

Sierra Nevada Gold Inc

ARBN 653 575 618

Interim Report - 30 June 2024

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Directors	Peter Moore, Executive Chairman Robert Gray, Non-executive Director David Ransom, Non-executive Director
Company secretary	Tony Panther
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Principal place of business	Suite 101, 5470 Louie Lane Reno, Nevada 89511 United States of America
Share register	Computershare Investor Services Pty Limited Yarra Falls, 452 Johnston Street Abbotsford VIC 3067 Australia Telephone: 1300 850 505 (within Australia); +61 3 9415 4000 (outside Australia)
Auditor	RSM Australia Partners Level 27, 120 Collins Street Melbourne VIC 3000
Stock exchange listing	Sierra Nevada Gold Inc Chess Depository Interest (CDI's) are listed on the Australian Securities Exchange (ASX code: SNX)
Website	www.sngold.com.au

The directors present the report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Sierra Nevada Gold Inc (referred to hereafter as the 'Company' or 'parent entity') and the entity it controlled for the half-year ended 30 June 2024 ('the period'). All references to financial amounts in this report are in US dollars, which is Sierra Nevada Gold Inc's functional and presentation currency, unless otherwise stated.

Directors

The following persons were directors of the Consolidated Entity during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Peter Robert Moore, Executive Chairman
Mr Robert Michael Gray, Non-executive Director
Dr Alan James Wilson, Non-executive Director (resigned on 24 January 2024)
Dr David Ransom, Non-executive Director (appointed on 24 January 2024)

Principal activities

During the financial half-year, the principal continuing activities of the Consolidated Entity consisted of exploration and evaluation of the Consolidated Entity's five mineral exploration projects across the state of Nevada, USA.

Review of operations

The loss for the Consolidated Entity after providing for income tax amounted to \$448,614 (30 June 2023: \$842,155).

The loss for the current period was lower than the corresponding prior period as the prior period contained a number of significant non-recurrent costs that did not recur in the current period and there has been decrease in share based payment expense due to the vesting and the lapse of performance shares, travel costs, corporate and administration, consulting fees and foreign exchange losses.

Net assets have increased by \$235,759 from \$15,225,829 as at 31 December 2023 to \$15,461,587 at the end of the financial half-year. The increase is due to an increase in issued capital, mainly due to the issue of placement shares, offset by the operating loss of the Consolidated Entity.

The Consolidated Entity continued its exploratory activities on its Nevada exploration projects. The Consolidated Entity expended approximately \$263,388 on geological consulting, exploration and evaluation assets during the financial half-year (2023: approximately \$645,000).

Overview of activities

Sierra Nevada Gold Limited (ASX: SNX) has been actively engaged in the acquisition and exploration of precious and base metal projects in the highly prospective mineral trends in Nevada, USA since 2011. The Company is exploring five 100%-controlled projects in Nevada, comprising four gold and silver projects and a large copper/gold porphyry project, all representing significant discovery opportunities for the Company.

Warrior Project, Nevada, USA

The Warrior Project centred on a large historic mining centre hosted within a substantial alteration system that is prospective for high-grade vein and disseminated Au-Ag epithermal, skarn breccia and Carlin style deposits. The Warrior Mineral system is analogous to the 20Moz Round Mountain deposit in the trend, and is well located 15km along strike from the high-grade Paradise Peak High Sulphidation epithermal Au/Ag deposit (+2MozAu, 40Moz Ag), 4km NE of the Simon Mine (high-grade polymetallic Ag).

Warrior hosts a large mining camp with four main centres, each of which exploited high-grade epithermal mineralisation, with the Warrior, Hillside, Cute Maid, and Lou Mines mutually aligned on a prominent northeast lineament. The largest of these is located northeast of the camp where records from the 1920s reveal sampled bonanza grade veins over significant vein lengths including 90m at 52.38g/t Au (Discovery Shaft Level 1), 15m at 59.93g/t Au (Discovery Shaft Winze) and 33m at 27.35g/t Au (Gold Coin Shaft).

