shares on 6 December 2020 with a face value of \$5,700,541. Based on the \$0.02 per share conversion price, 285,027,050 shares were issued.

Total shares on issue at 31 December 2020 is 466,027,283 shares.

	31 December 2020	30 June 2020	31 December 2020	30 June 2020
	Number of Securities No.		Value of Securities \$	
<u>Issued Shares</u>	181,000,233	181,000,233	29,058,955	29,058,955
Fully paid ordinary shares				
Ordinary shares on issue at beginning of period				
<u>Movements during the period:</u>				
Shares issued:				
In the previous period (value net of costs)				
6 December 2020	285,027,050	-	4,606,171	-
Transaction costs relating to issues			-	-
Shares on issue at end of period	466,027,283	181,000,233	33,665,126	29,058,955

11. PROPERTY, PLANT AND EQUIPMENT

	31 December 2020 \$	30 June 2020 \$
PROPERTY		
Freehold land		
At cost	50,007	50,007
Accumulated depreciation	-	-
	50,007	50,007
RIGHT-OF-USE ASSET		
Right-of-use asset		
At cost	197,003	-
Accumulated depreciation	(19,699)	-
	177,304	-
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	297,783	293,719
Accumulated depreciation	(257,168)	(252,886)
	40,615	40,833
Total Property, Plant and Equipment	267,926	90,840

12. EXPLORATION AND EVALUATION COSTS

	31 December 2020	30 June 2020
	\$	\$
Carrying amount at the beginning of the year (net of R&D incentives)	3,537,795	3,083,524
Deferred exploration expenditure incurred during the period	425,293	665,242
Impairment of capitalised expenditure	(294,020)	(210,971)
Closing Balance	3,669,068	3,537,795

13. LEASE LIABILITIES

	31 December 2020	30 June 2020
	\$	\$
Maturity analysis		
Year 1	50,220	-
Year 2	50,220	-
Year 3	50,220	-
Year 4	50,220	-
Year 5	25,110	-
	225,990	-
Less: unearned interest	(44,782)	-
	181,208	-
Analysed as:		
Non-current	34,051	-
Current	147,157	-
	181,208	-

On 1 July 2020, the Company entered into a 5-year lease to rent property. The aggregate future cash outflows to which the Company is exposed in respect of this contract is fixed payments of \$87,327 per year, for the next 5 years with 4% annual increases. There are no termination options on the lease. There is an option to extend for another 5 years, which has not been taken up in lease calculations.

Subsequently, the Company received a rent reduction until further notice equating to \$50,220 per annum. As a result, the lease liability and right-of-use asset has been recalculated at 1 July 2020 to be \$181,208.

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

14. BORROWINGS

	31 December 2020	30 June 2020
	\$	\$
Borrowings	4,330,394	4,117,534
	<u>4,330,394</u>	<u>4,117,534</u>

In the 2016 year the major shareholder of the Company, Xingang Resources (HK) Ltd, extended a loan facility of \$4 million to enable the Company to participate in a placement of shares by MZI Resources Ltd. The loan is unsecured, repayable at 31 December 2021 and with an effective interest rate of 10% per annum. At 31 December 2020, the carrying value of the liability is \$4,330,394 (30 June 2020: \$4,117,534), and the balance recognised as contribution by the parent is \$1,515,482 (30 June 2020: \$1,515,482).

On 4 March 2021, the original loan facility of \$4 million and the accrued interest was extended for further 4 years, repayable at 31 December 2025.

15. CONVERTIBLE NOTES

Non-Current	31 December 2020	30 June 2020
	\$	\$
Proceeds from issue of convertible notes	-	5,106,081
Shareholder contribution	-	(1,198,445)
Convertible note reserve	-	(61,497)
Carrying amount of legality at 31 December 2020	<u>-</u>	<u>3,846,139</u>

On 29 November 2019, the shareholders approved the Company to issue a convertible note to Rich Mark Development (Group) Pty Ltd. The convertible note was converted to shares on 6 December 2020 with a face value of \$5,700,541. Based on the \$0.02 per share conversion price, 285,027,050 shares were issued.

Interest related to the financial liability before conversion was recognised in profit or loss at an interest rate of 18.09% per annum.

On conversion of the convertible note, the Company derecognised the liability component of \$4,544,674 and convertible note reserve of \$61,497 and recognised them as equity under 'Issued Capital'.

16. SUBSEQUENT EVENTS

Subsequent to the end of the financial year the Company signed an agreement with Xingang Resources (HK) Ltd to extend the term of the existing unsecured loan from 31 December 2021 to 31 December 2025 at an interest rate of 2.5%, with repayment due at maturity of the loan.

Subsequent to the end of the half-year ended 31 December 2020 the Company also signed a new loan agreement with a Rich Mark Development (Group) Pty Ltd for \$4.8 million. The loan is available for drawdown in 6 tranches, the first being a cash advance of \$500,000 received on 1 February 2021 with the remainder becoming available quarterly through to 31 March 2022. The loan is unsecured and subject to interest at 2.5% pa which accrues six monthly and is payable along with the principal at maturity. The loan matures on 31 January 2024. Rich Mark Development (Group) Pty Ltd have the option to convert the principal and interest in part or whole into the Company's shares. This will be subject to ASIC and ASX regulations, and independent expert report and shareholder approval.

Subsequent to the end of the half-year ended 31 December 2020 the Company received a query from the ASX on 4th March 2021, about the timing of exploration results and announcement to the public. A response together with required reports and forms have been drafted and will be presented to the ASX for review. The Company will work towards meeting all requests and compliance in a timely manner.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

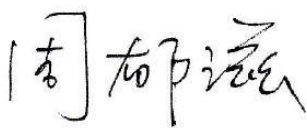
**ACCENT RESOURCES NL
DIRECTORS' DECLARATION**



In accordance with a resolution of the Board of Directors pursuant to s.303(5) of the *Corporations Act 2001*, the Directors of the Company declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company.

On behalf of the Directors



Yuzi (Albert) Zhou
Executive Chairman

Dated this 15th day of March 2021

Independent Auditor's Review Report to the members of Accent Resources NL

Conclusion

We have reviewed the half-year financial report of Accent Resources NL ("the Company"), which comprises the condensed statement of financial position as at 31 December 2020, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, as set out on pages 5 to 17.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the half-year financial report which indicates that for the half-year ended 31 December 2020 the Company incurred a loss of \$1,217,612 (December 2019: \$1,059,740), experienced net cash outflows from operating and investing activities of \$970,103 (December 2019: \$745,145) and, as at that date, had a working capital deficit of \$4,452,312 (June 2020: Surplus of \$345,500) and a net liability position of \$662,476 (June 2020: \$3,989,538). These conditions, along with other matters set out in Note 2, indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



Nicole Menezes

Partner

Chartered Accountants

Perth, 15 March 2021

The Board of Directors
Accent Resources NL
Level 9, 250 Queen Street
MELBOURNE VIC 3000

15 March 2021

Dear Board Members,

Auditor's Independence Declaration to Accent Resources NL

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Accent Resources NL.

As lead audit partner for the review of the half-year financial report of Accent Resources NL for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Nicole Menezes
Partner
Chartered Accountants