

# **GobiMin Inc.**

*(Incorporated in Canada under the Canada Business Corporations Act)*

## **Interim Management's Discussion and Analysis of Financial Results - Quarterly Highlights**

**June 30, 2022**

*(Expressed in United States Dollars except where otherwise noted)*

**GobiMin Inc.**  
**Interim MD&A – Quarterly Highlights**  
**For the quarter ended June 30, 2022**  
(Expressed in United States Dollars)  
August 18, 2022

---

The Quarterly Highlights of GobiMin Inc. (the “Company” or “GobiMin”) provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis (the “Annual MD&A”) for the fiscal year ended December 31, 2021. The Quarterly Highlights do not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

The Quarterly Highlights have been prepared by management as of August 18, 2022 and in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with its condensed interim consolidated financial statements for the six months ended June 30, 2022 prepared in accordance with International Financial Reporting Standards (“IFRS”), its audited consolidated financial statements for the year ended December 31, 2021 prepared in accordance with IFRS and the Annual MD&A.

Additional information is accessible at the Company’s website [www.gobimin.com](http://www.gobimin.com) or through the Company’s public filing at [www.sedar.com](http://www.sedar.com).

*Certain statements included in this discussion constitute forward-looking statements. Such forward-looking statements can often, but not always, be identified by the use of words such as “can”, “could”, “believe”, “propose”, “anticipate”, “intend”, “consider”, “estimate”, “expect”, or other variations of such expressions, or forward-looking statements may declare that certain measures, events or results “can”, “could” or “will” be taken or occur or be attained. Such forward-looking statements involve known and unknown risks and uncertainties as well as other factors that could cause actual results, performances or achievements of the Company to differ materially from the future results, performances or achievements implied or suggested in such forward-looking statements. Such risks, uncertainties and other factors include but are not limited to the risk factors discussed under the heading “Risk Factors” below. Accordingly, shareholders are cautioned not to put undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this discussion and the Company disclaims any obligations to update any forward-looking statements in order to account for any events or circumstances that might occur after the date that such forward-looking statements were established.*

## **1. Corporate Overview**

GobiMin, the shares of which are traded on the TSX Venture Exchange under the symbol GMN, is an investment issuer under the rules of the TSX Venture Exchange. The Company, together with its subsidiaries (collectively the “Group”), is principally engaged in investments in properties, equity, debt or other securities as well as direct ownership stakes in projects.

In previous periods, the Group also engaged in the development, exploration and exploitation of mineral properties in the Xinjiang Uygur Autonomous Region (“Xinjiang”) of the People’s Republic of China (“China”). Currently, GobiMin is in the process of disposal of its 100% indirect equity interest in a wholly-owned subsidiary, which owns the 70% indirect equity interest in the company holding the mining licence of the Sawayaerdun Gold Project (the “Gold Project”) located in Xinjiang (collectively the “Disposal Group”). Upon completion of the registration of equity transfer with the local authority on July 25, 2022, the Group discontinued its mining operations.

**GobiMin Inc.**  
**Interim MD&A – Quarterly Highlights**  
**For the quarter ended June 30, 2022**  
(Expressed in United States Dollars)  
August 18, 2022

