



AND CONTROLLED ENTITIES

Consolidated Half Year Financial Report

31 December 2022

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

CONSOLIDATED HALF YEAR FINANCIAL REPORT

31 December 2022

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CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

COMPANY DIRECTORY HALF YEAR ENDED 31 DECEMBER 2022

DIRECTORS

Clive Jones (Chairman)
Tara French (Managing Director)
Terry Gardiner (Non-Executive Director)
Jonathan Downes (Non-Executive Director)

COMPANY SECRETARY

Mike Robbins

PRINCIPAL & REGISTERED OFFICE

Level 3, 30 Richardson Street,
West Perth, WA, 6005
Telephone: (08) 9322 6283

AUDITORS

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

SHARE REGISTRAR

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
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STOCK EXCHANGE LISTING

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: CAZ

BANKERS

National Australia Bank
50 St Georges Terrace
PERTH WA 6000

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022

Your directors submit the financial report of Cazaly Resources Limited ('Cazaly' or 'the Company') and its controlled entities ('the Group') for the half-year ended 31 December 2022.

DIRECTORS

The names of Directors who held office during or since the end of the half year:

Clive Bruce Jones (Chairman)
Tara French (Managing Director)
Terry James Gardiner (Non-Executive Director)
Jonathan Downes (Non-Executive Director)

COMPANY SECRETARY

Mike Robbins

REVIEW OF OPERATIONS

Projects

Halls Creek – copper, zinc and silver project (CAZ 100%)

The project is situated 25km southwest of Halls Creek and covers part of the Halls Creek Mobile Zone which is highly prospective for a range of commodities including copper, gold and nickel (Figure 1). The project includes the Mount Angelo North volcanogenic massive sulphide (VMS) copper-zinc-silver deposit which outcrops at surface.. Previous results from drilling conducted by Cazaly at Mount Angelo North included **64m @ 2.7% Cu (1.1% Zn), 62m @ 2.4% Cu (2.8% Zn), 37m @ 2.6% Cu (6.1% Zn), 16m @ 5.9% Cu, 18m @ 2.5% Cu.**

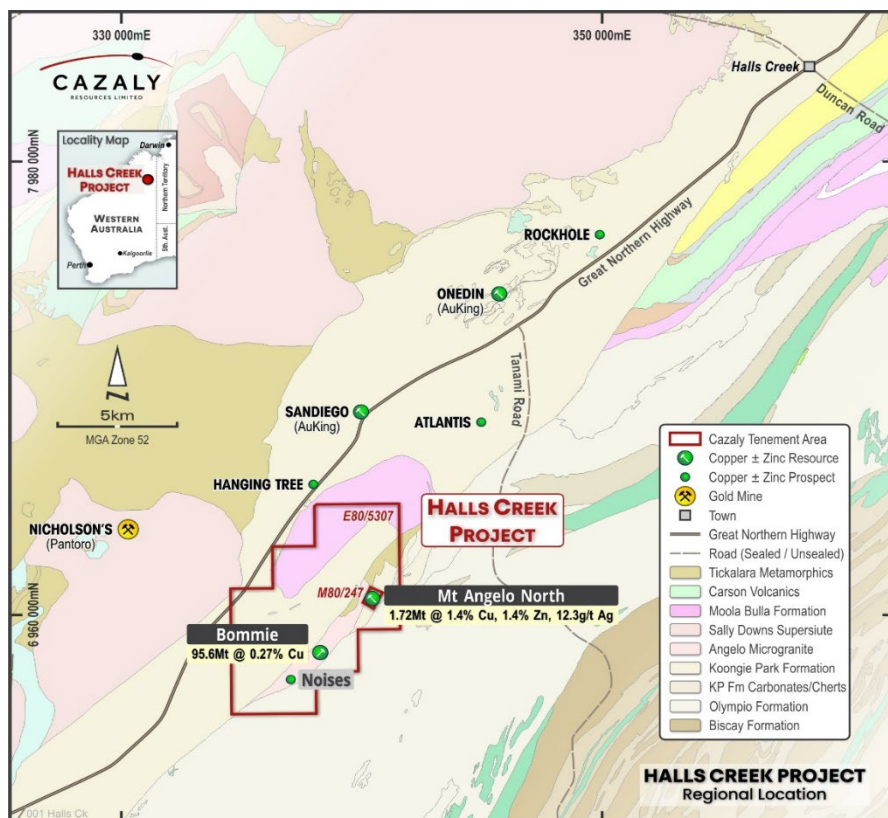


Figure 1. Location of Halls Creek Copper Project including mineral resources at Mount Angelo North massive Cu-Zn-Ag sulphide deposit and Bommie porphyry copper deposit.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

The Mount Angelo North mineral resource estimate is reported in accordance with the JORC Code 2012 as 1.72Mt @ 1.4% Cu, 12.3ppm Ag, 1.4% Zn (using 0.4% Cu lower cut) for 23kt Cu, 680koz Ag and 25kt Zn (please refer to Cazaly Quarterly Activities Report for December 2021 announcement released 31 January 2022).

The project area also hosts a large lower grade copper deposit associated with a high level porphyritic felsic intrusive located 2.5km to the southwest of the Mount Angelo North copper-zinc-silver deposit (Figure 1). The Bommie porphyry copper deposit has a large surface geochemical footprint with coincident Cu-Mo-Bi that extends for 1.2km along strike and over 800m across strike (Figure 2) and provides further indication of a large mineralised system. Significant copper drill intercepts include **170m @ 0.4% Cu**, **178m @ 0.3% Cu** and **136m @ 0.3% Cu**. Higher-grade intercepts include **23m @ 1.0% Cu** and **7m @ 1.3% Cu**. The Bommie porphyry copper deposit was the focus of exploration activities at the Halls Creek project during the quarter.

Bommie Porphyry Copper Maiden Resource Estimate

In order to estimate a maiden resource at the Bommie Porphyry copper deposit a resource definition drilling program was designed and executed with completion in September 2022. The program consisted of 16 RC drill holes for 3,395m, that reduced drill spacing to 100m x 100m and confirmed broad low grade copper mineralised zones up to 178m wide occur across the deposit. The mineralised envelope drilled to date extends for 950m along strike N-S, 600m width and 340m depth below surface. The resource was classified as Indicated where drilling was of sufficient density in the central western portion of the deposit and encompasses 360m of strike N-S, up to 230m width and extends from surface to a depth of 150m.

The Company engaged Hyland Geological and Mining Consultants (HGMC) to complete the Maiden Mineral Resource Estimate (MRE) for the Bommie porphyry copper prospect. The Bommie MRE is reported in accordance with the JORC Code 2012 and is detailed in Table 1 below by resource classification and weathering state. The drill plan and cross section are shown in Figures 2 & 3.

Table 1. Bommie Porphyry Copper Deposit November 2022 Mineral Resource Estimate (0.2% Cu cut-off)

Type	Indicated			Inferred			Total		
	TONNES (Metric)	Cu (%)	Cu metal Tonnes	TONNES (Metric)	Cu (%)	Cu metal Tonnes	TONNES (Metric)	Cu (%)	Cu metal Tonnes
Oxide	212,000	0.29	1,000	1,108,000	0.27	3,000	1,320,000	0.27	4,000
Transitional	2,799,000	0.30	8,000	6,978,000	0.28	19,000	9,777,000	0.27	28,000
Fresh	3,091,000	0.30	39,000	71,380,000	0.27	190,000	84,471,000	0.27	230,000
Total	16,102,000	0.30	48,000	79,466,000	0.27	212,000	95,568,000	0.27	262,000

Refer to the ASX announcement dated 24 November 2022 for details of drilling, results, and the resource estimation parameters.

