

CONSOLIDATED FINANCIAL STATEMENTS OF

**MONUMENT MINING LIMITED**

(Expressed in thousands of United States dollars)

For the year ended June 30, 2021 and 2020

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Monument Mining Limited were prepared by management, which is responsible for the integrity and fairness of the information presented, including many amounts that are necessarily based on estimates and judgments. These consolidated financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The financial information contained in the management's discussion and analysis has been reviewed to ensure consistency with the consolidated financial statements.

In discharging the responsibility for the integrity and fairness of the consolidated financial statements, management maintains systems of internal controls designed to provide reasonable assurance that the assets are safeguarded, transactions are executed and recorded in accordance with management's authorization, proper records are maintained and relevant and reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board of Directors carries out this responsibility principally through its Audit Committee, which is composed entirely of directors who are neither officers nor employees of Monument Mining Limited. The Audit Committee meets periodically with management and the independent auditors to discuss financial reporting issues and auditing matters. The Audit Committee reviews the consolidated financial statements and recommends them to the Board of Directors for approval.

The consolidated financial statements have been audited by Grant Thornton LLP, the independent public accounting firm, in accordance with Canadian Auditing Standards. The independent auditors have full and unrestricted access to the Audit Committee to discuss the scope of their audit, the adequacy of the system of internal controls and review financial reporting issues.

"Cathy Zhai"

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Cathy Zhai,  
President and Chief Executive Officer

"Michael Lee"

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Michael Lee,  
Interim Chief Financial Officer

Vancouver, British Columbia  
September 23, 2021

# Independent Auditor's Report

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To the Shareholders of  
Monument Mining Limited

## Opinion

We have audited the consolidated financial statements of Monument Mining Limited (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2021, and June 30, 2020 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2021 and June 30, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Information other than the consolidated financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

### **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements 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 these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements. We

are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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 reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Robert J. Riecken.

*Grant Thornton LLP*

Vancouver, Canada  
September 23, 2021

Chartered Professional Accountants

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# MONUMENT MINING LIMITED

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	June 30, 2021 \$	June 30, 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	38,623	10,125
Trade and other receivables	5	416	782
Prepaid expenses and deposits		891	176
Inventories	6	14,522	13,599
Assets held for sale	8	-	350
Deferred costs	7	70	89
<b>Total current assets</b>		<b>54,522</b>	<b>25,121</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	30,306	40,256
Exploration and evaluation	10	56,948	182,054
Deferred costs	7	-	148
<b>Total non-current assets</b>		<b>87,254</b>	<b>222,458</b>
<b>Total assets</b>		<b>141,776</b>	<b>247,579</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	13	3,107	3,664
Deferred revenue	14	2,402	2,222
Lease liabilities	15	43	38
Income tax payable	18	431	411
<b>Total current liabilities</b>		<b>5,983</b>	<b>6,335</b>
<b>Non-current liabilities</b>			
Deferred revenue	14	-	2,321
Lease liabilities	15	-	40
Borrowings	16	47	29
Asset retirement obligations	17	6,206	9,742
Deferred tax liabilities	18	2,662	2,691
<b>Total non-current liabilities</b>		<b>8,915</b>	<b>14,823</b>
<b>Total liabilities</b>		<b>14,898</b>	<b>21,158</b>
<b>Equity</b>			
Share capital	19	117,129	117,444
Capital reserves – warrants	20	2,612	2,612
Capital reserves – options	20	10,303	10,303
Capital reserves – restricted share units	20	933	843
Retained earnings (deficit)		(4,099)	95,219
<b>Total equity</b>		<b>126,878</b>	<b>226,421</b>
<b>Total liabilities and equity</b>		<b>141,776</b>	<b>247,579</b>

Commitments and contingencies (Note 27)

Subsequent events (Note 30)

Approved on behalf of the Board:

“Cathy Zhai”

Cathy Zhai, CEO and Director

“Graham Dickson”

Graham Dickson, Director, Chairman

## MONUMENT MINING LIMITED

### CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	June 30, 2021 \$	June 30, 2020 \$
<b>Mining operations</b>			
Revenue		23,236	29,971
Production costs	21	(15,133)	(17,027)
<b>Gross margin from mining operations</b>		<b>8,103</b>	<b>12,944</b>
Operation expenses	22	(593)	(770)
Accretion of asset retirement obligation	17	(130)	(177)
Depreciation and amortization		(3,813)	(5,514)
<b>Income from mining operations</b>		<b>3,567</b>	<b>6,483</b>
Corporate expenses	23	(1,871)	(1,974)
<b>Income before other items</b>		<b>1,696</b>	<b>4,509</b>
<b>Other items</b>			
Interest income		70	215
Interest expense	14,15	(1,154)	(1,803)
Impairment recovery (loss)	24	(94,918)	41
Loss on disposal	10(iii),(c)	(1,674)	-
Foreign currency exchange loss		(2,058)	(408)
<b>Loss from other items</b>		<b>(99,734)</b>	<b>(1,955)</b>
<b>Income (loss) before income taxes</b>		<b>(98,038)</b>	<b>2,554</b>
Tax expenses	18	(1,280)	(2,829)
<b>Total loss and comprehensive loss</b>		<b>(99,318)</b>	<b>(275)</b>
<b>Loss per share</b>			
- Basic	25	\$ (0.31)	\$ (0.00)
- Diluted	25	\$ (0.31)	\$ (0.00)
<b>Weighted average number of common shares</b>			
- Basic	25	322,771,563	318,596,975
- Diluted	25	322,771,563	318,596,975



**MONUMENT MINING LIMITED****CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Common shares	Capital reserve - warrants	Capital reserve - options	Capital reserve - restricted share units ("RSUs")	Retained earnings	Total equity
	\$	\$	\$	\$	\$	\$
<b>Balances at June 30, 2019</b>	<b>117,314</b>	<b>2,612</b>	<b>10,303</b>	<b>967</b>	<b>95,494</b>	<b>226,690</b>
Share-based compensation	-	-	-	10	-	10
RSUs redeemed	130	-	-	(130)	-	-
RSUs forfeited	-	-	-	(4)	-	(4)
Net loss for the year	-	-	-	-	(275)	(275)
<b>Balances at June 30, 2020</b>	<b>117,444</b>	<b>2,612</b>	<b>10,303</b>	<b>843</b>	<b>95,219</b>	<b>226,421</b>
Share-based compensation	-	-	-	334	-	334
RSUs redeemed	244	-	-	(244)	-	-
Cancellation of Intec escrow shares	(559)	-	-	-	-	(559)
Net loss for the year	-	-	-	-	(99,318)	(99,318)
<b>Balances at June 30, 2021</b>	<b>117,129</b>	<b>2,612</b>	<b>10,303</b>	<b>933</b>	<b>(4,099)</b>	<b>126,878</b>

## MONUMENT MINING LIMITED

### CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	June 30, 2021 \$	June 30, 2020 \$
<b>Operating activities</b>			
Loss for the year		(99,318)	(275)
Adjustments to reconcile net income to net cash provided from operating activities:			
Depreciation, depletion and amortization		3,858	5,557
Accretion expense on asset retirement obligations	17	130	177
Share-based compensation		277	(4)
Changes of deferred revenue	14	(2,141)	150
Unrealized foreign currency exchange loss		1,767	600
Impairment loss (recovery)	24	94,918	(41)
Loss on disposal		1,674	-
Deferred income tax expense (recovery)		(85)	976
<b>Cash provided from operating activities before change in working capital items</b>		<b>1,080</b>	<b>7,140</b>
Change in non-cash working capital items:			
Trade and other receivables		(7)	234
Prepaid expenses and deposits		(795)	157
Inventories		1,252	(85)
Deferred costs		-	103
Accounts payable and accrued liabilities		124	(1,276)
<b>Cash provided from operating activities</b>		<b>1,654</b>	<b>6,273</b>
<b>Financing activities</b>			
Payment of lease liabilities	15	(43)	(40)
Transaction costs for gold prepaid sale		-	(8)
Borrowings	16	18	29
<b>Cash used in financing activities</b>		<b>(25)</b>	<b>(19)</b>
<b>Investing activities</b>			
Expenditures on exploration and evaluation		(1,544)	(2,165)
Expenditures on property, plant and equipment		(3,409)	(3,305)
Proceeds from sale of 80% interests in Tuckanarra project	10	2,664	-
Net proceeds from sale of 100% interests in Mengapur project	8	29,158	-
<b>Cash provided from (used in) investing activities</b>		<b>26,869</b>	<b>(5,470)</b>
Increase in cash and cash equivalents		28,498	784
Cash and cash equivalents at the beginning of the year		10,125	9,341
<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>38,623</b>	<b>10,125</b>
Cash and cash equivalents consist of:			
Cash on hand and held from sale of assets		38,311	9,821
Restricted cash		312	304
		<b>38,623</b>	<b>10,125</b>

Supplemental Cash Flow Information (Note 28)

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

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#### 1. Corporate Information and Nature of Operations

Monument Mining Limited (“Monument” or “the Company”) is a Vancouver based gold producer, engaged in the operation of gold mines, acquisition, exploration and development of precious metals and other base metal mineral properties with a focus on gold. The Company is incorporated and domiciled under the Canada Business Corporations Act and listed on the Toronto Stock Venture Exchange (“TSX-V: MMY”) and Frankfurt Stock Exchange (“FSE: D7Q1”) with the head office located at 1100 Melville Street, Suite 1580, Vancouver, British Columbia, Canada V6E 4A6.

The Company’s 100% owned Selinsing Gold Mine is located in Pahang State, Malaysia, and has been in commercial production since September 2010. The Company’s exploration and development mineral assets are 100% owned through its subsidiaries, including the Selinsing gold portfolio in Pahang State, Malaysia comprised of the Selinsing, Buffalo Reef, Felda Land and Famehub projects (together “Selinsing”), and Murchison gold portfolio in Western Australia, Australia (“WA”) comprised of the Burnakura, Gabanintha and 20% interests in Tuckanarra projects.

The consolidated financial statements of the Company for the year ended June 30, 2021, comprising the Company and its subsidiaries, were authorized for issue in accordance with a resolution of the directors on September 23, 2021. These consolidated financial statements are presented in thousands of United States (US) dollars and all values are rounded to the nearest thousand dollars except per share amounts or where otherwise indicated.

#### 2. Basis of Preparation

These consolidated financial statements have been prepared in accordance International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements were prepared on a going concern basis under the historical cost method except for certain derivatives, which are measured at fair value. A summary of significant accounting policies is presented in Note 3 and have been consistently applied in each of the periods presented. Significant accounting estimates, judgments and assumptions used or exercised by management in the preparation of these consolidated financial statements are presented in Note 3 (t). Certain comparative amounts have been reclassified to conform to the current year’s presentation.

