



ABN 86 108 753 608

**Interim Financial Report
for the half-year ended
31 December 2020**

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Corporate Directory

DIRECTORS

Katina Law
Non-Executive Chair

David (Lorry) Hughes
Managing Director

Tim Kennedy (appointed 17 February 2021)
Non-Executive Director

Kelly Ross (resigned 17 February 2021)
Non-Executive Director

COMPANY SECRETARY

Bianca Taveira

PRINCIPAL AND REGISTERED OFFICE

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Nedlands WA 6009
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Web: www.yandalresources.com.au

AUDITORS

Rothsay Auditing
Level 1, Lincoln House
4 Ventnor Avenue
West Perth WA 6005

SHARE REGISTRY

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

STOCK EXCHANGE LISTING

Australian Stock Exchange
Code: YRL

Directors' Report

The Directors of Yandal Resources Limited ("Yandal Resources") submit herewith the financial report for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

The names of the Directors of the Company during or since the end of the half-year are:

Katina Law
David (Lorry) Hughes
Tim Kennedy – appointed 17 February 2021
Kelly Ross – resigned 17 February 2021

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

Operating Results

The operating loss of the Company for the six months amounted to \$170,546 (December 2019: Loss of \$178,347).

Review of Operations/Exploration Activity

The Company has a portfolio of advanced gold exploration projects in the highly prospective Yandal and Norseman-Wiluna Greenstone Belts of Western Australia (Figure 1). During the past six months the Company has continued to aggressively explore its high-priority target areas by completing substantial Air-core ("AC"), reverse circulation ("RC") and diamond ("DD") drilling programs to extend known mineralisation.

The programs returned excellent results from the Barwidgee, Gordons and Ironstone Well projects and prospectivity for new discoveries has been greatly enhanced. Exploration programs going forward are planned to be aggressively expanded.

At the Flushing Meadows prospect within the Ironstone Well project (Figure 2), Resource ounces were increased 40% to 268,000oz above a 0.5g/t Au lower cut-off grade (Table 1) and additional priority targets for expansion have been identified for testing in 2021.

Mining approval activities continued during the period however focus shifted to exploration aimed at substantially increasing the Resource ounces to define a much larger gold development including the Flushing Meadows deposit.

Table 1 – November 2020 Mineral Resource Estimate Summary

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz
Laterite	89,853	1.26	3,631	86,671	1.23	3,422	176,524	1.24	7,054
Oxide	2,015,900	1.33	86,071	2,246,845	1.10	79,389	4,262,745	1.21	165,420
Transition	35,223	1.20	1,360	1,160,471	1.10	40,966	1,195,695	1.10	42,325
Primary				1,751,484	0.95	53,440	1,751,484	0.95	53,440
Total	2,140,976	1.32	91,062	5,245,471	1.05	177,217	7,386,448	1.13	268,352

* Refer to Yandal Resources' ASX announcement dated 4 November 2020 for full details.

Exploration targeting has identified a major underexplored trend including Flushing Meadows which extends in excess of 20km north west along strike between the Flinders Park prospect and the Atlanta prospect (Figure 2). The trend will be the focus of high-impact drilling in the years to come as all the prospects with significant mineralisation and Resources are open in most directions and have received very little or no effective drilling in priority extension areas.

