



Zinc of Ireland NL

ABN 23 124 140 889

and its controlled entities

**Half year report for the half-year ended
31 December 2022**

Company Directory

Board of Directors

Mr Peter Huljich	Non-Executive Chairman
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Jerry Monzu	Non-Executive Director

Company Secretary

Mr Jerry Monzu

Registered Office and Principal Place of Business

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Subiaco WA 6008
Tel: +61 8 9287 4600

Postal Address

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Subiaco WA 6008

Auditors

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

Share Registry

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

Stock Exchange

Australian Securities Exchange
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code

ZMI

Half year report for the half-year ended 31 December 2022

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Director's Report

The directors of Zinc of Ireland NL ("Zinc of Ireland" or the "Company") (ASX: ZMI) submit the financial report of Zinc of Ireland and its controlled entities ("the Group") for the half-year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Names of Directors

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

Mr Richard Monti	Non-Executive Chairman (resigned 7 March 2023)
Mr Peter Huljich	Non-Executive Chairman (appointed 8 March 2023)
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Jerry Monzu	Non-Executive Director (appointed 8 March 2023)

The above named directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

Operating and financial review

The loss of the Group for the half-year ended 31 December 2022, after accounting for income tax, amounted to **\$262,847** (2021: \$218,588).

Rathdowney Project (including Kildare Zn-Pb Resource) – Ireland

During the half year period to 31 December 2022 Zinc of Ireland has continued to actively explore its tenement position on the Rathdowney Trend, Ireland. The Company's tenure has been compiled through application and government auction as well as acquisition from third parties. The Company now controls 81 PLs with 13 applications having been successfully granted during the period. ZMI's Irish portfolio covers 130km of the Rathdowney Trend or in terms of area, approximately 2,500km² as shown on Figure 1. This places ZMI in control of what is arguably one of the most prospective belts of ground for high grade, large tonnage, "Irish Type" Zn/Pb deposits in the world. ZMI has carried out a variety of geochemical and ground geophysical programmes on various Rathdowney trend PLs in the latter half of 2022. The data from this fieldwork, is being combined with a wealth of available historical data to allow the Company to define areas of local scale prospectivity within the framework of an overall belt scale approach to exploration that has not been possible previously.

H1 FY 2023 Highlights

- At Cashel (figure 2), the Company completed and submitted twenty four (24) two yearly Review Reports to the Department of Environment, Climate and

Communications (DECC) Geoscience Regulation Office (GSRO). These reports summarise the Company's historic data review and target generation work for the first two year period.

- At the Derrykearn, Holycross and Rapla blocks the Company collected an additional 271 Deep Overburden (DOB) samples and 34 conventional soil samples during the period.
- A review report of the available airborne geophysical database for the Rapla and Derrykearn regions was received from ZMI's geophysical consultant during the period. The report included recommendations for follow up work and has refined drill target definition.
- Previously ZMI commenced drilling in Ireland for the first time since the beginning of the Covid 19 pandemic in Q2 2022 completing two holes for 1,254m at the Rapla prospect on the Rathdowney Trend. Results from this programme were still pending at the end of the December Half Year.