The section line A-A' shown in Figure 2 is displayed as a cross section in Figure 3 and illustrates the distribution of copper mineralisation and resource ore blocks across the deposit from south to north. Figure 3 shows the most western line of drilling, with copper mineralisation open to the west, to the north, and at depth.

Cazaly's total MRE at Halls Creek, including the Mount Angelo North VMS deposit and the Bommie porphyry copper deposit, now stands at **97.3Mt for 285,000 tonnes of copper; 25,000 tonnes of zinc; and 680,000 ounces of silver.**

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

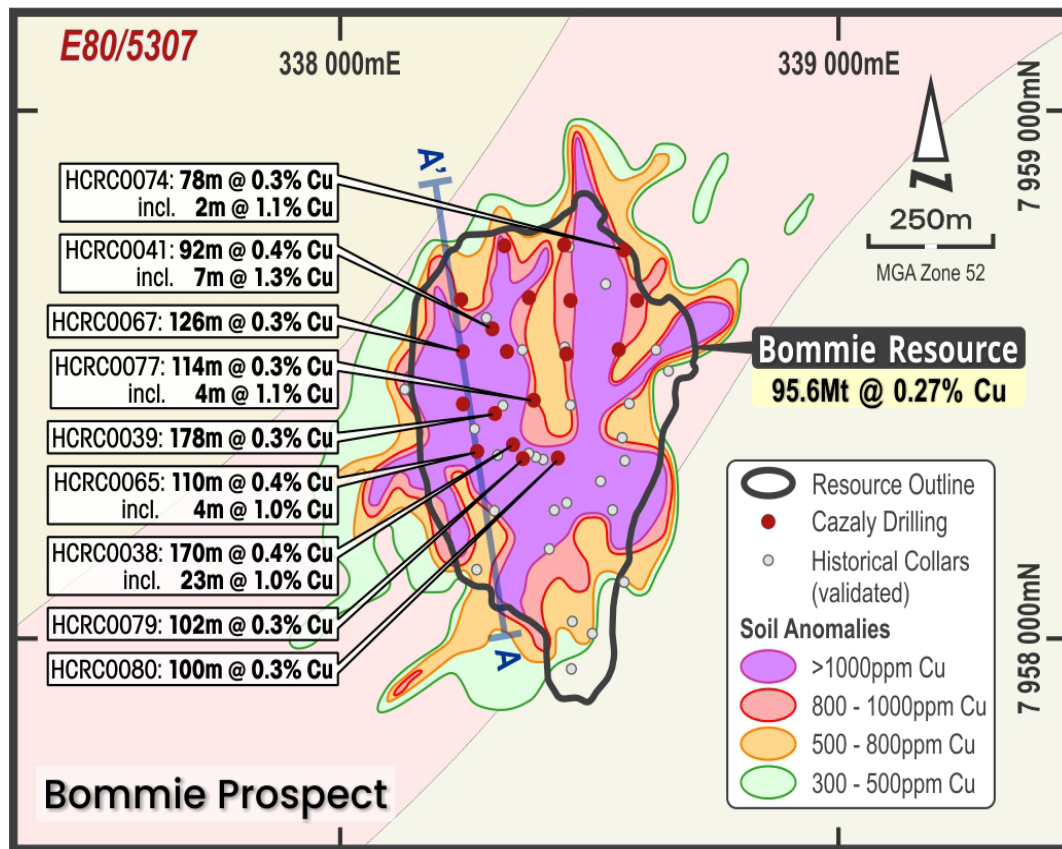


Figure 2. The Bommie porphyry copper deposit 0.2% copper resource outline, with RC drill collar locations and anomalous drill intercepts on contoured copper in soil assays.

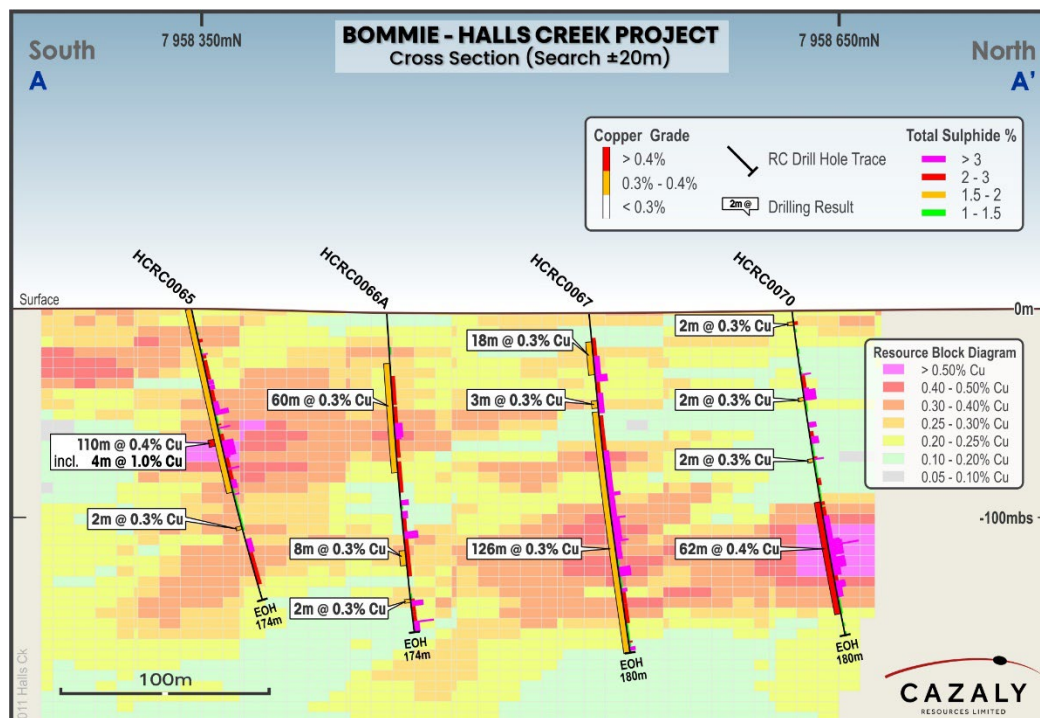


Figure 3. Bommie A-A' Section illustrates broad copper intercepts, the resource block model, and growth potential to the west, north and at depth.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

During the half year, Cazaly formalised a Memorandum of Understanding (MoU) with AuKing Mining Ltd (ASX:AKN) to include Cazaly's Halls Creek mineral resources into their scoping study for a mining operation. Cazaly and AuKing both recognise that there could be significant benefit in combining their resources in the scoping study and potential future development of a central mining hub at *Sandiego* with multiple feed options from the surrounding deposits (ASX:AKN Announcement dated 20 December 2022).

Under the terms of the MoU both parties agree to cooperatively collaborate via a mutual exchange of information to support the scoping study under the terms of a standard non-disclosure agreement. There are no other provisions in the MoU binding either party to undertake further dealings, however upon completion of the scoping study both parties may choose to progress further studies and/or enter into further discussions.

Wave International has been engaged by AuKing to conduct the scoping study with a focus on developing an initial mine plan, processing, and product specification to identify project economics and options to progress to a pre-feasibility study. The study will be fully funded by AuKing with findings expected to be reported in late FYQ3 or early FYQ4 2023.

The Sandiego deposit is part of AuKing's Koongie Park project at Halls Creek where they currently hold an 80% interest through a joint venture with Astral Resources NL (ASX:AAR) and have the right to acquire the final 20% interest under the terms of the Koongie Park Joint Venture Agreement (ASX:AKN Announcement dated 5 April 2022).

