KGL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

ABN 52 082 658 080

FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

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DIRECTORS' REPORT

The directors of KGL Resources Limited present their report on the consolidated entity consisting of KGL Resources Limited (**Company**) and the entities it controlled for the half-year ended 31 December 2022 (**Group**).

DIRECTORS

The names of the directors who held office during the half-year and up to the date of this report were:

DIRECTOR	POSITION HELD
Mr D. Wood	Executive chairman
Mr F. Purnamasidi	Non-executive director
Mr J. Gerard	Independent non-executive director

Mr I. Williams was an independent non-executive director of the Company from the beginning of the financial period until his resignation on 28 November 2022.

PRINCIPAL ACTIVITY

The principal continuing activity of the Group during the half-year period was the exploration and development of the Jervois Copper Project in the Northern Territory.

REVIEW OF OPERATIONS

During the half-year to 31 December 2022, the Company took further steps towards its final investment decision (**FID**) for the Jervois Copper Mine Project (**Project**) by completing resource drilling, delivering a resource upgrade which culminated in the publication of a positive Feasibility Study (**FS**) in November 2022.

Exploration drilling continued in parallel in the latter part of 2022, with the Company concentrating on near mine extensions to extend the Project's mine life with the potential to add significant value for shareholders.

FEASIBILITY STUDY

The Company was pleased to report the results of the Jervois Copper Project Feasibility Study to shareholders on 10 November 2022[1].

Building on the positive results of the Pre-Feasibility Study (**PFS**) announced in December 2020, the Company successfully prioritised activities in the FS to substantially extend the proposed initial mine life of 7.5 years and improve project economics.

Study highlights included:

- Extension of the mine life from 7.5 years (PFS) to 11.75-years mine life (ore processing 11.25 years).
- 25% increase in copper metal produced when compared to the December 2020 PFS which was a period severely impacted by COVID restrictions.
- 25% increase in ore reserves to 11.7 Mt at 2.10% Cu, 0.29 g/t Au and 29.8 g/t Ag when compared to December 2020 PFS.
- Annual production of 24.7 kt of Cu metal in concentrate with gold and silver payable credits.
- Pre-production capital cost of A$298 million.
- Proven open cut and underground mining methods, with well-established processing technology.
- Off-grid power system (solar, wind and battery with backup diesel) enables renewable energy to provide the majority of power requirements.

[1] Refer to ASX release dated 10 November 2022

REVIEW OF OPERATIONS (CONTINUED)

- Strong financial returns, assuming FS long term copper price of US$4.23/lb[2,3] (US$9,326/metric tonne):
  - NPV (8% real, after tax) of A$241 M
  - IRR of 20.7%
  - Simple payback of 4.2 years

Commissioning, capability, and resourcing risks will be significantly reduced by taking a fully contracted operational approach. Additional optimisation opportunities will be pursued as part of the package of tendered contracts and funding arrangements

Based on recent success, ongoing exploration is being prioritised to increase the mineral resource confidence (JORC classification) and expand the mineral resource base.

Prior to FID, the Board will prioritise the following work programs:

- Undertake competitive tender for key contracts including open cut and underground mining, EPC and ongoing operations for the processing plant,
- Continue to identify opportunities to improve the Project value and reduce financing and operational risks in collaboration with the preferred tenderers; and
- Continue exploration to grow the high-grade mineral inventory focusing on mineral resources and ore reserves proximal to the known mineral deposits and in prospective parts of the Jervois tenements with the goal of extending the mine life and increasing the existing mineral resources and ore reserves.

The potential to add considerable value by extending the mine life justifies a focused exploration program. The Company intends to move toward FID on the basis that Project finance and shareholder equity can be secured to underpin the Project, subject to market conditions.

RESOURCE DEVELOPMENT DRILLING

Assays were received in July 2022 from the 16-hole RC drilling program at Bellbird, which was designed to improve the JORC classification of the mineral resource models, principally to re-classify mineralisation from inferred category to indicated category.

The Company reported an updated Bellbird resource on 14 September 2022, which delivered; -

- A 14% increase in contained copper metal to 129kT.
- Maiden JORC measured mineral resources.
- Contained copper within the Bellbird pit design classified as follows:
  - 85% measured
  - 14% indicated
  - 1% inferred

The updated total mineral resources for the Jervois Copper Project are shown in Table 1 below:-

2 Source: Bloomberg Consensus Forecast for 2025 (as at 30 September 2022)
3 The Bloomberg Consensus Forecast is supported by Wood Mackenzie Forecast Copper Price to deliver new projects under the accelerated energy transition scenario (AET-1.5) of $4.25/lb (US$9,370/t) in constant 2022 US dollar terms (Wood Mackenzie: Red Metal, Green Demand. Copper's Critical Role in Achieving Net Zero. October 2022)

REVIEW OF OPERATIONS (CONTINUED)