Drilling

In December 2023, SNX completed a 12-hole, 913m reverse circulation (RC) drilling program at its Warrior Gold Project, located 5km east of OMCO, following up on previous RC drill programs completed by the company.

The 2023 drilling program focused on testing the upper limits of the Warrior vein where historic underground sampling (circa 1920s) returned high-grade composite results including:

- 90m at 52.38g/t Au[1] (Discovery Shaft Level 1) from 109 samples taken across the vein, along vein strike;
- 15m at 59.93g/t Au1 (Discovery Shaft Winze) from 27 samples taken across the vein, down vein dip; and
- 33m at 27.35g/t Au1 (Gold Coin Shaft) from 18 samples taken across the vein, down vein dip.

This represented the first drill testing of these near-surface portions of the Warrior vein.

The Company received the results of this drilling campaign in February 2024. Better results included:

- 20.73m at 2.13g/t Au from 62.2m inc. 10.97m at 3.76g/t Au from 63.4m (WARC022 -- Warrior South)
- 4.88m at 5.49g/t Au from 8.5m (WARC013 - Gold Coin)
- 10.97m at 1.80g/t Au from 40.2m (WARC019- Warrior)
- 7.32m at 1.73g/t Au from 25.6m (WARC014 - Gold Coin)
- 8.53m at 1.64g/t Au from 6.1m (WARC015 - Gold Coin)

Remnant mineralisation was intersected adjacent to mining voids (WARC015 & WARC017), demonstrating previous miners did not extract the entire mineralised envelope, but selectively mined bonanza grade material.

Next Steps

SNX has commissioned a geochemical and spectral study on the Warrior mineral system by an experienced consultant geochemist. When completed the findings of this study will assist with future drill targeting.

Blackhawk Project

SNX has identified two major and extensive components of a large mineralised system at its Blackhawk Project – an epithermal component and a porphyry component.

SNX commenced discussions with several parties regarding a potential partnership to advance exploration of the porphyry component of the project, allowing the company to focus on exploration and development of its Warrior gold-silver project.

Within the Blackhawk epithermal project, SNX designed a 1500m drill program at the Endowment Mine prospect, with permitting approved. Drilling is planned to commence in Q4 2024 and will follow up on previous drillhole BHD006 (drilled by Sierra Nevada Gold in 2017) which returned an intercept of 12.0m at 219g/t Ag, 0.36g/t Au, 3.05% Pb and 8.54% Zn from 250-262m downhole. This interval includes a high-grade core of 5.0m at 479g/t Ag, 0.73g/t Au, 6.96% Pb and 19.84% Zn from 256-260m downhole. BHD006 was drilled beneath the historic Endowment mine testing for depth extensions of historically mined veins, and successfully intersected the Contact Vein 240m vertically below surface. This greater than 200m down dip extension of the vein from surface attests to the strength and predictability of the vein system at Endowment and gives encouragement for future discovery.

Next Steps

RC drilling is planned to commence early in Q4 2024 testing high priority near mine targets within the Endowment Mine complex.

New Pass Project

The New Pass Project is prospective for vein-style gold deposits and jasperoid-hosted, Carlin-style gold deposits within the NW orientated Austin Trend. The Austin Trend is south of, and parallel to, the prolific Carlin and Battle Mountain Trends of central Nevada. The New Pass Project centres on the New Pass Mining centre, which until recently produced gold at an estimated average grade of 17g/t Au from two parallel NS striking quartz veins. Approximately 40koz of gold (non-JORC) is estimated to have been extracted by various private operators over its history.

The New Pass Project contains 6.5km of largely unexplored structurally prospective strike, most of which is covered by thin to modest post mineral sediments and volcanics. Large scale argillic alteration with highly anomalous zinc is present 1km northwest from the main mining centre and presents Sierra Nevada with an immediate prospective area to test outside of the historically mined areas.