---

**2. Financial Highlights**

	<b>Three months ended June 30,</b>		<b>Year ended</b>
	<b>2022</b>	2021	<b>December 31, 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Continuing operations			
Revenue	<b>202</b>	220	937
Loss on disposal of financial assets	<b>(120)</b>	(22)	(250)
Fair value loss on financial assets	<b>(262)</b>	(26)	(168)
Net loss for the period/year from:			
- continuing operations	<b>(1,328)</b>	(192)	(1,258)
- discontinued operations	<b>(177)</b>	(287)	(1,105)
	<b>(1,505)</b>	(479)	(2,363)
Loss attributable to shareholders of the Company from:			
- continuing operations	<b>(1,328)</b>	(192)	(1,270)
- discontinued operations	<b>(133)</b>	(210)	(815)
	<b>(1,461)</b>	(402)	(2,085)
Basic and diluted loss per share (in \$) from:			
- continuing and discontinued operations	<b>(0.030)</b>	(0.008)	(0.042)
- continuing operations	<b>(0.027)</b>	(0.004)	(0.026)
- discontinued operations	<b>(0.003)</b>	(0.004)	(0.016)
LBITDA <sup>(1)</sup>	<b>(1,448)</b>	(415)	(2,109)
LBITDA per share (in \$) <sup>(1)</sup>	<b>(0.029)</b>	(0.008)	(0.043)
	<b>As at June 30,</b>	<b>As at</b>	
	<b>2022</b>	2021	<b>December 31, 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash and cash equivalents	<b>13,824</b>	18,636	15,456
Cash and cash equivalents per share (in \$) <sup>(1)</sup>	<b>0.28</b>	0.38	0.31
Working capital	<b>53,149</b>	20,528	17,215
Total current liabilities	<b>1,800</b>	2,512	2,659
Total assets	<b>69,480</b>	74,266	73,725

*Note:*

(1) As non-IFRS measurements, **LBITDA** (loss before interest income and expense, income taxes, depreciation and amortisation), **LBITDA per share**, **Cash and cash equivalents per share** and **Working capital** are not mandatorily required by IFRS and, therefore, the amounts presented in the above table may not be comparable to similar data presented by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

### **3. Business Summary and Development**

The objective of the Company is to seek superior returns by making investments in properties, equity, debt or other securities as well as direct ownership stakes in projects, including the development of mineral projects. New investments will be directed by an Investment Committee and guided by the Company's Investment Policy which governs its investment activities and investment strategy.

#### **3.1 Gold Project**

As at June 30, 2022, the Company owned, through the 100% indirect equity interest in a wholly-owned subsidiary, the 70% indirect equity interest in Xinjiang Tongyuan Minerals Limited which holds the Gold Project in Xinjiang.

During the period under review, management committed to a plan to seek for potential investors for the Disposal Group with frequent and active discussion with potential buyers. Subsequent to the end of the reporting period on July 14, 2022, GobiMin entered into a definitive agreement to sell the Disposal Group to a subsidiary of a Hong Kong listed mining company, which is an independent third party to the Group, for approximately \$74,045,000 (RMB493,627,000) in cash, including the consideration for the equity transfer of approximately \$69,163,000 (RMB461,084,000) and repayment of loans to the Group of approximately \$4,882,000 (RMB32,543,000) ("Disposal"). The registration of equity transfer with the local authority for the Disposal was completed on July 25, 2022. Up to the date of this report, the Group received \$62,981,000 (RMB419,867,000), including first instalment of the consideration for the equity transfer and full settlement of loans due to the Group after deducting Chinese taxes and transaction related expenses. The final instalment of \$7,500,000 (RMB50,000,000) will be paid to the Company within 35 days from the payment of the first instalment.

As at June 30, 2022, the Group had a contractual commitment of \$1,570,000 for the Gold Project.

#### **3.2 Financial Assets**

##### **(i) Listed Securities**

As at June 30, 2022, the fair value of listed securities held by the Group amounted to \$660,000 (December 31, 2021: \$758,000) which include investments in listed stock, futures and options trading through a registered brokerage firm in Hong Kong and for listed stocks in Canada. For the six months ended June 30, 2022, the loss on trading of listed stock, indexes, futures and options amounted to \$276,000 (six months ended June 30, 2021: \$137,000) and fair value loss on listed securities was \$193,000 (six months ended June 30, 2021: \$88,000).

##### **(ii) Unlisted Investments**

The Group holds 670,000 shares of Dragon Silver Holdings Limited ("Dragon Silver") representing 9.90% of its total issued capital at an investment cost of \$1,121,000 (equivalent to HK\$8,710,000). Dragon Silver is a Hong Kong based company which mainly engaged in trading, production, processing and investment in precious metals and non-ferrous metals and related products.

