ANTILLES GOLD LIMITED

ABN: 48 008 031 034 ASX CODE: AAU

Financial Report

for the half-year ended

30 June 2023

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CORPORATE INFORMATION

ABN 48 008 031 034

DIRECTORS

Brian Johnson *Executive Chairman*
James Tyers *Executive Director*
Ugo Cario *Non-Executive Director*
Angela Pankhurst *Non-Executive Director*

COMPANY SECRETARY

Pamela Bardsley

REGISTERED OFFICE

55 Kirkham Road
Bowral NSW 2576
AUSTRALIA

PRINCIPAL PLACE OF BUSINESS

55 Kirkham Road
Bowral NSW 2576
AUSTRALIA
Phone: +61 2 4861 1740

SHARE REGISTER

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000
Phone: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)

AUDITOR

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

SOLICITORS

Nova Legal
Corporate Lawyers
Level 2, 50 Kings Park Road
West Perth WA 6005

BANKERS

National Australia Bank
Level 2, 1 Bolger Street
Campbelltown NSW 2560

SECURITIES EXCHANGE LISTING

Antilles Gold Limited shares are listed on the Australian Securities Exchange.
Securities Exchange
Code: AAU – Fully paid ordinary shares
Code: AAUUSR – US control register
Code: AAUOC - Listed options exp 30/06/2025 @$0.10
FSE Code: PTJ
OTCQB Code: ANTMF

DIRECTORS’ REPORT

The directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the ‘Group’) consisting of Antilles Gold Limited (referred to hereafter as the ‘company’ or ‘parent entity’) and the entities it controlled at the end of, or during, the half-year ended 30 June 2023.

DIRECTORS

The names of the company’s directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period.

Brian Johnson	Executive Chairman
James Tyers	Executive Director
Ugo Cario	Non-Executive Director
Angela Pankhurst	Non-Executive Director

PRINCIPAL ACTIVITIES & REVIEW OF OPERATIONS

- Completion of ground magnetics and Induced Polarisation surveys of El Pilar porphyry system in central Cuba.
- Commencement of drilling program on both El Pilar copper porphyry intrusive, and overlying gold-copper oxide deposit.
- Metallurgical testwork of gold-antimony-silver concentrates from proposed La Demajagua mine.
- Applications submitted for Environmental Licence and other permits.
- Continuing Definitive Feasibility Study for La Demajagua mine.
- Maintenance of oxygen plant and other surplus equipment stored in the Dominican Republic.
- Finalisation of arbitration hearings on contractual claims against the Dominican Republic Government.

OPERATING RESULTS

Revenue for the period was US$9,363 [2022: US$183,137]. All revenue during the current period was generated from interest received from banks.

Net cash outflows from operations after interest paid were US$1,740,392 [2022: US$1,209,788].

Earnings before interest, depreciation and amortisation (EBITDA) for the half year were (US$1,762,813) [2022: (US$1,137,600)]. The consolidated net loss for the period was (US$2,322,552) [2022: (US$1,836,673)].

The net assets of the Group at balance date were US$11,314,311 [31 December 2022: US$11,197,403].

Cash and cash equivalents as at the balance date were US$1,164,117 [31 December 2022: U$2,756,749].

External borrowings (undiscounted principal) as at the balance date were:

	30 Jun 2023 US$	**30 Jun 2022 US$**	
Moonstar Investments Pty Ltd	**562,636**	-	Unsecured loan

Corporate Activities

On 26 April 2023, the Company announced its intention to issue 90 million fully paid new shares at A$0.034 each with one free option attaching to each two new shares issued. The new options may be exercised at A$0.10 each on or before 30 June 2025. An application for quotation of securities was released on 9 May 2023. The placement was over-subscribed and as a result, a further 8,820,588 new shares were issued at A$0.034 each, with one free option attaching to each two new shares, on 30 June 2023. The application for quotation of securities was released on 4 July 2023. A total of A$3.4 million (US$2.25 million) was raised before costs.

On 10 May 2023, the Company lodged a prospectus with ASX and ASIC pursuant to which the Company undertook a non-renounceable entitlement offer of 1 new quoted option exercisable at $0.10 and expiring 30 June 2025 (New Option) for every 3 Shares held by eligible shareholders on the record date, at an issue price of $0.001 per New Option. The entitlement offer closed on 29 May 2023, and eligible shareholders could apply for any shortfall in excess of their entitlement. The maximum entitlement options available under the rights issue was 193,450,354, of which 117,486,606 were taken up by eligible shareholders and all shortfall options were applied for. Applications for quotation of securities were released on 1 June 2023 for the issue of 117,486,606 listed options, on 22 June 2023 for the issue of 68,424,150 listed options, and on 4 July 2023 for the issue of 7,539,008 listed options. A total of A$193,450 (US$129,831) was raised before costs.

On 6 September 2023, the Company announced a placement to professional and sophisticated investors to raise A$2,288,000 (before costs). In conjunction with the Placement, the Company also offered eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") on the same terms as the Placement to raise up to an additional A$2,000,000 (before costs).

Funds raised from the Placement and the SPP will be applied as follows:

- Completion of initial drilling program on El Pilar porphyry intrusive
- Completion of current drilling program on El Pilar oxide deposit, and establishment of mineral resource estimate and scoping study for Nueva Sabana mine
- Completion of definitive feasibility study, and permitting for the La Demajagua mine
- Costs of the Placement and SPP
- General working capital

REVIEW OF OPERATIONS

COPPER EXPLORATION

El Pilar

Two concessions totaling 17,750ha at El Pilar in central Cuba are held in an Exploration Agreement with the Cuban Government's mining company, GeoMinera.

A ground magnetics and Induced Polarization survey in Q1 2023 identified three large adjacent porphyry intrusives – El Pilar, Gaspar, and Camilo.

An initial 9 hole drilling program was commenced on the El Pilar porphyry system in Q2 2023 with highly encouraging results.

Intersections of fingers of early high temperature porphyry, and evidence of chalcopyrite and chalcocite mineralization, and stockwork veining in drill cores from three drill holes into the El Pilar intrusive indicated the presence of a porphyry system at depth.

Another 3 holes carried out during the current quarter into the Gaspar intrusive produced similar results and indicated the core of the system is likely to be to the east toward Camilo where there is an intense magnetic signature.

Sierra Maestra

In Q1 2023, three concessions totaling 54,000ha within the Sierra Maestra copper belt in south east Cuba, were added to the Exploration Agreement.

The concession boundaries were nominated by Antilles Gold after a prospecting program involving the Company's highly experienced, and successful Exploration Director, Dr Christian Grainger.

These concessions show potential for large porphyry systems, and high prospectivity for copper-gold-molybdenum deposits.

Additional prospecting in Q2 2023 identified a footprint size and clustering of surficial mineralization indicative of a potentially large, mineralized zone.

An examination of historic underground tunneling and artisanal workings from the 1950's exposed significant zones of secondary copper and gold mineralization in the upper weathered parts of the system, and the potential for a number of discoveries.

MINING PROJECTS

Two mining projects are held in a 50:50 joint venture with GeoMinera. The joint venture company, Minera La Victoria ("MLV") is aiming to have both projects development-ready in early 2024.

Thereafter, Antilles Gold will have the option of participating in their development to establish an early cash flow, or monetizing its economic interests.