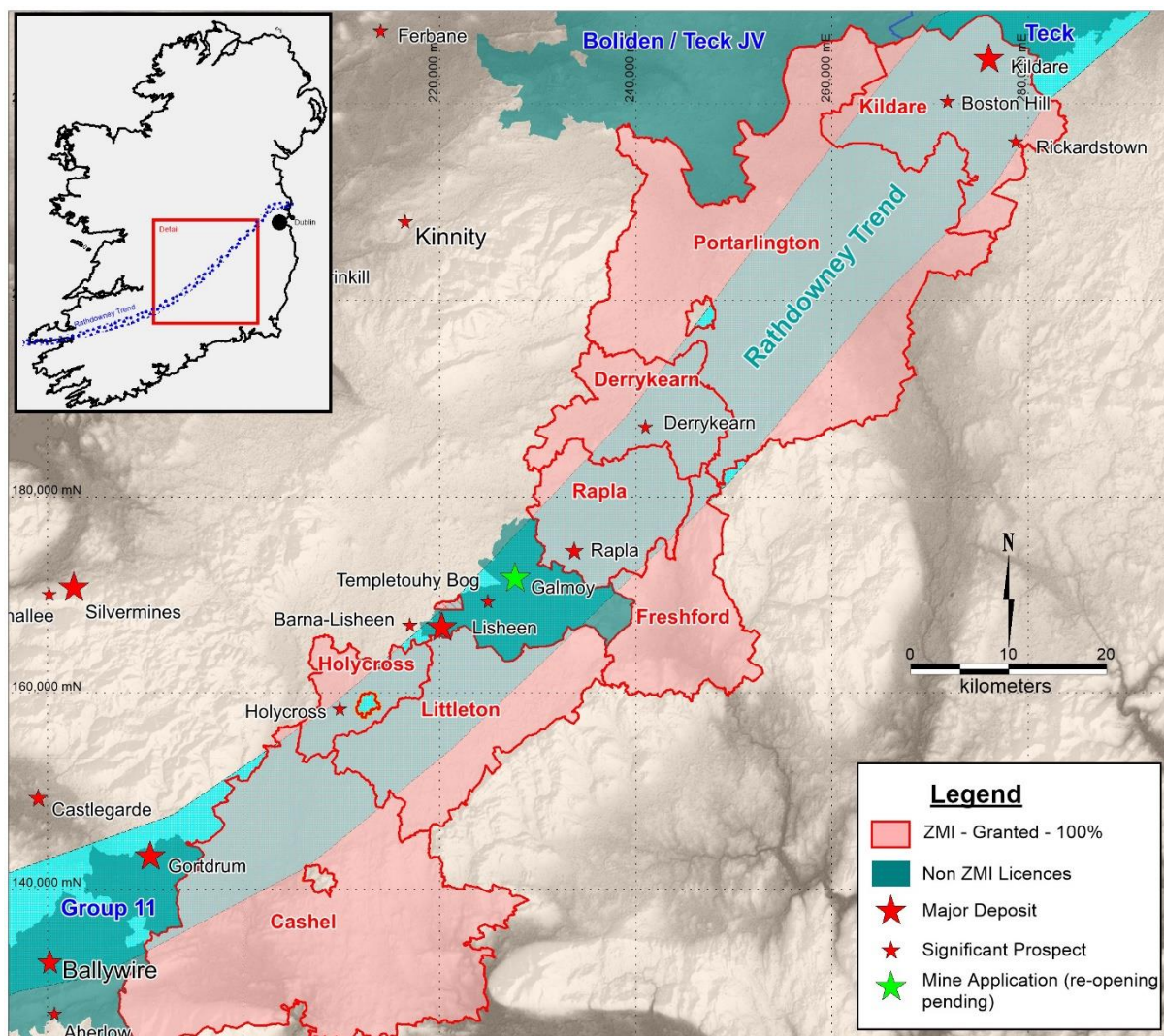


Figure 1. ZMI Licence position on the Rathdowney Trend

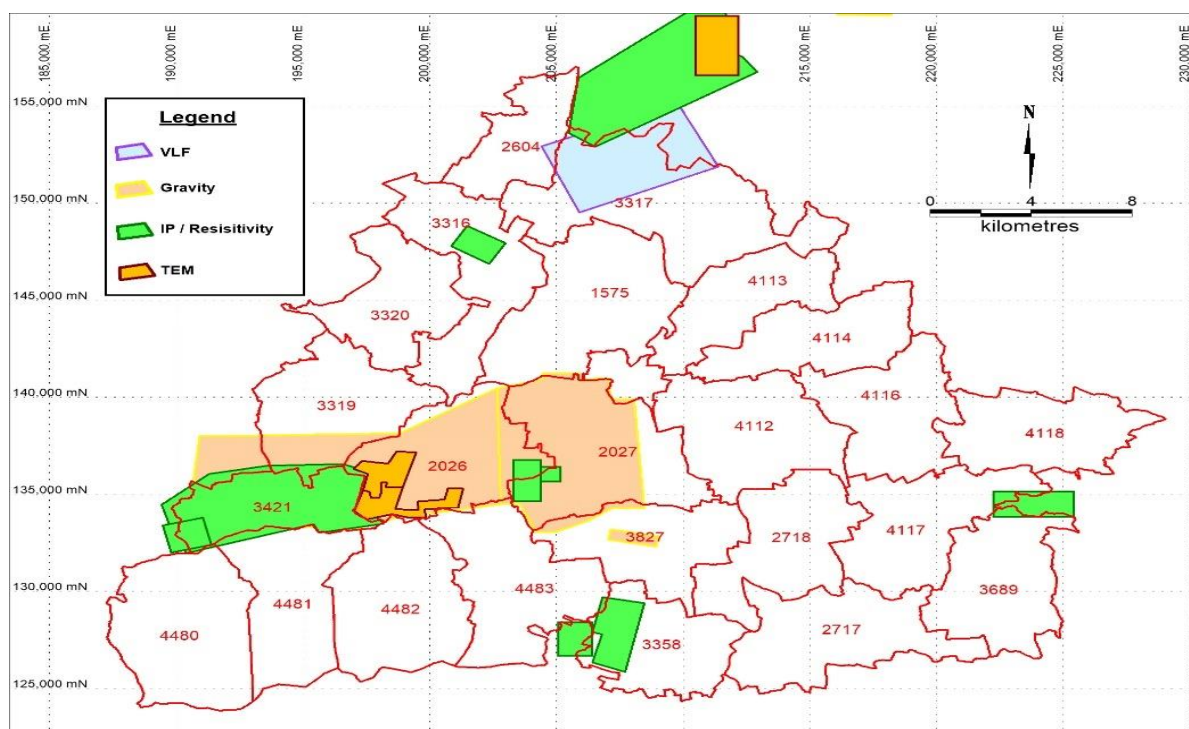


Figure 2. Cashel PL Block Geophysical data compilation

An updated Inferred Mineral Resource Estimate for the Kildare Project was reported to the ASX on 8 September 2020 with resources now standing at: **11.3 Mt @ 9.0% Zn+Pb (7.8% Zn and 1.2% Pb)** at a 5.0% Zn equivalent cut off. Assaying and interpretation of drilling undertaken into the Fault Compartment 3 (FC3) area at Kildare was completed early in 2020. This work was included into the Company's updated Inferred Mineral Resource Estimate (MRE) for the Kildare project details of which are given in (Table 1) below.

McGregor Shamrock and FC3 Inferred Mineral Resource							
Deposit	ZnEq Cut Off (%)	Mt	Zn%	Pb%	Zn + Pb%	Zn (kt)	Pb (kt)
McGregor	3.5	13.2	6.2	1.0	7.1	815	127