Resource			Mineralised Mass	Grade			Metal		
	Area	Category	(Mt)	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)
Open Cut Potential > 0.5 % Cu*	Reward	Indicated	3.84	1.80	39.4	0.31	69.1	4.9	38.2
		Inferred	0.65	0.92	9.2	0.07	5.9	0.2	1.5
	Bellbird	Measured	1.23	2.53	15.10	0.14	31.2	0.6	5.6
		Indicated	1.26	1.45	9.10	0.17	18.2	0.4	6.8
		Inferred	1.02	1.24	10.60	0.12	12.7	0.3	4.0
	Sub Total		**8.00**	**1.71**	**24.8**	**0.22**	**137.1**	**6.4**	**56.1**
Underground Potential > 1 % Cu*	Reward	Indicated	4.78	2.12	42.6	0.45	101.6	6.6	69.2
		Inferred	4.32	1.56	19.6	0.20	67.3	2.7	27.8
	Bellbird	Indicated	0.33	2.33	19.80	0.14	7.8	0.2	1.5
		Inferred	2.84	2.09	12.30	0.11	59.1	1.1	9.7
	Rockface	Indicated	2.80	3.37	21.4	0.23	94.3	1.9	21.1
		Inferred	0.73	1.92	19.0	0.18	14.0	0.4	4.2
	Sub Total		**15.80**	**2.18**	**25.5**	**0.26**	**344.1**	**13.0**	**133.5**
Sub Totals		Measured	1.23	2.53	15.1	0.14	31.2	0.6	5.6
		Indicated	13.01	2.24	33.3	0.33	291.0	13.9	136.9
		Inferred	9.55	1.67	15.7	0.15	159.0	4.8	47.1
Total			**23.80**	**2.02**	**25.3**	**0.25**	**481.2**	**19.3**	**189.6**

Table 1 – Jervois Copper Project Mineral Resources
Refer to ASX Releases for resources update – 14 September 2022
** Cut-off grades: 0.5% Cu above 200m RL, 1% Cu below 200m RL; Note: 200m RL is 150m below surface*
Due to small rounding errors, table may not add.

The Project's current resource (September 2022) is 23.8Mt @ 2.02% Cu, 0.25g/t Au and 25.3g/t Ag. Approximately half of the resource has been converted in ore reserve (11.7Mt @ 2.10% Cu).

Based on the contained copper in the September 2022 reported resources, Reward / Marshall, Rockface and Bellbird deposits represent 50.7%, 22.5% and 26.8% respectively. The FS mining strategy is to initially mine on an open-cut basis while underground development is initiated at the Reward / Marshall deposit. Bellbird open-cut is commenced first due to the higher copper grades. Development of the Rockface underground mine then commences after Bellbird open-cut concludes in early 2026. The total copper produced is 278 Kt over the 11.75-year mining period.

EXPLORATION

Drilling at the Project continued in the latter half of 2022, with one high-capacity universal rig. A total of 18 holes were completed during the period, with total RC and diamond metres drilled of 8,697, with KJCD556 the deepest holes reported at 1,128m depth.

Rockface

On 27 September 2022, the Company announced results from hole KJCD556 which was drilled to test the down-dip continuation of the high-grade Rockface deposit as defined by previous down-hole electromagnetics (**DHEM**) modelling and drilling.

The Company has pursued a methodical approach to exploration at the Rockface deposit, using drilling and DHEM, since the first high-grade broad interval of copper was discovered in hole KJCD171 back in 2015. The subsequent DHEM survey uncovered two conductors below KJCD171. Over the next few years, the process of drilling conductors followed by further DHEM surveys was repeated on each hole. This successfully followed the deposit down.

The attached long section in Figure 1. demonstrates the reliability of DHEM, comparing the locations of conductors against the potential mine plan.

REVIEW OF OPERATIONS (CONTINUED)

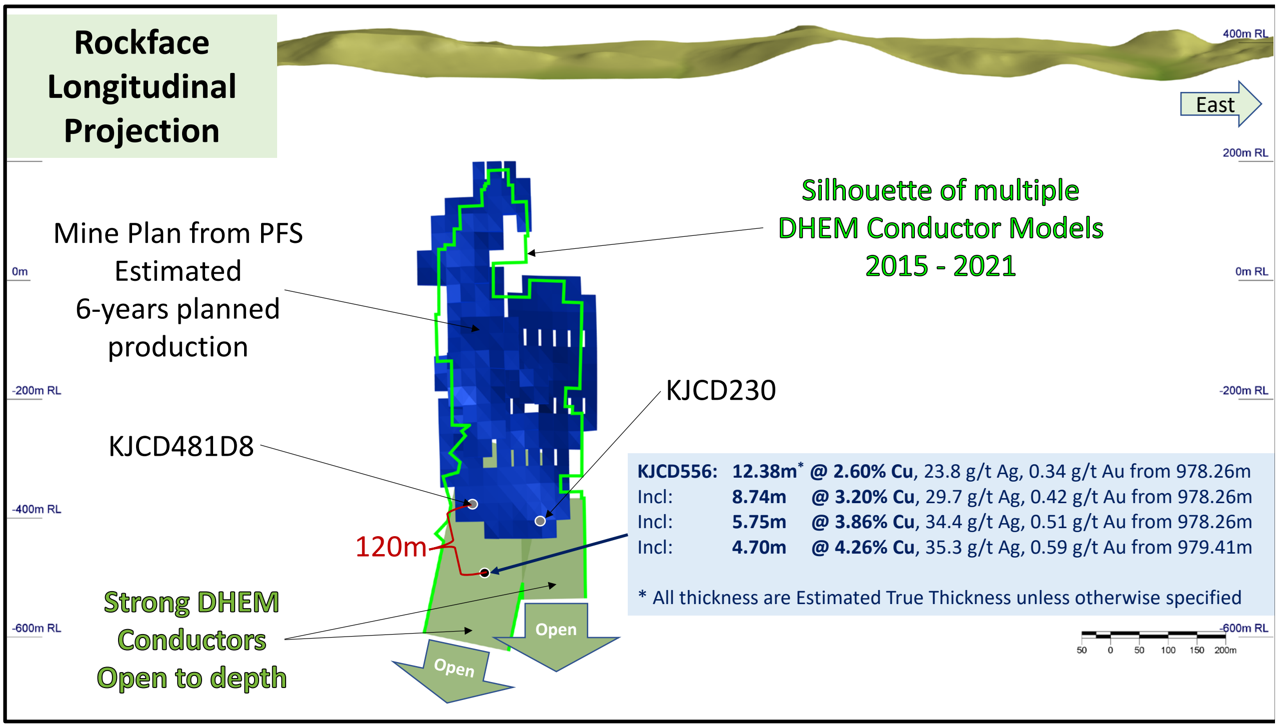

Figure 1: Rockface Deposit, Longitudinal projection showing the pierce point of KJCD556 corresponding with the strong copper intersection. Importantly the DHEM model indicates no lower bound to the Rockface North mineralisation. Note the close correspondence between the perimeter of the DHEM modelling (green outline) and the 6-year underground mine plan from the PFS (blue panels=planned stopes).). Prior to KJCD556, the two previous deepest intersections of Rockface North were KJCD230 and KJCD481D8, with their pierce-points shown here