#### 3. Significant Accounting Policies

##### a) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries) as of June 30, 2021 from their respective date of acquisition. Control exists over an investee when the Company is exposed, or has rights, to variable returns from its investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control.

All intra-group balances and transactions are eliminated on consolidation, including unrealized gains and losses on transactions. Where unrealized 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 Company. 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. The consolidated financial statements include the financial statements of Monument and its subsidiaries. The subsidiaries and percentage of ownership are listed in the following table:

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

Entity	Location	Interests holding as at	
		June 30, 2021	June 30, 2020
Polar Potential Sdn. Bhd.	Malaysia	100%	100%
Able Return Sdn. Bhd.	Malaysia	100%	100%
Selinsing Gold Mine Manager Sdn. Bhd.	Malaysia	100%	100%
Damar Consolidated Exploration Sdn. Bhd.	Malaysia	100%	100%
Famehub Venture Sdn. Bhd.	Malaysia	100%	100%
Monument Mengapur Sdn. Bhd.*	Malaysia	nil	100%
Ceramat Aman Sdn. Bhd.*	Malaysia	nil	100%
Star Destiny Sdn. Bhd.*	Malaysia	nil	100%
Monument Australia Pty Ltd.	Australia	100%	100%
Monument Murchison Pty Ltd.	Australia	100%	100%
Monument Gold Operations Pty Ltd.	Australia	100%	100%

\* Monument Mengapur Sdn. Bhd. and its subsidiaries were sold on April 8, 2021.

#### b) Foreign currencies

The Company's consolidated financial statements are presented in US dollars which is also the functional currency of the parent company and all its subsidiaries.

Foreign currency transactions for the Company's subsidiaries are translated into the functional currency using the exchange rate at the dates of the transactions or the prevailing average rates during the transaction periods. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated at the historical rates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The exchange differences on translation of these foreign operations are recognized in profit or loss as foreign exchange gains or losses.

#### c) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and, where applicable, the initial estimation of any asset retirement obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Assets under construction are capitalized as construction in progress ("WIP"), including carrying amount of the development projects, deposit on long lead items. The amortization begins when the asset is available for use.

Mineral properties in production are depreciated on a unit-of-production ("UOP") basis over the productive life of the mine based on the economically recoverable proven and probable reserves and portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves. Gold processing plant is amortized on a UOP basis over the total tonnages of mill feed over the estimated life of mine. Depreciation of various components of the gold processing plant and other capital assets are calculated on a straight-line basis over the assets' estimated useful lives over the following periods:

Buildings	10 years
Machinery, heavy equipment and components of plant	2-20 years
Administrative furniture and equipment	5-10 years
Computers	2-5 years
Vehicles	5-8 years

Depreciation expenses from production property and plant are inventoried; depreciation from equipment used for exploration is capitalized under associated exploration and evaluation mineral properties; depreciation from administrative capital assets is charged against operations.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for property, plant and equipment items and any changes arising from the assessment are applied by the Company prospectively.

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

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#### d) Unallocated overheads

The allocation of fixed production overheads to costs of production is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The actual level of production is used when it approximates normal capacity. The amount of fixed overhead allocated to each unit of production is not increased as a consequence of low production or idle plant. Unallocated overheads resulting from low production or idle plant are expensed in profit or loss in the period in which they are incurred.

#### e) Mineral properties

Mineral property and development costs represent capitalized expenditures related to the acquisition, exploration and development of mineral properties and related equipment.

##### Exploration and evaluation expenditures

Exploration and evaluation expenditure relate to the initial acquisition costs of mineral properties and costs incurred for investigation and evaluation of potential mineral reserves and resources.

Mineral property interest acquisition costs include the cash consideration, option payment under an earn-in arrangement, the fair value of common shares issued for mineral property interests and the fair value of warrants issued determined using the Black-Scholes option pricing model.

Mineral property investigation and evaluation costs include geophysical survey, mapping, soil sampling, trenching, exploratory drilling, and other activities in searching for ore bodies under the properties, and to evaluate the technical and commercial viability of developing mineral properties identified through exploration. Exploration and evaluation expenditures, net of any recoveries, are recorded on a property-by-property basis and deferred until the property is placed into production, sold or abandoned or determined to be impaired. The carrying values of capitalized amounts are reviewed annually, or when indicators of impairment are present.

Exploration and evaluation expenditure to any particular property are reclassified to mineral properties and mine development expenditures and assessed for impairment, when technical and commercial viability for that property is established, or otherwise expensed when that property is abandoned or impaired. Exploration and evaluation expenditure for investigation over mineral properties prior to acquiring underlined mining rights are recorded as deferred cost and expensed when decision does not result in such acquisition. Exploration and evaluation expenditure that do not relate to any specific property are expensed as incurred.

The establishment of technical and commercial viability is assessed based on technical studies carried out in compliance with industry standards and regulatory requirements and is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for undeveloped mining projects before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and resources, and approval to mine as further work is undertaken in order to refine the development case to maximize the project's returns.

##### Mine development expenditures

A mineral property is under the pre-production development stage once the mineral property becomes commercially and technically viable. The costs incurred to design and engineer an open pit, to build access roads, camps and other infrastructure for mining, and to remove overburden and other mine waste materials in order to access the ore body at open pit operations ("pre-stripping costs") prior to the commencement of commercial production are categorized as mine development expenditures. Development expenditures to this point including depreciation of related plant and equipment, and net of proceeds from incidental sale of ore extracted during the development stage are capitalized to the related property.

The mine development expenditures are reclassified to property, plant and equipment, or to inventory following commencement of commercial production in the manner intended by management.

During production stage, capitalized mine development expenditure is depreciated on a UOP basis over the productive life of the mine based on proven and probable reserves, and portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves.

Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred. Stripping costs incurred to prepare the ore body for extraction or to provide access to ore body that will be extracted in future periods and would not otherwise have been accessible

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

(expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

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are capitalized as mine development expenditure and depreciated on a UOP basis over the reserves and resource that directly benefit from the stripping activity. New infrastructure costs incurred during the production phase for future probable economic benefit are also capitalized to the related mineral property subject to depreciation on a UOP basis.

#### f) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit ("CGU") to which the asset belongs is determined. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss exists if the asset's or CGU's carrying amount exceeds the recoverable amount and is recorded as an expense immediately.

Tangible assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized in profit or loss immediately.

#### g) Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and on hand and short-term deposits with an original maturity of 30 days or less. Restricted cash consists of cash held on hand which shall not be released until certain conditions are met under contractual obligations or a court order.

#### h) Inventories

Inventories include supplies, stockpiled ore, work in progress and finished goods. Gold bullion and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs of selling final product. Cost is determined by the weighted average method, except for supplies inventory by first-in-first-out method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortization, incurred in converting materials into finished goods. Separately identifiable costs of conversion are specifically allocated.

Supplies inventory consists of consumables used in mining and processing operations and are valued at the lower of cost and net realizable value using the first-in-first-out method. Supplies used in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision.

Stockpiled ore represents ore that has been extracted from the mine that is ready for further processing. Stockpiled ore is measured by estimating the number of tonnes added and removed from the stockpile and is verified based on periodic surveys. Stockpiled ore is valued based on the current mining costs incurred up to the point of stockpiling the ore using the weighted average cost method. Costs include mining, mine-site overhead and associated depreciation and depletion. Costs are removed from stockpiled ore and added to work in process inventory when stockpiled ore is crushed based on the average cost per tonne stockpiled.

Work in progress represents gold in the process of being converted to a saleable product from crushed ore to gold doré. Work in progress is recorded at weighted average cost. Costs comprise mining and processing to produce gold doré including costs of stockpiled ore crushed, crushing, leaching, smelting and associated depreciation and depletion. Costs are removed from work in process inventory as gold doré and is produced based on the weighted average cost per contained recoverable ounce of gold.

Finished goods represent metal available for sale and are valued at the lower of weighted average production cost and net realizable value. The cost of finished goods inventory includes the weighted average cost of work in process inventories incurred prior to refining plus applicable refining costs.

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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#### i) Intangible asset

Intangible assets are assessed for legal, regulatory, contractual, competitive or other factors to determine if the useful life is definite. Intangible assets with definite useful lives are measured at cost less accumulated amortization and accumulated impairment losses and are amortized on a straight-line basis through the life of underlined intangible assets.

#### j) Asset retirement obligation ("ARO")

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the corresponding asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The capitalized rehabilitation cost is depreciated on the same basis as the related plant or mining property asset.

The Company's estimates are reviewed quarterly for changes in regulatory requirements, effects of inflation and changes in estimates. The discounted liability is increased for the passage of time and adjusted for changes to the current discount rate, and the amount or timing of the underlying cash flows needed to settle the obligation. The periodic unwinding of the discount is recognized in profit or loss as a finance cost. The liability to settle the obligation is recognized on an undiscounted basis where management is unable to estimate a timeline for the related project and estimates the discounting effect as not material.

Additional disturbances or changes in rehabilitation cost will be recognized as additions or charges to the corresponding assets and asset retirement obligation when they occur.

#### k) Leases

Right-of-use assets and lease liabilities are recognized at the commencement of a lease.

Right-of-use assets are initially measured at cost, which consists of the initial amount of the lease liability adjusted for any lease payments made on or before the lease's commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle or restore the leased asset, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life of the asset or the term of the lease. If a purchase option is expected to be exercised, the asset is depreciated over its useful life.

Lease liabilities are initially measured at the present value of lease payments to be paid after the lease's commencement date, discounted using the interest rate implicit in the lease, or if not readily determinable, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease obligation, when applicable, may comprise fixed payments, variable payments that depend on an index or rate, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase, extension or termination option that the Company is reasonably certain to exercise.

Lease liabilities are subsequently measured at amortized cost using the effective interest method and are re-measured if and when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if and when there is a change in the assessment of whether a purchase, extension or termination option is likely to be exercised. When a lease obligation is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

#### l) Financial instruments

Financial instruments are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL"). The directly attributable transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred. Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

The Company's financial instruments are classified and measured at amortized cost, including financial assets (cash and cash equivalents, restricted cash and trade and other receivables) and other financial liabilities (accounts payable and accrued liabilities). The Company has not recognized any financial assets at FVTPL, which are assets that do not qualify as financial assets at amortized cost or at fair value through other comprehensive income, and has not identified any financial liabilities at FVTPL, which are liabilities that cannot be classified as amortized cost.