The New Pass mining centre displays all the characteristics of a large-scale mineral system. It has witnessed both historic and more recent mining with high grade, vein-hosted gold mineralisation exposed at surface and exploited to approximately 150m below surface. North-south oriented gold-bearing veins are present at the historically and recently worked Superior, Thomas West, Gold Belt and Valley View mines and the lightly prospected and exploited Julie, Lander, True-Blue, and Wildcat zones. Complementary datasets across the project indicate a large-scale and highly prospective structural, hydrothermal, and geochemical setting for the formation of vein deposits.

Colorback Project

The Colorback project is situated within the heart of the Battle Mountain Trend (BMT), which hosts the giant Pipeline deposit (20Moz gold), the Cortez Complex (15Moz gold) and Barrick's Goldrush and Fourmile discoveries (+15Moz gold and growing) as well as the Robertson deposit, which is under development by Nevada Gold Mines, a joint venture between Barrick and Newmont. The BMT is a remarkable gold province that hosts several world-class gold deposits with total production and reserves of more than 100Moz Au.

Through its data acquisition and exploration program, SNX identified large-scale fertile structures with the potential to host a significant Carlin-style mineral system within the Colorback project.

SNX's continued exploration program will focus on defining drill targets within this fertile structural corridor where the gold carrying structures are interpreted to intersect the more favourable and receptive calcareous "Lower Plate lithologies" at depth, rocks that are host to the nearby giant gold deposits.

Competent Persons Statement

Information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr. Brett Butlin, a Competent Person who is a fellow of the Australian Institute of Geoscientists (AIG). Mr. Butlin is a full-time employee of the Company in the role of Chief Geologist and is a shareholder in the Company. Mr. Butlin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Butlin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate

Board Changes

Experienced geologist and mining and finance executive Dr David Ransom joined the SNX Board as a Non-Executive Director on 24 January 2024. He has 45 years of experience in the mining industry in Australia and overseas, and specialised in structural geology for 20 years, working with many companies including CRA, BHP and Newmont. He was also a resource analyst and portfolio manager at Acorn Capital for 17 years, focused on small cap materials and energy companies, and has been a Non-Executive Director of African focused gold producer Perseus Mining (ASX/TSX: PRU) since 2019. Concurrently, Dr Alan Wilson retired from the Board to focus on other interests.

Material business risks

The Consolidated Entity is subject to a range of risks, some specific to the Company and its Consolidated Entity's business activities, and others being general risks arising from and affecting the general economy as a whole.

Current material risks most relevant to the Consolidated Entity and its future prospects, are:

Continuity of tenure of mining claims

The ownership of mineral rights, patented mining claims and unpatented mining claims are governed by Nevada law. The procedures for the location and maintenance of unpatented mining claims are governed by United States law and Nevada law.

The Consolidated Entity follows the mandated processes under the relevant Nevada and United States legislation to ensure continuity of its mining tenure and planned activities and maintains internal monitoring procedures to ensure all federal annual mining claim maintenance fee obligations are identified and paid in a timely manner.

Drilling operations health and safety risks

The conduct of the Consolidated Entity's exploratory drilling operations, often in remote locations, may give risk to occupational health and safety risks for the Consolidated Entity's employees and contractors.

The Consolidated Entity ensures that it only engages drilling contractors which have in place comprehensive occupational health and safety policies and procedures which comply with all relevant legislative and industry requirements. The Consolidated Entity also ensures that its employees and contractors undergo applicable training and induction processes. The Consolidated Entity also carries all required employee compensation insurances.

Environmental risks

The operations and activities of the Consolidated Entity are subject to State and Federal laws and regulations concerning the environment. As is typical of most exploration projects and mining operations globally, the Consolidated Entity's activities may have an impact on the local environment of operation, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses.

The Consolidated Entity ensures that it complies with relevant laws relating to its exploration operations and, where applicable, undertakes any required rehabilitation processes.