Nueva Sabana

The proposed Nueva Sabana mine is planned to produce a 25% Cu concentrate from the El Pilar oxide deposit with the commercial benefit of being able to initially produce a high grade gold concentrate for 3 to 4 years from the gold cap.

Metallurgical test work in Q2 2023 on drill cores from the gold cap indicated the concentrate will have a grade of ~55 g/t Au from a 2.2 g/t Au sample, with a recovery of 85%.

Outstanding grades for both gold and copper from a drilling program into the oxide zone in 2022 have continued in the follow-up program initiated in Q2 2023, which is continuing.

MLV's aim is to establish a Mineral Resource Estimate, and Scoping Study for the Nueva Sabana mine in the near term, and commence the 10 month construction of the low capex project in Q2 2024.

La Demajagua

The proposed La Demajagua open pit mine on the Isle of Youth in south west Cuba is at an advanced pre-development stage.

The results of extensive metallurgical test work on the La Demajagua ore in Q1 and Q2 2023, and an increase in its Mineral Resource Estimate arising from additional antimony assays are being factored into the current Definitive Feasibility Study ("DFS") for the project.

Unfortunately, the DFS was delayed for nearly 6 months while waiting on the antimony assays, but it is now nearing completion, and is based on a mining rate of 815,000 tpa of ore producing two concentrate products for 9 years – a gold-arsenopyrite concentrate, and a gold-antimony-silver concentrate.

Applications for all necessary permitting for the mine, including the Environmental Licence, were substantially completed in Q2 2023.

The potential exists to extend the project through underground operations.

ARBITRATION - LAS LAGUNAS GOLD TAILINGS PROJECT

The Las Lagunas project involved the extraction of gold and silver from stored refractory tailings in the Dominican Republic, and was completed in December 2019.

The fully depreciated process plant has been dismantled and surplus equipment is stored on site for sale but this has been prevented for nearly 4 years as a consequence of illegal constraints by the Dominican Republic Government.

The rights and obligations of subsidiary, EnviroGold (Las Lagunas) Limited ("EVGLL"), in relation to the Las Lagunas Project are governed by the "Special Contract" which it signed with the Dominican Government in 2004.

As outlined in note 21 to the financial statements, a number of contractual disputes with the Government, including costs associated with the sale of assets being prevented, were submitted by EVGLL for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC, in late 2019.

The three-member arbitration tribunal involved in the proceedings conducted their final hearing for approximately A$45 million of claims in the first week of June 2023. A decision, and rulings on any awards are expected in November 2023.

CHANGE IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

SUBSEQUENT EVENTS & FUTURE ACTIVITIES

On 6 September 2023 the Company announced a placement to professional and sophisticated investors to raise A$2,288,000 (before costs) ("Placement"). The Placement consists of 99,478,261 new fully paid ordinary shares ("Placement Shares"), to be issued at a price of A$0.023. The Placement was well supported by existing and new investors and the Placement Shares are anticipated to be issued on around 12 September 2023.

Subject to shareholder approval at a meeting to be held on around 31 October 2023, participants in the Placement will also receive one (1) free-attaching option (exercisable at $0.10 and expiry date of 30 June 2025) ("Placement Options") for every one (1) Placement Share subscribed for and issued (a total of 98,476,091 Placement Options).

In conjunction with the Placement, the Company will also offer Eligible Shareholders the opportunity to participate in a Share Purchase Plan ("SPP") on the same terms as the Placement to raise up to an additional A$2,000,000 (before costs). The SPP will entitle Eligible Shareholders to subscribe for specific parcels of SPP Shares up to a maximum of $30,000 worth at an issue price of $0.023 per SPP Share, being the same issue price as for the Placement. The offer under the SPP will be for a total of up to 86,956,522 fully paid ordinary shares. The closing date of the SPP is 20 September 2023.

Consistent with the Placement, participants in the SPP will also receive one (1) free attaching option (exercisable at $0.10 and expiring on 30 June 2025) (SPP Options) for every one (1) SPP Share subscribed for and issued (a total of up to 86,956,522 SPP Options). The SPP Options will be issued subject to shareholder approval at a meeting to be held on, or around 9 November 2023, and following lodgement of a prospectus by the Company.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the auditor independence requirements of the *Corporations Act* 2001, the directors have received and are satisfied with the "Auditor's Independence Declaration" provided by the company's external auditors HLB Mann Judd. The Auditor's Independence Declaration has been attached immediately after the Directors' Report.

Signed in accordance with a resolution of the directors made pursuant to s.306(3)(a) of the *Corporations Act* 2001.

Brian Johnson
Executive Chairman
11 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Antilles Gold Limited for the half-year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia	**M R Ohm**
11 September 2023	**Partner**

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2023

	Note	30 Jun 2023 US$	30 Jun 2022 US$
Revenue	3	9,393	183,137
Project closure care and maintenance costs		(121,448)	(188,014)
Employee benefits – non-direct	4	(85,013)	(89,482)
Insurance costs		(9,637)	(9,526)
Legal and professional costs	5	(918,657)	(355,569)
Depreciation and amortisation expense	10,11	(34,105)	(198,887)
Finance costs	6	(525,634)	(500,186)
Project evaluation costs		(175,024)	(208,458)
Foreign exchange (loss) / gain		(13,040)	8,170
Share-based payments	25	(98,210)	(34,425)
Other expenses	7	(336,338)	(394,418)
Change in fair value of investments		(14,839)	(49,015)
Loss before income tax expense		**(2,322,552)**	**(1,836,673)**
Income tax benefit / (expense)		-	-
Loss for the period		**(2,322,552)**	**(1,836,673)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation movement		13,934	(126,916)
Equity-accounted investees – share of other comprehensive income / (loss)	13	180,469	(46,449)
Total other comprehensive income / (loss) net of tax for the half-year		**194,403**	**(173,365)**
Total comprehensive loss for the half-year		**(2,128,149)**	**(2,010,038)**
Attributable to: Owners of the Parent		**(2,128,149)**	**(2,010,038)**
Total comprehensive loss for the half-year attributable to members of the parent		**(2,128,149)**	**(2,010,038)**

		Cents	Cents
Basic loss per share (cents per share)	22	(0.45)	(0.56)
Diluted loss per share (cents per share)	22	(0.45)	(0.56)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	30 Jun 2023 US$	31 Dec 2022 US$
CURRENT ASSETS			
Cash and cash equivalents	8	1,164,117	2,756,749
Trade and other receivables		662	-
Prepayments and deposits	9	119,593	265,038
TOTAL CURRENT ASSETS		**1,284,372**	**3,021,787**
NON – CURRENT ASSETS			
Property, plant and equipment	10	125,249	141,839
Right-of-use assets	11	64,310	43,795
Deferred exploration and evaluation expenditure	12	1,577,442	679,078
Investment in joint venture	13	23,730,335	23,549,866
Investments in shares	14	84,947	102,302
TOTAL NON – CURRENT ASSETS		**25,582,283**	**24,516,880**
TOTAL ASSETS		**26,866,655**	**27,538,667**
CURRENT LIABILITIES			
Trade and other payables	15	935,844	927,804
Provisions	16	467,600	451,515
Borrowings	17	562,636	-
Lease liabilities	11	34,814	28,175
Joint venture future contributions payable	13	4,376,864	5,417,530
TOTAL CURRENT LIABILITIES		**6,377,758**	**6,825,024**
NON – CURRENT LIABILITIES			
Borrowings	18	-	677,500
Lease liabilities	11	28,769	17,487
Joint venture future contributions payable	13	9,145,817	8,821,253
TOTAL NON – CURRENT LIABILITIES		**9,174,586**	**9,516,240**
TOTAL LIABILITIES		**15,552,344**	**16,341,264**
NET ASSETS		**11,314,311**	**11,197,403**
EQUITY			
Contributed equity	19	92,685,118	90,663,071
Reserves	20	(1,209,208)	(1,626,621)
Accumulated losses		(80,161,599)	(77,839,047)
TOTAL EQUITY		**11,314,311**	**11,197,403**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2023