Fair value of financial instruments

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The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

#### Impairment of financial assets

At each reporting date, on a forward-looking basis, the Company assesses the lifetime expected credit losses associated with its financial assets carried at amortized cost and fair value through other comprehensive income. The applied impairment methodology depends on whether there is a significant increase in credit risk. The Company measures the expected credit losses through a loss allowance at an amount equal to the 12-month expected credit losses, resulted from those default events on the financial instrument that are possible within 12 months after the reporting date, or full lifetime expected credit losses, resulted from all possible default events over the life of the financial instrument. If the credit risk of a financial instrument has increased significantly since initial recognition, the Company recognizes a loss allowance for full lifetime expected credit losses for the financial instrument. The impairment model does not apply to investment in equity instruments.

#### **m) Taxes**

##### Current tax

Current tax expense is calculated based on the tax laws enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to tax authorities.

##### Deferred tax

Deferred tax is recognized on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities or deferred tax assets that are probable of being realized are recognized for all taxable temporary differences, except:

- On initial recognition of goodwill;
- Where the deferred tax liability or asset arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is utilized, or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

The Company recognizes the deferred tax asset regarding the temporary differences on the rehabilitation liability and the corresponding deferred tax liability regarding the temporary difference on the rehabilitation asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

##### Royalties and revenue-based taxes

Royalties and revenue-based taxes are accounted for under IAS 12 Income Taxes ("IAS 12") when they have the characteristics of income tax. This is considered the case when they are imposed under government authority and the amount payable is based on



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taxable income – rather than based on quantity produced or as a percentage of revenue – after adjustment for temporary differences. Obligations arising from royalty arrangements that do not satisfy these criteria are recognized as current provision and included in production costs. The royalties payable by the Company are not considered to meet the criteria to be treated as part of income tax.

#### n) Share-based payments

The Company measures all equity-settled share – based awards made to employees, including stock options and restricted share units, based on the fair value of the options or the units on the date of grant. The grant date fair value of options or units is estimated using an option pricing model and is recognized as compensation expense over the vesting period, based on the number of options or units that are expected to vest. The corresponding increase is recognized in capital reserves. When options are exercised, or units are redeemed, the costs are transferred out of capital reserves where they were initially recorded and credited to share capital.

#### o) Share capital

Common shares are classified as equity. Incremental cost directly attributable to the issuance of common shares is recognized as a deduction from equity.

Share purchase warrants that are issued for goods and services are initially accounted for under IFRS 2 Share-based Payment (“IFRS 2”) as equity instruments (their initial fair value would be recognized as share issuance costs). Subsequent to their issuance, share purchase warrants issued for goods and services are considered as equity for their entire life. The fair value of such share purchase warrants is not re-measured unless there is a change to the terms of the warrants which cause an increase in value. When these share purchase warrants are exercised, the cash proceeds received, and the applicable amounts of share purchase warrants are credited to share capital.

Share-based payments for restricted share units are determined using the market price at the date of grant and is amortized over the vesting periods as share-based compensation expense against capital reserves. Once units are redeemed, the cost of issuance of shares will be credited to share capital against capital reserves.

#### p) Earnings/(loss) per share

Earnings/loss per share is calculated based on the weighted average number of common shares issued and outstanding during the year. Diluted loss per common share is calculated using the treasury stock method for outstanding stock options, warrants and convertible notes. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted earnings per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and similar instruments that are “in the money” would be used to repurchase common shares of the Company at the average market price during the year. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

The incremental common shares issuable upon the exercise of stock options and warrants and redemption of restricted share units are excluded from the computation if their effect is anti-dilutive.

#### q) Revenue recognition

The Company’s primary product is gold bullion (or “gold”) acceptable by LBMA (London Bullion Market Association); silver produced as part of the extraction process are considered by-product arising from production of gold.

Revenue relating to the sale of products is recognized when control of products sold is transferred to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those products. In determining whether the Company has satisfied the performance obligation, it considers the indicators of the transfer of control, which include, but not limited to, whether the Company has a present right of collecting payment; the customer has legal title to the asset; the Company has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the products.

In the normal course of business of the Company, the obligation to deliver the gold is established at the value date of the sale through a licensed trader(s), and the change of control is triggered simultaneously by a gold transfer order issued from the Company to transfer the gold sold to the trader’s precious metal account through the LBMA’s clearance system. The process would usually complete within a few days. The risk incurred by the trader of failure of performance of the Company is prevented by the contractual condition precedence of delivery under which it is made, and only be made immediately upon receipt of the product sold at spot rates completed in accordance to sales orders placed by the Company.

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When sale is made to unlicensed customers, the control and performance of the sale is subject to specific sales agreements such as a sales order, and revenue is recognized according to the Company's policy herein.

Insignificant amounts of revenue generated from by-product such as silver is credited to the cost of goods sold when its percentage of revenue is less than 5% of total revenue.

#### r) Segmented reporting

In identifying its operating segments, management generally follows the Company's activities. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The activities are undertaken by the mine operating segment and the exploration and evaluation segment and are supported by the corporate segment, each segment is managed separately. The operating results of the segments are reviewed regularly by the Company's Chief Executive Officer (who is considered the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

#### s) Gold prepaid sales transactions

Gold prepaid sales contracts are held for the purpose of delivering gold in accordance with the Company's expected sale requirements. The consideration received is accounted as deferred revenue until such time as gold is delivered and revenue recognition conditions are satisfied. The Company recognises as deferred financing costs the contract costs or incremental costs of obtaining the gold prepaid sales as the Company expects to recover those costs. Relevant transaction costs are amortized to cost of sales upon gold deliveries.

There is a significant financing component when consideration is received in advance of the Company's delivery of gold, where the period is greater than one year. Deferred revenue is increased as interest expense is recognized based on the effective interest rate. The interest rate is determined based on the rate implicit in gold prepaid sale at the date of inception.

#### t) Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS as issued by the IASB requires management to make estimates and judgments that affect the amounts reported in the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and knowledge of relevant factors such as expectations of future events that are believed to be reasonable under the circumstances, and subject to measurement uncertainty. Actual financial results may not equal the estimated results due to differences between estimated or anticipated events and actual events.

Significant estimates and areas where judgment is applied that have significant effect on the amounts recognized in the financial statements are described below. Changes in these estimates and judgments may materially affect the financial position or financial results reported in future periods.

##### *Gold prepaid sale arrangements*

The Company enters into gold prepaid sale arrangements whereby the Company receives consideration for physical delivery of gold in the future. These arrangements are initially accounted for as deferred revenue since the Company determines that these arrangements are not derivatives as they will be satisfied through the delivery of non-financial items, i.e., gold, rather than cash or financial assets. It is the Company's intention to settle the obligation under these arrangements through its own gold production. Unusual and unforeseen events and circumstances may lead the Company to allow for settlements, in full or in part, of these arrangements by cash or financial assets. When such settlements by cash or financial assets occur, the Company assesses the appropriateness of continuing the accounting for these arrangements as deferred revenue. Judgement is involved in assessing the nature of the events and circumstances. Should the accounting as deferred revenue be considered inappropriate, these arrangements will be accounted for as derivatives resulting in the revaluation of the fair value of the gold prepaid sale arrangements through profit or loss on a recurring basis.

##### *Purchase price allocation and valuation of deferred consideration assets*

Measuring asset acquisition transactions requires each identifiable asset and liability to be measured at its acquisition-date relative fair value. The determination of the acquisition-date relative fair values often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of mineral properties and plant and equipment acquired generally require a high degree of judgment and include estimates of mineral reserves acquired, future metal prices and discount rates. Changes in any of the assumptions or estimates used in determining the relative fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities and non-controlling interests in the purchase price allocation.

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#### Ore reserves and mineral resource estimates

Proven and probable reserves are the economically mineable parts of the Company's measured and indicated mineral resources demonstrated by at least a preliminary economic assessment study or through continued production. The Company estimates its proven and probable reserves, measured, indicated and inferred mineral resources based on information compiled by appropriately qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure ("NI43-101") for Mineral Projects requirements. The estimation of future cash flows related to proven and probable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the proven and probable reserves estimates may impact the carrying value of property, plant and equipment, reclamation and remediation obligations, recognition of deferred tax amounts and depletion, depreciation and amortization, as well as the cost base of ore inventory.

The Company's most recent life of mine for Selinsing and Buffalo Reef was estimated based on the NI43-101 Technical Report by Snowden dated January 31, 2019 with cut off as of March 31, 2018, used gold price assumption of \$1,300 per ounce to calculate the measured, indicated and inferred gold resources, which derived a six years' estimated life of mine production plan on proven and probable reserves. In fiscal 2021, the average weighted gold price realised at \$1,864 per ounce with depletion of most of oxide and portion of transitional sulphide reserves. The Company performs annual review of remaining life of mine and adjusts mine plans accordingly with changes of certain operation assumptions, it in turn might results in a change in accounting estimates.

#### Depreciation and amortization and determining useful lives

Mineral properties in production are depreciated on a unit-of-production basis ("UOP") over the productive life of the mine based on the economically recoverable proven and probable reserves, and portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves. Mobile and other equipment is depreciated, net of residual value, on a straight-line basis, over the useful life of the equipment but does not exceed the related estimated productive life of the mine. The calculation of the UOP rate, and therefore the annual depreciation expense could be materially affected by changes of estimates of ore reserves and mineral resources of the underlying mineral properties. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves and resources through exploration activities, differences between estimated and actual costs of mining and differences in gold price used in the estimation of mineral reserves. Significant judgment is involved in the determination of useful life and residual values for the computation of depreciation and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

#### Inventory valuation

Expenditures incurred including depreciation and amortization of assets used in mining and processing activities are deferred and accumulated as the cost of ore in stockpiles, work in process, and finished metal inventories. These deferred amounts are carried at the lower of average cost and net realizable value ("NRV"). Write-downs of ore in stockpiles, in-process and finished metal inventories resulting from NRV impairments are reported as a component of current period costs. The primary factors that influence the need to record write-downs include prevailing and long-term metal prices and prevailing costs for production inputs such as labour, fuel and energy, materials and supplies, as well as realized ore grades and actual production levels. The allocation of costs to ore in stockpiles, gold in processing circuits and the determination of NRV involve the use of estimates. There is a high degree of judgment in estimating future costs, future production levels, reserves estimate, gold and silver prices, and the ultimate estimated recovery of ore from processing circuits. There can be no assurance that actual results will not differ significantly from estimates used in the determination of the carrying value of inventories.

#### Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. The determination of a compliant resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred).

Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of such expenditures is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

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#### Impairment of non-current assets

The Company assesses each asset or CGU at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, exploration potential, reserves and operating performance. These estimates and assumptions are subject to risk and uncertainty and therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. Management has assessed its CGUs as being an individual mine site, which is the lowest level for which cash inflows are largely independent of those of other assets/CGUs.

#### Provision for asset retirement obligations

The Company assesses its provision for asset retirement obligations on an annual basis or when new material information becomes available. Accounting for reclamation and remediation obligations requires management to make estimates of the timing and amount of future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation. Actual costs and timing incurred may differ from those estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs and timing of those costs could materially impact the amounts charged to operations for reclamation and remediation.