Shamrock	3.5	6.9	5.4	0.9	6.3	376	59
FC-3	3.5	1.5	6.4	0.9	7.3	98	14
Total	3.5	21.7	5.9	0.9	6.9	1,289	201
McGregor	4.0	11.0	6.7	1.1	7.7	736	117
Shamrock	4.0	5.4	6.0	0.9	6.9	325	49
FC-3	4.0	1.2	7.3	1.0	8.3	87	12
Total	4.0	17.6	6.5	1.0	7.5	1,147	178
McGregor	4.5	8.7	7.4	1.2	8.6	641	106
Shamrock	4.5	4.3	6.6	1.0	7.5	282	41
FC-3	4.5	1.0	8.0	1.0	9.0	80	10
Total	4.5	14.0	7.2	1.1	8.3	1,003	156
McGregor	5.0	7.0	8.1	1.4	9.5	565	95
Shamrock	5.0	3.5	7.1	0.9	8.1	248	33
FC-3	5.0	0.9	8.5	1.0	9.5	74	9
Total	5.0	11.3	7.8	1.2	9.0	887	136
McGregor	5.5	5.9	8.7	1.5	10.2	510	86
Shamrock	5.5	3.1	7.4	1.0	8.4	228	30
FC-3	5.5	0.8	9.0	1.0	10.0	70	8
Total	5.5	9.7	8.3	1.3	9.6	808	124
McGregor	6.0	5.0	9.3	1.6	10.9	465	78
Shamrock	6.0	2.6	7.7	1.0	8.8	204	27
FC-3	6.0	0.7	9.2	1.0	10.2	68	8
Total	6.0	8.4	8.8	1.3	10.1	737	113

Table 1. 2020 Mineral Resource Estimate Table, Kildare.