Directors' Report

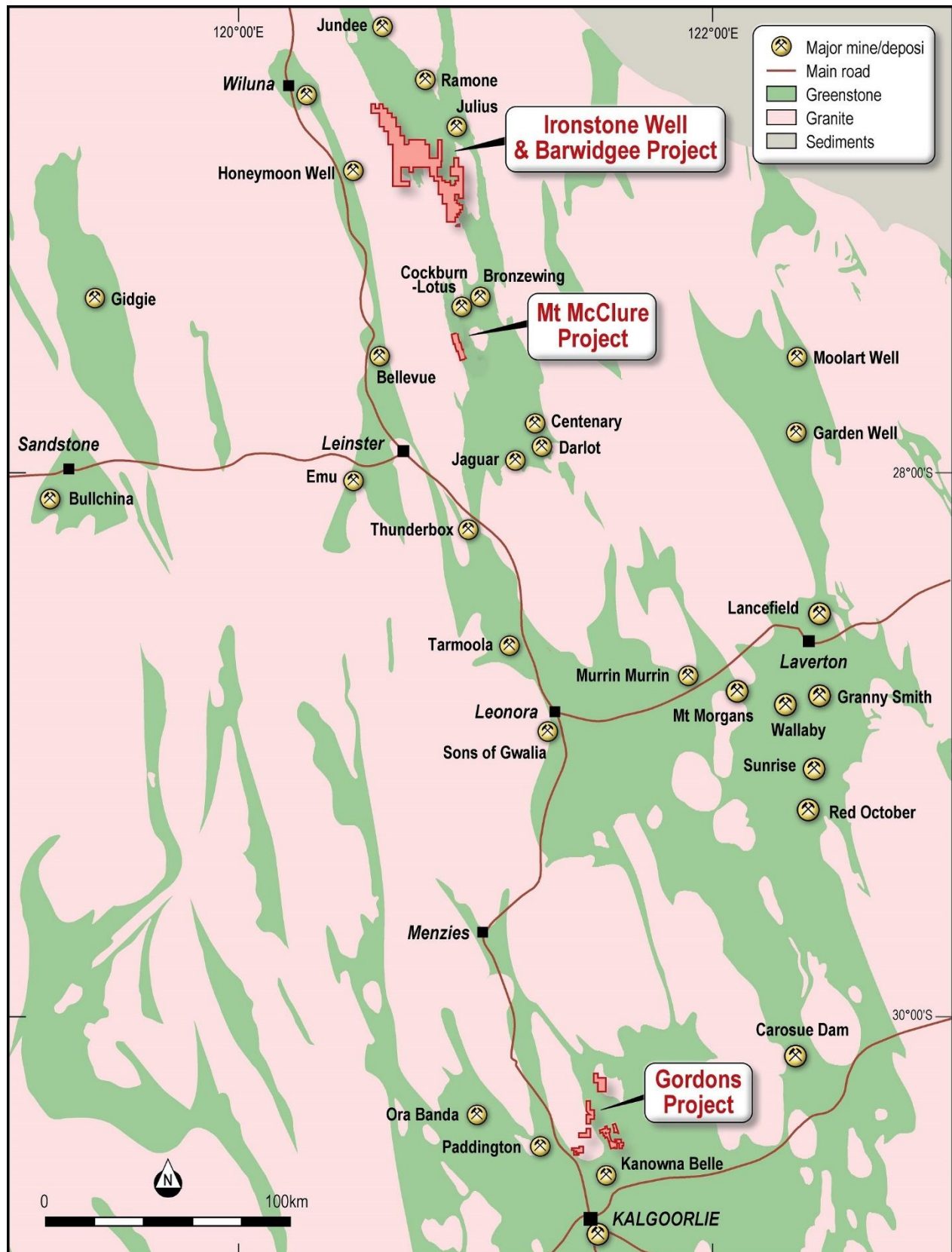


Figure 1 – Location of Yandal Resources' Ironstone Well, Barwidgee, Mt McClure and Gordons gold projects in Western Australia.

Directors' Report

At the adjacent Barwidgee project (Figure 2) new high-grade RC drilling results from Sims Find were a highlight and resulted in an elevation of the prospect in the priority list. Best results from the December program included:

- 8m @ 24.30g/t Au from 9m including 1m @ 129.00g/t Au from 12m (YRLRC457)¹
- 3m @ 20.85g/t Au from 30m including 1m @ 62.25g/t Au from 30m (YRLRC447)¹
- 5m @ 6.53g/t Au from 17m including 1m @ 30.40g/t Au from 17m (YRLRC445)¹
- 2m @ 12.27g/t Au from 37m including 1m @ 24.03g/t Au from 37m (YRLRC432)¹
- 2m @ 9.06g/t Au from 48m including 1m @ 17.90g/t Au from 48m (YRLRC450)¹
- 7m @ 3.50g/t Au from 23m including 1m @ 12.05g/t Au from 26m (YRLRC433)¹
- 5m @ 3.33g/t Au from 22m including 1m @ 8.15g/t Au from 23m (YRLRC440)¹