#### Deferred taxes

The Company recognizes a deferred tax asset to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. To the extent that future cash flows and taxable profit differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

#### Share-based payments

The computation amount of share-based compensation is not based on historical cost but is derived based on subjective assumptions input into appropriate option pricing model to determine fair value at granting and the reporting dates. The model requires management to make forecasts as to future events, including estimates of: expected price volatility, the average future hold period of options and units, and the appropriate risk-free rate of interest. Changes in these input assumptions can significantly affect the fair value estimate.

Share-based compensation incorporates an expected forfeiture rate, which is estimated based on historical forfeiture rates, and is adjusted if the actual forfeiture rate differs from the expected rate. The resulting value calculated is not necessarily the value that the holder of the instrument could receive in an arm's length transaction, given that there is no market for these instruments and they are not transferable.

#### Title to mineral properties

Although the Company has taken steps to verify the title to its mineral properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to administrative delays common in Malaysia. Unregistered prior agreements or transfers and title may be affected by undetected defect.

#### Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

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Mineral exploration and development are highly speculative and involves inherent risks. While the rewards, if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

#### Functional currency

The Company is involved in the exploration, development and production of gold and base metal resources with continued operations that are heavily reliant on international economics such as the price and demand of gold and other commodities. The Company's resources, future sales and competitive forces are measured in USD and based on these factors the Company has determined the functional currency of all its entities to be USD.

#### COVID-19

In March 2020, the World Health Organization declared a global pandemic following the emergence and rapid spread of a novel strain of the coronavirus ("COVID-19"). The outbreak and subsequent measures intended to limit the pandemic contributed to significant declines and volatility in financial markets. The pandemic adversely impacted global commercial activity. In compliance with Malaysian government's Movement Control Order, Selinsing Gold Mine was shut down for seven weeks by the end of fiscal 2021 (eight weeks in fiscal 2020) except for essential services due to the second wave of the Covid. Operations resumed gradually subsequent to the year end with 80% workforce allowed working at the site, and mining activities only resumed in late August due to shortage of explosives waiting for approval of permit while related authority was under the quarantine.

As the extent and duration of the impacts from COVID-19 remain unclear, the Company's estimates and assumptions may evolve as conditions change. The effect on the financial statements of changes in such estimates in future reporting periods may be significant, such as further negative impacts on our operations or supply chain, mining and production activities, Selinsing flotation construction, etc. This may have a material adverse effect on our cash flows, earnings, results of operations and financial position. The Company will continue to assess the impact and adjust the estimates from time to time and be prepared with sufficient liquidity to manage through this period of uncertainty.

#### **u) Government Assistance**

Government assistance is recognised only when there is reasonable assurance that (a) the entity will comply with any conditions and (b) the grant will be received. It is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. Non-monetary assistance is accounted at a nominal amount. Even if there are no conditions attached to the assistance, such grants are not credited to equity.

Assistance receivable as compensation for costs already incurred or for immediate financial support, with no future related costs, is recognised as income in the period in which it is receivable.

Assistance relating to assets may be presented in one of two ways:

- as deferred income, or
- by deducting the grant from the asset's carrying amount.

A grant relating to income may be reported separately as 'other income' or deducted from the related expense.

If assistance becomes repayable, it is treated as a change in estimate. Where the original grant related to income, the repayment should be applied first against any related unamortised deferred credit, and any excess should be dealt with as an expense.

If assistance is in the form of a loan, the liability is presented at the value of cash received. Interest, if any, is debited to interest expense in the period incurred, over the life of the loan. If any portion of the loan is forgiven, the amount is recorded as income in the period that it is forgiven.

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#### v) New and amended standards and interpretations

##### Adoption of new standards

None

##### Effective for future annual periods

###### IFRS 3 – Business Combinations (“IFRS 3”)

In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020 and to asset acquisitions that occur on or after the beginning of that period.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Company will not be affected by these amendments on the date of transition.

###### IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”)

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of ‘material’ across the standards and to clarify certain aspects of the definition. The new definition states that, “Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments are effective for annual periods beginning on or after January 1, 2020.

The amendments to the definition of material are not expected to have a significant impact on the Company’s consolidated financial statements.

###### Amendments to IAS 16 – Property, Plant and Equipment - Proceeds before Intended Use

In 2020, the IASB issued amendments to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use, which applies to annual periods beginning on or after January 1, 2022, with earlier application permitted. These IAS 16 amendments prohibit the deduction from the cost of an item of property, plant and equipment any net proceeds received from the sale of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the Company recognizes the proceeds from the sale of such items, and the cost of producing those items, in profit or loss.

The amendments to IAS 16 are not expected to have a significant impact on the Company’s consolidated financial statements.

#### 4. Cash and Cash Equivalents

	June 30, 2021	June 30, 2020
	\$	\$
Cash and cash equivalents	38,311	9,821
Restricted cash	312	304
	38,623	10,125

As of June 30, 2021, cash and cash equivalents of \$38.62 million included restricted cash of \$0.31 million (June 30, 2020: \$0.30 million) which represents issued letters of credit and fixed deposits as guarantees for utilities, custom duties, and certain equipment.

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#### 5. Trade and Other Receivables

	June 30, 2021	June 30, 2020
	\$	\$
Interest receivable	11	21
Goods and services tax receivable	13	44
Third Parties receivable (Note 10(c))	-	697
Other receivables	392	20
	416	782

Trade and other receivables are non-interest bearing.

Other receivables include \$0.37 million (AUD\$0.50 million) consideration payment (“second deferred consideration”) from Odyssey Gold Ply Ltd, the Purchaser who acquired the 80% interests in Tuckanarra project (Note 10 (b)), which will be due upon completion of 80% of title transfer.

#### 6. Inventories

	June 30, 2021	June 30, 2020
	\$	\$
Mine operating supplies	1,420	1,609
Stockpiled ore	2,733	648
Work in progress	3,071	2,197
Finished goods (a)	7,298	9,145
	14,522	13,599

Inventory includes supplies to production, stockpiled ore at ROM pad, work in progress such as gold in leach circuit and gold dore, and finished goods representing unsold gold bullion on hand. Ore that is not expected to be processed in the next 12 months is classified as non-current assets which are nil as of June 30, 2021 (June 30, 2020: nil).

(a) Finished goods include 2,911 ounces of gold bullion held in the metal accounts (June 30, 2020: 5,479 ounces).

#### 7. Deferred Costs

As of June 30, 2021, deferred costs were \$0.07 million (June 30, 2020: \$0.24 million) that were comprised of \$0.07 million (June 30, 2020: \$0.16 million) for the gold prepaid sale (Note 14), as described in the following table:

	June 30, 2021	June 30, 2020
	\$	\$
Gold prepaid sale transaction costs, opening balance	158	301
Addition	-	8
Changes for the period	(88)	(151)
Gold prepaid sale transaction costs, closing balance	70	158
Less non-current portion	-	(69)
Gold prepaid sale transaction costs, closing balance current portion	70	89
Other deferred costs	-	79
	70	237

As of June 30, 2021, deferred financing cost included the transaction costs of gold prepaid in the amount of \$0.36 million, amortized over the 36 months period ending January 2022 against cost of sales when a portion of physical gold being delivered to the Lender (Note 14). During the year ended June 30, 2021, \$0.09 million (June 30, 2020: \$0.15 million) was amortized against cost of sales.

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#### 8. Assets Held for Sale

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	350	-
Spare ball mill held for sale	-	350
Spare ball mill sold	(350)	-
Closing balance	-	350

During the year ended June 30, 2020, the Company received prepayment of \$0.35 million for the sale of spare ball mill, which was delivered to the purchaser during the first quarter of the year.

#### 9. Property, Plant and Equipment

	Mineral Properties (a)	Buildings, plant and equipment (b)	Construction in Progress (c)	Total
	\$	\$	\$	\$
<b>Cost</b>				
<b>As at June 30, 2019</b>	<b>58,782</b>	<b>45,988</b>	<b>4,300</b>	<b>109,070</b>
Recognition of right-of-use assets	-	115	-	115
<b>As at July 1, 2019</b>	<b>58,782</b>	<b>46,103</b>	<b>4,300</b>	<b>109,185</b>
Addition	3,051	409	294	3,754
Change in ARO provision	121	75	-	196
Impairment recovery	-	50	-	50
Assets held for sale (Note 8a)	-	(350)	-	(350)
Reclassification	75	42	(117)	-
<b>As at June 30, 2020</b>	<b>62,029</b>	<b>46,329</b>	<b>4,477</b>	<b>112,835</b>
Addition	2,917	412	565	3,894
Change in ARO provision	(712)	(135)	-	(847)
Disposal	-	(285)	-	(285)
Reclassification	-	28	-	28
Mengapur project sale (Note 10(c))	-	(10,049)	-	(10,049)
<b>As at June 30, 2021</b>	<b>64,234</b>	<b>36,300</b>	<b>5,042</b>	<b>105,576</b>
<b>Accumulated depreciation and amortization</b>				
<b>As at June 30, 2019</b>	<b>(43,481)</b>	<b>(25,208)</b>	-	<b>(68,689)</b>
Charge for the period	(1,779)	(2,111)	-	(3,890)
<b>As at June 30, 2020</b>	<b>(45,260)</b>	<b>(27,319)</b>	-	<b>(72,579)</b>
Charge for the period	(4,328)	(1,686)	-	(6,014)
Disposal	-	149	-	149
Mengapur project sale (Note 10(c))	-	3,174	-	3,174
<b>As at June 30, 2021</b>	<b>(49,588)</b>	<b>(25,682)</b>	-	<b>(75,270)</b>
<b>Net book value</b>				
As at June 30, 2019	15,301	20,780	4,300	40,381
As at June 30, 2020	16,769	19,010	4,477	40,256
As at June 30, 2021	14,646	10,618	5,042	30,306

- a) Included under mineral properties is the Selinsing Gold Mine in Pahang State, Malaysia, which is subject to depletion on a unit of production basis.
- b) Included under buildings, plant and equipment for the year ended June 30, 2021 is a reduction of \$10.04 million for Mengapur assets moved to Asset Held for Sale (and the corresponding reduction in depreciation of \$3.17 million) as a result of the sale of the Mengapur project completed on April 8, 2021.
- c) As of June 30, 2021, total expenditures of \$5.04 million comprised \$3.51 million (June 30, 2020: \$2.95 million) for the Selinsing Sulphide Plant upgrade at Selinsing Gold Mine and \$1.53 million (June 30, 2020: \$1.53 million) for the Burnakura crushing plant refurbishment at Murchison operation site.