KJCD556 was drilled to validate the DHEM conductor 120 metres below the two previously deepest Rockface intersections (KJCD230 and KJCD481D8). The Company followed up with further DHEM surveys prior to the end of year, to better define the continuance of the conductors.

KJCD556 intersected the Rockface North lode in a position predicted by the DHEM modelling.

The hole intersected a 12.38m (estimated true thickness) zone of massive, semi-massive and stringer sulphides comprised mainly of chalcopyrite (copper-iron-sulphide) and pyrite (iron-sulphide). Assays revealed a strong copper-silver-gold intersection in KJCD556 summarised as follows:

- 12.38m[4] @ 2.60% Cu, 23.8 g/t Ag, 0.34 g/t Au from 978.26m including:
  - 8.74m @ 3.20% Cu, 29.7 g/t Ag, 0.42 g/t Au from 978.26m including:
    - 5.75m @ 3.86% Cu, 34.4 g/t Ag, 0.51 g/t Au from 978.26m including:
      - 4.70m @ 4.26% Cu, 35.3 g/t Ag, 0.59 g/t Au from 979.41m.

Results from drillhole KJCD556 are significant for several reasons, including:

- Confirming the continuity of the high-grade zone. The strong conductor continues and remains open at depth; and
- Continuing to demonstrate the validity of DHEM as a methodology to prioritise resource drilling in multiple locations across the Project exploration tenements.

The drilling program in 2023 will include additional exploration holes at Rockface; and as part of the broader exploration program, KGL will be prioritising the expansion of mineral resources and ore reserves within and nearby the known mineral deposits with an objective to extend the mine life.

4 All thicknesses are Estimated True Thickness unless otherwise specified.

REVIEW OF OPERATIONS (CONTINUED)

Reward / Marshall Deeps

Shortly after period end, the Company announced the assay results for hole KJCD557, which was part of the 2022 drilling program at Reward / Marshall Deeps.

High-grade assay results from hole KJCD557 were reported which succeeded in testing for extensions of copper mineralization previously drilled at Marshall Deeps lode (which is located at the southern end of the Reward deposit).

The hole represents a significant, >200 metre, step-out in a southerly direction from previous drill holes (Figure 2), which also carried significant copper mineralization. The hole also targeted MIMDAS IP and gravity geophysical anomalies at Marshall Deeps.

KJCD557 intersected 2 zones of copper mineralization. The west zone is high grade and is associated with interpreted strong DHEM conductors. The east zone is wider and carries lower grade copper, but higher gold assays (up to 1.058 g/t Au over 1m).

KJCD557 WEST ZONE:

- 2.00m[5] @ 4.32% Cu, 19.7 g/t Ag, 0.11 g/t Au from 661.0m

KJCD557 EAST ZONE:

- 9.00m[5] @ 0.72% Cu, 15.7 g/t Ag, 0.53 g/t Au from 700.0m

The east zone also has associated DHEM conductors (Figure 3) and is tentatively correlated with a well mineralized zone in previously reported KJCD529 located 328 metres to the north. Further drilling is planned to confirm this interpretation.

KJCD529 EAST ZONE:

- 4.80m[5] @ 2.21% Cu, 19.9 g/t Ag, 0.14 g/t Au from 763.2m

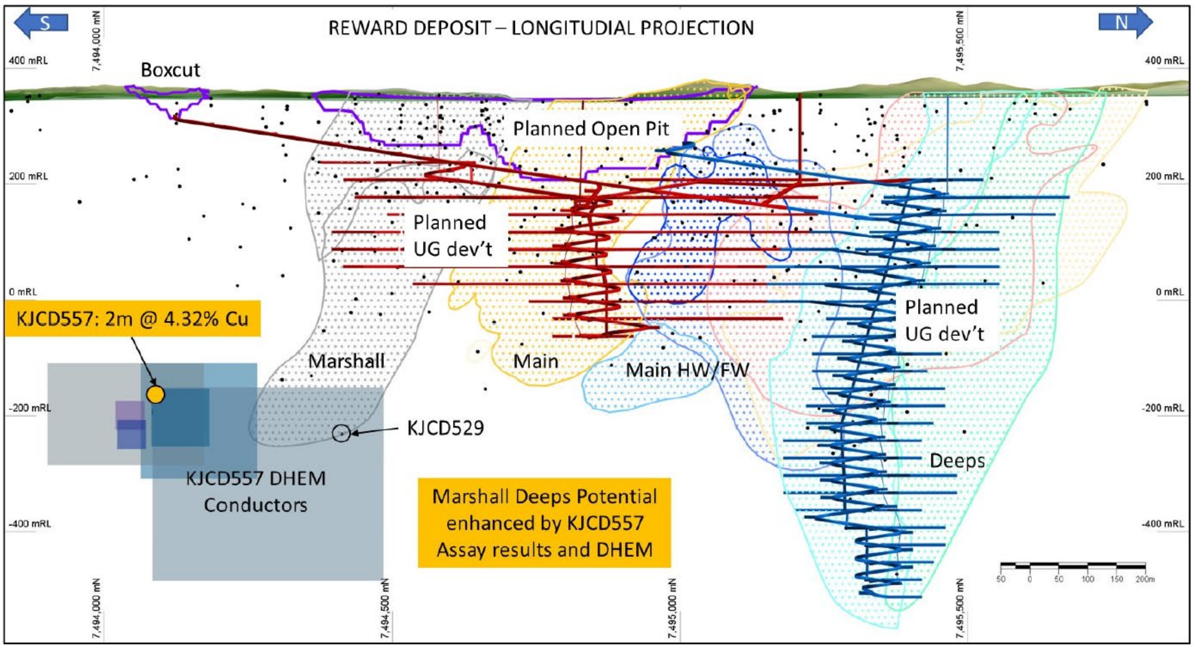

Figure 2: Reward Deposit Longitudinal Projection – High-grade assays and DHEM conductors in KJCD557 enhance the potential for additional mineral resources at Marshall Deeps. Reward lodes (named coloured shapes, drillhole pierce points (black dots) planned mine development (open pit and underground) are shown.

5 Drilled Thickness. Orientation of the mineralised structure to be determined in follow-up drilling programs.

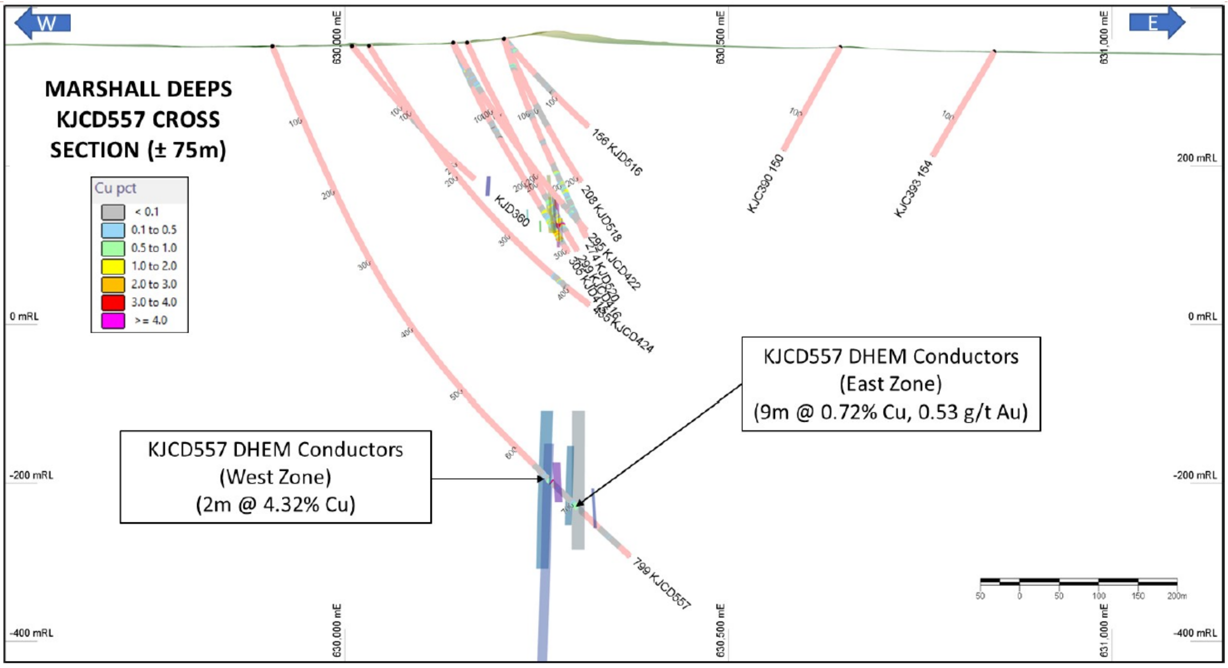

Figure 3: Cross Section through Marshall Deeps hole KJCD557 showing the DHEM conductors associated with both the west and east zones of mineralisation

The results in KJCD557 are encouraging for the potential delineation of additional resources at Marshall Deeps. As can be seen from the long projection (Figure 2), Marshall Deeps should be accessible from the currently planned underground mine development. The DHEM conductors are reliable indicators of sulphide mineralization at the Project, so the detection of sizable DHEM conductors in KJCD557 enhances the exploration potential of the Marshall Deeps target. Additional drilling is required for mineral resources to be estimated and reported in compliance with JORC code standards and this, together with Rockface, will be the focus of the 2023 exploration drilling program.

CORPORATE

During the half year period, the Company has continued to utilise the proceeds from the May 2022 entitlement offer to complete resource delineation drilling, upgrade project resources, and deliver the feasibility study in November 2022.

The Company has $14.6 million cash on hand at 31 December 2022, which provides a pool of funds for activities , including:

- Undertaking competitive tender for key contracts, including open cut and underground mining, EPC and ongoing operations for the processing plant,
- Continuing to identify opportunities to improve the Project value and reduce financing and operational risks in collaboration with the preferred tenderers; and
- Commencing a 2023 focused exploration program to grow the high-grade resource. This will focus on resources and reserves within the known mineral deposits and in prospective parts of the Project tenements with the goal of increasing the mine life and upgrading the existing mineral resources and reserves.

COPPER MARKET

While in the first half of 2022 copper and other base metal commodities prices have dropped back off recent all-time highs, a long-term structural deficit in the copper market is forecast from 2025 driven by global decarbonisation targets for achieving net-zero emissions by 2050. Meeting these targets requires significant growth in electric vehicles, electrification, and renewable energy projects. These changes require more copper than conventional fossil fuel technologies, with market forecasters predicting copper demand to double by 2035.