	Ordinary Shares $US	Equity Reserve $US	Options Reserve $US	Options Premium Reserve $US	Performance Rights Reserve $US	Foreign Currency Translation Reserve US$	Share of Joint Venture's Other Comprehensive Income $US	Accumulated Losses $US	Total $US
Balance as at 1 January 2022	**84,786,290**	**(11,773,880)**	**4,086,832**	**-**	**1,386,963**	**3,940,257**	**397,794**	**(70,091,681)**	**12,732,575**
Loss for the period	-	-	-	-	-	-	-	(1,836,673)	**(1,836,673)**
Other comprehensive loss	-	-	-	-	-	(126,916)	(46,449)	-	**(173,365)**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**-**	**(126,916)**	**(46,449)**	**(1,836,673)**	**(2,010,038)**
Transactions with owners in their capacity as owners									
Shares issued	2,406,467	-	-	-	-	-	-	-	**2,406,467**
Transaction costs on share issue	(185,852)	-	-	-	-	-	-	-	**(185,852)**
Share-based payments	-	-	52,188	-	-	-	-	-	**52,188**
Balance as at 30 June 2022	**87,006,905**	**(11,773,880)**	**4,139,020**	**-**	**1,386,963**	**3,813,341**	**351,345**	**(71,928,354)**	**12,995,340**
Balance as at 1 January 2023	**90,663,071**	**(11,773,880)**	**4,145,296**	**-**	**1,429,842**	**3,703,731**	**868,390**	**(77,839,047)**	**11,197,403**
Loss for the period	-	-	-	-	-	-	-	(2,322,552)	**(2,322,552)**
Other comprehensive income	-	-	-	-	-	13,934	180,469	-	**194,403**
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**-**	**-**	**13,934**	**180,469**	**(2,322,552)**	**(2,128,149)**
Transactions with owners in their capacity as owners									
Shares issued	2,250,896	-	-	-	-	-	-	-	**2,250,896**
Options issued	-	-	-	129,831	-	-	-	-	**129,831**
Transaction costs on share issue	(258,743)	-	-	-	-	-	-	-	**(258,743)**
Share-based payments	29,894	-	14,591	-	78,588	-	-	-	**123,073**
Balance as at 30 June 2023	**92,685,118**	**(11,773,880)**	**4,159,887**	**129,831**	**1,508,430**	**3,717,665**	**1,048,859**	**(80,161,599)**	**11,314,311**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2023

	30 Jun 2023 US$	30 Jun 2022 US$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from metal and scrap sales	-	26,155
Payments to suppliers and employees	(1,559,018)	(1,045,694)
Payments for project evaluation activities	(164,067)	(189,199)
Interest received	9,393	202
Interest paid	(26,700)	(1,252)
NET CASH USED IN OPERATING ACTIVITIES	**(1,740,392)**	**(1,209,788)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,909)	(3,142)
Payments for joint venture project development	(1,023,022)	(2,702,294)
Payments for exploration and evaluation assets	(877,423)	(159,149)
NET CASH USED IN INVESTING ACTIVITIES	**(1,902,354)**	**(2,864,585)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,250,896	2,406,467
Proceeds from issue of options	129,831	-
Payment of share issue costs	(210,607)	(168,089)
Repayment of borrowings	(99,842)	-
Lease payments	(18,201)	(17,203)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**2,052,077**	**2,221,175**
NET DECREASE IN CASH HELD	**(1,590,669)**	**(1,853,198)**
Cash at the beginning of the financial period	2,756,749	3,337,398
FX movement in opening balances	(1,963)	(126,915)
CASH AT THE END OF FINANCIAL PERIOD	**1,164,117**	**1,357,285**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Reporting Entity

Antilles Gold Limited (the "Company") is a public company, listed on the Australian Securities Exchange, incorporated and domiciled in Australia. The address of the Company's registered office is 55 Kirkham Road, Bowral, NSW, 2576. This half-year financial report covers the consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group" or "consolidated entity") as at 30 June 2023. The half-year financial report is presented in US dollars, which is the Group's functional and presentational currency.

(b) Basis of preparation

These general purpose financial statements for the half-year ended 30 June 2023 have been prepared in accordance with the requirements of AASB 134 *Interim Financial Reporting* and the *Corporations Act* 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 *Interim Financial Reporting*.

The half-year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements.

It is recommended that the half-year financial statements be read in conjunction with the annual report for the year ended 31 December 2022 and considered together with any public announcements made by Antilles Gold Limited during the half-year ended 30 June 2023 in accordance with the continuous disclosure obligations of the *ASX Listing Rules*.

(c) New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements (applicable to annual reporting periods beginning on or after 1 January 2024):
When effective, *AASB 2023-1* amends *AASB 107 Statement of Cash Flows* and *AASB 7 Financial instruments: Disclosures* to require an entity to provide additional disclosures about its supplier finance arrangements to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes. The directors anticipate that the adoption of AASB 2023-1 may have an impact on the Group's financial statements but the impact is not able to be quantified.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current; AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date; AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants; and AASB 2023-3 Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2 (applicable to annual reporting periods beginning on or after 1 January 2024):

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

When effective, *AASB 2020-1* amends *AASB 101 Presentation of Financial Statements* to require a liability to be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period. *AASB 2020-6* defers the mandatory effective date of amendments that were originally made in *AASB 2020-1* so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022. *AASB 2022-6* specified that only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. *AASB 2023-3* makes amendments to *AASB 1060* similar to the ones described above for *AASB 101*.

AASB 2022-5 Amendments to Australian Accounting standards – Lease Liability in a Sale and Leaseback. (applicable to annual reporting periods beginning on or after 1 January 2024):
When effective, the amendments introduce a new accounting model for how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. It confirms the following:

- On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

The directors anticipate that the adoption of AASB 2022-5 will not have an impact on the Group's financial statements.

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial assets of Not-for-Profit Public Sector Entities (NFP)(PS) (applicable to annual reporting periods beginning on or after 1 January 2024):
When effective, *AASB 2022-10* amends *AASB 13 Fair Value Measurement* to modify the application of AASB 13 in relation to non-financial assets of NFP public sector entities not held primarily for their ability to generate net cash inflows. The directors anticipate that the adoption of AASB 2022-10 will not have an impact on the Group's financial statements.