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Included in the year ended June 30, 2021 are the phase one of the sulphide gold processing plant upgrade – flotation plant construction: \$0.30 million drilling and lab testing to support flotation detailed engineering design in producing marketable gold concentrates, which brought total Sulphide upgrade work to \$3.39 million. Construction expenditures are not subject to depreciation until it is available for use.

#### 10. Exploration and Evaluation

	Selinsing Gold Portfolio \$	Murchison Gold Portfolio \$	Mengapur Copper and Iron Portfolio \$	Total \$
	(a)	(b)	(c)	
<b>Balance, June 30, 2019</b>	<b>26,971</b>	<b>30,594</b>	<b>121,548</b>	<b>179,113</b>
Assay and analysis	40	29	-	69
Drilling	26	205	-	231
Geological	119	275	-	394
Metallurgical	1	28	-	29
Plant maintenance	-	133	-	133
Site activities	314	321	531	1,166
Asset retirement obligations	-	10	-	10
Property fees	-	247	6	253
Mine development	663	2	-	665
Impairment loss	-	(9)	-	(9)
Changes for the year	1,163	1,241	537	2,941
<b>Balance, June 30, 2020</b>	<b>28,134</b>	<b>31,835</b>	<b>122,085</b>	<b>182,054</b>
Drilling	116	-	-	116
Geological	21	377	-	398
Plant maintenance	-	125	-	125
Site activities	46	372	346	764
Share-based compensation	35	-	-	35
Asset retirement obligations	-	1	(23)	(22)
Property fees	104	242	28	374
Mine development transfer to inventory (i)	(1,447)	-	-	(1,447)
Incidental cost for property sale	-	31	-	31
Sale of 80% interest in Tuckanarra project (ii)	-	(3,044)	-	(3,044)
Cancellation of Intec agreement (iii)	-	-	(1,272)	(1,272)
Mengapur project sale (c)	-	-	(121,164)	(121,164)
Changes for the period	(1,125)	(1,896)	(122,085)	(125,106)
<b>Balance, June 30, 2021</b>	<b>27,009</b>	<b>29,939</b>	<b>-</b>	<b>56,948</b>

- (i) An adjustment has been made to reclass 8,005 tonnes of ore from non-leachable to leachable materials that was treated in November 2020 and reclass the remaining non-leachable sulphide stockpile to inventory;
- (ii) Upon closing of the Tuckanarra transaction on December 24, 2020, the consideration of \$3.04 million was recorded in reduction of Tuckanarra exploration and evaluation expenditures (Note 10 (b) Tuckanarra);
- (iii) \$1.27 million acquisition costs in obtaining the Intec interim license was written off during the three months ended March 31, 2021 due to termination of the Head Agreement on March 18, 2021 (Note 19(b)(i)), including \$0.56 million for 7,000,000 escrow shares and \$0.71 million in cash.

#### a) Selinsing Gold Portfolio

The Company has a 100% interest in the Selinsing Gold Exploration and Evaluation Portfolio including Selinsing Deep, a part of Buffalo Reef, Felda Land and Famehub, which lie continuously and contiguously along the gold trend upon which the Selinsing Gold Mine is located. As of June 30, 2021, the Selinsing Gold Portfolio totalled \$27.01 million (June 30, 2020: \$28.13 million) was comprised of \$1.40 million for Selinsing Deep, \$16.41 million for Buffalo Reef, \$3.11 million for Peranggih, \$0.13 million for Felda Land, \$5.05 million for Famehub, and \$0.91 million for the Sulphide Project mine development. During the year ended June 30, 2021, \$0.33 million were spent on exploration: \$0.12 million for Buffalo Reef, \$0.15 million for Peranggih, and \$0.06 million for

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Selinsing Deep; \$1.45 million were reclassified to inventory as certain stockpiled sulphide ore were leachable and were fed into the mill and the remaining non-leachable sulphide stockpile was reclassified to inventory.

#### Selinsing Deep

The Company acquired a 100% interest in the Selinsing Gold Project in 2007 through its 100% owned subsidiary Able Return Sdn. Bhd. and since then oxide and sulphide orebody in transition at pit 5 and pit 6 have been placed into a production and have been classified to property, plant and equipment (Note 9(a)), except Selinsing Deep which is underneath the existing orebody. Continuing expenditure on Selinsing Deep is recorded against exploration and evaluation. The balance of \$1.40 million as of June 30, 2021 (June 30, 2020: \$1.34 million) included \$0.06 million incurred during the year ended June 30, 2021.

#### Buffalo Reef

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd., a company incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef tenement property interests. Some deposits at Buffalo Reef have been placed into production and are recorded under property, plant and equipment (Note 9(a)). As of June 30, 2021, expenditures for acquisition, exploration totaled \$16.41 million (June 30, 2020: \$16.29 million) including \$0.10 million incurred for property fees and \$0.02 million incurred for drilling costs in the year ended June 30, 2021.

#### Felda Land

The Company acquired exclusive irrevocable exploration licenses over Felda Land through a subsidiary Able Return Sdn Bhd from settlers – individual owners of blocks on the Felda Land, with consent from Federal Land Development Authority (“FELDA”).

The Felda Land is located east and south adjacent to Selinsing and Buffalo Reef. Pursuant to these agreements with settlers, certain portions of Felda Land can be converted to mining leases upon exploration success at the Company's discretion, subject to regulatory approval. The exclusive mining permits should be automatically assigned for mining to the Company in event of approval of the mining leases obtained by those settlers.

Included in Felda land, Block 7, covering a 39.12-acre area of Felda Land (“Felda Block 7”) was converted to proprietary mining leases in October 2017. It is adjacent east of Buffalo Reef as the extension of the BRC oxide ore body, and nearby existing gold process plant. The balance as of June 30, 2021 was \$0.13 million (June 30, 2020: \$0.13 million) for Felda Land with no exploration and evaluation expenditures incurred in the year ended June 30, 2021.

#### Perangqih

The Perangqih area is located north of the Selinsing Gold Mine and is in the same regional shearing structure as the Selinsing and Buffalo Reef gold deposits. As of June 30, 2021, the balance was \$3.11 million (June 30, 2020: \$2.96 million) including \$0.15 million incurred for drilling costs in the year ended June 30, 2021.

#### Famehub

On August 13, 2010, the Company acquired a 100% interest in Famehub Venture Sdn. Bhd. (“Famehub”), a company incorporated in Malaysia to purchase a land package of prospective exploration land as well as the associated data base. This land is located to the east of the Selinsing Gold project and the Buffalo Reef prospect. The balance as of June 30, 2021 was \$5.05 million (June 30, 2020: \$5.05 million) with no exploration and evaluation expenditures incurred in the year ended June 30, 2021.

### **b) Murchison Gold Portfolio**

The Company has a 100% interest in the Murchison Gold Portfolio which consists of the Burnakura, Gabanintha, and 20% interest in Tuckanarra gold properties, located in the Murchison Mineral Field, a highly prospective historical gold province within the Murchison District of Western Australia. Burnakura and Gabanintha are located southeast of Meekatharra, WA and northeast of Perth, WA. Tuckanarra is located approximately south west of Burnakura.

As of June 30, 2021, the Murchison Gold Portfolio totalled \$29.94 million expenditure for acquisition, exploration and development, including acquisition expenditure of \$14.44 million (AUD\$16.09 million): \$11.30 million (AUD\$12.54 million) for Burnakura and Gabanintha, and \$3.14 million (AUD\$3.55 million) for Tuckanarra; exploration and development expenditure of \$18.54 million (AUD\$23.90 million): \$17.67 million (AUD\$22.69 million) for Burnakura, \$0.47 million (AUD\$0.64 million) for Gabanintha and \$0.40 million (AUD\$0.57 million) for Tuckanarra; offset by cash proceeds of \$2.66 million (AUD\$3.50 million) and second deferred consideration receivable of \$0.38 million (AUD\$0.50 million) from spinout 80% Tuckanarra interest to Odyssey.

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During the year ended June 30, 2021, \$0.96 million spent for Burnakura Gold Project, \$0.13 million spent for Gabanintha Gold Project, \$0.07 million for Tuckanarra project, offset by the cost of \$3.04 million for the sale of 80% of its interest in Tuckanarra project, bringing total carrying value of Murchison Project to \$29.94 million as of June 30, 2021.

#### Burnakura

In February 2014, Monument acquired the Burnakura Gold Project and Gabanintha Gold Project that includes a number of mining and exploration tenements and lease applications and a fully operational gold processing plant, a developed camp site and all necessary infrastructure.

As of June 30, 2021, the balance of exploration and evaluation expenditures was \$26.10 million (June 30, 2020: \$25.14 million), of which \$0.96 million were incurred in the year ended June 30, 2021 for Burnakura.

#### Gabanintha

Gabanintha Gold Project was acquired in conjunction with Burnakura, containing a number of prospective tenements located to the east of Burnakura. Total exploration and evaluation expenditures were \$3.34 million (June 30, 2020: \$3.21 million) as of June 30, 2021, of which \$0.13 million were incurred in the year ended June 30, 2021 for Gabanintha.

#### Tuckanarra

In November 2014, Monument acquired a 100% interest in Tuckanarra consisting of two exploration licenses, nine prospecting licenses and a mining lease covering a total of 416 square km and containing approximately 100,000 historical indicated and inferred Joint Ore Reserves Committee (JORC) compliant ounces of gold.

On October 19, 2020, the Company entered into a Joint Venture Arrangement (the "Transaction") with Odyssey Gold Ltd (ASX: "ODY", "Odyssey", formerly Odyssey Energy Ltd). Pursuant to the arrangement, Monument shall sell a 80% Tuckanarra interest for an aggregated consideration of AUD\$5.00 million cash (or equivalent \$3.81 million), retain a 1% net smelter return royalty over ODY's percentage share, and a 20% interest in the Tuckanarra Project free carried until a decision to mine, provided preferentially ODY's gold ore will be processed through Monument's Burnakura gold plant subject to commercial terms.

Odyssey and Monument will jointly develop the Tuckanarra Gold Project through an unincorporated joint venture to advance the Tuckanarra Gold Project ("Tuckanarra") located in the Murchison Goldfield. Odyssey is solely responsible for funding any exploration and evaluation activities of Tuckanarra during the free carrying period.

Upon closing of the Transaction on December 24, 2020, the consideration of AUD\$4.00 million (or equivalent \$3.04 million) was recorded in reduction of Tuckanarra exploration and evaluation expenditures, of which AUD\$3.50 million (or equivalent \$2.66 million) was received in cash, AUD\$0.50 million (or equivalent \$0.38 million) was recorded as a receivable as of June 30, 2021, due upon the completion of transfer of the tenements to ODY.