Due to continuous difficult market conditions and the impact of COVID-19, the Group agreed with the guarantor and Dragon Silver to waive the compensation for Profit Guarantee for the financial years ended up to June 30, 2022, and to extend (i) the Dividend Guarantee of not less than \$0.16 (HKD1.25) per share to the Group to the financial years ending from June 30, 2022 to June 30, 2027; and (ii) the exercisable period of the Put Option in respect of the right to sell to the guarantor all the shares held by the Group at the investment cost to December 28, 2027. The fair value of the investment in Dragon Silver as at June 30, 2022 was \$1,226,000 (December 31, 2021: \$1,226,000) and there was no material fair value change for such investment for the six months ended June 30, 2022 (six months ended June 30, 2021: nil).

The Group also holds 40,153,000 shares, representing about 6.28% equity interest, in Infinity Technology (Cayman) Limited (“Infinity Tech”) whose group provides in Hong Kong a one-stop solution cloud POS system integrating automated ordering and payment, menu digitalisation, logistics, marketing analysis, supply chains and inventory management at an investment cost of \$1,500,000. The fair value of such investment as at June 30, 2022 was \$1,500,000 (December 31, 2021: \$1,500,000) and there was no material fair value change for the six months ended June 30, 2022 (six months ended June 30, 2021: not applicable).

As at June 30, 2022, unlisted investments held by the Group other than Dragon Silver and Infinity Tech amounted to \$233,000 (December 31, 2021: \$268,000). During the period under review, the fair value loss on other unlisted investments was \$32,000 (six months ended June 30, 2021: fair value gain of \$4,000).

### **(iii) Debentures**

The Group would invest in debentures bearing low risks and reasonable interest return from various industries through the open market. Debentures are held to receive coupon interest payments as well as to realise potential gains. The Group may dispose of debentures through the open market when the Group requires funds for operational or other investment needs.

As at June 30, 2022, the Group held debentures of \$1,435,000 (December 31, 2021: \$1,803,000) with coupon rates ranged from 6% to 7% (December 31, 2021: 5% to 7%) per annum and with perpetual maturities (December 31, 2021: perpetual maturities).

For the six months ended June 30, 2022, interest income from debentures was \$52,000 (six months ended June 30, 2021: \$79,000) and fair value loss on debentures amounted to \$167,000 (six months ended June 30, 2021: fair value gain of \$10,000).

### **3.3 Investment Properties**

As at June 30, 2022, the Group held investment properties with carrying amount of \$4,486,000 (December 31, 2021: \$4,795,000) in Shenzhen, Xinjiang and Hong Kong for rental income and/or capital appreciation. The estimated fair value of the investment properties was approximately \$7,801,000 as at June 30, 2022 (December 31, 2021: \$7,685,000) as determined by management assessment with reference to recent market prices for similar properties in the same locations and similar conditions. Certain investment properties were leased to third parties and related parties while some remain vacant. For the six months ended June 30, 2022, rental income from the leased properties was \$98,000 (six months ended June 30, 2021: \$105,000).

### **3.4 Normal Course Issuer Bid (“NCIB”)**

On April 27, 2022, TSX Venture Exchange (“TSXV”) approved the Company to commence a Normal Course Issuer Bid (“NCIB”) to repurchase up to an additional 2,459,749 common shares, representing 5% of the issued and outstanding common shares of the Company. Purchases will be made in accordance with applicable regulations over a maximum period of 12 months commenced on April 29, 2022 and ended on April 28, 2023 or on such earlier date as GobiMin may complete its purchases pursuant to the NCIB or as it may otherwise determine. For the six months ended June 30, 2022, a total of 12,500 common shares were repurchased at an aggregate cost of \$2,252 (CAD2,885). For the period from July 1, 2022 to August 18, 2022, a total of 21,500 common shares were repurchased at an aggregate cost of \$10,443 (CAD13,375) under the NCIB. All shares repurchased will be/have been returned to treasury for cancellation.

Management believed that the repurchase by the Company of its own shares can maximise shareholder value and is in the best interest of the Company and its shareholders. A copy of the related Notice of Intention to Make a NCIB will be provided to shareholders upon receipt of written request to the Company at its registered office.