The Company reactivated its field exploration programmes during the half year as Ireland largely relaxed it's COVID-19 public health response. Zinc of Ireland considers

that the previous Covid related fieldwork hiatus was appropriate and in the interests of both its personnel (and public safety in general) and so that field work programmes could be implemented efficiently and to completion as soon as suitable conditions allowed.

Next Steps Rathdowney Trend Ireland

- At the end of the period the Company was actively sampling or awaiting further assays results for the Derrykearn, Rapla and Holycross licence areas prior to integration of that data into the Company GIS database and onward assessment for the purpose of drill targeting. Assays for both Hole RDD001 and Hole RDD002 (Rapla) similarly remained outstanding at Period end.
- Drillhole planning and permitting is being refined at Kildare where the drilling of high value targets has been on hold since early 2020 initially due to the impacts of the Covid 19 pandemic and more recently due to the requirements of the Company to meet expenditure commitments on other tenement blocks.
- Ground geophysical and geochemical sampling programmes are ongoing and are expected to switch to the Holycross PL block early in 2023.

Earaheedy Project – Western Australia

Earaheedy Tenement E 38/3624

In **Western Australia**, ZMI had previously (Q2 2022) conducted follow up soil sampling at its Earraheedy Zn-Pb-Ag-Mn exploration licence EL 36/3824.

E 38/3624 is held through ZMI's fully owned subsidiary Unconformity Zinc Pty Ltd.

The Earraheedy licence (figure 3) is located approximately 200km east of Wiluna and 220km southeast of the Rumble Resources (ASX:RTR) Chinook and Magazine Pb-Zn discoveries.