The remaining AUD\$1.00 million (or equivalent \$0.76 million) contingency consideration may become receivable within 36 months of the completion of the Transaction subject to exploration success when additional 100,000 ounces of gold being discovered at a minimum resource grade of 1.55g/t in relation to Tuckanarra Gold Project; and when received, will further reduce exploration and evaluation expenditures of Tuckanarra to the extent of the with any remaining balance with any excess recognized as gain or loss in the Income Statement.

The funds will be used for Murchison Project development and working capital.

#### **c) Mengapur Copper and Iron Portfolio**

The Mengapur Copper and Iron Portfolio ("the Mengapur Project") was acquired by the Company in 2012 through its wholly owned Malaysia holding company Monument Mengapur Sdn. Bhd. ("MMSB"). The Mengapur Project is located in Pahang State, Malaysia, approximately 130 kilometers from Monument's wholly owned Selinsing Gold Mine near Sri Jaya, 12 kilometers from a highway and 75 kilometers from the Malaysian port of Kuantan.

On January 8, 2021, the Company entered into a definitive Sale and Purchase Agreement (the "Definitive Agreement") to sell the 100% Mengapur Project to Fortress Minerals Limited ("Fortress", or Purchaser), a company listed in the Singapore Stock Exchange through MMSB. Pursuant to the terms of the Definitive Agreement, Fortress paid the Company \$30.00 million in cash and granted the Company a royalty of 1.25% on the gross revenue over all products that may be produced at the Mengapur Project. The transaction was closed on April 8, 2021.

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As a result of the sale, the carrying value of net assets was written down from \$124.92 million to \$30.00 million causing \$94.92 million impairment loss, the transaction costs of \$0.84 million were expensed to loss on disposal of assets. The transaction is presented in the following table:

	June 30, 2021	June 30, 2020
	\$	\$
<b>Mengapur Copper and Iron Portfolio</b>		
<b>Balance sheet (Note 29a(i))</b>		
Current assets	835	695
Property, plant and equipment	6,875	7,315
Exploration and evaluation	121,164	122,085
Total assets	128,874	130,095
Total liabilities	3,956	3,807
Net assets before impairment	124,918	126,288
Less: Impairment loss (Note 24)	(94,918)	-
Net assets after impairment	30,000	126,288
Less: Mengapur sale proceeds	(30,000)	-
Net assets after disposal	-	126,288

#### 11. Capital Management

The Company manages its capital to ensure that it will be able to continue to meet its financial and operational strategies and obligations, while maximizing the return to shareholders through the optimization of equity financing. Management continuously monitors its capital position and periodically reports to the Board of Directors.

The Company is sensitive to changes in commodity prices and foreign exchange. The Company's policy is to not hedge gold sales. The Company's capital management policy has not changed in the year ended June 30, 2021.

The Company's objectives when managing capital are to:

- Ensure the Company has sufficient cash available to support the mining, exploration, and other areas of the business in any gold price environment;
- Ensure the Company has the capital and capacity to support a long-term growth strategy; and
- Minimize counterparty credit risk.

Other than restricted cash and cash held from sale of assets (Note 4) the Company is not subject to any externally imposed capital restrictions. Monument has the ability to adjust its capital structure by issuing new equity, issuing new debt, and by selling or acquiring assets. The Company can also control how much capital is returned to shareholders through dividends and share buybacks.

The capital of the Company consists of items included in equity and debt, net of cash and cash equivalents.

	June 30, 2021	June 30, 2020
	\$	\$
Total equity attributable to shareholders	126,878	226,421
Less: cash and cash equivalents	(38,623)	(10,125)
Total capital	88,255	216,296

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#### 12. Financial Instruments and Financial Risk

The Company's financial instruments are classified and measured at amortized cost (cash and cash equivalents, restricted cash, trade and other receivables, accounts payable and accrued liabilities).

##### a) Fair value measurement

The carrying amounts of cash and cash equivalents, restricted cash, trade and other receivables, accounts payable and accrued liabilities are considered reasonable approximations of their fair values due to the short-term nature of these instruments.

The Company does not have any financial assets or financial liabilities measured at fair value subsequent to initial recognition.

##### b) Risk exposures and responses

The Company's financial instruments are exposed to market risk, credit risk, and liquidity risk.

##### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: foreign currency risk, price risk and interest rate risk.

##### Foreign currency risk

The Company is exposed to foreign currency risk to the extent financial instruments held by the Company are not denominated in US dollars.

At the reporting date, the Company is exposed to foreign currency risk through the following assets and liabilities denominated in Malaysian ringgit (RM), Australian dollar (AUD) and Canadian dollar (CAD):

	June 30, 2021			June 30, 2020		
	\$	\$	\$	\$	\$	\$
(in 000's, US dollar equivalent)	AUD	RM	CAD	AUD	RM	CAD
<b>Financial instrument – assets</b>						
Cash and cash equivalents	1,958	680	258	145	592	235
Restricted cash	-	310	2	-	302	2
Trade and other receivable	388	7	6	15	701	21
<b>Financial instruments – liabilities</b>						
Accounts payable and accrued liabilities	157	2,695	255	102	3,367	195
Lease liabilities	-	-	43	-	-	78
Borrowings	-	-	47	-	-	29

The Company has not hedged any of its foreign currency risks.

Based on the above net exposures as at June 30, 2021 and assuming that all other variables remain constant, a 5% depreciation or appreciation of the RM against the US dollar would result in an increase/decrease of approximately \$0.09 million (year ended June 30, 2020: \$0.11 million) in the Company's net income, a 5% depreciation or appreciation of the CAD against US dollar would result in an increase/decrease of approximately \$0.01 million (year ended June 30, 2020: increase/decrease \$0.03 million) in net income and a 5% depreciation or appreciation of the AUD against the US dollar would result in a decrease/increase of approximately \$0.11 million (year ended June 30, 2020: increase/decrease \$0.01 million) in net income.

##### Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk. The Company has not hedged any of its commodity price risks.

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and short-term investments mature and the proceeds are reinvested at lower interest rates. The converse situation will have a positive impact on interest income.

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To limit interest rate risk, the Company uses a restrictive investment policy. The fair value of the investments of financial instruments included in cash and cash equivalents is relatively unaffected by changes in short-term interest rates. The investments are generally held to maturity and changes in short-term interest rates do not have a material effect on the Company's operations.

#### Credit risk

The Company's credit risk on trade receivables is negligible.

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents (Note 4). The maximum exposure to credit risk is the carrying amounts at June 30, 2021. The amount of \$1.09 million (June 30, 2020: \$1.00 million) is held with a Malaysian financial institution, \$1.96 million with an Australian financial institution (June 30, 2020: \$0.15 million) and \$35.57 million (June 30, 2020: \$8.98 million) is held with Canadian financial institutions.

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through budgeting and forecasting cash flows to ensure it has sufficient cash to meet its short-term requirements for operations, business development and other contractual obligations. The Company's cash and cash equivalents are highly liquid and immediately available on demand for the Company's use. The table below summarizes the maturity profile of the Company's non-derivative financial liabilities as of June 30, 2021 and June 30, 2020.

	June 30, 2021		June 30, 2020	
	\$	\$	\$	\$
	Current <1 year	Non-Current 1-3 years	Current <1 year	Non-Current 1-3 years
<b>Non derivative liabilities</b>				
Accounts payable and accrued liabilities	3,107	-	3,664	-
Lease liabilities	43	-	38	40
Borrowings	-	47	-	29
	3,150	47	3,702	69

### 13. Accounts Payable and Accrued Liabilities

	June 30, 2021		June 30, 2020	
	\$	\$	\$	\$
Trade payables	2,826		2,670	
Employment payables and accruals	281		297	
Third Party payable (Note 10(c))	-		697	
	3,107		3,664	

Trade payables are non-interest-bearing and are normally settled on 30-day terms.

Employment payables and accruals include vacation, employment benefits and related withholding taxes. With the sale of the Mengapur project to Fortress the amount owed to Malaco with respect to Third Party operations (Note 10(c)) has been eliminated (June 30, 2020: \$0.70 million).

### 14. Deferred Revenue

As of June 30, 2021, deferred revenue of \$2.40 million (June 30, 2020: \$4.54 million) represents the balance of gold delivery obligations of 1,687 ounces (June 30, 2020 3,837 ounces) that shall be delivered at 241 oz per month for the next 7 months by January 2022.

Pursuant to the Gold Sale Agreement entered into with Concept Capital Management ("CCM" or the "Purchaser") effective January 23, 2018, the Company received a total of \$7.00 million from sales of 8,676 ounces of gold to the Purchaser. The gold delivery obligation is 241 ounce per month over a 36-month period commencing February 28, 2019, after a twelve-month grace period, to January 31, 2022 through its subsidiary Monument Murchison Pty Ltd (the "Seller"). Deferred revenue of \$6.65 million was recorded, net of transaction costs. Upon adoption of IFRS 15 on July 1, 2018, the transaction costs of \$0.35 million were reclassified to deferred financing costs (Note 7) and amortized to cost of sales on a per ounce of gold delivered basis. The gold prepaid sale is guaranteed by the Company and its Malaysian subsidiary, Able Return Sdn Bhd ("ARSB"), and is secured by certain assets of the Company.

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As of June 30, 2021, the Company has delivered 6,006 ounces (June 30, 2020: 3,856 ounces) of physical gold to CCM through ARSB as the Guarantor.

The following table reflects the change of deferred revenue:

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	4,543	8,138
Interest expense	1,153	1,800
Revenue recognized on gold deliveries	(3,294)	(3,788)
Gold delivery reduction due to debt settlement (a)	-	(1,607)
Changes for the period	(2,141)	(3,595)
Closing balance	2,402	4,543
Current portion	2,402	2,222
Non-current portion	-	2,321
	2,402	4,543

(a) The Company provided a four-month short term loan of \$1.50 million (the "Loan") bearing 7% interest compounding monthly to Concept Capital Management ("CCM") through its Malaysian subsidiary Able Return Sdn Bhd ("ARSB") from August 26, 2019 to December 26, 2019. On December 26, 2019, CCM exercised the option to extend the loan for another two months expiring February 26, 2020 with an additional 3% interest charge on the outstanding balance. The loan was secured by gold to be delivered to CCM under the gold prepaid sale arrangement.

On February 26, 2020 (the "Settlement Date"), the principal of \$1.50 million and interest of \$0.11 million of the Loan were fully settled by 983 ounces at London Fix PM \$1,635 per ounce against CCM's gold forward delivery obligations under the Gold Sale Agreement. These 983 ounces were deducted from gold deliveries from June to September 2020 and partially in October 2020. This settlement is considered a one-time event caused by unusual and unforeseen circumstances. The Gold Sale Agreement continues to be accounted for as deferred revenue in accordance with the Company's expected sale and usage requirements.