REVIEW OF OPERATIONS (CONTINUED)

COPPER MARKET (CONTINUED)

Wood Mackenzie published an article on 28 September 2022 titled '*The Drive for Decarbonisation'*, which forecast that demand for copper would more than double by 2050 under their accelerated energy transition 1.5-degree scenario (AET-1.5). Copper consumption (including direct scrap use) grows from 28.8 Mt in 2020 to 68.5 Mt by 2050, representing a growth rate of 2.9% per annum, with electric vehicles and the grid being key demand drivers in addition to traditional demand growth.

A number of countries have accelerated efforts to transition their economies to clean energy. There has been a renewed focus on energy independence since the Russian invasion of Ukraine and broader efforts have been made to improve the security of supply chains as strategies are pursued to bring manufacturing closer to home.

As demand from the energy transition begins to accelerate over the next few years, the global community faces significant supply challenges arising from a combination of factors including declining grades and reserves from existing mines, a lack of new discoveries despite increased exploration budgets and an extended approval process to, on average, 16 years from discovery to production.

FINANCIAL REVIEW

For the six-month period ended 31 December 2022:

- The Group recorded a loss after taxation of $1,439,239 (30 June 2022: loss of $1,676,050),
- $5,558,398 (30 June 2022: $10,151,546) was incurred developing the Jervois Copper Project; and
- Employee benefits expenses amounted to $774,926 (30 June 2022: $662,816).

The Group cash reserve as at 31 December 2022 was $14,588,897.

MATERIAL BUSINESS RISKS

The Group's exploration and mining operations will be subject to the normal risks of mining and any revenues will be subject to numerous factors beyond the Group's control. The material business risks that may affect the Group are summarised below.

FUTURE CAPITAL RAISINGS

The Group's ongoing activities may require substantial further financing in the future, in addition to amounts raised pursuant to the entitlement offer completed in May 2022. The Group will require additional funding to bring the Jervois Copper Project into commercial production. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the Group's operations and business strategy. Although the directors believe that additional capital can be obtained, no assurances can be made, especially given the current macro-economic environment, that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Group's activities and could affect the Group's ability to continue as a going concern.

EXPLORATION RISK

The success of the Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Group's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Group and possible relinquishment of the tenements. The exploration costs of the Group are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

MATERIAL BUSINESS RISKS (CONTINUED)

EXPLORATION RISK (CONTINUED)

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Group's viability. If the level of operating expenditure required is higher than expected, the financial position of the Group may be adversely affected. The Group may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

FEASIBILITY AND DEVELOPMENT RISKS

It may not always be possible for the Group to exploit successful discoveries which may be made in areas in which the Group has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. There is a risk that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that the project may not be successfully developed for commercial or financial reasons.

REGULATORY RISK

The Group's operations are subject to various Commonwealth, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Group will be successful in maintaining such authorisations in full force and effect without modification or revocation.

To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Group may be curtailed or prohibited from continuing or proceeding with production and exploration. The Group's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Group's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Group. It is also possible that, in relation to tenements which the Group has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Group to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected. The Group has a registered Indigenous Land Use Agreement with the traditional owners for its Jervois Copper Project.

OCCUPATIONAL HEALTH AND SAFETY

Given the Group's exploration activities (and especially if it achieves exploration success leading to mining activities), it will face the risk of workplace injuries which may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities of the Group can be dangerous. The Group has, and intends to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors and the community.

MATERIAL BUSINESS RISKS (CONTINUED)

LIMITED OPERATING HISTORY OF THE GROUP

The Group has limited operating history on which it can base an evaluation of its future prospects. If the Group's business model does not prove to be profitable, investors may lose their investment. The Group's historical financial information is of limited value because of the Group's lack of operating history and the emerging nature of its business. The prospects of the Group must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

KEY PERSONNEL

In formulating its exploration programs, feasibility studies and development strategies, the Group relies to a significant extent upon the experience and expertise of the directors and management. A number of key personnel are important to attaining the business goals of the Group. One or more of these key employees could leave their employment, and this may adversely affect the ability of the Group to conduct its business and, accordingly, affect the financial performance of the Group and its share price. Recruiting and retaining qualified personnel is important to the Group's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong.

RESOURCE ESTIMATE RISK

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Group's future plans and ultimately its financial performance and value. Copper and gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

ENVIRONMENTAL RISK

The operations and activities of the Group are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Group's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Group attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

AVAILABILITY OF EQUIPMENT AND CONTRACTORS

Prior to the COVID-19 pandemic, appropriate equipment, including drill rigs, was in short supply. There was also high demand for contractors providing other services to the mining industry. The COVID-19 pandemic has only served to exacerbate these issues. Consequently, there is a risk that the Group may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of the Group's activities.

MATERIAL BUSINESS RISKS (CONTINUED)

FLUCTUATIONS IN COPPER PRICE AND AUSTRALIAN DOLLAR EXCHANGE RATE

The copper mining industry is competitive. There can be no assurance that copper, silver and gold prices will be such that the Group can mine its deposits at a profit. Copper, silver and gold prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. These fluctuations were exacerbated by the COVID-19 pandemic, the conflict between Ukraine and Russia, the inflationary outlook, labour and materials shortages and forecast global economic slowdown in 2023. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

CLIMATE CHANGE RISK

The operations and activities of the Group are subject to changes in local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact the Group and its profitability. While the Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Group will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by the Group, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Group operates.