Material business risks (cont'd)

Foreign exchange risks

The Consolidated Entity is domiciled in, and undertakes its exploration operations in, the United States and the majority of its expenditure is incurred in US dollars. However, as it has securities listed on the Australian Securities Exchange, it expects a portion of its ongoing costs, including listing, compliance and some employment-related costs, to be incurred and paid in Australian dollars.

The Consolidated Entity has decided not to actively manage its foreign exchange risks arising from this structure. In order to minimise ongoing foreign exchange currency risks, the Consolidated Entity has estimated future Australian dollar-denominated costs that it expects to incur, in the short to medium term, and will hold Australian dollars to match those expected expenditures as far as practicable.

Significant changes in the state of affairs

On 3 May 2024, 150,000 Performance Shares held by Mr Robert Gray, Non-Executive Director of the Company, 310,000 Performance Shares held by Mr Brett Butlin, Chief Geologist of the Company, and 365,000 Performance Shares held by Mr Peter Moore, Executive Chairman of the Company vested and were converted into CHES Depositary Interests ("CDIs").

In May 2024, the Company undertook a capital raising (**Placement**) to raise a total of approximately A\$2.6 million (before issue costs) by way of the issue of approximately 46.5 million shares/CDIs at an issue price of A\$0.056 (5.6 cents) per security to institutional and sophisticated investors in two tranches. In addition, each investor would be issued one free attaching unlisted option (**Placement Option**) for every two CDIs subscribed for under the Placement, with the Placement Options having a 2-year expiry and a 12 cent exercise price. Tranche 1 of the Placement was completed on 6 June 2024 with the issue of 19,018,730 shares/CDIs raising approximately A\$1.065 million (before issue costs). Tranche 2 of the Placement was completed after the end of the financial half-year and details are set out below.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

Matters subsequent to the end of the financial half-year

In May 2024, the Company undertook a two-tranche capital raising (**Placement**), Tranche 2 of which was completed after the end of the financial half-year. Tranche 2 of the Placement was completed on 7 August 2024 with the issue of 27,510,915 shares/CDIs raising approximately A\$1.54 million (before issue costs). Also on 7 August 2024 the Company issued 23,264,806 Placement Options to investors who participated in the Placement.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

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



Peter Moore
Executive Chairman

9 September 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Sierra Nevada Gold Inc. for the half year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in black ink that reads "RSM".**RSM AUSTRALIA PARTNERS**A handwritten signature in black ink that appears to read "R J Morillo Maldonado".**R J MORILLO MALDONADO**

Partner

Dated: 9 September 2024

Melbourne, Australia

Statement of profit or loss and other comprehensive income (amounts expressed in US Dollars)

For the half-year ended 30 June 2024

	Note	30 June 2024 \$	30 June 2023 \$
Expenses			
Legal and Consulting fees		(51,443)	(119,697)
Other expenses		(20,235)	(48,394)
Share based payments expense	5,14	(42,088)	(237,948)
Depreciation and amortisation expense	5	(47,352)	(44,196)
Administration expenses		(273,025)	(370,309)
Forex exchange Loss		(12,655)	(18,822)
Finance costs	5	(1,816)	(2,789)
Loss before income tax expense		(448,614)	(842,155)
Income tax expense		-	-
Loss after income tax expense for the half-year		(448,614)	(842,155)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year		<u>(448,614)</u>	<u>(842,155)</u>
		Cents	Cents
Basic loss per share	15	(0.57)	(1.50)
Diluted loss per share	15	(0.57)	(1.50)

The above Statement of profit or loss and other comprehensive income (amounts expressed in US dollars) should be read in conjunction with the accompanying notes

Sierra Nevada Gold Inc
Statement of financial position (amounts expressed in US Dollars)
As at 30 June 2024