#### 15. Lease Liabilities

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	78	-
Recognized upon adoption of IFRS 16 as at July 1, 2019	-	115
Interest expenses	2	3
Lease payments	(43)	(40)
Foreign currency exchange gain	6	-
Changes for the period	(35)	78
Closing balance	43	78
Current portion	43	38
Non-current portion	-	40
	43	78

Upon the adoption of IFRS 16 on July 1, 2019, the Company has recognized a right-of-use asset and lease liability of \$0.11 million on a long-term office lease. During the quarter, all lease terms were less than 12 months.

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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	June 30, 2021	June 30, 2020
	\$	\$
<b>Undiscounted lease payment obligations:</b>		
Less than one year	43	40
One to five years	-	40
<b>Total undiscounted lease liabilities</b>	<b>43</b>	<b>80</b>

#### 16. Borrowings

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	29	-
Long-term loan from Canadian government	18	29
Closing balance	47	29

Included in Borrowings as of June 30, 2021 is a 32-month term loan (the "CEBA Loan") granted under the Government of Canada's Emergency Business Account ("CEBA"), available to qualified businesses to fund their operations due to COVID-19 pandemics. The CEBA Loan of \$0.05 million (CAD\$0.06 million) consists of CAD\$0.04 million received on April 30, 2020 and an additional CAD\$0.02 million on December 15, 2020 and is non-interest bearing until December 31, 2022 (the "Due Date"). The Company is eligible for forgiveness of one third of the outstanding loan amount, CAD \$0.02 million, as long as the Company repays the remaining two thirds, CAD \$0.04 million, by the Due Date. If the Company is not able to repay the required CAD \$0.04 million by the Due Date the full loan amount of CAD \$0.06 million will be converted into a 3-year term loan bearing interest rate of 5%.

#### 17. Asset Retirement Obligations

The Company's ARO as of June 30, 2021 consists of reclamation and closure costs for mine development and exploration activities. The total cash flows required to settle the Company's obligations before discounting is estimated to be \$6.96 million (June 30, 2020: \$10.23 million), comprised of \$5.79 million (June 30, 2020: \$9.16 million) for Malaysian projects and \$1.17 million (June 30, 2020: \$1.07 million) for the Western Australia Projects.

As at June 30, 2021, the present value of the Company's ARO was \$6.21 million (June 30, 2020: \$9.74 million), comprised of \$5.04 million (June 30, 2020: \$5.59 million) for Selinsing gold portfolio using a pre-tax risk-free rate of 2.54% (June 30, 2020: 2.46%) and an inflation rate of 3.40% (June 30, 2020: deflation rate of 2.90%); \$1.17 million (June 30, 2020: \$1.07 million) for the Murchison gold portfolio using a pre-tax risk-free rate of 0.10% (June 30, 2020: 0.25%) and an inflation rate of 1.10% (June 30, 2020: 2.20%); the obligation for Mengapur of \$3.14 million (June 30, 2020: \$3.08 million) recorded at cost has been eliminated as a result of the sale transaction with Fortress.

Significant reclamation and closure activities include land rehabilitation, slope stabilization, decommissioning of tailing storage facilities, mined waste dump, road bridges, buildings and mine facilities.

The following is an analysis of the asset retirement obligations:

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	9,742	9,661
Accretion expense	129	184
Reclamation performed	-	(2)
Reassessment of liabilities	(865)	199
Mengapur project sale (Note 10(c))	(3,144)	-
Foreign currency exchange loss (gain)	344	(300)
Changes for the period	(3,536)	81
Closing balance	6,206	9,742



**MONUMENT MINING LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**18. Income Tax**

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance - Income tax payable	414	114
Income tax expense	1,385	2,241
Tax installments paid	(1,380)	(1,925)
Foreign currency exchange loss (gain)	12	(16)
Changes for the period	17	300
Closing balance - income tax payable	431	414
Minus: Income tax receivable	-	(3)
Net Income tax payable	431	411

As of June 30, 2021, the income tax payable balance of \$0.43 million (June 30, 2020: \$0.41 million) resulted from net income of Selinsing gold production. Deferred tax liabilities were \$2.66 million (Jun 30, 2020, \$2.69 million).

	June 30, 2021	June 30, 2020
	\$	\$
Opening balance	2,691	2,193
Deferred income tax expenses	(105)	588
Foreign currency exchange loss (gain)	76	(90)
Changes for the period	(29)	498
Closing balance	2,662	2,691

The reconciliation of income tax provision computed at statutory rates of 27% (2020: 27%) to the reported income tax provision is as follows:

	June 30, 2021	June 30, 2020
	\$	\$
Income tax expense computed at statutory rates	26,448	(647)
Lower effective rate attributable to Malaysian income	(2,519)	208
Non-deductible expenses	(23,188)	(827)
Change in unrecognized deferred tax assets	(1,548)	425
Unutilized tax losses	(881)	(3,924)
Non-taxable income	410	1,964
Non-business income	(2)	(28)
Income tax expense	(1,280)	(2,829)
Income tax recovery/(expense) consists of the following:		
Current income tax provision	(1,385)	(2,241)
Deferred income tax provision	105	(588)
Income tax expense	(1,280)	(2,829)

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Deferred tax assets and liabilities have been calculated using the following enacted corporate income tax rates: Canada at 27% (2020: 27%), Malaysia at 24% (2020: 24%) and Australia at 26% (2020: 27.5%). Significant components of recognized deferred tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	June 30, 2021	June 30, 2020
	\$	\$
Deferred tax liabilities:		
Mineral property interests	(11,503)	(13,784)
Property, plant and equipment	(1,134)	(603)
	(12,637)	(14,387)
Deferred tax assets:		
Mineral property interests	4,505	6,796
Loss carry forwards	5,470	4,900
	9,975	11,696
Net deferred tax liabilities	(2,662)	(2,691)

Unrecognized deferred tax assets are as follows:

	June 30, 2021	June 30, 2020
	\$	\$
Unrecognized deferred tax assets:		
Loss carry forwards	17,183	13,969
Other deductible temporary differences	232	941
	17,415	14,910

Deferred tax assets and liabilities, which are probable to be utilized, are offset if they relate to the same taxable entity and the same taxation authority. No deferred tax liabilities have been recognized on temporary differences when the timing of their reversal can be controlled. Other deductible temporary differences primarily comprise of cumulative eligible capital expenditures that are tax deductible according to relevant tax law in Malaysia. No deferred tax asset has been recognized because the amount of future taxable profit that will be available to realize such assets is unpredictable and not probable.

At June 30, 2021, the Company has non-capital loss carryforwards for tax purposes that are available to reduce future taxable income in Canada of \$44.11 million (2020: \$41.22 million). The non-capital losses expire as follows:

	Total
	\$
2031	2,780
2032	3,232
2033	9,779
2034	12,242
2036	6,440
2037	3,269
2038	1,106
2039	1,359
2040	1,153
2041	2,752
	44,112

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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#### 19. Share Capital

##### a) Authorized

Unlimited common shares without par value.

##### b) Common shares

Issued and outstanding:

	Number of shares	Value assigned \$
<b>Balance, June 30, 2019</b>	<b>325,371,565</b>	<b>117,314</b>
RSUs redeemed	2,699,998	130
<b>Balance, June 30, 2020</b>	<b>328,071,563</b>	<b>117,444</b>
RSUs redeemed (Note 20b)	4,900,000	244
Shares cancelled (i)	(7,000,000)	(559)
<b>Balance, June 30, 2021</b>	<b>325,971,563</b>	<b>117,129</b>

(i) 7 million common shares were held in escrow since February 2015 according to the Head Agreement entered between Monument Mining Ltd and Intec International Pty Ltd. ("Intec"), that gave Intec an interim license for Monument to carry out sulphide test work at Mengapur site. The Head Agreement has come to termination on March 18, 2021 based on the Ore body test results at the Mengapur site, and the 7 million shares in escrow have been canceled and returned to treasury. The parties may consider further collaboration based on Intec process for other projects when suit in the future.

#### 20. Capital Reserves

	June 30, 2021 \$	June 30, 2020 \$
Warrants	2,612	2,612
Options (a)	10,303	10,303
Restricted share units (b)	933	843
	<b>13,848</b>	<b>13,758</b>

##### a) Stock options

At the Annual General Meeting of Shareholders ("AGM") held on December 15, 2016, the Company's shareholders approved a 5% Fixed Stock Option Plan (the "2016 Stock Option Plan"). The total number of shares reserved for issuance under the 2016 Stock Option Plan is 16,210,905. The general terms of stock options granted under the 2016 Stock Option Plan include a life of stock options up to ten years and a vesting period up to two years.

As of June 30, 2021, there are no stock options outstanding (June 30, 2020: nil), and there is a total of 12,140,406 (June 30, 2020 – 12,140,406) common shares available for future grant under the 2016 Stock Option Plan, comprised of an initial 16,210,905 reserved for issuance, of which 4,070,499 stock options were exercised. There were no new stock options granted during fiscal 2021.

##### b) Restricted share units

At the AGM held on December 15, 2016, the Company's shareholders approved a fixed 10% restricted Share unit plan (the "RSU Plan"). Under the RSU Plan, the total number of shares reserved for grant is 32,421,800, of which 24,943,666 have been granted to date, 10,253,533 have been redeemed, 166,667 are forfeited, 14,523,466 are outstanding and 7,644,801 remain available for future grant at June 30, 2021.

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Restricted share units outstanding	Number of common shares
<b>Balance, June 30, 2019</b>	<b>18,323,464</b>
Redeemed	(2,699,998)
Forfeited	(100,000)
<b>Balance, June 30, 2020</b>	<b>15,523,466</b>
Granted	3,900,000
Redeemed	(4,900,000)
<b>Balance, June 30, 2021</b>	<b>14,523,466</b>

Of the 14,523,466 RSUs granted under the RSU Plan and outstanding, 11,723,466 units for \$0.72 million were vested, redeemable until February 10, 2024; 1,700,000 units for \$0.19 million were vested, redeemable until April 8, 2024; the remaining 1,100,000 units for \$0.11 million shall be vested equally over a three-year period from the grant date. The underlying fair value of granted RSUs is amortized over the corresponding vesting periods as compensation expenses against capital reserves. Once vested and units are redeemed, the cost of issuance of shares is credited to share capital against capital reserves.

For the year ended June 30, 2021, \$nil has been credited to expense for forfeitures (June 30, 2020 \$0.01 million for 100,000 RSU forfeitures) , and \$0.33 million (Year ended June 30, 2020 \$0.01 million) has been expensed and allocated to production expense and exploration expenditure against capital reserves for RSUs vested, and \$0.24 million (Year ended June 30, 2020: \$nil) was credited to share capital for 4,900,000 RSUs (Year ended June 30, 2020: nil RSUs) redeemed.