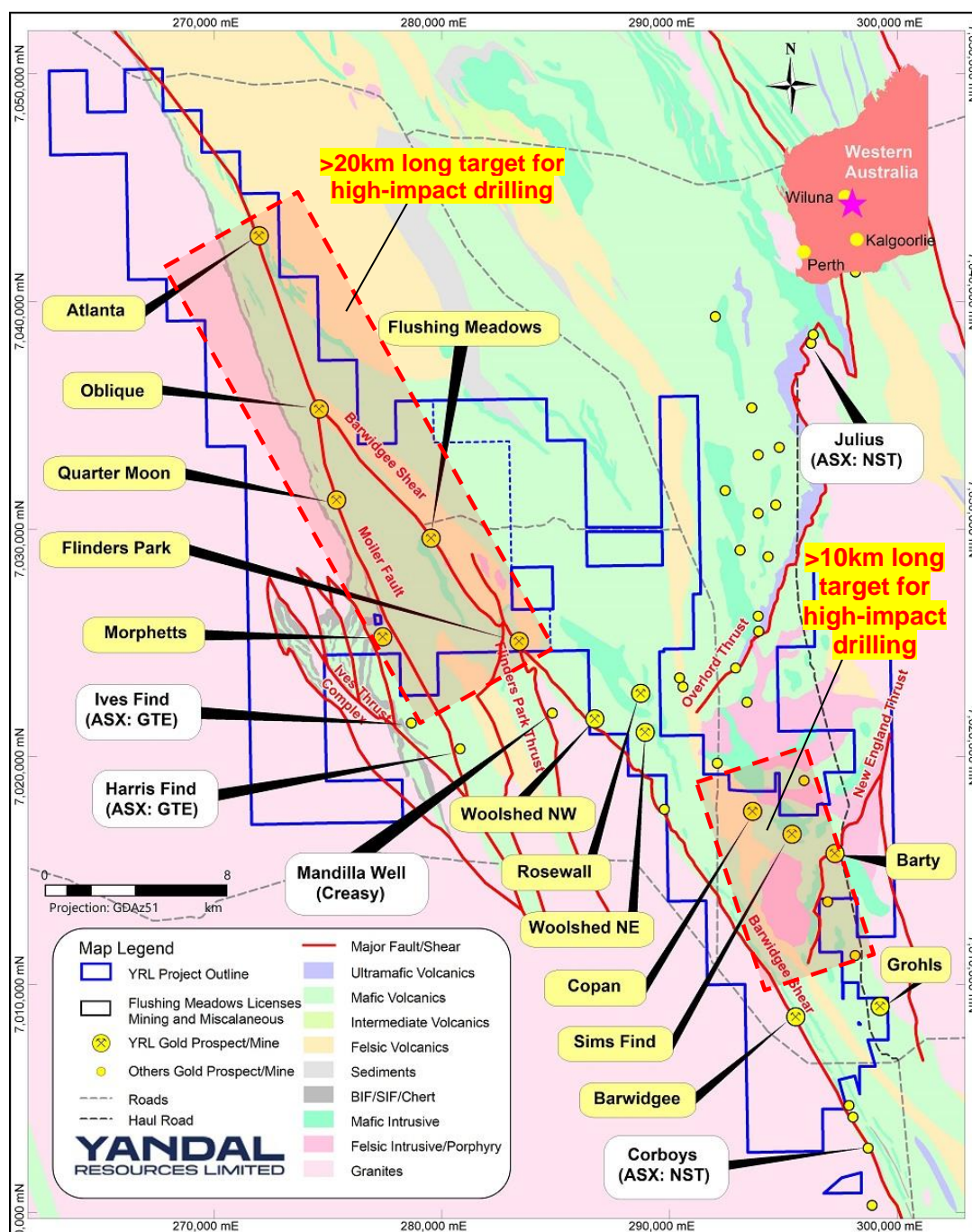


Figure 2 – Ironstone Well and Barwidgee gold projects geological interpretation map including known prospects and structures.

¹ Refer to YRL ASX announcement dated 22 December 2020 and 2 March 2021.

Directors' Report

High-impact drilling is planned to occur over a combined >10km long exploration target area north and south of the Sims Find prospect as there are numerous anomalous historic holes that require follow-up.