AASB 2014-10 Amendments to Australian Accounting Standards –Sale or Contribution of Assets between an Investor and its Associate or Joint Venture; AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128; AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections; and AASB 2021-7(a-c) Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections (applicable to annual reporting periods beginning on or after 1 January 2025):

When effective, these amendments will clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in *AASB 3 Business Combinations* (whether housed in a subsidiary or not). *AASB 2017-5* defers the mandatory effective date of amendments to *AASB 10 Consolidated Financial Statements* and *AASB 128 Investments in Associates and Joint Ventures* that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018. AASB 2021-7(a-c) further defers the mandatory effective date to periods beginning on or after 1 January 2025. The directors anticipate that the adoption of AASB 2014-10 may have an impact on the Group's financial statements but the impact is not able to be quantified.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(d) Going concern

The Group made a loss of US$2,322,552 for the half-year ended 30 June 2023 [2022: US$1,836,673]. Net cash outflows from operating and investing activities paid for the six months ending 30 June 2023 were US$3,642,746 [2022: US$4,074,373]. As at 30 June 2023, the Group's current liabilities exceeded its current assets by US$5,093,386 [2022: US$5,323,717].

The Las Lagunas Gold Tailings Project in the Dominican Republic finished production in December 2019. The Company's rights and obligations in relation to the Las Lagunas Project are governed by the "Special Contract" entered into with the Dominican Government. As outlined in Note 21, a number of contractual disputes with the Government have been submitted for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC. The arbitration was completed in June 2023, with a decision by the arbitration tribunal expected during the second half of 2023.

A subsidiary, Antilles Gold Inc, has entered into an Agreement with a subsidiary of Cuban Government owned mining company, GeoMinera S.A., for the joint venture company, Minera La Victoria S.A., to develop the La Demajagua gold/silver mine. Minera La Victoria was registered in August 2020. The Group has committed to provide a total of US$25.9 million of equity capital to Minera La Victoria across two stages of development. The first stage, totalling approximately US$13.0 million, is payable between Q4 2020 and Q4 2023 to progress feasibility studies and pay for infrastructure for the La Demajagua open pit gold/silver mine. At 30 June 2023 the amount remaining to be paid for stage 1 is US$4.5 million, which is scheduled to be paid between Q3 2023 and Q4 2023.

The Directors are confident of obtaining the necessary funds for the project in Cuba through the issue of equity and/or borrowings and of a favourable outcome from the arbitration process, to be able to pay its debts as and when they fall due.

Having reviewed the business outlook and cash flow forecasts and taking into account the above matters, the Directors are of the opinion that the use of the going concern basis of accounting is appropriate. Notwithstanding this, the above conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

2. SEGMENT REPORTING

The Company has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segment is identified by management by project – discrete financial information about this operating segment is reported to the executive management team on at least a quarterly basis. Management has identified the Las Lagunas project, its Albion/CIL plant design and the Cuban projects as the group's main operating segments. Other segment information comprises a variety of projects that do not meet the definition of an operating segment on a quantitative basis.

The following tables present revenue and profit information for business segments for the half year ended 30 June 2023 and 30 June 2022, and assets and liabilities information for the half year ended 30 June 2023 and full year ended 31 December 2022:

Information about reportable segments

	Las Lagunas Project		Albion/CIL Plant Design		Cuban Projects		Others		Consolidated	
	30 Jun 2023 US$	30 Jun 2022 US$	30 Jun 2023 US$	30 Jun 2022 US$	30 Jun 2023 US$	30 Jun 2022 US$	30 Jun 2023 US$	30 Jun 2022 US$	30 Jun 2023 US$	30 Jun 2022 US$
External revenue	**-**	182,935	**-**	-	**-**	-	**-**	-	**-**	182,935
Inter segment revenue	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Interest revenue	**1**	1	**-**	-	**-**	-	**9,392**	201	**9,393**	202
Interest expense	**(107)**	(189)	**-**	-	**(498,934)**	(498,934)	**(26,593)**	(1,063)	**(525,634)**	(500,186)
Depreciation and amortisation	**(5,955)**	(5,706)	**-**	(179,118)	**(17,720)**	-	**(10,430)**	(14,063)	**(34,105)**	(198,887)
Reportable segment profit/(loss) before income tax	**(236,652)**	(206,516)	**-**	(179,118)	**(778,103)**	(761,817)	**(1,307,797)**	(689,222)	**(2,322,552)**	(1,836,673)
Other material non-cash items										
Foreign exchange gain/(loss)	**210**	(4,837)	**-**	-	**13,422**	4,574	**(26,672)**	8,433	**(13,040)**	8,170
Interest on deferred settlement of contributions	**-**	-	**-**	-	**(498,934)**	(498,934)	**-**	-	**(498,934)**	(498,934)
Share-based payments	**-**	-	**-**	-	**(15,000)**	-	**(83,210)**	(52,188)	**(98,210)**	(52,188)

2. SEGMENT REPORTING (CONTINUED)

	Las Lagunas Project		Albion/CIL Plant Design		Cuban Projects		Others		Consolidated	
	30 Jun 2023 US$	**31 Dec 2022 US$**	**30 Jun 2023 US$**	**31 Dec 2022 US$**	**30 Jun 2023 US$**	**31 Dec 2022 US$**	**30 Jun 2023 US$**	**31 Dec 2022 US$**	**30 Jun 2023 US$**	**31 Dec 2022 US$**
Segment assets	**2,260,495**	2,201,005	**-**	-	**25,748,028**	24,594,247	**42,438,214**	39,179,739	**70,446,737**	65,974,991
Capital expenditure	**14,405**	-	**-**	-	**900,273**	822,400	**24,630**	3,142	**939,308**	825,542
Segment liabilities	**2,029,324**	1,730,801	**-**	-	**13,727,358**	14,373,342	**42,354,615**	40,057,986	**58,111,297**	56,162,129

2. SEGMENT REPORTING (CONTINUED)

	30 Jun 2023 US$	30 Jun 2022 US$
Revenue		
Total revenue for reportable segments	-	182,935
Consolidated revenue	**-**	**182,935**

	30 Jun 2023 US$	31 Dec 2022 US$
Assets		
Total assets for reportable segments	70,446,737	65,974,991
Elimination of investments in subsidiaries	(29,607,930)	(27,202,260)
Elimination of intercompany loans and interest	(42,558,953)	(39,820,865)
Elimination of provision for intercompany loans	28,586,801	28,586,801
Consolidated total assets	**26,866,655**	**27,538,667**

	30 Jun 2023 US$	31 Dec 2022 US$
Liabilities		
Total liabilities for reportable segments	58,111,297	56,162,129
Elimination of intercompany loans and interest	(42,558,953)	(39,820,865)
Consolidated total liabilities	**15,552,344**	**16,341,264**

Geographical Information

Geographical non-current assets	30 Jun 2023 US$	31 Dec 2022 US$
Dominican Republic	13,205	4,754
Cuba	25,432,151	24,369,130
Australia	136,927	142,996
	25,582,283	**24,516,880**

3. REVENUE

	30 Jun 2023 US$	30 Jun 2022 US$
Revenue from continuing operations		
Sales revenue		
Sales of minor plant items	-	176,864
Sales of scrap materials	-	6,071
	-	**182,935**
Other revenue		
Interest received	9,363	202
	9,363	**183,137**

4. EMPLOYEE BENEFITS – NON-DIRECT

	30 Jun 2023 US$	30 Jun 2022 US$
Loss before tax includes, amongst others, the following:		
Employee costs – salaries	68,610	76,170
Employee costs – superannuation	5,392	5,173
Employee costs – other	11,011	8,139
	85,013	**89,482**

5. LEGAL AND PROFESSIONAL COSTS

	30 Jun 2023 US$	30 Jun 2022 US$
Arbitration with Dominican Government	762,647	134,889
Legal fees for other disputes with Dominican Government	94,586	176,275
Legal fees - general	3,576	7,120
Audit and tax agent fees	38,434	29,592
Consulting fees	19,414	7,693
	918,657	**355,569**

6. FINANCE COSTS

		30 Jun 2023 US$	30 Jun 2022 US$
Interest on loan borrowings		25,972	-
Interest on deferred settlement of contributions	(i)	498,934	498,934
Lease interest		728	1,252
		525,634	**500,186**

(i) Joint venture future contributions payable, as described in note 13, are initially recognised at the fair value of the future contributions using a discounted cash flow method. The liability is subsequently measured at amortised cost using the effective interest method. The value of interest on deferred settlement of contributions represents a non-cash finance charge which is generated for valuation purposes only.