#### 21. Production Costs

	For the year ended June 30,	
	2021	2020
	\$	\$
Mining	5,103	4,318
Processing	7,730	9,836
Royalties	2,166	2,639
Operations, net of silver recovery	134	234
	15,133	17,027

#### 22. Operation Expenses

	For the year ended June 30,	
	2021	2020
	\$	\$
Expenses from operation suspension	593	770

During the COVID-19 pandemic, Selinsing gold production was suspended from May 18 to June 28, 2021 (2020: March 18, 2020 to May 12, 2020) due to compliance with the Movement Control Order ("MCO"), except essential services. Certain management and technical support were provided remotely from home.

Costs of \$0.60 million (2020: \$0.77 million) incurred during the production suspension and transition period to maintain normal production capacity and essential services were recorded under operation expenses.

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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#### 23. Corporate Expenses

	For the year ended June 30,	
	2021	2020
	\$	\$
Office and general expenses	109	138
Rent and utilities (a)	(28)	33
Salaries and wages	773	1,083
Share-based compensation	277	(4)
Legal, accounting and audit	301	303
Consulting Fees	211	-
Shareholders communication	93	137
Travel	2	88
Regulatory compliance and filing	88	50
Amortization	45	43
	1,871	1,974

- a) During the year ended June 30, 2021, the Company received an office rental subsidy of \$0.06 million (Year ended June 30, 2020: \$nil) from Canada Emergency Commercial Rent Assistance program offered by Canadian Government during COVID-19 pandemic, which was recorded against rental expenses.

#### 24. Impairment Recovery (Loss)

	For the year ended June 30,	
	2021	2020
	\$	\$
Impairment loss on exploration and evaluation	-	(9)
Recovery of impairment loss on spare ball mill	-	50
Impairment loss on Mengapur project sale (Note 10(c))	(94,918)	-
	(94,918)	41

#### 25. Loss Per Share

The calculation of basic and diluted loss per share for the relevant periods is based on the following:

	For the year ended June 30,	
	2021	2020
	\$	\$
<b>Loss for the year</b>	<b>(99,318)</b>	<b>(275)</b>
Basic weighted average number of common shares outstanding	322,771,563	318,596,975
Effect of dilutive securities:		
Restricted share units	-	-
Diluted weighted average number of common share outstanding	322,771,563	318,596,975
Basic earnings per share	\$ (0.31)	\$ (0.00)
Diluted earnings per share	\$ (0.31)	\$ (0.00)

All options are potentially dilutive in the year ended June 30, 2021 and 2020 but excluded from the calculation of diluted earnings per share are those for which the average market prices are below the exercise price. The restricted share units are anti-dilutive for a reduction in loss per share if restricted share units are redeemed.

Under the "Deed of Variation" to the "Heads of Agreement" with Intec executed on February 14, 2015, the terms of the escrow period have been extended to January 16, 2022 and the Company agreed to release 7 million shares from escrow. As a result of Benchwork Testing undertaken in January 2021 pursuant to clause 5.3(b) of the agreement Monument gave notice to Intec on March 1, 2021 that the results of the testing did not satisfy Monument's requirements and that Monument elected to terminate the agreement and Interim Licence with effect from March 18, 2021. As a result, the 7 million shares held in escrow were returned to the Company and subsequently cancelled (Note 19).

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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#### 26. Related Party Transactions

##### Key management personnel

The Company's related parties include key management, who have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly: five directors (executive and non-executive), the Chief Executive Officer ("CEO"), the Chief Financial Officer and the Vice President of Business Development who directly reports to the CEO.

The remuneration of the key management of the Company as defined above including salaries and director fees is as follows:

	For the year ended June 30,	
	2021	2020
	\$	\$
Salaries	648	945
Directors' fees	145	138
Share-based payments	307	(4)
	1,100	1,079

As at June 30, 2021, nets amounts due to related parties are \$0.03 million (June 30, 2020: \$0.04 million) relating to director fees. Directors' fees are paid on a quarterly basis. Unpaid amounts due to directors are recorded against accrued liabilities, are unsecured and bear no interest. During the year ended June 30, 2021, \$nil million (June 30, 2020: \$0.80 million) was paid out in relation to legacy payments that had been expensed in previous periods.

#### 27. Commitments and Contingencies

	2022	2023	2024	2025	2026	Total
	\$	\$	\$	\$	\$	\$
Lease commitments	24	-	-	-	-	24
Mineral property obligations	397	577	611	581	616	2,782
Purchase commitments	2,493	7	4	4	4	2,512
	2,914	584	615	585	620	5,318

Lease commitments represent contractually obligated payments associated with the long-term office lease that was recognized as a right-of-use asset. Mineral property obligations include exploration expenditures and levies mandated by government authorities to keep the tenements in good standing. Purchase commitments are mainly related to mine operations in Malaysia (\$2.43 million) and Western Australia (\$0.04 million) as well as exploration expenditure for Western Australia (\$0.02 million).

In addition to commitments outlined above, the Company is obligated to deliver 1,687 ounces of gold (Note 14) from July 2021 to January 2022.

#### 28. Supplemental Cash Flow Information

	For the year ended June 30,	
	2021	2020
	\$	\$
Interest received	160	65
Net income tax paid	(1,380)	(1,852)
Non-cash working capital, financing and investing activities:		
Share-based compensation charged to mineral properties	35	-
Amortization charged to mineral properties	306	429
Amortization inherent in inventory	4,130	3,425
Expenditures on mineral properties in accounts payable	54	57
Plant and equipment costs included in accounts payable	317	183

## MONUMENT MINING LIMITED

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For the year ended June 30, 2021 and 2020

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#### 29. Segment Disclosures

The Company operates primarily in the gold mining industry and its major product is gold. Its activities include gold production, acquisition, exploration and development of gold and other base metal properties. The Company's mining operations are in Malaysia. Another reportable operating segment is the exploration and evaluation segment. The Company's corporate head office is the last reportable operating segment.

The Company's reportable operating segments reflect the Company's individual mining interests and are reported in a manner consistent with the internal reporting used by the Company's chief operating decision maker to assess the Company's performance.

##### a) Operating segments

	Mine Operations (Gold)	Exploration and Evaluation (Gold)	Exploration and Evaluation (Copper/Iron) (a)	Corporate	Total
	\$	\$	\$	\$	\$
<b>June 30, 2021</b>					
<b>Balance sheet</b>					
Current assets	16,181	2,728	-	35,613	<b>54,522</b>
Property, plant and equipment	24,644	5,617	-	45	<b>30,306</b>
Exploration and evaluation	-	56,948	-	-	<b>56,948</b>
Total assets	40,825	65,293	-	35,658	<b>141,776</b>
Total liabilities	13,226	1,323	-	349	<b>14,898</b>
<b>June 30, 2020</b>					
<b>Balance sheet</b>					
Current assets	15,175	215	695	9,036	<b>25,121</b>
Property, plant and equipment	27,265	5,594	7,315	82	<b>40,256</b>
Exploration and evaluation	-	59,969	122,085	-	<b>182,054</b>
Total assets	42,508	65,778	130,095	9,198	<b>247,579</b>
Total liabilities	15,876	1,171	3,807	304	<b>21,158</b>

(a) Refer to Note 10(c)

## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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For the year ended June 30, 2021	Mine Operations (Gold) \$	Exploration and Evaluation (Gold) \$	Exploration and Evaluation (Copper/Iron) \$	Corporate \$	Total \$
<b>Income statement</b>					
Revenue	23,236	-	-	-	23,236
Income from mining operations	3,567	-	-	-	3,567
Corporate expenses	-	-	-	(1,871)	(1,871)
Other expenses and loss	(83,098)	(1,564)	(5,042)	(10,030)	(99,734)
Tax expense	(1,280)	-	-	-	(1,280)
Net loss	(80,811)	(1,564)	(5,042)	(11,901)	(99,318)
<b>For the year ended June 30, 2020</b>					
For the year ended June 30, 2020	Mine Operations (Gold) \$	Exploration and Evaluation (Gold) \$	Exploration and Evaluation (Copper/Iron) \$	Corporate \$	Total \$
<b>Income statement</b>					
Revenue	29,971	-	-	-	29,971
Income from mining operations	6,483	-	-	-	6,483
Corporate expenses	-	-	-	(1,974)	(1,974)
Other income, (expenses) and (loss)	(210)	(1,705)	718	(758)	(1,955)
Tax expense	(2,829)	-	-	-	(2,829)
Net income/(loss)	3,444	(1,705)	718	(2,732)	(275)

#### b) Geographical area information

The Company operates in three geographic areas – Australia, Malaysia and Canada. Revenues are generated 100% in Malaysia and sold to a single customer in the US.

June 30, 2021	Australia \$	Malaysia \$	Canada \$	Total \$
<b>Balance sheet</b>				
Current assets	2,484	16,425	35,613	54,522
Property, plant and equipment	5,614	24,647	45	30,306
Exploration and evaluation	29,941	27,007	-	56,948
Total assets	38,039	68,079	35,658	141,776
Total liabilities	3,725	10,824	349	14,898
<b>June 30, 2020</b>				
June 30, 2020	Australia \$	Malaysia \$	Canada \$	Total \$
<b>Balance sheet</b>				
Current assets	206	15,878	9,037	25,121
Property, plant and equipment	5,594	34,580	82	40,256
Exploration and evaluation	31,835	150,219	-	182,054
Total assets	37,635	200,746	9,198	247,579
Total liabilities	1,133	19,684	341	21,158



## MONUMENT MINING LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2021 and 2020

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<b>For the year ended June 30, 2021</b>	<b>Australia \$</b>	<b>Malaysia \$</b>	<b>Canada \$</b>	<b>Total \$</b>
<b>Income statement</b>				
Revenue	-	23,236	-	<b>23,236</b>
Income from mining operations	-	3,567	-	<b>3,567</b>
Corporate expenses	(148)	(78)	(1,645)	<b>(1,871)</b>
Other expenses and loss	(1,564)	(88,140)	(10,030)	<b>(99,734)</b>
Tax expense	-	(1,280)	-	<b>(1,280)</b>
Net loss	(1,712)	(85,931)	(11,675)	<b>(99,318)</b>
<hr/>				
<b>For the year ended June 30, 2020</b>	<b>Australia \$</b>	<b>Malaysia \$</b>	<b>Canada \$</b>	<b>Total \$</b>
<b>Income statement</b>				
Revenue	-	29,971	-	<b>29,971</b>
Income from mining operations	-	6,483	-	<b>6,483</b>
Corporate expenses	(31)	(406)	(1,537)	<b>(1,974)</b>
Other income, (expenses) and (loss)	(1,705)	518	(768)	<b>(1,955)</b>
Tax expense	-	(2,829)	-	<b>(2,829)</b>
Net income/(loss)	(1,736)	3,766	(2,305)	<b>(275)</b>

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### 30. Subsequent Events

None