At the Mt McClure project twenty-six RC holes ranging in depths from 60 - 258m were completed for 2,813m and all results are pending (Figures 1 & 3). The program was largely to confirm historic mineralisation ahead of follow-up RC and diamond drilling to explore for extensions at depth in 2021.

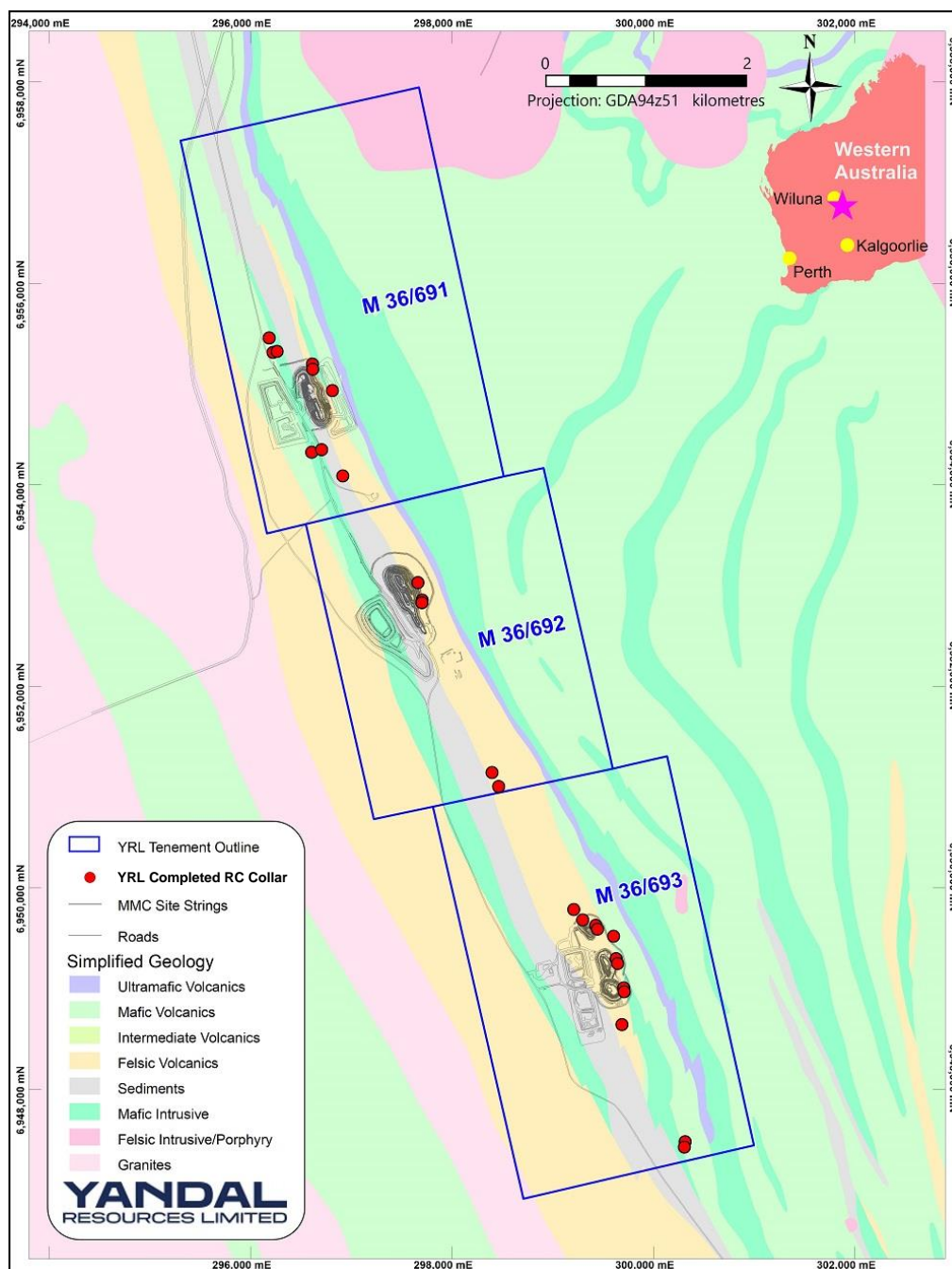


Figure 3 – Location map of planned drill collars over regional geology within the Success, Parmelia and Challenger Mining Leases.