### **3.5 Liquidity and Capital Resources**

As at June 30, 2022, working capital of the Group amounted to about \$53,149,000 (December 31, 2021: \$17,215,000), which is computed by netting off its current assets of \$55,841,000 (December 31, 2021: \$19,875,000) with its current liabilities of \$2,692,000 (December 31, 2021: \$2,660,000).

Among the total balance of cash and cash equivalents of \$13,824,000, approximately \$285,000 were held by subsidiaries in Mainland China. The subsidiaries in Mainland China are allowed to transfer funds to other group companies outside Mainland China upon presentation of relevant documentation required by applicable regulations. The Group will take careful measures ahead to ensure that the available resources match with its various payment obligations in Mainland China and elsewhere.

Taking into account of its financial position, management of the Group considered that its cash and cash equivalents will be more than sufficient to finance its operation, including the contractual commitments of the Gold Project of approximately \$1,570,000 as at June 30, 2022 (December 31, 2021: \$1,647,000).

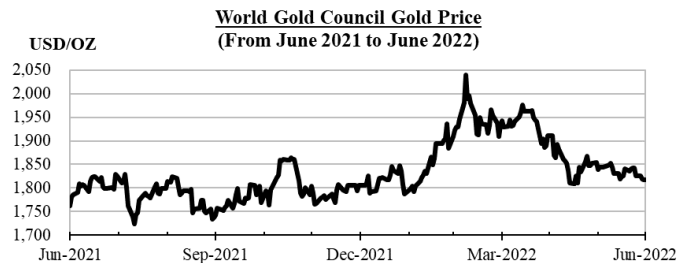
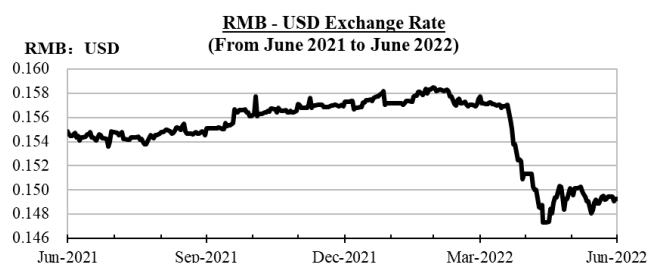
#### 4. Key Economic Trends

##### China Economy

On account of the large proportion of GobiMin’s business operated in Mainland China, the condition of the Chinese economy plays a key role in the Group’s exploration and development business. Currency fluctuations may also have an impact on the Group’s cost structure as the Group reports in United States Dollars. As at June 30, 2022, the Chinese Renminbi (“RMB”) depreciated by approximately 3.61% against the United States Dollars comparing with the exchange rate as at June 30, 2021. For the six months ended June 30, 2022, the exchange rate of RMB against the United States Dollars depreciated by approximately 5.12%.

##### Gold Market

The changes in gold price have a strong influence on the value of the Gold Project. As at June 30, 2022, the gold price has increased by around 3.05% against the gold price as at June 30, 2021.



#### 5. Selected Quarterly Information

For the three months ended June 30, 2022, the Group reported a net loss from continuing operations of \$1,328,000 (three months ended June 30, 2021: \$191,000) which mainly comprised interest income and rental income of \$197,000 (three months ended June 30, 2021: \$212,000), loss on disposal of financial assets of \$121,000 (three months ended June 30, 2021: \$22,000), fair value loss on financial assets of \$262,000 (three months ended June 30, 2021: \$26,000), exchange loss of \$592,000 (three months ended June 30, 2021: exchange gain of \$198,000) and general and administrative expenses of \$570,000 (three months ended June 30, 2021: \$590,000).

In this quarter, the Group recorded a net decrease in cash and cash equivalents of \$858,000 (three months ended June 30, 2021: net increase of \$227,000). It comprised mainly the net cash flows used in operating activities of \$1,216,000 (three months ended June 30, 2021: \$540,000), netting off the cash inflow from maturity of debentures of \$200,000 (three months ended June 30, 2021: \$200,000), interest received of \$153,000 (three months ended June 30, 2021: \$159,000).