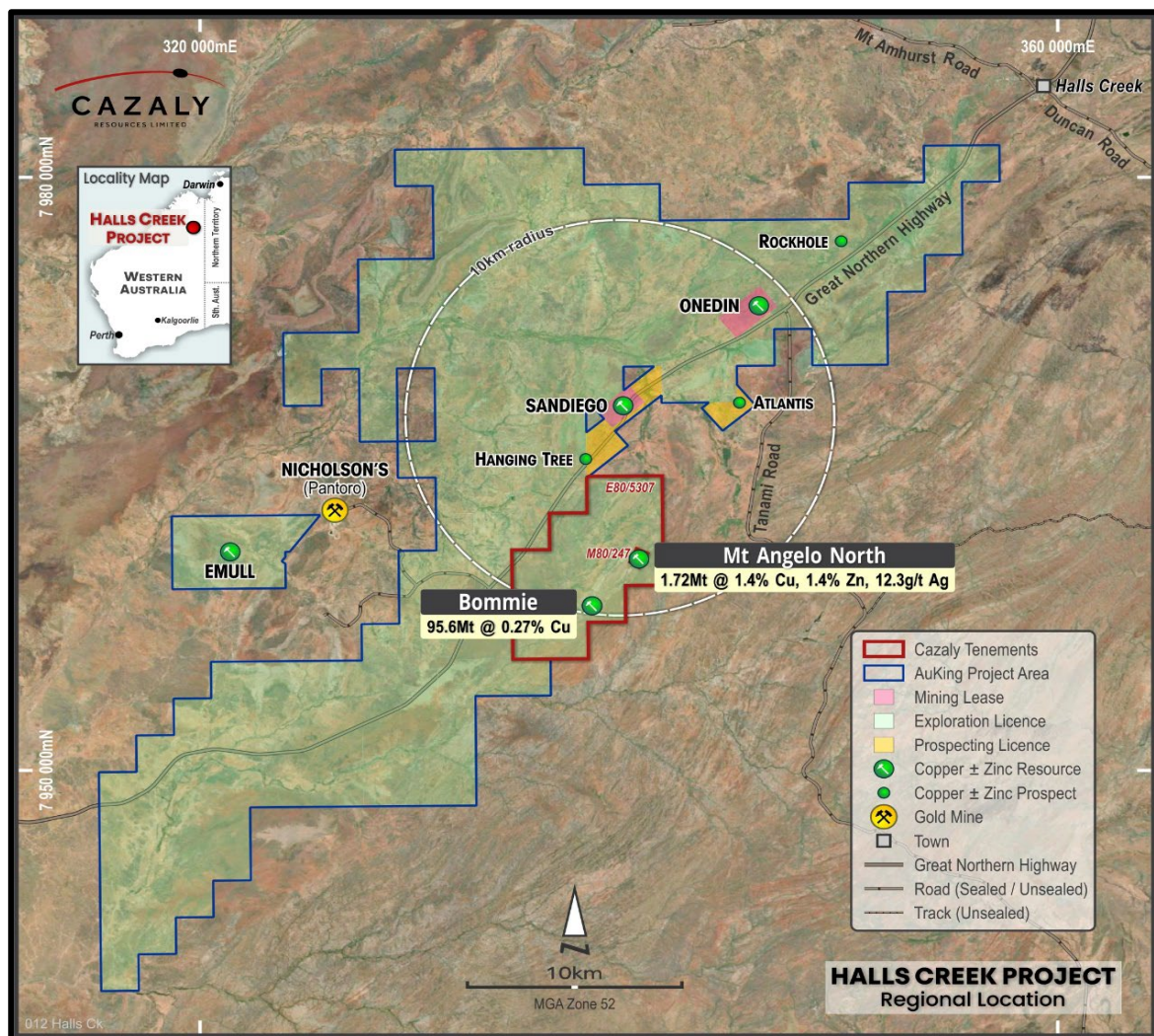


Figure 2. Location of Cazaly's copper deposits relative to AuKing's deposits to be included in the mine scoping study, with the proposed central mining hub located at the Sandiego deposit.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

AuKing's tenement locations are shown in Figure 4 and the current inventory includes:

- Sandiego Deposit Total Mineral Resource: 4.8Mt @ 0.7% Cu, 3.2% Zn, 0.1g/t Au, 38g/t Ag.
- Onedin Deposit Total Mineral Resource: 4.8Mt @ 1.4% Cu, 4.3% Zn, 0.2g/t Au, 25g/t Ag.
- Emull Deposit Total Mineral Resource: 12.2Mt @ 0.27% Cu, 0.38% Zn, 0.09%Pb, and 4.9g/t Ag.

AuKing's total MRE is reported at **21.2Mt for 121,800 tonnes of copper, 372,600 tonnes of zinc, 46,000 ounces of gold, 11 million ounces of silver and 793,000 tonnes of lead.** (ASX:AKN Announcement dated 1 December 2022).

Ashburton Basin – REE, gold and base metals project (CAZ 100%)

Cazaly holds the rights to a major land position covering more than 2,450km² in the Ashburton Basin, in the Pilbara region of Western Australia (Figure 5). The Ashburton Basin forms the northern part of the Capricorn Orogen, a ~1,000km long, 500km wide region of variably deformed metamorphosed igneous and sedimentary rocks located between the Yilgarn and Pilbara cratons.

The Ashburton project covers major regional scale structures considered to be associated with large mineral systems and occurs in the region hosting Black Cat's (ASX:BC8) Paulsen's gold deposit and Kalamazoo's (ASX:KZR) Mount Olympus gold deposit. The project area presents an excellent opportunity for the discovery of large mineralised systems along the major regional scale structures, which to date have seen very little modern exploration.