Within the Gordons gold project near Kalgoorlie (Figures 1 & 4) results from the most advanced prospect Gordons Dam continued to provide encouragement to expand exploration programs. RC and DD drilling was carried out beneath and adjacent to the high-grade palaeochannel sediments in order to understand the structural controls to mineralisation.

Directors' Report

The DD drilling intersected a number of low angle to core-axis high-grade structures that occur in both mafic and porphyry rock types. The results warranted trialling a number of different drilling directions and some scissor holes to improve the interpretation of the mineralisation ahead of further expansion drilling at depth.

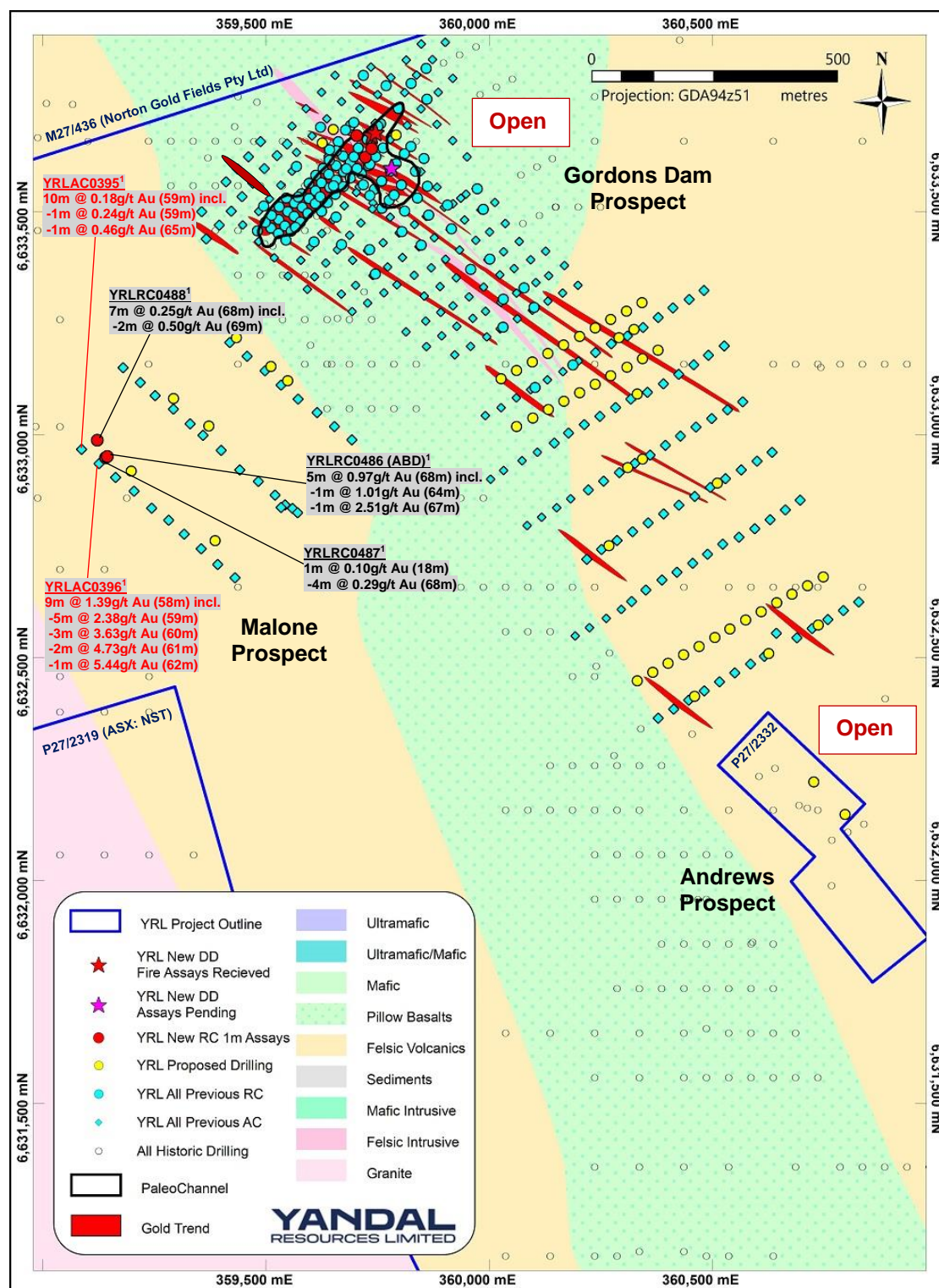


Figure 4 – Gordons Dam, Malone and Andrews prospect collar plan over interpreted geology showing the location of new RC holes with assays received (Red circles), new planned RC and AC holes (Yellow circles) and all other holes as per the legend.

¹ Refer to YRL ASX announcement dated 15 December 2020 and 25 January 2021.

Directors' Report

AC with limited RC confirmation drilling has defined anomalous mineralisation for <2km along strike of an interpreted structure from Gordons Dam to the Andrews prospect in the southeast. Similarly broad spaced AC lines for <600m to the southwest of the Gordons Dam palaeochannel mineralisation intersected anomalous mineralisation at the new Malone prospect (Figure 4). Further infill and extensional drilling is planned over a total distance of <1.5km to defined new mineralisation.

In June 2020, the Company announced a Non-renounceable pro-rata entitlement to 1 New Share for every 5 Shares held at an issue price of 25 cents per New Share.

In August 2020, the Company announced the results of its pro-rata issue, raising \$3,342,409 before share issue costs with shares issued as follows:

- On 20 July 2020, the Company issued 8,498,542 shares
- On 28 July 2020, the Company further allotted 3,551,093 shares
- On 3 August 2020, the Company issued 1,320,000 shares being the remaining shortfall shares under the 1 for 5 Non-Renounceable Pro-Rata Rights Issue.

In October 2020, the Company successfully raised \$6M through the issue of 12 million New Shares at 50 cents per new Share.

The new capital raised is to specifically accelerate the Company's exploration programs at the Ironstone Well, Barwidgee and Gordons projects as results have been highly encouraging during the preceding two years.

Other than the matters above, there were no significant changes in the state of affairs of the Company during the period.

Competent Person Statement

The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Trevor Saul, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy. Mr Saul is the Exploration Manager for the Company, is a full-time employee and holds shares and options in the Company.