7. OTHER EXPENSES

	30 Jun 2023 US$	30 Jun 2022 US$
Loss before tax includes, amongst others, the following:		
Management fees	135,892	144,751
Non-executive directors fees	57,788	43,469
Investor relations costs	50,049	120,075
ASX, ASIC and share registry fees	35,002	34,941
Administration costs	57,607	51,182
	336,338	**394,418**

8. CASH AND CASH EQUIVALENTS

For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised of the following:

	30 Jun 2023 US$	31 Dec 2022 US$
Cash at bank and on hand	1,144,260	2,736,334
Cash on deposit	19,857	20,415
	1,164,117	**2,756,749**

9. PREPAYMENTS & DEPOSITS

	30 Jun 2023 US$	31 Dec 2022 US$
Prepayments and bonds	47,067	70,267
Prepaid future capital contributions	72,526	173,829
Prepaid exploration and evaluation expenditure	-	20,942
	119,593	**265,038**

10. PROPERTY, PLANT & EQUIPMENT

30 June 2023	**Mine Buildings and Plant**	**Plant and Equipment**	**Total**
	US$	**US$**	**US$**
Cost			
Balance 1 January 2023	67,512,011	10,014,347	77,526,358
Additions	-	1,909	1,909
Balance 30 June 2023	**67,512,011**	**10,016,256**	**77,528,267**
Accumulated Depreciation			
Balance 1 January 2023	(47,653,680)	(9,872,508)	(57,526,188)
Depreciation expense	-	(18,499)	(18,499)
Balance 30 June 2023	**(47,653,680)**	**(9,891,007)**	**(57,544,687)**
Impairment			
Balance 1 January 2023	(19,858,331)	-	(19,858,331)
Balance 30 June 2023	**(19,858,331)**	**-**	**(19,858,331)**
Carrying Value 30 June 2023	**-**	**125,249**	**125,249**

31 December 2022	**Mine Buildings and Plant**	**Plant & Equipment**	**Total**
	US$	**US$**	**US$**
Cost			
Balance 1 January 2022	67,512,011	9,867,883	77,379,894
Additions	-	146,464	146,464
Balance 31 December 2022	**67,512,011**	**10,014,347**	**77,526,358**
Accumulated Depreciation			
Balance 1 January 2022	(47,653,680)	(9,866,166)	(57,519,846)
Depreciation expense	-	(6,342)	(6,342)
Balance 31 December 2022	**(47,653,680)**	**(9,872,508)**	**(57,526,188)**
Impairment			
Balance 1 January 2022	(19,858,331)	-	(19,858,331)
Balance 31 December 2022	**(19,858,331)**	**-**	**(19,858,331)**
Carrying Value 31 December 2022	**-**	**141,839**	**141,839**

11. LEASE ASSETS AND LIABILITIES

During the half year ended 30 June 2023 the Group leased office premises and office equipment in Bowral (Australia) and office premises in Santo Domingo (Dominican Republic). Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

	Office Premises US$	Office Equipment US$	Total US$
June 2023			
Balance at 1 January 2023	40,863	2,932	43,795
Additions	39,035	-	39,035
Depreciation charge for the half year	(15,193)	(413)	(15,606)
Foreign currency adjustment	(2,839)	(75)	(2,914)
Balance at 30 June 2023	**61,866**	**2,444**	**64,310**
December 2022			
Balance at 1 January 2022	78,984	4,019	83,003
Additions	-	-	-
Depreciation charge for the full year	(34,619)	(852)	(35,471)
Foreign currency adjustment	(3,502)	(235)	(3,737)
Balance at 31 December 2022	**40,863**	**2,932**	**43,795**

Lease liabilities

	30 Jun 2023 US$	31 Dec 2022 US$
Maturity analysis – contractual undiscounted cash flows		
Less than one year	37,850	29,261
One to five years	29,859	17,853
More than five years	-	-
Total undiscounted lease liabilities	**67,709**	**47,114**
Lease liabilities included in the statement of financial position	**63,583**	**45,662**
Current	34,814	28,175
Non-current	28,769	17,487

11. LEASE ASSETS AND LIABILITIES (CONTINUED)

Amounts recognised in profit or loss

	30 Jun 2023 US$	30 Jun 2022 US$
Interest on lease liabilities	728	1,252
Expenses relating to short-term leases	-	-

Amounts recognised in the statement of cash flows

	30 Jun 2023 US$	30 Jun 2022 US$
Total cash outflow for leases	18,201	17,203

12. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	30 Jun 2023 US$	31 Dec 2022 US$
Balance at the beginning of the year	679,078	-
Current period costs	898,364	679,078
Closing balance	1,577,442	679,078
Total deferred exploration and evaluation expenditure	**1,577,442**	**679,078**

The expenditure which was capitalised in deferred exploration and evaluation expenditure during the reporting period related to the Cuban exploration programs on major copper targets, including the El Pilar copper-gold porphyry system, the Nueva Sabana gold oxide project, and the Sierra Maestra copper belt. These concessions are held in an Exploration Agreement with Cuban Government owned mining company, GeoMinera SA, but will be transferred to joint ventures after the completion of a review of their potential by Antilles Gold.

Deferred exploration and evaluation expenditure for each area of interest is carried forward where rights to the tenure of the area of interest are current and costs are expected to be recouped through revenue derived from the area of interest or sale of that area of interest, or exploration and evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations in, or in relation to, the area of interest are continuing. Deferred exploration and evaluation expenditure for an area of interest which does not satisfy the above policy is not carried forward as an asset and is written off in the statement of profit or loss and other comprehensive income.

Exploration and evaluation expenditure incurred is accumulated separately for each identifiable area of interest. Such expenditure comprises net direct costs, and an appropriate portion of related overhead expenditure, but does not include general overheads or administration expenditure not having a specific nexus with a particular area of interest. Accumulated costs in relation to an abandoned area are written off to the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

The recoupment of costs carried forward in relation to areas in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

13. JOINT VENTURE – INVESTMENT AND COMMITMENTS

In August 2020 the Group acquired a 49% interest in Cuban registered, Minera La Victoria S.A. ("MLV"), a joint venture formed with Gold Caribbean Mining SA ("GCM"), a subsidiary of Cuban Government owned mining company, GeoMinera SA ("GMSA"), to develop the La Demajagua gold / silver mine on the Isle of Youth in SW Cuba. The Group's interest in MLV is accounted for using the equity method in the consolidated financial statements.