	Note	30 June 2024	31 December 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		843,804	899,222
Other prepayments		32,179	51,686
Total current assets		<u>875,983</u>	<u>950,908</u>
Non-current assets			
Plant and equipment		112,718	139,484
Right-of-use assets	6	51,462	72,048
Exploration and evaluation assets	7	14,911,927	14,648,539
Other receivables		77,392	77,392
Total non-current assets		<u>15,153,499</u>	<u>14,937,463</u>
Total assets		<u>16,029,482</u>	<u>15,888,371</u>
Liabilities			
Current liabilities			
Trade and other payables	8	337,713	430,723
Lease liabilities		43,037	39,268
Provisions		100,208	82,591
Total current liabilities		<u>480,958</u>	<u>552,582</u>
Non-current liabilities			
Lease liabilities		11,745	34,768
Provisions		75,192	75,192
Total non-current liabilities		<u>86,937</u>	<u>109,960</u>
Total liabilities		<u>567,895</u>	<u>662,542</u>
Net assets		<u>15,461,587</u>	<u>15,225,829</u>
Equity			
Issued capital	9	22,888,687	21,967,825
Reserves	10	868,926	1,105,416
Accumulated losses		(8,296,026)	(7,847,412)
Total equity		<u>15,461,587</u>	<u>15,225,829</u>

The above Statement of financial position (amounts expressed in US dollars) should be read in conjunction with the accompanying notes

Sierra Nevada Gold Inc
Statement of changes in equity (amounts expressed in US Dollars)
For the half-year ended 30 June 2024



	Issued capital \$	Option reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2023	20,943,302	846,309	(6,307,889)	15,481,722
Loss after income tax expense for the half-year	-	-	(842,155)	(842,155)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(842,155)	(842,155)
<i>Transactions with owners in their capacity as owners:</i>				
Exercise of performance shares	144,312	(144,312)	-	-
Share-based payments (note 14)	-	237,948	-	237,948
Balance at 30 June 2023	<u>21,087,614</u>	<u>939,945</u>	<u>(7,150,044)</u>	<u>14,877,515</u>
	Issued capital \$	Option reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2024	21,967,825	1,105,416	(7,847,412)	15,225,829
Loss after income tax expense for the half-year	-	-	(448,614)	(448,614)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(448,614)	(448,614)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	621,779	-	-	621,779
Exercise of performance shares	278,579	(278,579)	-	-
Share based payment expense	-	42,089	-	42,089
Issue of shares in lieu of director fees	20,504	-	-	20,504
Balance at 30 June 2024	<u>22,888,687</u>	<u>868,926</u>	<u>(8,296,026)</u>	<u>15,461,587</u>

The above Statement of changes in equity (amounts expressed in US dollars) should be read in conjunction with the accompanying notes

Sierra Nevada Gold Inc
Statement of cash flows (amounts expressed in US Dollars)
For the half-year ended 30 June 2024



	Note	30 June 2024 \$	30 June 2023 \$
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(357,958)	(427,563)
Interest and other finance costs paid		(1,816)	(2,789)
Net cash used in operating activities		(359,774)	(430,352)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(56,600)
Payments for exploration and evaluation		(285,514)	(1,208,549)
Net cash used in investing activities		(285,514)	(1,265,149)
Cash flows from financing activities			
Proceeds from issue of shares		709,271	-
Share issue transaction costs		(87,492)	-
Repayment of lease liabilities		(19,255)	(18,211)
Net cash from/(used in) financing activities		602,524	(18,211)
Net decrease in cash and cash equivalents		(42,764)	(1,713,712)
Cash and cash equivalents at the beginning of the financial half-year		899,222	2,576,029
Effects of exchange rate changes on cash and cash equivalents		(12,654)	(18,821)
Cash and cash equivalents at the end of the financial half-year		<u>843,804</u>	<u>843,496</u>

The above Statement of cash flows (amounts expressed in US dollars) should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Sierra Nevada Gold Inc. as a Consolidated entity consisting of Sierra Nevada Gold Inc. and the entity it controlled at the end of, or during, the period ended 30 June 2024. Sierra Nevada Gold Inc. is incorporated in the state of Nevada, United States of America, and is listed on the Australian Securities Exchange. The financial statements are presented in US dollars, which is Sierra Nevada Gold Inc's functional and presentation currency.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Consolidated Entity 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 year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

Note 2. Material accounting policy information (continued)

Going concern

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

During the half year ended 30 June 2024, the Consolidated entity incurred in a loss of \$448,614 and had net operating cash outflows of \$359,774 and investing cash outflows of \$285,514. Given the Consolidated Entity is still in the exploratory phase the above results were not unexpected.