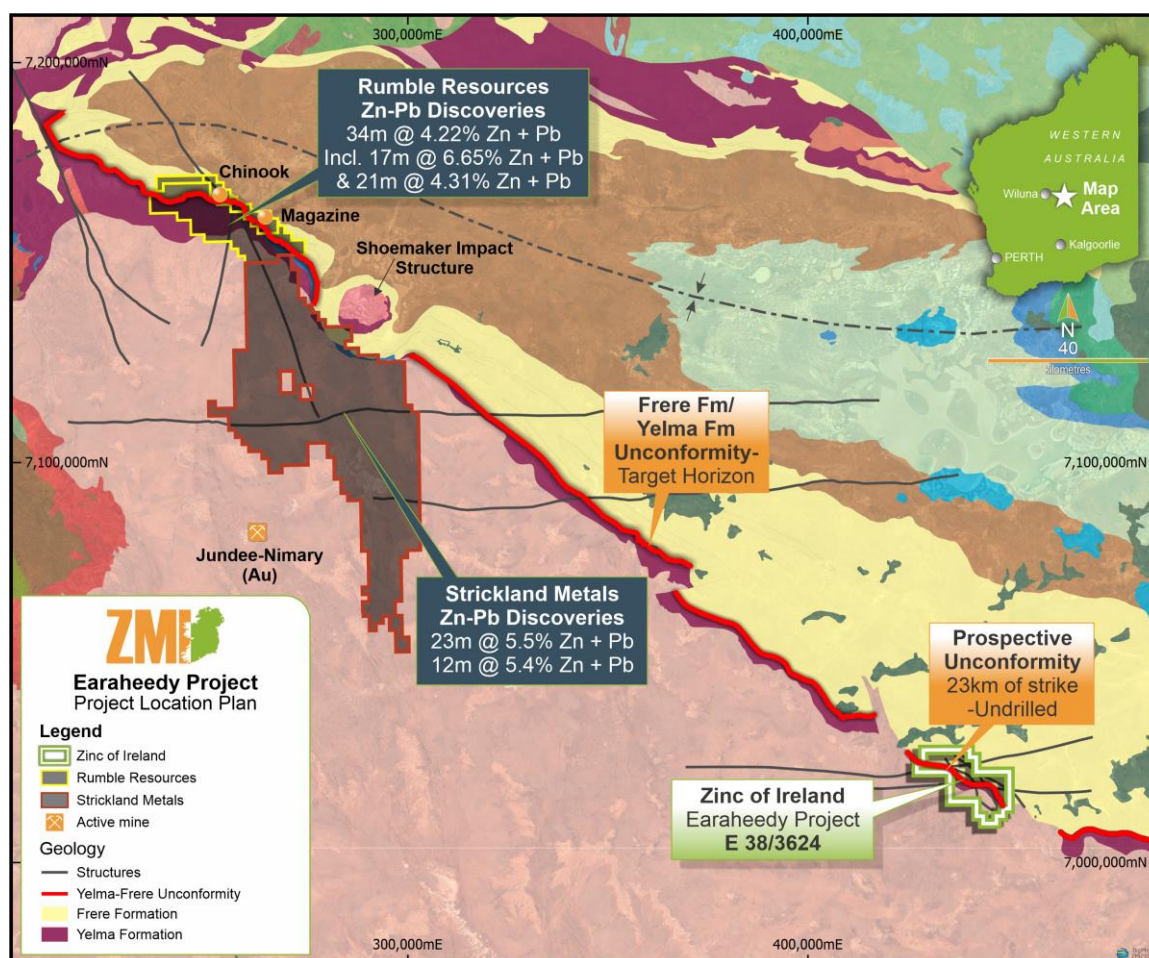


Figure 3. Zinc of Ireland tenement with respect to unconformity contact and Rumble Resources and Strickland Metals discoveries.

The ZMI tenement is largely unexplored with previous operators having focused on gold within Archean greenstones adjacent to the tenement and under Proterozoic cover, especially to the west of the Licence area.

The licence contains approximately 23km of strike of the target unconformity between the Frere and Yelma formations. The Paleoproterozoic Frere Formation is comprised of granular siliceous iron-formation, peloidal chert, siltstone and sandstone and unconformably overlies sandstones, siltstones, shales, minor conglomerates and dolomite of the older Yelma Formation.