Mr Saul has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Saul consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information that relates to the Flushing Meadows Mineral Resource Estimate is based on information compiled and generated by Andrew Bewsher, an employee of BM Geological Services Pty Ltd ("BMGS"). Both Andrew Bewsher and BMGS hold shares in the company. BMGS consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Bewsher has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Directors' Report

Subsequent Events

Subsequent to period end, 707,710 unlisted options were exercised. 500,000 at \$0.25, expiring 31 December 2021 and 207,710 at \$0.27, expiring 30 June 2021. The Company received approximately \$181,081 for the exercise of these options.

In the opinion of the Directors of the Company, there are no other matters or circumstances that have arisen since 31 December 2020 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial periods.

Dividends Paid or Recommended

No dividends were paid during the period and no recommendation is made as to payments of future dividends.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 9 of the half-year financial report.

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

On behalf of the Directors

Mr Lorry Hughes
Director

15 March 2021

Auditor's Independence Declaration



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Phone (08) 9486 7094 www.rothsayresources.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the review of Yandal Resources Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

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

Rothsay Auditing

Daniel Dalla
Partner

12 March 2021



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Independent Review Report



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF YANDAL RESOURCES LIMITED

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Yandal Resources Limited ("the Company") which comprises the statement of financial position as at 31 December 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Directors' Responsibility 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 the 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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Independent Review Report



Auditor's Responsibility for the Review of the Half-Year 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 Company's financial position as at 31 December 2020 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.

A handwritten signature in black ink, appearing to read 'Rothsay'.

Rothsay Auditing

Dated 12 March 2021

A handwritten signature in black ink, appearing to read 'Dalla'.

Daniel Dalla
Partner

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 13 to 18 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance, as represented by the results of its operations and its cash flow, for the half-year ended on that date.
2. 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.