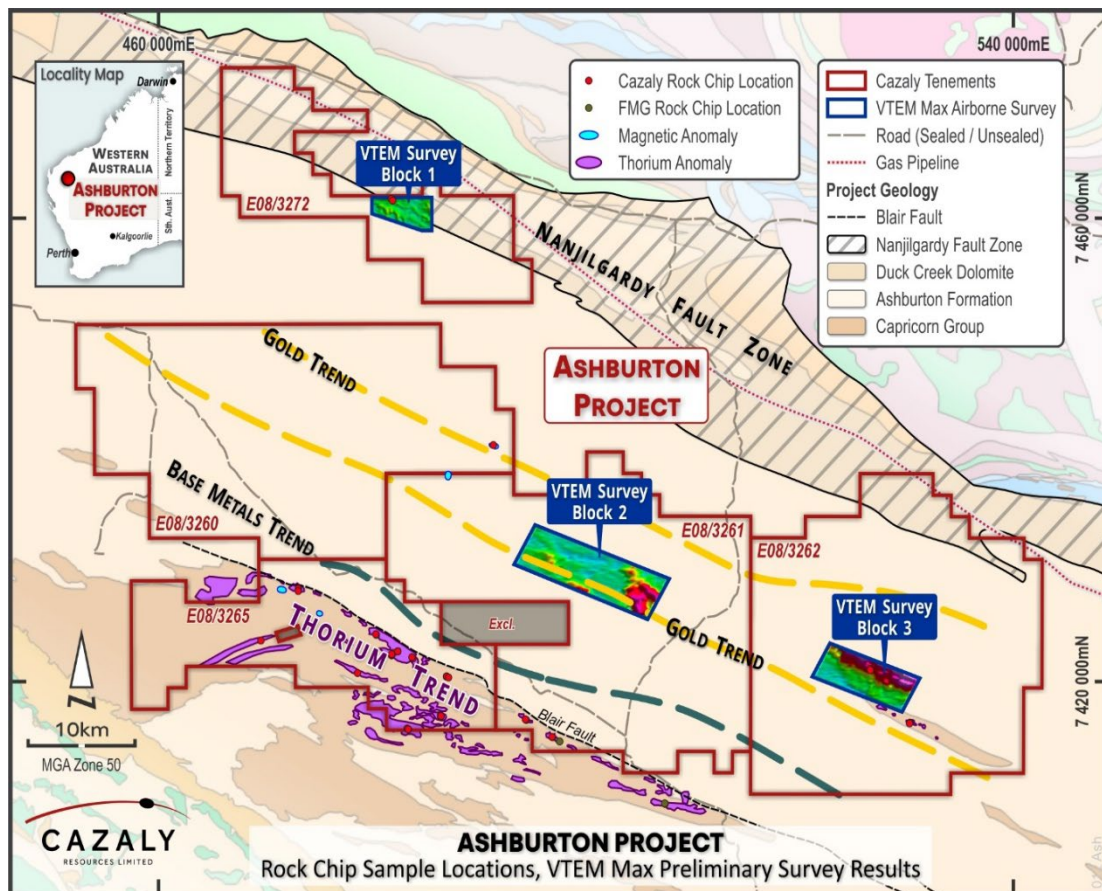


Figure 3. Rock Chip sample locations testing for REE along 50km thorium trend adjacent to the Blair Fault.

During the last quarter a Rare Earth Element (REE) trend was identified to coincide with a 50km long thorium anomaly (Figure 5). The thorium anomaly was identified across the southern portion of the tenements adjacent to the Blair Fault, a deep-seated regional scale structure at the contact between the Ashburton Formation and the Capricorn Group.

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

Historically, limited low-level exploration was conducted by Fortescue Metals Group Ltd (FMG) across the dolomites within the Capricorn Group in search of REE. Eleven (11) rock chip samples were collected by FMG and analysed for gold, base metals, and REE (Appendix 1). The results indicate the samples are enriched in REE (notably La, Ce, and Pr). Six (6) of these samples are located along the Blair Fault in the southern part of Cazaly's Ashburton Project area. The samples have elevated REE including: 2,840ppm cerium; 86.5ppm dysprosium; 1,370ppm lanthanum; 314ppm praseodymium; and 1,650ppm phosphorus. Neodymium was not assayed.

A helicopter supported rock-chip sampling program was conducted with samples collected along the 50km long thorium anomaly to follow up on the previous work along strike to the south-east and to determine the potential for REE mineralisation at the Ashburton project. Twenty-six (26) samples were collected from the sedimentary units of the Capricorn group over a 50km strike, adjacent to the Blair Fault. Six (6) additional samples were collected at other points of interest, including at a preliminary TEM (airborne transient electromagnetic) anomaly along the Nanjilgardy fault on E08/3272, known as the **Cheela Plains** tenement. The rock chip samples collected contained copper carbonates and copper sulphide mineralisation (Figure 6).

As announced on 14 February 2023, analytical results were returned from the rock chip heli-sampling program. Seven (7) samples returned anomalous TREO above 5,000ppm with two (2) samples above 10,000ppm TREO. Elevated REE include: 118ppm dysprosium; 179ppm gadolinium; 619ppm yttrium; 2,070ppm lanthanum; 1,472ppm neodymium and 431ppm praseodymium. In addition, phosphorous results were also elevated to 4,600ppm. These results are higher than those samples previously reported by Fortescue Metals Group (FMG) from within the Ashburton project area. Anomalous results, oxide conversion factors and calculations for TREO and further relevant details are included in the ASX announcement dated 14 February 2023.

The results from three (3) rock chip samples taken from Cheela Plains were announced on 16 February 2023. Two of the three samples assayed above 10% copper, with the highest assay of 32.32% copper. The mineralised copper trend continues to the south-east with anomalous rock chip samples extending the anomaly over 2km strike.

Cazaly's exploration to date has identified:

- Two anomalous gold-copper mineralised trends extending over 70km strike, aligning with major regional scale structures;
- A strong base metal signatures over 50km, coinciding with a regional scale structure in the southern half of the project area;
- Several TEM conductive responses across all three areas tested;
- Several Project scale mineralised trends:
 - 10km long Au-Cu trend at *New Finish*
 - 7km long base metal (Cu-Ag-Pb-Zn) trend at *Warden Pool*
 - 3km long base metal (Cu-Pb-Zn) trend at *Ram Hole Creek*
 - 5km long base metal (Cu-Pb-Zn) trend at *Seven Mile Bend*
 - 10km long base metal (Cu-Pb-Zn) trend at *Cairn Hill Well* located along the Nanjilgardy fault zone.

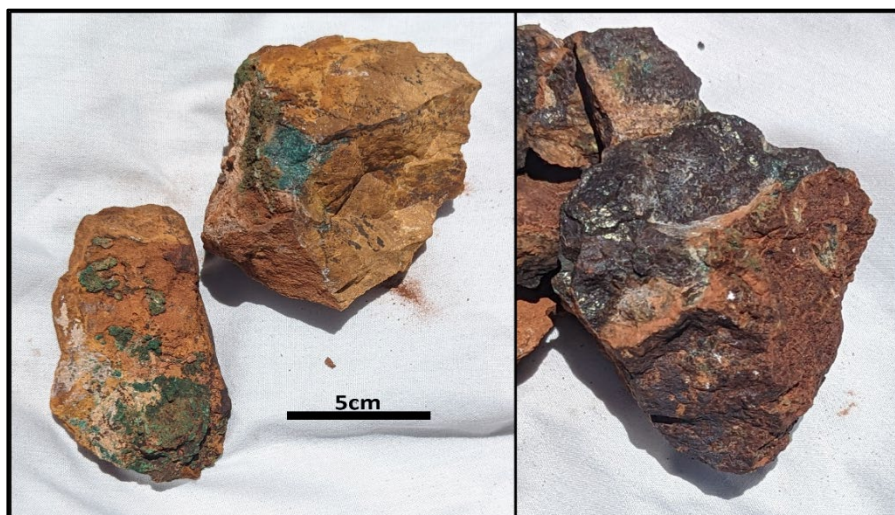


Figure 4. Copper bearing rock chip samples collected from Cheela Plains.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

Namibian Projects – Critical Minerals, REE, and Base Metals projects (CAZ 95%)



Figure 5. Location of the Abenab North REE Project and the Kaoko Critical Minerals Project.

Abenab North – REE and base metals project

In early November 2022, Cazaly applied for a new exploration licence EPL 9110 - Abenab North, located in the northern region of Namibia through its 95% owned local subsidiary company Philco One Hundred and Seventy Three (Proprietary) Limited (Philco). The remaining 5% interest in Philco is held by a local Namibian company.

The Abenab North Project lies in the Otavi Mountain Land region of northern Namibia located approximately 450km by road from the capital of Windhoek in an area comprising the towns of Tsumeb and Grootfontein (Figure 7). The region is a significant well mineralised base metal province with historic production from several mines including Tsumeb, Kombat, Abenab and the Berg Aukas mines. Tsumeb is a world-famous Cu-Pb-Zn-Ag-Ge-Cd mine renowned for its wealth of rare and unusual minerals and was mined from 1897 to 1996.

There is excellent infrastructure in the region including sealed roads, rail to port, high voltage power, telephone lines, and water. The Project is close to major towns and mining processing facilities.