Under the terms of the joint venture agreement, GCM has paid for its 51% shareholding by providing the mining licence and historical data and information for the La Demajagua gold/silver deposit, with a fair value of US$27,000,000. The Group is required to pay for its 49% shareholding by making capital contributions of US$25,941,176 to fund the two stages of the mine development. The Group's contributions are required to be made across the two stages, with the first stage to be paid for progressively over a two and a quarter year period, commencing in Q4 of 2020 and ending in Q4 of 2022. The first stage of development was delayed by one year following disruptions to the drilling program and definitive feasibility studies, as a result of the worldwide Covid19 pandemic during 2020 and 2021. The second stage is to be paid for over a one year period between Q3 of 2026 and Q2 of 2027, however, should the pre-feasibility study results be non-acceptable, the Group shall be released from its obligation to pay the second stage equity contributions destined for the development of the underground mine.

The joint venture future contributions payable is initially recognised at the fair value of the future contributions, and subsequently measured at amortised cost using the effective interest method.

Net assets of joint venture at formation date	US$
Intangible assets	27,000,000
Cash	100,000
Other receivables - future capital contributions	19,188,726
	46,288,726

The carrying amount of the investment in the joint venture and the liabilities for future capital contributions at balance are shown in the following tables:

Investment in a joint venture		30 Jun 2023 US$	31 Dec 2022 US$
Group's share of net assets, initial investment – 49%		22,681,476	22,681,476
Group's share of other comprehensive income – 49%	(i)	1,048,859	868,390
Group's carrying amount of the investment		**23,730,335**	**23,549,866**

(i) Movements in share of other comprehensive income:	30 Jun 2023 US$	31 Dec 2022 US$
Carrying amount at the start of the year	868,390	397,794
Share of other comprehensive income for the period	180,469	470,596
Carrying amount at the end of the period	**1,048,859**	**868,390**

13. JOINT VENTURE – INVESTMENT AND COMMITMENTS (CONTINUED)

Future capital contributions	30 Jun 2023 US$	31 Dec 2022 US$
Future contributions payable - beginning balance	14,238,783	17,034,540
Contributions paid during the period	(1,215,036)	(3,793,625)
Interest on deferred settlement of contributions	498,934	997,868
	13,522,681	**14,238,783**

Future capital contributions	30 Jun 2023 US$	31 Dec 2022 US$
Future contributions payable – current	4,376,864	5,417,530
Future contributions payable – non-current	9,145,817	8,821,253
	13,522,681	**14,238,783**

Summarised financial information of the joint venture, based on its IFRS financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are set out below:

Summarised statement of financial position of Minera La Victoria S.A:

	30 Jun 2023 US$	31 Dec 2022 US$
Current assets	196,449	124,873
Non-current assets	48,864,156	48,324,830
Current liabilities	(631,351)	(388,753)
Equity	**48,429,254**	**48,060,950**
Group's share in equity - 49%	23,730,335	23,549,866
Group's carrying amount of the investment	**23,730,335**	**23,549,866**

A small profit recorded in the joint venture, generated as a result of currency exchange revaluations, is not reported by the Company as the amount is considered trivial.

14. INVESTMENTS IN SHARES

		30 Jun 2023 US$	31 Dec 2022 US$
Shares Black Dragon Gold Corp – fair value through profit or loss	Level 1	84,947	102,302
		84,947	**102,302**

15. TRADE & OTHER PAYABLES (CURRENT)

	30 Jun 2023 US$	31 Dec 2022 US$
Trade Creditors - Current		
Other corporations	803,485	663,305
Director related entities	45,421	151,195
Accruals	86,938	113,304
	935,844	**927,804**

16. PROVISIONS (CURRENT)

	30 Jun 2023 US$	31 Dec 2022 US$
Employee benefits (expected to be settled within 12 months)	180,116	164,031
Government share of cash flow from Las Lagunas project (PUN)	287,484	287,484
	467,600	**451,515**

Movements of employee benefits provision:		
Carrying amount at the start of the year	164,031	209,688
Amounts paid during the period	(9,636)	(45,657)
Provisions recognised during the period	25,721	-
Carrying amount at the end of the period	**180,116**	**164,031**

17. BORROWINGS (CURRENT)

	30 Jun 2023 US$	31 Dec 2022 US$
Unsecured shareholders loan	562,636	-
	562,636	**-**

Movements of borrowings:		
Carrying amount at the start of the year	-	-
Transferred from borrowings (non-current)[i]	677,500	-
Amounts paid during the period	(99,842)	-
Foreign currency adjustments	(15,022)	-
Carrying amount at the end of the period	**562,636**	**-**

(i) The agreement for an unsecured loan with conversion rights which was entered into in December 2022 between the Company and Moonstar Investments Pty Ltd, a trustee company associated with the Executive Chairman, Mr Brian Johnson, was subsequently cancelled on 28 March 2023. A new agreement for an unsecured A$1,000,000 loan was entered into on the following basis:
- repayment on demand of all or part at 3 days notice from the Lender
- interest rate – 8.0%pa paid monthly

18. BORROWINGS (NON-CURRENT)

Unsecured loan with conversion rights	30 Jun 2023 US$	31 Dec 2022 US$
Financial liability at amortised cost	-	551,872
Derivative liability at fair value through profit or loss	-	125,628
	-	**677,500**
Financial liability at amortised cost		
Opening balance	551,872	-
Proceeds from borrowings	-	677,500
Fair value of embedded derivative at inception	-	(125,628)
Transferred to borrowings (current)	(551,872)	-
Closing balance	**-**	**551,872**
Derivative liability at fair value through profit or loss		
Opening balance	125,628	-
Fair value of embedded derivative at inception	-	125,628
Transferred to borrowings (current)	(125,628)	-
Closing balance	**-**	**125,628**

19. CONTRIBUTED EQUITY

	30 Jun 2023 US$	31 Dec 2022 US$
(A) Paid Up Capital		
Ordinary shares fully paid	92,685,115	90,663,068
Non-redeemable preference shares	3	3
	92,685,118	**90,663,071**

	30 Jun 2023		31 Dec 2022	
	No. of Shares	US$	No. of Shares	US$
(B) Movements in ordinary shares on issue				
Beginning of the financial period	490,310,633	90,663,068	304,004,961	84,786,287
Share placements	98,820,588	2,247,564	181,266,686	6,096,386
Share-based payments	1,163,216	29,894	2,038,986	65,375
Shares to be issued	-	-	3,000,000	69,439
Options exercised	38,658	3,332	-	-
Capital raising costs	-	(258,743)	-	(354,419)
Balance	**590,333,095**	**92,685,115**	**490,310,633**	**90,663,068**

19. CONTRIBUTED EQUITY (CONTINUED)

(C) Terms and Conditions of Contributed Equity

Ordinary shares have no par value. Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in 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.

(D) Options

Movements in options	Listed Options	Unlisted Options	Total	Weighted Average Exercise Price	Range of Exercise Price (A$)	Weighted Average Days to Maturity
Balance at the beginning of the year	112,864,645	-	112,864,645	0.13	0.13	120
Options issued	247,860,058	-	247,860,058			
Options exercised	(38,658)	-	(38,658)			
Options expired	(112,825,987)	-	(112,825,987)			
Balance at end of period	**247,860,058**	**-**	**247,860,058**	**0.10**	**0.10**	**731**

All listed options were exercisable at the end of the reporting period.