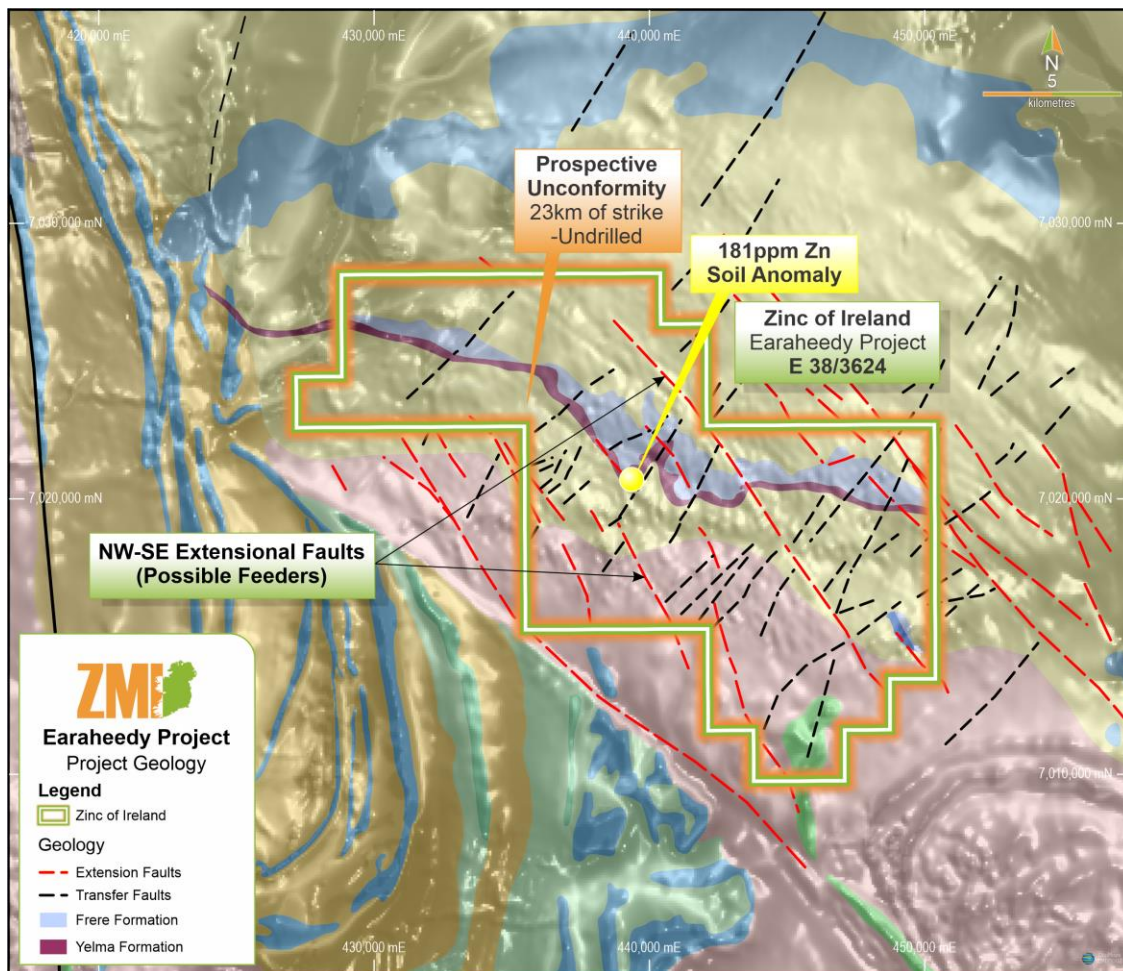


Figure 4. Tenement location containing 23km of prospective unconformity striking northwest with anomalous soil sample at the contact. (WACHEM dataset, 181ppm Zn Sample ID 166818_C1M3SD3).

In May 2022 ZMI were able to retain the services of a Perth-based sampling contractor to carry out sampling activities at Earraheedy with a team spending approximately two weeks on site. Using a combination of four-wheel drive vehicles (4WD) and quadbikes, they were able to collect 1049, -2mm samples for analysis. Results of the Q2 2022 field programme were received during the current Half Year period and have delineated a northwest orientated >30ppm Zn in soil pXRF anomaly which has a footprint of approximately 5.0km by 1.0km and appears to extend or cojoin previously reported zinc in soil anomalism (figure 5).