The continuing viability of the Consolidated Entity and its ability to continue as a going concern is dependent upon the Company accessing additional sources of capital to meet the commitments within one year from the date of signing the financial report.

Notwithstanding the above matters, the Directors believe that it is reasonably foreseeable that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report, after considering the following matters:

- Subsequent to the end of the financial half year, the Company successfully completed a share placement (**Placement**) which raised further funds amounting to approximately \$1 million (approximately A\$1.54 million), net of issue costs (refer to note 13);
- The Consolidated entity has nominal fixed/contracted costs and no significant commitments and has the ability and flexibility to adjust the timing and scope of its exploration and evaluation activities as funds are available;
- The directors of the company have provided written confirmation that they authorise the entity to partially defer cash payments of any directors' fees, salaries and other remuneration for a minimum period of twelve months from the signing of the financial statements, if such payments would jeopardise the solvency of the Consolidated Entity; and
- The directors are planning to seek further funding, either by raising capital through ASX or other capital markets. The Consolidated entity has been operating since 2011 and has a successful track record of raising funds from existing and new investors as and when required to advance the exploration programmes on its projects.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Impairment of exploration and non-financial assets

The Consolidated Entity assesses impairment of exploration and evaluation assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Provision for rehabilitation

A provision has been made for future costs estimated to be incurred in rehabilitating mining leases. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. These cost estimates are as per the Bureau of Land Management, who also holds a deposit from the Consolidated Entity equal to the provision of rehabilitation. This deposit is accounted for as a non-current asset within the balance sheet of the Consolidated Entity.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Consolidated Entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Operating segments

Operating segments are identified on the basis of internal reports about the components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker (the Board of the Consolidated Entity) in order to allocate resources to the segment and to assess its performance. In the current period the Board has determined that the Consolidated Entity has one operating segment, being mineral exploration within the state of Nevada, United states of America.

Assets and liabilities by geographical area

All assets and liabilities and operations are based in United states of America with the exception of an Australian Dollar bank account which is held with an Australian bank in Australia. The balance of this bank account at 30 June 2024 was USD 843,804 (31 December 2023: 385,868 USD)

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 5. Expenses

	30 June 2024 \$	30 June 2023 \$
Loss before income tax includes the following specific expenses:		
<i>Depreciation and amortisation expense</i>		
Depreciation expense	47,352	44,196
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	1,816	2,789
<i>Superannuation expense</i>		
Defined contribution superannuation expense	6,812	9,190
<i>Share-based payments expense</i>		
Share-based payments expense - employees & directors	42,088	237,948
<i>Employee benefits expense excluding superannuation</i>		
Employee benefits expense excluding superannuation and including share-based payments expense	221,468	433,071

Note 6. Non-current assets - right-of-use assets

	30 June 2024 \$	31 December 2023 \$
Land and buildings - right-of-use	123,510	123,510
Less: Accumulated depreciation	(72,048)	(51,462)
	<u>51,462</u>	<u>72,048</u>

Note 7. Non-current assets - exploration and evaluation assets

	30 June 2024 \$	31 December 2023 \$
Exploration and evaluation assets	<u>14,911,927</u>	<u>14,648,539</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Exploration and evaluation assets \$
Balance at 1 January 2024	14,648,539
Additions	<u>263,388</u>
Balance at 30 June 2024	<u>14,911,927</u>