The total assets decreased by \$4,245,000 from \$73,725,000 as at December 31, 2021 to \$69,480,000 at the end of the reporting period, which mainly represented exchange loss on translation of assets of PRC subsidiaries of \$2,025,000, net cash flows used in operating activities of \$1,583,000 and fair value loss and disposal loss on financial assets of \$668,000.

## **6. Results of Operations**

### **6.1 Revenue**

Interest income and rental income in the second quarter of 2022 were \$153,000 (three months ended June 30, 2021: \$159,000) and \$44,000 (three months ended June 30, 2021: \$53,000) respectively.

Interest income and rental income for the six months ended June 30, 2022 were \$307,000 (six months ended June 30, 2021: \$311,000) and \$98,000 (six months ended June 30, 2021: \$105,000) respectively.

### **6.2 Fair Value Loss and Disposal Loss on Financial Assets at Fair Value Through Profit or Loss (“FVTPL”)**

For the three months ended June 30, 2022, fair value loss on financial assets at FVTPL was \$262,000 (three months ended June 30, 2021: \$26,000). It mainly represented the fair value loss on listed securities of \$145,000 (three months ended June 30, 2021: \$36,000) and fair value loss on debentures of \$99,000 (three months ended June 30, 2021: fair value gain of \$3,000). Loss on disposal of \$121,000 (three months ended June 30, 2021: \$22,000) was resulted from the trading of listed stock, futures and options through a registered brokerage firm in Hong Kong.

For the six months ended June 30, 2022, fair value loss on financial assets at FVTPL was \$392,000 (six months ended June 30, 2021: \$74,000). It mainly represented the fair value loss on listed securities of \$193,000 (six months ended June 30, 2021: \$88,000) and fair value loss on debentures of \$167,000 (six months ended June 30, 2021: fair value gain of \$10,000). Loss on disposal of \$276,000 (six months ended June 30, 2021: \$137,000) was resulted from the trading of listed stock, futures and options through a registered brokerage firm in Hong Kong. The fair values were determined with reference to quoted market prices at the end of the reporting period.

### **6.3 General and Administrative Expenses**

General and administrative expenses were \$570,000 for this quarter (three months ended June 30, 2021: \$590,000) and \$1,144,000 for the six months ended June 30, 2022 (six months ended June 30, 2021: \$1,129,000). It mainly included office expenses, staff costs and legal and professional fees.

### **6.4 Loss Per Share From Continuing and Discontinued Operations**

The basic and diluted loss per share from continuing and discontinued operations were \$0.030 for this quarter (three months ended June 30, 2021: \$0.008) and \$0.044 for the six months ended June 30, 2022 (six months ended June 30, 2021: \$0.022).



**GobiMin Inc.**  
**Interim MD&A – Quarterly Highlights**  
**For the quarter ended June 30, 2022**  
(Expressed in United States Dollars)  
August 18, 2022

---

**6.5 LBITDA**

The loss before interest income and expense, income taxes, depreciation and amortisation (“LBITDA”), a non-IFRS performance measure, was set out in the table below:

	<b>For the three months ended</b>	
	<b>June 30, 2022</b>	June 30, 2021
	<b>\$'000</b>	\$'000
Loss for the period	<b>(1,505)</b>	(479)
Interest income	<b>(153)</b>	(159)
Depreciation	<b>210</b>	223
LBITDA <sup>(1)</sup>	<b>(1,448)</b>	(415)
LBITDA per share (in \$) <sup>(1) &amp; (2)</sup>	<b>(0.029)</b>	(0.008)

Note:

- (1) As non-IFRS measurements, **LBITDA** and **LBITDA per share** is not mandatorily required by IFRS and, therefore, the amounts presented in the above table may not be comparable to similar data presented by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.
- (2) Based on weighted average number of shares outstanding, a non-IFRS measure.

**6.6 Dividend**

No dividend was paid during the six months ended June 30, 2022 (six months ended June 30, 2021: nil).