The Abenab North exploration licence application has no competing applications and covers an area of approximately 790 km² (Figure 7). The project is located on the Neo-Proterozoic Damaran platform carbonate succession of the Otavi Group overlying basal clastic sediments of the Nosib Group, which in turn rest upon Paleo-Proterozoic granitic basement. The project is considered to be highly prospective for base metal and REE mineralisation as evidenced from the results of previous but limited exploration.

In the early 2000's, Anglo American Corporation explored for base metal mineralisation in the area now covered by the EPL application. The program was short-lived however, and the ground was relinquished after the completion of a ground geophysical campaign.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

In 2004 Kudu Minerals (Pty) Ltd applied for a portion of the ground abandoned by Anglo American also targeting Tsumeb style hydrothermal pipes. Kudu Minerals interpreted and modelled airborne and ground magnetic data, the results highlighted 9 targets (A2D, A3 to A10) for follow up drilling (Figure 8).

The drilling was aimed at testing these anomalies by drilling a single hole into each target (B6 to B9) into the fresh rock whilst two other targets, numbered A11 & A12, were tested by surface geochemistry only.

Geological logging and petrographic analyses confirmed that carbonatite was intersected in 6 of the 9 drill holes. Drill holes B3, B4 and B6 all ended in carbonatite, however only limited sampling and analysis for REE was carried out. Drill hole B6 showed a 45m intersection (55m-100m end of hole) of REE enrichment in carbonatite material comprising red clays with minor iron oxides and dolomite fragments. Drill hole B6 showed an average grade of 0.68% ($\text{CeO}_2 + \text{La}_2\text{O}_3 + \text{Nd}_2\text{O}_3$) over 45m from 55m, including a higher grade zone assaying 2.36% ($\text{CeO}_2 + \text{La}_2\text{O}_3 + \text{Nd}_2\text{O}_3$) over 4m from 86m. Total Rare Earth Oxide (TREO) values for these intercepts are 0.73% over 45m and 2.53% over 4m respectively.

In 2010 Avonlea Minerals Ltd gained access to the property and drilled into Anomaly 10 intersecting fresh carbonatite (Figure 9). Assays were highly encouraging including: 16.7m @ 0.66% TREO from 94.6m (including 1.2m at 1.89%) (ABD006), 19.9m @ 0.48% TREO from 65.5m (ABD006), 39.7m @ 0.55% TREO from 100.6m (including 3.6 m @ 1.22%) (ABD007) and 3.0m @ 1.19% TREO from 90.2m (ABD007 in a zone of poor core recovery).

No further work was completed by Avonlea with the extent of mineralisation yet to be determined.

Aside from the REE potential, the project is also highly prospective for Tsumeb style base metal mineralisation. Cazaly is currently compiling and assessing the historical database in conjunction with available regional geological and geophysical datasets to plan its exploration programmes whilst awaiting grant of the licence application.

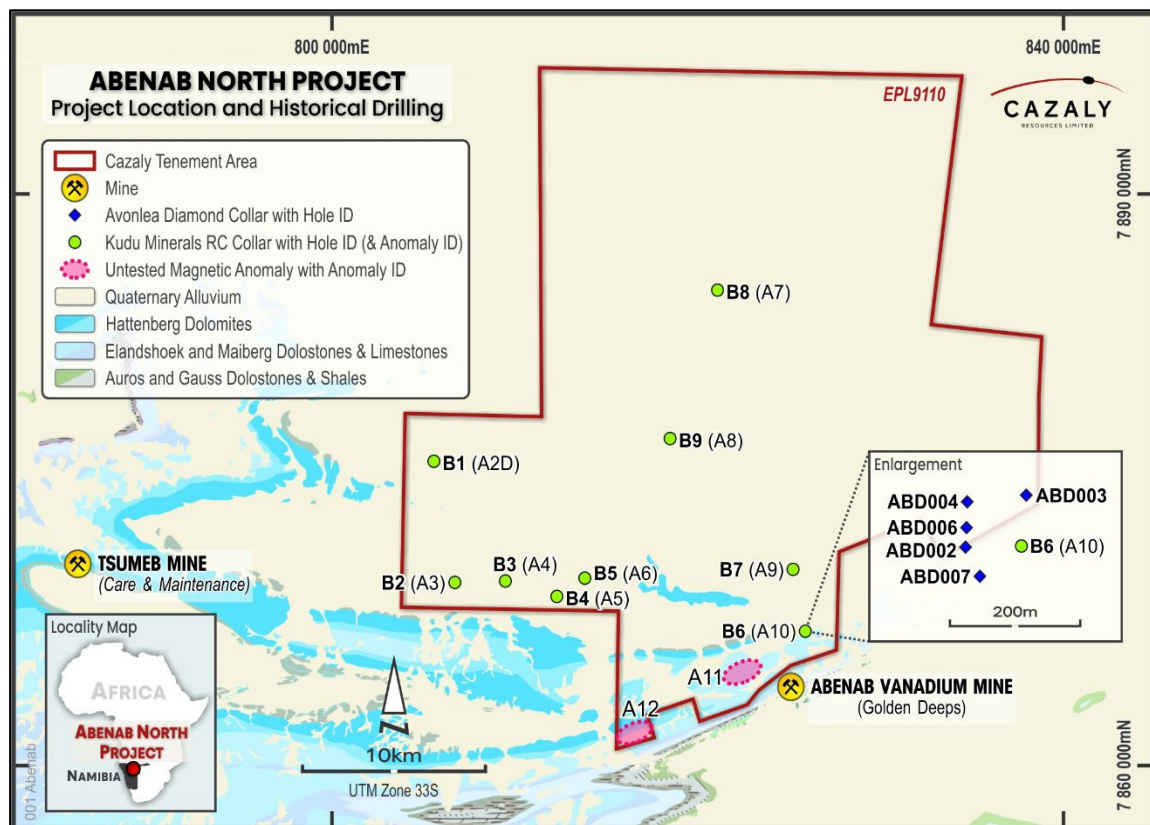


Figure 6. Application EPL9110 with magnetic anomalies and historical drill hole locations.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

Kaoko - Critical minerals project

The Kaoko Critical Minerals Project is located in northern Namibia, approximately 800km by road from the capital of Windhoek and approximately 750km from the port of Walvis Bay (Figure 7). There is excellent infrastructure in the region with the Project being only ~50 km from the regional capital of Opuwo, with an airport, good bitumen roads, and access to the 320 MW Ruacana hydroelectric power station. Transmission lines run through both the western and eastern parts of the Project.

Cazaly's recent data review highlighted the presence of a large lithium in soil anomaly in the north-eastern part of the project area stretching over 12km (Figure 9). The anomaly was defined with broad surface samples collected across a 1km grid. During the last quarter, infill sampling was completed across the most anomalous areas on a 200m x 50m grid spacing with a total of 287 soil samples collected and sent for multi-element analysis. The assay results are expected to be received in late February 2023. Refer to ASX Announcement dated 7 November 2022 for sampling techniques and reporting of results.