Listed options

On 1 June 2023, the Company issued 117,486,606 listed options, pursuant to a prospectus lodged with ASX and ASIC on 10 May 2023 for a non-renounceable entitlement offer of 1 new quoted option for every 3 Shares held by eligible shareholders on the record date, at an issue price of $0.001 per new option (Entitlement Offer) to raise A$117,489 (US$78,416).

In June 2023, the Company issued 49,410,294 listed options to participants in a new share placement in which every participating shareholder received one free attaching option for every two shares issued.

In June 2023, the Company issued 5,000,000 listed options to the Lead Manager of the new share placement in part payment of fees for services rendered. See note 25 for further details.

In June 2023, the Company issued a further 75,963,158 listed options pursuant to the prospectus lodged with ASX and ASIC on 10 May 2023 for a non-renounceable entitlement offer (shortfall options), to raise A$75,963 (US$51,425).

All options issued during 2023 are exercisable at A$0.10 each on or before 30 June 2025.

20. RESERVES

		30 Jun 2023 US$	31 Dec 2022 US$
Foreign currency translation reserve	i.	3,717,665	3,703,731
Option reserve	ii.	4,159,887	4,145,296
Option premium reserve	iii.	129,831	-
Performance rights reserve	iv.	1,508,430	1,429,842
Equity reserve	v.	(11,773,880)	(11,773,880)
Share of joint venture's other comprehensive income	vi.	1,048,859	868,390
		(1,209,208)	**(1,626,621)**

i. Foreign currency translation reserve

Exchange differences arising on translation of the Australian Parent Entity (Antilles Gold Limited), Australian Subsidiary (Antilles Gold Technologies Pty Ltd) and Cayman Islands Subsidiary (Antilles Gold Inc) are taken to the foreign currency translation reserve.

ii. Option reserve

The option reserve records the following items:

- Directors and employees options granted and recognised as expenses;
- Options granted to Macquarie Bank Limited under the terms of its funding agreement with the Consolidated Group;
- Options granted under the terms of Shareholder Loan agreements;
- Options granted to CAMIF under the terms of its Option Subscription agreement with the Company;
- Options granted to Lead Managers for services provided in the renounceable rights issue in May 2021 and share placements in October 2021;
- Options granted to Lead Managers for services provided in share placements in April 2022;
- Options granted to consultants in part payment of fees for services rendered in May and October 2022;
- Options granted to Lead Managers for services provided in share placements in May 2023;

iii. Option premium reserve

Proceeds received by Antilles Gold Limited from a non-renounceable rights issue in June 2023.

iv. Performance rights reserve

The performance rights reserve is used to recognise the fair value of performance rights issued to employees.

v. Equity reserve

The Equity reserve of $11,773,880 is a consequence of the consolidated entity acquiring 30% of the shares in EnviroGold (Las Lagunas) from Grimston World Inc. on 3 December 2010. The increase in ownership from 70% to 100% was accounted for as an equity transaction.

vi. Share of joint venture's other comprehensive income

The Group's share of movement in the fair value of the joint venture contributions reserve and foreign currency translation reserve.

21. LITIGATION AND CONTINGENT LIABILITIES

Status as at 30 June 2023 follows:

EnviroGold (Las Lagunas) Limited ("EVGLL") v Grúas Liriano

EVGLL filed a lawsuit in the Dominican Republic for damages against crane operator, Grúas Liriano, for damage caused to one of its dredges. On 14 October 2020, EVGLL was awarded damages of DOP $40 million (approximately US$720,000 at the current exchange rate) however Grúas Liriano appealed this decision, and a final ruling is still pending.

Grúas Liriano filed a counterclaim for outstanding invoices for work performed, and not paid by EVGLL. They obtained favourable decisions from the trial and the appellate courts, respectively. The decision from the appellate court was upheld by the Supreme Court of Justice, thereby becoming final. The awarded amount is for DOP $4,293,708.20 (approximately US$78,000 at the current exchange rate). This amount will be offset against the amount of damages awarded to EVGLL.

Disputes with Dominican Government

The Company's rights and obligations in relation to the Las Lagunas Project are governed by the "Special Contract" it signed with the Dominican Government in 2004. As outlined below, a number of contractual disputes with the Government have been submitted for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC. The arbitration was completed in June 2023, with a decision by the arbitration tribunal expected within three to six months.

i. Contractual Claims

Tailings Dam Site

The Company submitted a formal Claim to the Dominican Government for costs relating to its failure, at the commencement of the project, to provide a suitable site for constructing a dam for depositing reprocessed tailings from the Las Lagunas Albion/CIL plant. The provision of the dam site was an obligation of the Government under the Special Contract.

The inability of EVGLL to construct a new storage dam resulted in the reprocessed tailings having to be deposited back into the same storage facility from which they were mined, and also prohibited blending of the feed to the flotation circuit which resulted in additional direct costs and inefficiencies in the operation of the plant.

The Claim, which was rejected by the Government, was prepared by independent consultants and was submitted for arbitration.

The total Claim for costs amounted to US$15,474,306.

Additional Claims

The following additional claims were submitted to the Government and included in the arbitration proceedings:

- US$5,305,000 for costs of overheads, storage, maintenance and security of surplus plant and equipment and their deterioration while remaining on site for over three years as a result of the Government illegally prohibiting their sale and removal from site.
- US$354,745 for recovery of amount overpaid in relation to royalties.
- US$883,000 for recovery of legal costs incurred for defending tax assessments by the Government despite the Special Contract specifically waiving all taxes.
- US$3,015,000 for the cost of conducting the arbitration.

21. LITIGATION AND CONTINGENT LIABILITIES (CONTINUED)

The total of claims submitted to arbitration, including pre-judgement interest, is approximately US$30 million.

ii. Taxation Matters

Despite very clear documentation in the Special Contract that EVGLL will benefit from an “exemption from any type of tax, fee, duty, national or municipal”, the Dominican Government has repeatedly submitted assessments to EVGLL for ‘asset tax’ and ‘income tax’, which have had to be defended in the Courts.

As advised to the ASX on 17 December 2019 the Supreme Court of the Dominican Republic has ruled in favour of EVGLL’s interpretation of the Special Contract. A second decision from the Dominican Supreme Court acknowledging EVGLL’s tax exemption was handed down on 28 July 2021.

The Government challenged the Supreme Court decision in the Constitutional Court. The Constitutional Court subsequently upheld the previous ruling of the Supreme Court and there is no provision for any further appeal against this decision.

In December 2020, EVGLL received a Garnishee Notice from the Government’s taxation department which prevents the sale or export of surplus equipment stored at Las Lagunas, based on a declaration that taxes were owed by EVGLL. EVGLL’s legal counsel has advised EVGLL that the Notice was knowingly and illegally issued based on the Supreme Court’s earlier decision that taxation was not applicable to the project. Legal proceedings were commenced to have the notice rescinded and this matter remains ongoing at balance date.

Resolution of this dispute was also included as a subject matter for arbitration, including a claim for the legal fees incurred by EVGLL in defending its position.

iii. Share of Cash Flow (PUN)

EVGLL also disputes the Government’s interpretation of the Special Contract that its share of cash flow after recovery of the project investment (“PUN”) and royalties payable to the Government are taxes and as such interest and penalties should apply under the Tax Code for any late payments even in the event of delays in payments occasioned by disagreement and resolution of applicable amounts. The Dominican Government does not agree with the amount of PUN paid by EVGLL for 2018 and 2019, and has assessed an additional amount of PUN and claimed penalties and interest, all of which are disputed by EVGLL. As a consequence, this matter was also added to the arbitration proceedings for resolution.