**7. Cash Flows**

The following table summarises the Group’s cash flows and cash on hand:

	<b>As at</b>	
	<b>June 30, 2022</b>	December 31, 2021
	<b>\$'000</b>	\$'000
Cash and cash equivalents	<b>13,824</b>	15,456
Working capital <sup>(1)</sup>	<b>53,149</b>	17,215

	<b>For the three months ended</b>	
	<b>June 30, 2022</b>	June 30, 2021
	<b>\$'000</b>	\$'000
Net cash flows used in operating activities	<b>(1,215)</b>	(540)
Cash flow used in a financing activity	<b>(2)</b>	-
Net cash flows from investing activities	<b>360</b>	767
(Decrease)/increase in cash and cash equivalents	<b>(857)</b>	227

	<b>For the six months ended</b>	
	<b>June 30, 2022</b>	June 30, 2021
	<b>\$'000</b>	\$'000
Net cash flows used in operating activities	<b>(1,583)</b>	(1,055)
Cash flow used in a financing activity	<b>(2)</b>	-
Net cash flows from investing activities	<b>149</b>	199
Net decrease in cash and cash equivalents	<b>(1,436)</b>	(856)

**GobiMin Inc.**  
**Interim MD&A – Quarterly Highlights**  
**For the quarter ended June 30, 2022**  
(Expressed in United States Dollars)  
August 18, 2022

---

*Note:*

*(1) Working capital is a non-IFRS measurement, which is the difference between current assets and current liabilities.*

## **7.1 Operating Activities**

*For the three months ended June 30, 2022*

For the three months ended June 30, 2022, the Company recorded a net cash outflow from operating activities of \$1,215,000 (three months ended June 30, 2021: \$540,000) which mainly comprised of net cash payment of office expenses of \$468,000 (three months ended June 30, 2021: \$593,000) and net cash outflow from changes in working capital of \$748,000 (three months ended June 30, 2021: net cash inflow from changes in working capital of \$53,000).

*For the six months ended June 30, 2022*

For the six months ended June 30, 2022, the Company recorded a net cash outflow from operating activities of \$1,583,000 (six months ended June 30, 2021: \$1,055,000) which mainly comprised of net cash payment of office expenses of \$937,000 (six months ended June 30, 2021: \$1,066,000) and net cash outflow from changes in working capital of \$646,000 (six months ended June 30, 2021: net cash inflow from changes in working capital of \$12,000).

## **7.2 Financing Activity**

*For the three months ended June 30, 2022*

For the three months ended June 30, 2022, the Company recorded a cash outflow from financing activities which solely represented share repurchase of \$2,000 (three months ended June 30, 2021: nil).

*For the six months ended June 30, 2022*

For the six months ended June 30, 2022, the Company recorded a cash outflow from financing activities which solely represented share repurchase of \$2,000 (six months ended June 30, 2021: nil).

## **7.3 Investing Activities**

*For the three months ended June 30, 2022*

For the three months ended June 30, 2022, the Company recorded a net cash inflow from investing activities of \$360,000 (three months ended June 30, 2021: \$767,000), which mainly represented proceeds received on maturity of debenture of \$200,000 (three months ended June 30, 2021: \$200,000) and interest received of \$152,000 (three months ended June 30, 2021: \$159,000).

*For the six months ended June 30, 2022*

For the six months ended June 30, 2022, net cash inflow from investing activities was \$149,000 (six months ended June 30, 2021: \$199,000), representing the proceeds received on maturity of debenture of \$200,000 (six months ended June 30, 2021: \$200,000) and interest income of \$308,000 (six months ended June 30, 2021: \$312,000) netting off cash outflow from net addition of listed securities of \$371,000 (six months ended June 30, 2021: \$287,000).

## **8. Statements of Financial Position**

### **8.1 Cash and Cash Equivalents**

The Group had approximately \$13,823,000 cash and cash equivalents as at June 30, 2022, compared to \$15,456,000 as at December 31, 2021. The decrease of \$1,633,000 was mainly due to the net cash flows used in operating activities of \$1,583,000.

### **8.2 Assets and Liabilities of a Disposal Group Classified as Held for Sale and Discontinued Operations**

During the period, management committed to a plan to focus more resources on its investment business and seek for potential investors for the mining business. Frequent and active discussion has been carried out with potential buyers.