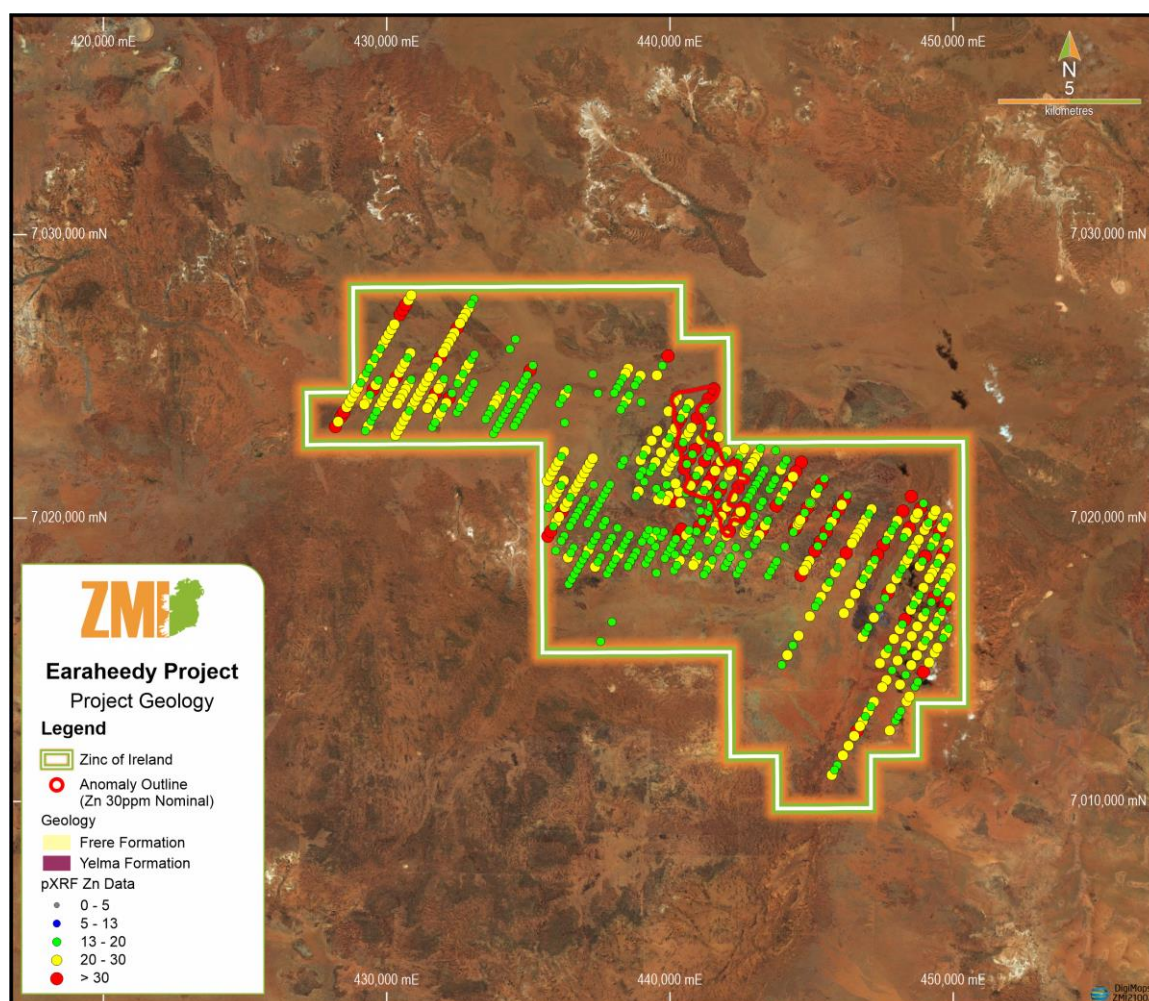


Figure 5. Figure 4. 2022, -2mm soil fraction pXRF results above 13ppm Zn. Results from the previous Q4 2021 pXRF geochemical sampling programme were the subject of a 26th April 2022 announcement by ZMI (www.zincofireland.com.au).

Heritage Access discussions were placed on hold towards the end of the Half Year period and no additional fieldwork was carried out.

The Company expects to re-engage with the Traditional Owner's in Q2 2023 with a view to recommencing fieldwork in Q3 2023.

Next Steps Earaheedy Western Australia

Proposed work programmes to be carried out will be guided by the interpretation of the results of the May field programme made during H2 2022.

The priority components are:

- Recommence Heritage Access Agreement discussions;
- Field mapping and sampling of the anomalous portions of the 23km long unconformity corridor. This work will focus on the interpreted pXRF Zn in soil anomalism;
- Ground or drone geophysical surveys may be carried out to follow up on or supplement areas identified by first-pass mapping and sampling; and
- Drill planning and permitting.

Competent Persons' Statement

"The information in this report that relates to the Mineral Resources at ZMI's Kildare Project is extracted from the report entitled (Increase in JORC Resource and Completion of Mining Study at the Kildare Zn/Pb Project Co. Kildare, Ireland) created on 8 September 2021 and is available to view on the ASX Platform in the Company announcements section. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement."

Subsequent Events

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

Auditor's independence declaration

The auditor's independence declaration is included on page 10 of the half-year report.

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

On behalf of the directors



Mr Peter Huljich

Non-Executive Chairman

14 March 2023

Perth, Western Australia

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 Zinc of Ireland NL for the half year 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 AUDIT WA PTY LTD


DOUG BELL CA
Director

Dated this 14th day of March 2023
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ZINC OF IRELAND NL

Conclusion

We have reviewed the accompanying half-year financial report of Zinc of Ireland NL ("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 Zinc of Ireland NL and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a) Giving a true and fair view of the Consolidated Entity's 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half year financial report, which indicates that the Consolidated Entity incurred a net loss of \$262,847 during the half year ended 31 December 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such 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 WA AUDIT PTY LTD



DOUG BELL CA

Director

Dated this 14th day of March 2023
Perth, Western Australia

Directors' declaration

The Directors of the Company declare that:

- a) The financial statements and notes of Zinc of Ireland NL for the half-year ended 31 December 2022 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- b) In the Directors' option there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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