Note 8. Current liabilities - trade and other payables

	30 June 2024	31 December 2023
	\$	\$
Trade payables	283,595	331,542
Other payables	54,118	99,181
	<u>337,713</u>	<u>430,723</u>

Note 9. Equity - issued capital

	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>95,455,421</u>	<u>75,249,926</u>	<u>22,888,687</u>	<u>21,967,825</u>

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 January 2024	75,249,926	21,967,825
Shares issued upon vesting of performance shares *	03 May 2024	825,000	278,579
Placement Shares issued	06 June 2024	19,018,730	709,271
Shares issued in lieu of accrued Directors fees payable	18 June 2024	361,765	20,504
Capital Raising costs		-	(87,492)
Balance	30 June 2024	<u>95,455,421</u>	<u>22,888,687</u>

*During the year, shares were issued on the conversion of performance shares amounting to \$ 278,579.

1. Rob Gray – 150,000 performance shares vested and converted to fully paid shares/CDIs - \$ 51,540

2. Brett Butlin – 310,000 performance shares vested and converted to fully paid shares/CDIs - \$ 106,516

3. Peter Moore - 365,000 performance shares vested and converted to fully paid shares/CDIs - \$ 120,523

Ordinary Shares

Ordinary Shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the Shares held. The fully paid ordinary Shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

CHESS Depositary Interests (CDIs)

The ASX uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. As a company incorporated in the state of Nevada in the United States, to enable the Company to have its securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued to investors in the Company, as the actual underlying shares in the Company cannot be traded on the ASX. CDIs represent the beneficial interest in the underlying shares in a foreign company such as Sierra Nevada and are traded in a manner similar to shares of Australian companies listed on the ASX. Each Share of Sierra Nevada will be equivalent to one CDI. The actual shares in the Company are held by CHESS Depositary Nominees Pty Ltd on behalf of and for the benefit of the CDI holders.

Share buy-back

There is no current on-market Share buy-back.

Note 10. Equity - reserves

	30 June 2024	31 December 2023
	\$	\$
Share-based payments reserve	868,926	1,105,416

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 11. Contingent liabilities

There were no contingent liabilities as at 30 June 2024 and 31 December 2023.

Note 12. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2024	31 December 2023
		%	%
Sierra Nevada Minerals Pty Ltd	Australia	100.00%	100.00%

Note 13. Events after the reporting period

In May 2024, the Company undertook a two-tranche capital raising (**Placement**), Tranche 2 of which was completed after the end of the financial half-year. Tranche 2 of the Placement was completed on 7 August 2024 with the issue of 27,510,915 shares/CDIs raising approximately A\$1.54 million (before issue costs). Also on 7 August 2024 the Company issued 23,264,806 Placement Options to investors who participated in the Placement.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 14. Share-based payments

The Consolidated Entity may, from time to time, issue securities to employee and third parties as consideration for goods and/or services provided to the Consolidated Entity by those parties. All such transactions are settled in equity and vest immediately, unless otherwise stated.

During the half year ended 30 June 2024 the Consolidated Entity did not issue any new performance shares and options during the half-year ended 30 June 2024.

Options

Set out below is a summary of options outstanding:

Note 14. Share-based payments (continued)

30 June 2024

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
27/04/2022	27/04/2025	\$0.625	1,782,210	-	-	-	1,782,210
27/11/2023	27/11/2026	\$0.160	1,500,000	-	-	-	1,500,000
			3,282,210	-	-	-	3,282,210

30 June 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
27/04/2022	27/04/2025	\$0.625	1,782,210	-	-	-	1,782,210
			1,782,210	-	-	-	1,782,210

Performance Shares

An Equity Incentive Plan (the **Plan**) has been established by the Consolidated Entity, whereby the Consolidated Entity may issue securities to certain key management personnel of the Consolidated Entity.