Subsequent to the end of the reporting period on July 14, 2022, the Group entered into a definitive agreement to sell the Disposal Group, comprising of the Group's mining business segment, to a subsidiary of a Hong Kong listed mining company, which is an independent third party to the Group, for approximately \$74,045,000 (RMB493,627,000) in cash, including the consideration for the equity transfer of approximately \$69,163,000 (RMB461,084,000) and repayment of loans to the Group of approximately \$4,882,000 (RMB32,543,000). The Group presented the results of the Disposal Group separately as "loss for the period from discontinued operations" in the condensed interim consolidated statement of comprehensive income and the assets and liabilities of the Disposal Group as "assets / liabilities of a disposal group classified as held for sale" in the condensed interim consolidated statement of financial position.

For the six months ended June 30, 2022, the net loss from discontinued operations of \$351,000 comprised mainly of salaries and depreciation of property, plant and equipment of the Disposal Group.

As at June 30, 2022, the assets of a disposal group classified as held for sale comprised mainly of exploration and evaluation assets of \$32,774,000, property, plant and equipment of \$4,446,000 and cash and cash equivalent of \$170,000 respectively. As at June 30, 2022, the liabilities of a disposal group classified as held for sale comprised mainly of the amounts payable for the construction work of office building, exploration and mine design and related facilities of the Gold Project.

### **8.3 Financial Assets**

As at June 30, 2022, financial assets comprised:

#### Current Portion

- (a) \$504,000 investments in listed shares, options and futures.

#### Non-current Portion

- (a) \$1,435,000 debentures with coupon rates ranged from 6% to 7% per annum and with perpetual maturities.
- (b) \$1,500,000 unlisted equity investment in Infinity Tech, whose subsidiary in Hong Kong providing a one-stop solution cloud POS system integrating automated ordering and payment, menu digitalisation, logistics, marketing analysis, supply chain and inventory management.
- (c) \$1,226,000 unlisted equity investment in Dragon Silver, a Hong Kong based metal trading and processing company.
- (d) \$233,000 investment in an investment fund.
- (e) \$156,000 investment in shares listed on TSX Venture Exchange.

#### **8.4 Share Capital**

As at June 30, 2022, GobiMin had 49,182,482 common shares issued and outstanding. A total of 12,500 shares were repurchased and cancelled for the six months ended June 30, 2022.

#### **9. Related Party Transactions**

The Group had the following transactions with related parties during the six months ended June 30, 2022:

- (a) Fees and other remunerations to directors and management personnel of \$224,000 (six months ended June 30, 2021: \$190,000).
- (b) Rental income of \$44,000 (six months ended June 30, 2021: \$44,000) and share of office common expenses of \$8,000 (six months ended June 30, 2021: \$6,000) from companies in which a director of the Company has equity interest.

#### **10. Capital Commitment**

As at June 30, 2022, the Group had capital commitments of \$1,570,000 (December 31, 2021: \$1,647,000) in relation to office building renovation, mine design and related facilities and research on gold processing method.

#### **11. Off-Balance Sheet Arrangements**

The Group does not have any off-balance sheet arrangements.

#### **12. Future plans for material investments**

The Group intends to use its available funds to invest in equity, debt instruments and other investments as part of its focus as an investment issuer. As at the date of this report, the Company does not have any plan for material investments in the near future.

#### **13. Outstanding Share Data**

The following table provides information on the Company's share capital and convertible securities:

<b>As at</b>	<b>December 31, 2021</b>	<b>June 30, 2022</b>	<b>August 18, 2022</b>
Number of Common Shares Outstanding	49,194,982	<b>49,182,482</b>	<b>49,160,982</b>
Number of Options Outstanding	-	-	-
Number of Common Shares Fully Diluted	49,194,982	<b>49,182,482</b>	<b>49,160,982</b>

#### **14. Risk Factors**

The business conducted by the Group is subject to a number of risks. These risk factors could materially affect the Group's future operating results and could cause actual events to differ materially from those described in the forward-looking statements relating to the Group. Prospective investors should carefully consider the risks factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the financial year ended December 31, 2021, available on SEDAR at [www.sedar.com](http://www.sedar.com).