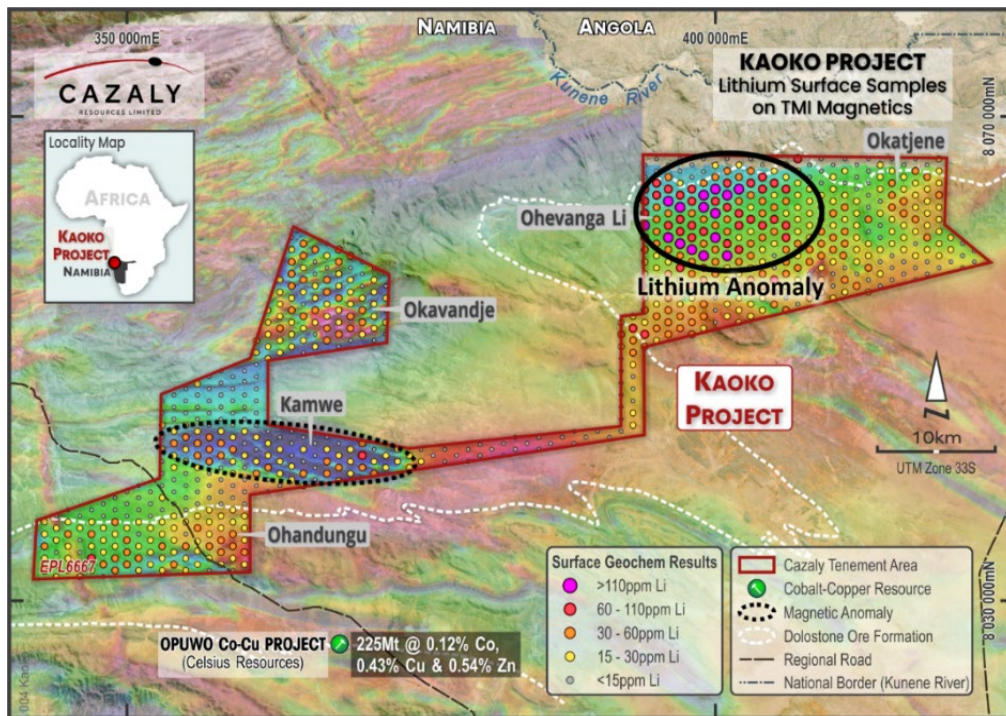


Figure 7. Anomalous lithium in soils located at the Ohevanga prospect.

Other projects

As announced on 20 July 2022, Cazaly entered into an option agreement with Lynd Resources Pty Ltd to acquire a majority stake in the Vanrock project (per ASX announcement dated 20 July 2022). Funding assistance for this drill hole was also sourced from the Queensland Government's Collaborative Exploration Initiative (CEI), whereby \$162,397 of the drilling costs were reimbursed in late January 2023.

Following an assessment of the drilling and assay results, the Company concluded that, whilst the results were encouraging, they did not represent the targeted style of mineralisation, or were of a sufficient scale to warrant the Company progressing any further.

Desktop studies were undertaken including a review of the company's strategic objectives in relation to the Yabby project (CAZ 100%), the Mount Venn JV project managed by Woomera Mining Ltd (WML 80% CAZ 20%) nor the McKenzie Springs JV project (FIN 70% CAZ 30%) managed by Fin Resources Limited (ASX:FIN).

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

Royalties

Mineral Resources Limited (ASX:MIN) continued production at the Parker Range Iron Ore Mine. Cazaly retains a royalty of \$0.50/tonne of iron ore produced from Parker Range after the first 10 million tonnes of production.

Following the sale of the Hamersley Iron Ore Project to Equinox Resources Limited (ASX:EQN) in 2021, the Company holds 15,000,000 EQN shares and 2,850,000 performance shares and retains a royalty interest of US\$0.30/tonne in the project. The project is located in the heart of the Pilbara iron ore province and currently has a total Mineral Resource estimate of **343.2 Mt at 54.5% Fe** (per Pathfinder (formerly Winmar) Resources Ltd ASX announcement dated 24 January 2020). Equinox continues to advance feasibility studies to progress the development planning in the Project.

The Company has completed and continues to review, potential new project opportunities. The Company's preference is for advanced exploration to near mining assets in jurisdictions amenable to mining and exploration.

Corporate

The Company had cash and investments totalling \$8 million at 31 December 2022.

Equity

Shares

On 25 November 2022, the Company issued 1 million fully paid ordinary shares to a finder in relation to the Abenab North project in Namibia.

Options

On 5 August 2022, the Company issued 500,000 options (exercisable at \$0.06 on or before 5 August 2024) to a finder in relation to the Vanrock project.

On 25 November 2022, the Company issued 2 million options (exercisable at \$0.047 on or before 25 November 2025) to Mr Jonathan Downes, a Non-Executive Director of Cazaly. The issue of the options was approved by shareholders at the Company's AGM held on 18 November 2022.

On 19 November 2022, 10 million options (exercisable at \$0.0495) expired.

RESULTS OF OPERATIONS & FINANCIAL POSITION

The operating loss after income tax of the Group for the half-year ended 31 December 2022 was \$1,240,974 (31 December 2021: profit: \$897,203).

The Group had a working capital surplus, being current assets less current liabilities of \$4,332,372 at 31 December 2022 (30 June 2022: surplus of \$6,558,225).

SUBSEQUENT EVENTS

There have not been any matters or circumstances that have arisen since 31 December 2022 which have significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT HALF YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

LEAD AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on page 24 of the half-year ended 31 December 2022.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

This report is signed in accordance with a resolution of the Board of Directors.

Tara French
Managing Director

Perth
Dated: 10 March 2023

Competent Persons Statements

The information contained herein that relates to Exploration Results is based upon information compiled or reviewed by Ms Tara French and Mr Don Horn, who are employees of the Company. Ms French and Mr Horn are both Members of the Australasian Institute Geoscientists and have sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms French and Mr Horn consents to the inclusion of their names in the matters based on the information in the form and context in which it appears.

The information in this report that relates to the Mount Angelo North Mineral Resource is based on information compiled by Ms Vanessa O'Toole Principle Consultant of Honey Mining and Resources Pty Ltd, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that 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'. Ms Vanessa O'Toole consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to the Bommie porphyry copper mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI43-101. Mr Hyland consents to the inclusion in this report of the information in the form and context in which it appears.

The Mineral Resource for the Hamersley Iron Ore Project is reported in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code 2012) (refer to Pathfinder's ASX Announcement dated 24 January 2020).

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

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

		31 December 2022 \$	31 December 2021 \$
Revenue	2	150,598	106,948
Other Income	2	13,931	1,751,162
Employee benefits expense		(302,074)	(237,679)
Borrowing costs and interest		(2,167)	(4,425)
Depreciation & amortisation expense		(40,049)	(40,866)
Administration expenses		(243,228)	(160,000)
Debts written off		(35,378)	-
Compliance & Regulatory expenses		(122,208)	(151,360)
Occupancy costs		(30,092)	(52,241)
Exploration expenditure written off		(379,299)	(63,270)
Equity based payments		(29,270)	(307,617)
Diminution in fair value of financial assets through profit and loss		(221,737)	56,551
Profit/(Loss) before income tax		(1,240,974)	897,203
Income tax benefit		-	-
Profit/(Loss) for the period		(1,240,974)	897,203
Profit/(Loss) attributable to:			
Members of the controlling entity		(1,240,974)	897,203
Non-controlling interest		-	-
		(1,240,974)	897,203
Other comprehensive income		-	-
Total comprehensive loss for the period		(1,240,974)	897,203
Net loss and total comprehensive income for the period attributable to:			
Members of the controlling entity		(1,240,974)	897,203
Non-controlling interest		-	-
		(1,240,974)	897,203
Basic earnings/(loss) per share (cents per share)		(0.34)	0.24