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

Mr Lorry Hughes
Director

Date: 15 March 2021

Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2020

	NOTE	Half-year ended 31 Dec 2020 \$	Half-year ended 31 Dec 2019 \$
Continuing Operations			
Interest income		13,300	37,969
Total Revenue from Continuing Operations		13,300	37,969
Employee and contractors expenses		(58,446)	(52,469)
Occupancy expenses		(11,108)	(12,712)
Administration expenses		(57,266)	(77,213)
Consultants expenses and professional costs		(49,047)	(49,583)
Travel expenses		(2,996)	(4,402)
Exploration expenses		-	(14,322)
Depreciation		(4,983)	(5,615)
Loss from continuing operations before income tax		(170,546)	(178,347)
Income tax (expense)/benefit		-	-
Loss from continuing operations after income tax for the period		(170,546)	(178,347)
Other comprehensive income for the period			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the period		-	-
Total comprehensive loss for the period attributable to owners of Yandal Resources Limited		(170,546)	(178,347)
Basic loss (cents per share)		(0.21)	(0.27)

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

Statement of Financial Position as at 31 December 2020

	NOTE	31 Dec 2020 \$	30 Jun 2020 \$
Current Assets			
Cash and cash equivalents	2	10,042,932	3,384,990
Trade and other receivables		148,764	145,891
Other assets		14,023	5,255
Total Current Assets		10,205,719	3,536,136
Non-Current Assets			
Capitalised exploration & evaluation expenditure costs	3	6,767,903	4,506,326
Property, plant and equipment		85,954	18,255
Total Non-Current Assets		6,853,857	4,524,581
Total Assets		17,059,576	8,060,717
Current Liabilities			
Trade and other payables		144,714	119,473
Total Current Liabilities		144,714	119,473
Total Liabilities		144,714	119,473
Net Assets		16,914,862	7,941,244
Equity			
Issued capital	4	17,712,122	8,567,958
Reserves		599,750	599,750
Accumulated losses		(1,397,010)	(1,226,464)
Total Equity		16,914,862	7,941,244

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

Statement of Changes in Equity for the half-year ended 31 December 2020

	Attributable to equity holders			
	Ordinary Shares \$	Option Issue Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2020	8,567,958	599,750	(1,226,464)	7,941,244
Comprehensive income for the half-year				
Loss for the half-year	-	-	(170,546)	(170,546)
Total comprehensive loss for the half-year	-	-	(170,546)	(170,546)
Transactions with owners in their capacity as owners:				
Issue of shares during the period	9,518,864	-	-	9,518,864
Share issue costs	(374,700)	-	-	(374,700)
Balance at 31 December 2020	17,712,122	599,750	(1,397,010)	16,914,862

	Attributable to equity holders			
	Ordinary Shares \$	Option Issue Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2019	5,694,639	599,750	(722,760)	5,571,629
Comprehensive income for the half-year				
Loss for the half-year	-	-	(178,347)	(178,347)
Total comprehensive loss for the half-year	-	-	(178,347)	(178,347)
Transactions with owners in their capacity as owners:				
Issue of shares during the period	2,941,319	-	-	2,941,319
Share issue costs	(68,000)	-	-	(68,000)
Balance at 31 December 2019	8,567,958	599,750	(901,107)	8,266,601

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

Statement of Cash Flows for the half-year ended 31 December 2020

	Half-year ended 31 Dec 2020 \$	Half-year ended 31 Dec 2019 \$
Cash flows from operating activities		
Payments to suppliers and employees	(219,394)	(299,328)
Interest received	12,828	37,364
ATO cash flow boost	50,000	-
Net cash used in operating activities	(156,566)	(261,964)
Cash flows from investing activities		
Exploration and evaluation expenditure	(2,190,728)	(1,419,025)
Payments for acquisition of tenements	(66,246)	-
Payments for purchase of assets	(72,682)	(2,548)
Net cash used in investing activities	(2,329,656)	(1,421,573)
Cash flows from financing activities		
Proceeds from issues of ordinary shares	9,518,864	2,941,319
Share issue costs	(374,700)	(68,000)
Net cash provided by financing activities	9,144,164	2,873,319
Net increase/(decrease) in cash and cash equivalents	6,657,942	1,189,782
Cash and cash equivalents at the beginning of the half-year	3,384,990	3,545,670
Cash and cash equivalents at the end of the half-year	10,042,932	4,735,452

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

Notes to the Interim Financial Statements for the half-year ended 31 December 2020

1. Basis of Accounting and Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard *AASB 134 Interim Financial Reporting* and other mandatory professional reporting requirements. The interim financial statements were approved by the Board of Directors on 5 March 2021. The accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in its financial report for the year ended 30 June 2020.