22. EARNINGS PER SHARE

	30 Jun 2023 US$	30 Jun 2022 US$
Numerator used for basic and diluted EPS:		
Loss after tax attributable to the owners of Antilles Gold Limited	(2,322,552)	(1,836,673)

	Number of shares	
Weighted average number of ordinary shares outstanding during the half year used in calculating the basic EPS	518,786,293	326,897,863
Weighted average number of ordinary shares outstanding during the half year used in calculating the diluted EPS	518,786,293	326,897,863

23. FINANCIAL INSTRUMENTS

The Group has a number of financial instruments which are not measured at fair value in the Statement of Financial Position. For all of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable is either close to current market rates or the instruments are short-term in nature.

The Group has US$84,947 of investments measured at fair value through profit or loss. Fair value is ascertained via Level 1 inputs, being quoted prices in active markets.

24. EVENTS SUBSEQUENT TO REPORTING DATE

On 6 September 2023 the Company announced a placement to professional and sophisticated investors to raise A$2,288,000 (before costs) (“Placement”). The Placement consists of 99,478,261 new fully paid ordinary shares (“Placement Shares”), to be issued at a price of A$0.023. The Placement was well supported by existing and new investors and the Placement Shares are anticipated to be issued on around 12 September 2023.

Subject to shareholder approval at a meeting to be held on around 31 October 2023, participants in the Placement will also receive one (1) free-attaching option (exercisable at $0.10 and expiry date of 30 June 2025) (“Placement Options”) for every one (1) Placement Share subscribed for and issued (a total of 98,476,091 Placement Options).

In conjunction with the Placement, the Company will also offer Eligible Shareholders the opportunity to participate in a Share Purchase Plan (“SPP”) on the same terms as the Placement to raise up to an additional A$2,000,000 (before costs). The SPP will entitle Eligible Shareholders to subscribe for specific parcels of SPP Shares up to a maximum of $30,000 worth at an issue price of $0.023 per SPP Share, being the same issue price as for the Placement. The offer under the SPP will be for a total of up to 86,956,522 fully paid ordinary shares. The closing date of the SPP is 20 September 2023.

Consistent with the Placement, participants in the SPP will also receive one (1) free attaching option (exercisable at $0.10 and expiring on 30 June 2025) (SPP Options) for every one (1) SPP Share subscribed for and issued (a total of up to 86,956,522 SPP Options). The SPP Options will be issued subject to shareholder approval at a meeting to be held on, or around 9 November 2023, and following lodgement of a prospectus by the Company.

25. SHARE-BASED PAYMENTS

Employee Performance Rights Plan

Approval was obtained from shareholders at the 2010 Annual General Meeting for the establishment of the Employee Performance Rights Plan. The Plan was re-approved by shareholders at the 2016 Annual General Meeting, and revised and re-approved again at the Company's General Meeting held on 11 October 2022. The object of the plan is to:

- provide participants with an incentive plan which recognises ongoing contribution to the achievement by the Company of long term strategic goals;
- establish an employee incentive scheme within the meaning of the Tax Act and an employee share scheme within the meaning of Class Order 03/184 issued by the Australian Securities and Investments Commission;
- align the interests of participants with security holders through the sharing of a personal interest in the future growth and development of the Company as represented in the price of its securities; and
- provide a means of attracting and retaining skilled and experienced employees.

Under the plan, eligible employees of the Company (and its subsidiaries) are provided with performance rights over the Company's ordinary shares. These performance rights will vest and convert into shares, subject to the fulfilment of certain conditions which are determined by the Board.

An employee's eligibility to participate in the plan is subject to the discretion of the Board of Directors of the Company. The Board may from time to time invite an eligible employee to participate in the plan and grant rights to an eligible employee, as part of their remuneration.

No performance rights vested and converted during the period. Set out below is a summary of performance rights on issue during the period:

Financial year of grant	Financial year of vesting date	Balance at start of year	Granted	Vested and converted	Forfeited	Balance at end of period	Fair Value
		Number	Number	Number	Number	Number	US$
31 Dec 2022	31 Dec 2023	1,666,666	800,000	-	-	2,466,666	77,519
	31 Dec 2024	2,466,666	-	-	-	2,466,666	77,519
	31 Dec 2025	3,466,668	1,600,000	-	-	5,066,668	146,390
	31 Dec 2026	2,400,000	(2,400,000)	-	-	-	-
		10,000,000	-	-	-	10,000,000	301,428

The fair value at grant date is determined using the market price of shares of the Company as at the close of trading on the date the rights are granted. There are no performance conditions or KPI's associated with any of these outstanding rights. Unless an employee terminates their employment with the Company all rights will vest and convert to shares on the relevant vesting dates. An expense of US$78,588 (2022: $42,879) has been recognised during the period for rights granted under the Performance Rights Plan.

25. SHARE-BASED PAYMENTS (CONTINUED)

Listed Options

On 20 June 2023, the Company issued 5,000,000 listed options to the Lead Manager of a new share placement of the Company, in part payment of fees for services rendered. The fair value at grant date is determined using the Black Scholes valuation model, and the cost is recorded as capital raising cost against issued capital, as disclosed in the consolidated statement of changes in equity.

The key inputs used in the fair valuation of options issued during the current period are shown in the following table:

Grant Date	Options issued	Exercise price	Exercise date	Share price at grant date	Risk Free rate	Volatility	Fair Value US$
05/05/2023	5,000,000	A$0.10	30/06/2025	A$0.034	3.8%	68.63%	14,591

Other share-based payments

Share-based payment to the Lead Manager of a new share placement of the Company
441,177 ordinary fully paid shares were issued at A$0.034 each (total US$10,272) on 20 June 2023, for payment to the Lead Manager of a new share placement of the Company, in part payment of fees for services rendered. The cost is recorded as capital raising cost against issued capital.

Share-based payment to consultant for board advisory services in Cuban joint venture.
557,405 ordinary fully paid shares were issued at A$0.04 each (total US$15,000) on 20 June 2023, for payment to a consultant for services rendered in relation to the Group's joint venture activities in Cuba.

Share-based payments to investor relations consultant
164,634 ordinary fully paid shares were issued at A$0.041 each (total US$4,622) on 20 June 2023, to a consultant engaged by the Company for the provision of investor relations services.

DIRECTORS' DECLARATION

FOR THE HALF-YEAR ENDED 30 JUNE 2023

In accordance with a resolution for the directors of Antilles Gold Limited, the Directors of the Company declare that:

a. the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act* 2001, including:

   (i) giving a true and fair view of the financial position as at 30 June 2023 and the performance of the half year ending on that date of the consolidated entity; and

   (ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the *Corporations Regulations* 2001 and other mandatory professional requirements; and

b. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to S303(5)(a) of the *Corporations Act* 2001.

On behalf of the Board,

Brian Johnson

Brian Johnson
Executive Chairman
11 September 2023

INDEPENDENT AUDITOR'S REVIEW REPORT
To the Members of Antilles Gold Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Antilles Gold Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2023, 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, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Antilles Gold Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(d) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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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 30 June 2023 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 September 2023

M R Ohm
Partner