The accompanying notes form part of this financial report.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		31 December 2022	30 June 2022
	Note	\$	\$
CURRENT ASSETS			
Cash and cash equivalents		4,590,737	6,901,309
Trade and other receivables		70,544	63,979
TOTAL CURRENT ASSETS		4,661,281	6,965,288
NON-CURRENT ASSETS			
Trade and other receivables		49,679	49,679
Financial assets		3,536,225	3,882,311
Property, plant and equipment		25,633	30,750
Rights of use assets		46,569	81,502
Exploration and evaluation assets	3	6,759,008	5,335,775
TOTAL NON-CURRENT ASSETS		10,417,114	9,380,017
TOTAL ASSETS		15,078,395	16,345,305
CURRENT LIABILITIES			
Trade and other payables		148,477	201,651
Short-term provisions		131,795	123,750
Interest bearing loans and borrowings		48,637	81,662
TOTAL CURRENT LIABILITIES		328,909	407,063
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings		-	7,052
TOTAL NON-CURRENT LIABILITIES		-	7,052
TOTAL LIABILITIES		328,909	414,115
NET ASSETS		14,749,486	15,931,190
EQUITY			
Issued Capital	4	26,704,021	26,674,021
Reserves	5	503,690	729,858
Accumulated profits/(losses)	6	(12,442,599)	(11,457,063)
Controlling entity interest		14,765,112	15,946,816
Non-controlling interest		(15,626)	(15,626)
TOTAL EQUITY		14,749,486	15,931,190

The accompanying notes form part of this financial report.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

CONDENSED CONSOLIDATED CASH FLOW STATEMENT HALF YEAR ENDED 31 DECEMBER 2022

	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from services agreements	94,683	137,768
Cash received from government grants	-	-
Payments to suppliers and employees	(620,446)	(486,265)
Interest and bill discounts received	50,840	10,841
Net cash used in operating activities	(474,923)	(337,656)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	-	(7,173)
Purchase of equity investments	(31,651)	(394,467)
Payments for exploration and evaluation	(1,959,421)	(825,793)
Proceeds from sale of equity investments	152,792	691,640
Other	2,631	-
Net cash (used in)/ provided by investing activities	(1,835,649)	(535,793)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity	-	-
Payments for costs of issue of securities	-	-
Net cash provided by financing activities	-	-
Net (decrease) in cash held	(2,310,572)	(873,449)
Cash at beginning of period	6,901,309	9,593,690
Cash at end of reporting period	4,590,737	8,720,241

The accompanying notes form part of this financial report.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

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

	Issued Capital \$	Accumulated Profits/(Losses) \$	Option Reserve \$	Non- Controlling Interest \$	Total \$
Balance at 1 July 2021	26,620,021	(9,716,539)	422,241	(15,571)	17,310,152
Net profit/(loss) and total comprehensive income for the period attributable to members	-	897,203	-	-	897,203
Shares issued	-	-	-	-	-
Options expired	-	-	-	-	-
Option Reserve	-	-	307,617	-	307,617
Balance at 31 December 2021	26,620,021	(8,819,336)	729,858	(15,571)	18,514,972
Balance at 1 July 2022	26,674,021	(11,457,063)	729,858	(15,626)	15,931,190
Net profit/(loss) and total comprehensive income for the period attributable to members	-	(1,240,974)	-	-	(1,240,974)
Shares issued	30,000	-	-	-	30,000
Options expired	-	255,438	(255,438)	-	-
Option Reserve	-	-	29,270	-	29,270
Balance at 31 December 2022	26,704,021	(12,442,599)	503,690	(15,626)	14,749,486

The accompanying notes form part of these financial statements.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS HALF YEAR ENDED 31 DECEMBER 2022

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Corporate information

The interim financial report of Cazaly Resources Limited ('Cazaly' or the 'Company') for the half year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 10 March 2023.

Cazaly is a company limited by shares incorporated and domiciled in Australia whose shares (CAZ) are publicly traded on the Australian Securities Exchange. The principal activity of Cazaly Resources Limited is the exploration and development of mineral resources.

(b) Statement of compliance

The interim consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS34: *Interim Financial Reporting*.

The condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Cazaly and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

(c) Basis of preparation

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of the standards and interpretations below in note 1(e). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The financial statements are for the consolidated entity consisting of Cazaly Resources Ltd and its subsidiaries (the 'Group').

The financial report has also been prepared on an historical cost basis, except for available for sale investments which have been measured at fair value through profit and loss. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian Dollars, which is the Company's functional currency.

(d) New accounting standards, interpretations and amendments adopted by the Group

Standards and Interpretations applicable to 31 December 2022

In the period ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Group accounting policies.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) HALF YEAR ENDED 31 DECEMBER 2022

(e) Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing this half-year report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

Capitalised exploration costs carried forward

The future recoverability of capitalised exploration costs carried forward has been reviewed by the directors. They are dependent on a number of factors, including whether the Group decides to exploit the related lease/licence itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, sovereign risk, future technological changes, availability of funds, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration expenditure is determined not to be recoverable in the future, results and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable resources. To the extent it is determined in the future that this capitalised expenditure should be written off, results and net assets will be reduced in the period in which this determination is made.

(f) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director of Cazaly.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) HALF YEAR ENDED 31 DECEMBER 2022

2. INCOME AND EXPENSES

The following revenue and expense items are relevant in explaining the income statement for the half-year:

	31 Dec 2022	31 Dec 2021
	\$	\$
Revenue		
Interest received	50,841	10,841
Office service recharges	99,757	96,107
	150,598	106,948
Other Income		
Gain on sale of financial assets	(3,208)	278,270
Gain on sale of tenements	-	1,472,892
Other income	17,139	-
	13,931	1,751,162

3. EXPLORATION AND EVALUATION ASSETS

	31 Dec 2022	30 June 2022
	\$	\$
Exploration and evaluation phases at cost	6,759,008	5,335,775
Movements in exploration and evaluation assets		
Brought forward	5,335,775	5,294,691
Expenditure capitalised during the period	1,802,564	1,372,400
Acquisitions	-	375,750
Expenditure capitalised on tenements sold during the period	-	6,861
Hamersley costs transferred to sale of tenements (a)	-	(1,527,108)
Exploration expenditure written off	(379,299)	(186,809)
	6,759,008	5,335,775

- (a) As originally announced on 9 July 2021, the Company executed a binding heads of agreement for the sale of its 30% interest in the Hamersley Iron Ore Project (ML47/1450). The Hamersley Iron Ore Project was an unincorporated Joint Venture between Lockett Fe Pty Ltd ("Lockett") (100% owned subsidiary of the Company) and Pathfinder Resources Ltd (ASX:PF1). The project was sold to Equinox Resources Limited (ASX:EQN) who successfully completed a \$9 million initial public offering under its Prospectus dated 31 August 2021 and subsequently listed on ASX on 13 October 2021. Lockett received 15,000,000 EQN shares and 2,850,000 performance shares, plus the Company also retains a royalty interest on the project.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) HALF YEAR ENDED 31 DECEMBER 2022

4. SHARE CAPITAL

	31 Dec 2022 \$	30 June 2022 \$
371,821,793 (30 June 2022: 370,821,793) fully paid ordinary shares with no par value	26,704,021	26,674,021

Share Movements

	31 Dec 2022 Number	31 Dec 2022 \$	30 June 2022 Number	30 June 2022 \$
Balance at the beginning of the year/period	370,821,793	26,674,021	369,563,267	26,620,021
Issue of shares at \$0.043 each (i)	-	-	1,258,526	54,000
Issue of shares at \$0.03 (ii)	1,000,000	30,000	-	-
Balance at the end of the period	371,821,793	26,704,021	370,821,793	26,674,021

(i) Shares issued to Exiro Minerals Corp as part of the terms and conditions of an agreement (value CDN\$50,000).