The Company is working proactively to increase the level of renewable energy penetration at its Jervois Copper Project and is considering a range of technologies that could be applied to the project for the benefit of all stakeholders.

MACRO-ECONOMIC RISKS

In the second half of 2022, the world continued to recover from the COVID-19 pandemic, with global supply chains slowly returning to normal, however inflationary pressures, labour and equipment shortages are still being experienced. China's retention of a COVID-19 elimination strategy for most of the latter part of 2022 slowed the Chinese economy. This had flow on effects for the global economy, including Australia, given China is such a large global trading partner. With China's economy reopening in 2023 following abandonment of its COVID-19 health restrictions, it is hoped some economic stimulation will be provided to counter the headwinds of skills shortages and inflation.

Inflationary pressures for appropriately skilled labour and capital items are being seen across many industries, including mining. Current domestic and international inflation is at levels not since the 1970s and 1980s, triggering rising interest rates globally; a situation that has been driven by post pandemic issues and by spiking energy prices, triggered by the conflict between Ukraine and Russia. These conditions are expected to persist in the short term.

Australia now has unrestricted international borders, however further disruptions may be experienced as the pandemic moves into the endemic phase, with waning vaccine effectiveness and possible new COVID-19 variants, which could cause subsequent disruptions to businesses nationwide.

FUTURE PROSPECTS

The directors continue to work towards the final investment decision, project financing and development, which will be supplemented with further near mine resource extension exploration work at the Jervois Copper Project.

EVENTS AFTER THE REPORTING DATE

There are no significant matters or circumstances that have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001*, is set out on page 13.

This report is made in accordance with a resolution of directors.

Denis Wood
Executive Chairman

Brisbane
15 March 2023

COMPETENT PERSON'S STATEMENT

The Project exploration data in the Directors' Report is based on information compiled by John Levings BSc, a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Levings is Principal Geologist for the Company.

Mr. Levings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity that is being undertaken, so as to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Levings consents to the inclusion of this information in the form and context in which it appears in this report.

The following drill holes were originally reported on the date indicated and using the JORC code specified in the table. Results reported under JORC 2004 have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported.

Hole		Date Originally Reported	JORC Reported Under
KJCD	171	22/10/2015	2012
KJCD	230	13/04/2018	2012
KJD	360	17/10/2019	2012
KJCD	415	14/04/2020	2012
KJCD	416	17/03/2020	2012
KJCD	422	01/03/2022	2012
KJCD	424	01/03/2022	2012
KJCD	481D8	08/12/2021	2012
KJCD	516	28/07/2022	2012
KJCD	520	28/07/2022	2012
KJCD	529	28/07/2022	2012
KJCD	556	27/09/2022	2012
KJCD	557	19/01/2023	2012

The Jervois Resources information was first released to the market on 14 September 2022 and complies with JORC 2012. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Jervois Reserves information were first released to the market on 10/11/2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF KGL RESOURCES LIMITED

As lead auditor for the review of KGL Resources Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of KGL Resources Limited and the entities it controlled during the period.

A J Whyte
Director

BDO Audit Pty Ltd

Brisbane, 15 March 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	6 MONTHS ENDED 31 DEC 2022 $	6 MONTHS ENDED 30 JUN 2022 $
Other income	**150,384**	15,509
Employee benefits expense	**(774,926)**	(662,816)
Administration expenses	**(403,868)**	(435,595)
Professional and consulting fees	**(272,491)**	(441,392)
Other expenses	**(91,907)**	(105,229)
Depreciation and amortisation expense	**(45,083)**	(44,462)
Finance expense	**(1,348)**	(2,065)
LOSS BEFORE INCOME TAX	**(1,439,239)**	(1,676,050)
Income tax expense	**-**	-
LOSS FOR THE HALF-YEAR	**(1,439,239)**	(1,676,050)
Other comprehensive income, net of tax	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR	**(1,439,239)**	(1,676,050)
LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		
Basic loss per share (cents per share)	**(0.32)**	(0.41)
Diluted loss per share (cents per share)	**(0.32)**	(0.41)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

KGL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ABN 52 082 658 080

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	NOTE	31 DEC 2022 $	30 JUN 2022 $
CURRENT ASSETS			
Cash and cash equivalents		**14,588,897**	23,271,256
Trade and other receivables		**158,510**	83,363
Financial assets		**148,765**	148,765
Prepayments		**787,505**	662,554
TOTAL CURRENT ASSETS		**15,683,677**	24,165,938
NON-CURRENT ASSETS			
Financial assets		**303,312**	303,312
Property, plant, and equipment		**267,048**	198,355
Right-of-use assets		**253,860**	425,356
Exploration and evaluation assets	3	**96,309,219**	90,750,821
Intangible assets		**2,991**	3,428
TOTAL NON-CURRENT ASSETS		**97,136,430**	91,681,272
TOTAL ASSETS		**112,820,107**	115,847,210
CURRENT LIABILITIES			
Trade and other payables	4	**906,723**	2,443,554
Lease liabilities		**193,140**	304,294
TOTAL CURRENT LIABILITIES		**1,099,863**	2,747,848
NON-CURRENT LIABILITIES			
Lease liabilities		**69,674**	121,807
TOTAL NON-CURRENT LIABILITIES		**69,674**	121,807
TOTAL LIABILITIES		**1,169,537**	2,869,655
NET ASSETS		**111,650,570**	112,977,555
EQUITY			
Contributed equity	5	**237,313,694**	237,329,681
Reserves		**297,381**	169,140
Accumulated losses		**(125,960,505)**	(124,521,266)
TOTAL EQUITY		**111,650,570**	112,977,555