It is also recommended that the half-year financial report be considered together with any public announcements made by Yandal Resources Limited during the half-year ended 31 December 2020 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

New accounting standards and interpretations

In the half-year ended 31 December 2020, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Company.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2020. The impact on the financial statements is not expected to be material.

Notes to the Interim Financial Statements for the half-year ended 31 December 2020

	31 Dec 2020 \$	30 Jun 2020 \$
2. Cash and Cash Equivalents		
Cash at bank	2,032,932	374,990
Term Deposits	8,010,000	3,010,000
	10,042,932	3,384,990
3. Capitalised Exploration and Evaluation Expenditure		
Opening balance at beginning of period	4,506,326	2,207,224
Acquisition of tenements during the period	66,246	-
Exploration expenditure capitalised during the period	2,195,331	2,299,102
Exploration expenditure written off	-	-
Closing balance at end of period	6,767,903	4,506,326

4. Issued Capital

(a) Movements in share capital during the six months to 31 December 2020 were as follows:

	Issue Price	Fully Paid Ordinary Shares	\$
01/07/20 Opening balance		66,847,975	8,567,958
20/07/20 Rights Issue	\$0.25	8,498,542	2,124,636
27/07/20 Rights Issue	\$0.25	3,551,093	887,773
31/07/20 Shortfall Shares	\$0.25	1,320,000	330,000
20/10/20 Conversion of options	\$0.25	200,000	50,000
20/10/20 Conversion of options	\$0.27	288,034	77,769
23/10/20 Placement	\$0.50	12,000,000	6,000,000
24/11/20 Conversion of options	\$0.25	61,818	15,455
24/11/20 Conversion of options	\$0.27	123,079	33,231
Share issue costs		-	(374,700)
31/12/20 Closing balance		92,890,541	17,712,122

Movements in share capital during the six months to 31 December 2019 were as follows:

	Issue Price	Fully Paid Ordinary Shares	\$
01/07/19 Opening balance		53,478,348	5,694,639
29/07/19 Rights issue	\$0.22	10,969,555	2,413,303
14/08/19 Rights issue	\$0.22	2,400,072	528,016
Share issue costs		-	(68,000)
31/12/19 Closing balance		66,847,975	8,567,958

Notes to the Interim Financial Statements for the half-year ended 31 December 2020

4. Issued Capital continued

(b) Options

As at 31 December 2020, the following unlisted options were on issue:

6,188,182 Unlisted options - Exercisable at 25 cents and expire on 31 December 2021
6,273,708 Unlisted options - Exercisable at 27 cents and expire on 30 June 2021

5. Leases

This note provides information for leases where the Company is a lessee.

The Company adopted AASB 16 from 1 July 2019.

The Company applied AASB 16 on its leases as follows:

Lease	Impact on the Company's Financial Position or Performance December 2020
Office space	Lease agreement is on a month by month basis, therefore eligible for short term exemption, no impact.
Office equipment/photocopiers	Lease agreement is on a month by month basis, therefore eligible for short term exemption, no impact.

6. Segment Information

The Company operates predominantly in one business segment, which is the exploration for gold, and predominately in one geographical area, which is in Western Australia.

7. Commitment and Contingent Liabilities

There are no known contingent liabilities at reporting date.

There are no significant changes to the Company's commitments since 30 June 2020.

8. Events Subsequent To Reporting Date

Subsequent to period end, 707,710 unlisted options were exercised. 500,000 at \$0.25, expiring 31 December 2021 and 207,710 at \$0.27, expiring 30 June 2021. Funds of approximately \$181,081 was received.

At the date of this report, there are no matters or circumstances that have arisen since 31 December 2020 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial periods.