(ii) Shares issued on 25 November 2022 under a finder's fee agreement.

Option Movements

Exercise Period	Exercise Price	Number on issue at 30 June 2022	Issued during the half year	Exercised/ Expired/ Cancelled	Number on issue at 31 December 2022
On or before 19 November 2022	\$0.0495	10,000,000	-	(10,000,000)	-
On or before 8 March 2024	\$0.05	2,000,000	-	-	2,000,000
On or before 11 June 2024	\$0.066	500,000	-	-	500,000
On or before 19 November 2023	\$0.067	2,000,000	-	-	2,000,000
On or before 12 October 2024	\$0.056	1,500,000	-	-	1,500,000
On or before 12 October 2025	(*)	1,500,000	-	-	1,500,000
On or before 5 August 2024 (a)	\$0.06	-	500,000	-	500,000
On or before 25 November 2025 (b)	\$0.047	-	2,000,000	-	2,000,000
Total unquoted options		17,500,000	2,500,000	(10,000,000)	10,000,000

(*) Exercisable at a price that is 150% of the VWAP for CAZ shares traded on the ASX over the five (5) trading days immediately preceding the vesting date (currently held in escrow).

(i) Issued as a finder's fee for the Vanrock Project.

(ii) Issued to a director (as approved by shareholders on 18 November 2022).

Equity Based Payments

Options are issued to directors, employees and consultants. The options may be subject to performance criteria, and are issued to directors, employees and consultants to increase goal congruence between executives, directors and shareholders. Options carry no dividend or voting rights. The fair value of share options issued during the half year was \$4,810. Options were issued as a finder's fee and were issued on 4 August 2022.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) HALF YEAR ENDED 31 DECEMBER 2022

Allottee	Number of Options	Fair Value at Grant Date per Option	Estimated Volatility	Life of Option (years)	Exercise Price	Share Price at Grant Date	Risk Free Interest Rate
Consultant	500,000	\$0.00962	70%	2.0	\$0.060	\$0.038	1.25%
Director	2,000,000	\$0.02875	70%	3.0	\$0.047	\$0.033	1.25%

Performance Rights

On 2 December 2021, the Company's Managing Director, Ms Tara French, was issued a total of 5 million performance rights (expiring on 11 October 2025) as follows:

- (i) 2,000,000 Performance Rights - vested upon issue;
- (ii) 1,500,000 Performance Rights - vested on 12 October 2022; and
- (iii) 1,500,000 Performance Rights - vesting on 12 October 2023.

The Performance rights were approved for issue by shareholders at the AGM on 19 November 2021 and were assigned a value of \$230,000. This amount was fully expensed in the half year to 31 December 2021.

5. RESERVES

This reserve records the value of equity benefits provided to employees, consultants and directors as part of their remuneration, share based payments to third parties and option consideration for any acquisitions.

	31 Dec 2022 \$	30 June 2022 \$
Opening balance	729,858	422,241
Equity based payments (options and performance rights)	29,270	307,617
Transfers to accumulated losses	(255,438)	-
Closing balance	503,690	729,858

6. ACCUMULATED LOSSES

Opening balance	(11,457,063)	(9,716,539)
Net earnings/loss attributable to members	(1,240,974)	1,740,524
Transfers from option reserve	255,438	-
Closing balance	(12,442,599)	(11,457,063)

7. SUBSEQUENT EVENTS

Apart from the above, there have not been any other matters or circumstances that have arisen which have significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

8. CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

Kaoko Project

As announced on 26 March 2018, the Company acquired an option to earn the rights to a 95% interest in the Kaoko Kobalt Project ('Kaoko Project') in Namibia. The following contingent liabilities remain for Cazaly's registered 95% interest at 31 December 2022:

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) HALF YEAR ENDED 31 DECEMBER 2022

Under the KDN JV:

KDN JV's partner's remaining 5% free carried to a definitive feasibility study and to be NEEEF compliant (governmental draft "New Equitable Economic Empowerment Framework").

Under the Kunene Purchase Agreement:

The Company acquired 100% of the issued capital of Kunene North Pty Ltd and therefore its rights under the KDN JV, and has the following commitments outstanding:

- i) Issue 10.5 million fully paid Cazaly shares upon the delineation of a JORC compliant mineral resource containing at least 10,000t of contained cobalt (or other metal equivalent)
- ii) Pay A\$1 million (or issue fully paid Cazaly shares to that amount) upon a formal Decision to Mine

Halls Creek

As announced on 12 November 2020, the Company acquired an 80% interest in the Halls Creek project from 3D Resources Limited bringing Cazaly to a 100% interest in the project. There is a contingent liability of \$250,000 due to 3D Resources Limited upon production of minerals in a commercial and saleable quantity and there is a royalty obligation to Squadron Resources Pty Ltd on the tenement (M80/247). The royalty payable is a 1.5% net smelter return of production attributable to the tenement.

Contingent Assets

Hamersley

The Hamersley Iron Ore Project was an unincorporated Joint Venture between Lockett Fe Pty Ltd ("Lockett") (100% owned subsidiary of the Company) and Pathfinder Resources Ltd (ASX:PF1). In August 2021 the project was sold to Equinox Resources Limited (ASX:EQN) who successfully completed a \$9 million initial public offering under its Prospectus dated 31 August 2021 and subsequently listed on ASX on 13 October 2021. Lockett received 15 million EQN shares and 2,850,000 performance share, plus retained a royalty interest on the project. The royalty is fixed and payable to Lockett Fe Pty Ltd of USD\$0.30 per metric tonne of iron ore which is extracted and sold or otherwise disposed of from the area within the boundaries of the Hamersley Iron Ore Project. The Company also holds 2,850,000 Performance Shares in Equinox. Each Performance Share will, at the election of the holder, convert into one Equinox Share, subject to Equinox announcing to the ASX a positive preliminary Feasibility Study in relation to the Hamersley Iron Ore Project, confirming the Hamersley Iron Ore Project is commercially viable. The Performance Shares have a two-year term.

Parker Range

On 19 August 2019, the sale of Parker Range to Mineral Resources was completed and Cazaly received the \$20 million consideration. A royalty is also due at the rate of A\$0.50 for every dry metric tonne of iron ore extracted and removed from the Parker Range area after the first 10 million dry metric tonnes of production.

9. OPERATING SEGMENTS

The Company operates mainly in one geographical area being Australia and one industry, being exploration, for the half year ended 31 December 2022 which was the same as reported in the financial report for the year ended 30 June 2022. The Chief Operating Decision Makers are the Board of Directors and the management of the Group. There is currently only one operating segment identified, being exploration activities based in Australia based on internal reports reviewed by the Chief Operating Decision Makers in assessing performance and allocation of resources. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements.

CAZALY RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN 23 101 049 334

DIRECTORS' DECLARATION HALF YEAR ENDED 31 DECEMBER 2022

In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and 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*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors, made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Board.



Tara French
Managing Director

PERTH
Dated 10 March 2023

To the Board of Directors,

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

As lead audit Director for the review of the financial statements of Cazaly Resources Limited for the period ended 31 December 2022, 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
- any applicable code of professional conduct in relation to the review.

Yours Faithfully

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD
Chartered Accountants

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 10th day of March 2023
Perth, Western Australia

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

Conclusion

We have reviewed the accompanying half-year financial report of Cazaly Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, 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 half-year financial report of Cazaly Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Cazaly Resources Limited financial position as at 31 December 2022 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. 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 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 Cazaly Resources Limited 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 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.

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 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 10th day of March 2023
Perth, Western Australia