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	6 MONTHS ENDED 31 DEC 2022 $	6 MONTHS ENDED 30 JUN 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts in the course of operations	**592,221**	1,075,858
Payments to suppliers and employees (including GST)	**(2,262,354)**	(2,310,169)
Interest received	**94,306**	13,475
Interest paid	**(8,152)**	(10,252)
NET CASH USED IN OPERATING ACTIVITIES	**(1,583,979)**	(1,231,088)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for exploration and evaluation assets	**(6,754,933)**	(10,840,328)
Payment for property, plant and equipment	**(102,794)**	(72,123)
Proceeds from disposal of property, plant and equipment	**-**	7,273
Payment for right-of-use assets	**-**	(4,384)
Payment for security deposit	**-**	(80,210)
NET CASH USED IN INVESTING ACTIVITIES	**(6,857,727)**	(10,989,772)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**-**	23,041,369
Payment of share issue costs	**(77,366)**	(131,271)
Principal elements of lease payments	**(163,287)**	(160,954)
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES	**(240,653)**	22,749,144
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(8,682,359)**	10,528,284
Cash and cash equivalents at the beginning of the period	**23,271,256**	12,742,972
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**14,588,897**	23,271,256

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

KGL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ABN 52 082 658 080

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	CONTRIBUTED EQUITY $	SHARE-BASED PAYMENTS RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
BALANCE AT 1 JULY 2022	**237,329,681**	**169,140**	**(124,521,266)**	**112,977,555**
Loss for the half-year	**-**	**-**	**(1,439,239)**	**(1,439,239)**
Other comprehensive income	**-**	**-**	**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR	**-**	**-**	**(1,439,239)**	**(1,439,239)**
Transactions with owners in their capacity as owners				
Share issue costs	**(15,987)**	**-**	**-**	**(15,987)**
Share-based payments - expensed	**-**	**31,650**	**-**	**31,650**
Share-based payments - capitalised	**-**	**96,591**	**-**	**96,591**
BALANCE AT 31 DECEMBER 2022	**237,313,694**	**297,381**	**(125,960,505)**	**111,650,570**
BALANCE AT 1 JANUARY 2022	214,480,963	205,528	(122,845,216)	91,841,275
Loss for the half-year	-	-	(1,676,050)	(1,676,050)
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR	-	-	(1,676,050)	(1,676,050)
Transactions with owners in their capacity as owners				
Issue of share capital (net of costs)	22,848,718	-	-	22,848,718
Share-based payments – reversed	-	(114,589)	-	(114,589)
Share-based payments - expensed	-	15,612	-	15,612
Share-based payments - capitalised	-	62,589	-	62,589
BALANCE AT 30 JUNE 2022	237,329,681	169,140	(124,521,266)	112,977,555

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTE 1. BASIS OF PREPARATION OF THE FINANCIAL REPORT

This condensed consolidated interim financial report for the six-month reporting period ended 31 December 2022 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

On 31 January 2022, the directors resolved under s323D of the *Corporations Act 2001* to change the Group's financial year end from 31 December to 30 June. Accordingly, these financial statements are for the six-month period ended 31 December 2022. The comparative period is the six-month period ended 30 June 2022. Therefore, the amounts presented in the financial statements for the current and comparative periods are not entirely comparable.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 30 June 2022 and any public announcements made by KGL Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial period (six-month period ended 30 June 2022) except for the adoption of new and amended standards as set out below.

(a) NEW AND AMENDED STANDARDS AND INTERPRETATIONS ADOPTED BY THE GROUP

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(b) IMPACT OF STANDARDS ISSUED BUT NOT YET APPLIED BY THE GROUP

Any new or amended standards or interpretations that are not yet mandatory have not been early adopted by the Group. No new or amended standard or interpretation that is not yet mandatory is expected to have a significant impact on the Group.

GOING CONCERN

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

As disclosed in the interim financial report, the Group incurred a net loss of $1,439,239 and net operating cash outflows of $1,583,979 for the period ended 31 December 2022. As at 31 December 2022, the Group has cash and cash equivalents of $14,588,897.

The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- The ability of the Company to raise capital as and when necessary, and/or
- The successful exploration and subsequent exploitation of the Group's tenements.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate for the following reasons:

- The directors believe there is sufficient cash available for the Group to continue operating until it can raise further capital to fund its ongoing activities.
- Equity raisings have been successful in the past and, as recently as May 2022, an entitlement offer to existing shareholders at $0.37 per new ordinary share closed with 92.5% of entitlements taken up.
- The directors can curtail the Group's activities to preserve cash.

NOTE 1. BASIS OF PREPARATION OF THE FINANCIAL REPORT (CONTINUED)

GOING CONCERN (CONTINUED)

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the interim financial report.

This interim financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

NOTE 2. SEGMENT INFORMATION

In accordance with *AASB 8 Operating Segments*, the Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors (**Board**), the chief operating decision makers, in assessing performance and determining the allocation of resources.

All information provided to the Board is consolidated information. Accordingly, management currently identifies the Group as having only one reportable segment, being exploration at the Jervois Copper Project in the Northern Territory. The financial results from this segment are equivalent to the financial statements of the Group as a whole. All significant operating decisions are based upon analysis of the Group as one segment. There have been no changes in identified reportable segments during the period since the last annual financial statements.

All assets of the Group are located in Australia.

The Group does not yet have any products or services from which it derives an income.