The Performance Shares were issued for a nil issue price. Subject to fulfilment of the relevant vesting conditions, as set out below, each Performance Share will entitle the holder to subscribe for one fully paid ordinary share in the Consolidated Entity for a nil exercise price. These grants of Performance Shares were made under the Equity Incentive Plan. The purpose of the issue of the Performance Shares is to advance the interests of the Consolidated Entity and its shareholders by providing an incentive to attract, retain and reward persons performing services for the Consolidated Entity and by motivating such persons to contribute to the growth and profitability of the Consolidated Entity. Performance Shares will lapse on the fourth anniversary of their grant date, if not converted to Shares before that date.

Set out below are summaries of Performance Shares granted under the Plan:

30 June 2024

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
27/01/2022	27/01/2026	\$0.000	1,530,000	-	(460,000)	(300,000)	770,000
28/04/2022	28/04/2026	\$0.000	1,095,000	-	(365,000)	-	730,000
05/09/2023	01/06/2026	\$0.000	177,102	-	-	-	177,102
05/09/2023	01/06/2027	\$0.000	177,102	-	-	-	177,102
05/09/2023	01/07/2027	\$0.000	177,102	-	-	-	177,102
			3,156,306	-	(825,000)	(300,000)	2,031,306

Note 14. Share-based payments (continued)

Summary of outstanding performance shares

Recipient Grant dates:	Peter Moore (Executive Chairman) 28/04/2022	Robert Gray (Non- Executive Director) 27/01/2022	Brett Butlin (Chief Geologist) 27/01/2022	Employees and contractors 05/09/2023	Vesting dates
<i>Vesting conditions:</i>					
Completion of IPO and 36 months continuous service for following IPO	365,000	-	310,000	-	28/04/2025
Completion of IPO and a post-Offer 20-day VWAP $\geq$ 150% of IPO Offer price and 12 months continuous service for following IPO	365,000	150,000	310,000	-	28/04/2023
Completion of relevant service conditions	-	-	-	177,102	01/06/2024
Completion of relevant service conditions	-	-	-	177,102	01/06/2025
Completion of relevant service conditions	-	-	-	177,102	01/07/2025
	<u>730,000</u>	<u>150,000</u>	<u>620,000</u>	<u>531,306</u>	

30 June 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
27/01/2022	27/01/2026	\$0.000	1,950,000	-	(420,000)	-	1,530,000
28/04/2022	28/04/2026	\$0.000	1,095,000	-	-	-	1,095,000
			<u>3,045,000</u>	<u>-</u>	<u>(420,000)</u>	<u>-</u>	<u>2,625,000</u>

Overview of share based payments

An overview of the share-based payments made in the half year ended 30 June 2024 is as follows:

	30 June 2024 \$	30 June 2023 \$
Share Based Payments expense - directors	3,011	161,821
Share Based Payments expense - employees and contractors	39,077	76,127
Total share based payment expense	<u>42,088</u>	<u>237,948</u>
	<u>42,088</u>	<u>237,948</u>

Note 15. Loss per share

	30 June 2024 \$	30 June 2023 \$
Loss after income tax	<u>(448,614)</u>	<u>(842,155)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	<u>78,044,655</u>	<u>56,196,586</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>78,044,655</u>	<u>56,196,586</u>

Note 15. Loss per share (continued)

	Cents	Cents
Basic loss per share	(0.57)	(1.50)
Diluted loss per share	(0.57)	(1.50)

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporation Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the financial half-year ended on that date; and
- 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.



Peter Moore
Executive Chairman

9 September 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Sierra Nevada Gold Inc.

Conclusion

We have reviewed the accompanying half-year financial report of Sierra Nevada Gold Inc. (the 'Company') and the entity it controlled (together the 'Consolidated entity') which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year then ended, notes comprising a summary of material accounting policy information, and the director's declaration.

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

- (a) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard *AASB 134 Interim Financial Reporting* and *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* ('ASRE 2410'). 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.

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

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 Consolidated entity'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.



RSM AUSTRALIA PARTNERS



R J MORILLO MALDONADO

Partner

Dated: 9 September 2024
Melbourne, Victoria