NOTE 3. EXPLORATION AND EVALUATION ASSETS

	31 DEC 2022 $	30 JUN 2022 $
Exploration and evaluation assets	**96,309,219**	90,750,821
MOVEMENT IN EXPLORATION AND EVALUATION ASSETS		
BALANCE AT THE BEGINNING OF THE PERIOD	**90,750,821**	80,599,275
Current period expenditure	**5,558,398**	10,151,546
BALANCE AT THE END OF THE PERIOD	**96,309,219**	90,750,821

The ultimate recovery of the exploration and evaluation assets is dependent upon successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

NOTE 4. TRADE AND OTHER PAYABLES

	31 DEC 2022 $	30 JUN 2022 $
Trade payables	**224,699**	825,544
Other payables	**470,320**	1,414,879
Employee benefits	**211,704**	203,131
TOTAL TRADE AND OTHER PAYABLES	**906,723**	2,443,554

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

NOTE 5. CONTRIBUTED EQUITY

	31 DEC 2022 $	30 JUN 2022 $
(A) ISSUED AND PAID-UP CAPITAL		
Ordinary shares fully paid	**237,313,694**	237,329,681

(B) MOVEMENTS IN SHARES ON ISSUE

	31 DEC 2022		30 JUN 2022	
	SHARES ISSUED NO.	ISSUED CAPITAL $	SHARES ISSUED NO.	ISSUED CAPITAL $
BEGINNING OF THE PERIOD	454,588,974	237,329,681	392,315,012	214,480,963
Entitlement offer – 12 May 2022	-	-	55,773,961	20,636,369
Entitlement offer – 28 June 2022	-	-	6,500,001	2,405,000
Share issue costs	-	(15,987)	-	(192,651)
END OF THE PERIOD	**454,588,974**	**237,313,694**	454,588,974	237,329,681

(C) TERMS AND CONDITIONS OF ISSUED CAPITAL

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(D) SHARE OPTIONS

At the end of the period, there were 938,000 share options outstanding (30 June 2022: 938,000). No options were granted during the period and no options vested or were converted into ordinary shares.

NOTE 6. SHARE-BASED PAYMENTS

The zero-priced options on issue to members of key management personnel and other employees at 31 December 2022 are summarised as follows. All options are unlisted.

OPTION HOLDER	GRANT DATE	EXERCISE PRICE $	EXPIRY DATE	FAIR VALUE GRANT DATE $	NUMBER OF OPTIONS #
Key management personnel	31 May 2021	-	22 Jun 2026	156,800	224,000
Key management personnel	04 May 2022	-	10 Aug 2027	170,400	480,000
Other employees	31 May 2021	-	22 Jun 2026	163,800	234,000
				491,000	938,000

NOTE 6. SHARE-BASED PAYMENTS (CONTINUED)

The grant of options to each option holder has been split into two equal tranches with each tranche subject to vesting conditions as outlined below:

TRANCHE	CONDITIONS
1	Vest upon achieving successful final investment decision for the Jervois Copper Project, on time and on budget based on the criteria approved by the Board of the Company. In respect of the Tranche 1 options, unless the Board of KGL Resources Limited determines otherwise, 20% of the total Tranche 1 options granted to the holder will lapse for each month that a successful financial investment decision for the Jervois Copper Project is delayed beyond the time approved and set by the Board of KGL Resources Limited.
2	Vest following the construction of the mine for the Jervois Copper Project and achieving first production of at least 1000t of concentrate under the conditions approved by the Board of the Company. In respect of the Tranche 2 options, unless the Board of KGL Resources Limited determines otherwise, 20% of the total Tranche 2 options granted to the holder will lapse for each month that the construction of the mine for the Jervois Copper Project and first production (1000t) is delayed beyond the time approved and set by the Board of KGL Resources Limited.

OTHER TERMS AND CONDITIONS OF OPTION ISSUE

Unless the Board of the Company determines otherwise, the options will immediately lapse if a holder ceases to be employed by the Group.

If, in the opinion of the Board of the Company, a significant safety, environmental or social incident occurs, the Board of the Company may determine that the options will lapse.

The options do not confer a right to participate in new issues of shares unless the options have vested and have been exercised on or before the record date for determining entitlements to the issue. Similarly, while they remain unexercised, the options will not give the holder any entitlement to receive any dividends declared and paid by the Company.

Each option entitles the holder to one ordinary fully paid share in the Company. Any shares issued on exercising an option will be issued on the same terms as, and rank in all respects on equal terms with, existing ordinary fully paid shares in the Company.

NOTE 7. FAIR VALUE MEASUREMENT

For all categories of the Group's financial assets and financial liabilities, the carrying amount is considered to be a reasonable approximation of fair value.

No financial assets or financial liabilities are readily traded on organised markets in standardised form.

NOTE 8. CONTINGENCIES

There have been no material changes to contingent liabilities and assets since the 30 June 2022 financial report.

NOTE 9. RELATED PARTY BALANCES

Remuneration of the executive chairman

On 28 October 2022, the Company announced that, following a review by the Board, a decision had been made to provide remuneration to Mr Denis Wood while he fills the role of executive chairman. The decision was made retrospective to 18 May 2022, the date of Mr Wood's appointment to the role. Mr Wood's salary was set at $40,000 per month, pre-tax and including superannuation. Mr Wood also accrues annual leave at the statutory rate of 20 days per annum. Neither Mr Wood nor the Company is required to provide any notice of termination and there will be no termination benefits paid to Mr Wood as a result of redundancy or material changes in duties.

The remuneration package approved by the Board on 28 October 2022 replaced the director's fee of $47,250 per annum, plus superannuation, that had been payable to Mr Wood as a non-executive director up to that point. As the result of this change, Mr Wood received gross remuneration of $292,654, including superannuation, for the half-year ended 31 December 2022.

NOTE 10. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 14 to 22 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Denis Wood
Executive Chairman

Brisbane
15 March 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of KGL Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of KGL Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

BDO Audit Pty Ltd

BDO

A J Whyte
Director

Brisbane, 15 March 2023