Mr Peter Huljich

Non-Executive Chairman

14 March 2023

Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2022

	Consolidated	
	Half-year ended	
Note	31 Dec 2022 \$	31 Dec 2021 \$
Continuing operations		
Total revenue and other income	-	-
Administration expenses	(116,710)	(96,144)
Compliance and regulatory expenses	(58,666)	(43,551)
Depreciation	(594)	(891)
Employee benefits expenses	(86,877)	(78,002)
Loss before income tax	(262,847)	(218,588)
Income tax expense	-	-
Loss for the period	(262,847)	(218,588)
Other comprehensive income, net of income tax		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	1,033	(44,579)
Other comprehensive income for the period, net of income tax	1,033	(44,579)
Total comprehensive loss for the period	(263,880)	(263,167)
Loss attributable to:		
Owners of Zinc of Ireland NL	(262,847)	(218,588)
Total comprehensive loss attributable to:		
Owners of Zinc of Ireland NL	(263,880)	(263,167)
Loss per share:		
Basic and diluted (cents per share)	(0.13)	(0.14)

Condensed notes to the condensed consolidated financial statements are included on pages 18 to 21.

Condensed consolidated statement of financial position as at 31 December 2022

		Consolidated	
	Note	31 Dec 2022 \$	30 Jun 2022 \$
Current assets			
Cash and cash equivalents		2,051,361	2,458,612
Trade and other receivables		160,721	156,662
Total current assets		2,212,082	2,615,274
Non-current assets			
Exploration and evaluation expenditure	6	8,463,180	7,983,870
Property, Plant and equipment		2,941	3,534
Total non-current assets		8,466,121	7,987,404
Total assets		10,678,203	10,602,678
Current liabilities			
Trade and other payables		190,762	250,452
Total current liabilities		190,762	250,452
Total liabilities		190,762	250,452
Net assets		10,487,441	10,352,226
Equity			
Issued capital	4	17,195,521	16,798,492
Reserves	5	393,774	392,741
Accumulated losses		(7,101,854)	(6,839,007)
Total equity		10,487,441	10,352,226

Condensed notes to the consolidated financial statements are included on pages 18 to 21.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2022

Consolidated

Balance at 1 July 2021

Loss for the period

Other comprehensive income, net of income tax

Total comprehensive income/(loss) for the period

Consideration for Unconformity Zinc Pty Ltd (refer to Note 12)

Issue of Ordinary Shares

Share issue costs

Issue of Options

Issue of Performance Rights

Options Expired

Balance at 31 December 2021

	Issued capital \$	Other Equity \$	Share Based Payment Reserve \$	FCTR \$	Accumulated losses \$	Total \$
Balance at 1 July 2021	12,991,479	330,000	453,369	47,153	(6,735,925)	7,086,076
Loss for the period	-	-	-	-	(218,588)	(218,588)
Other comprehensive income, net of income tax	-	-	-	(44,579)	-	(44,579)
Total comprehensive income/(loss) for the period	-	-	-	(44,579)	(218,588)	(263,167)
Consideration for Unconformity Zinc Pty Ltd (refer to Note 12)	590,000	(330,000)	-	-	-	260,000
Issue of Ordinary Shares	1,834,548	-	-	-	-	1,834,548
Share issue costs	(72,352)	-	-	-	-	(72,352)
Issue of Options	-	-	229,700	-	-	229,700
Issue of Performance Rights	-	-	4,940	-	-	4,940
Options Expired	-	-	(451,023)	-	451,023	-
Balance at 31 December 2021	15,343,675	-	236,986	2,574	(6,503,490)	9,079,745

Balance at 1 July 2022

Loss for the period

Other comprehensive income, net of income tax

Total comprehensive income/(loss) for the period

Issue of Ordinary Shares

Share issue costs

Balance at 31 December 2022

Balance at 1 July 2022	16,798,492	-	376,904	15,837	(6,839,007)	10,352,226
Loss for the period	-	-	-	-	(262,847)	(262,847)
Other comprehensive income, net of income tax	-	-	-	1,033	-	1,033
Total comprehensive income/(loss) for the period	-	-	-	1,033	(262,847)	(263,880)
Issue of Ordinary Shares	400,000	-	-	-	-	400,000
Share issue costs	(2,971)	-	-	-	-	(2,971)
Balance at 31 December 2022	17,195,521	-	376,904	16,870	(7,101,854)	10,487,441

Condensed notes to the consolidated financial statements are included on pages 18 to 21.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2022

	Note	Consolidated	
		Half-year ended	
		31 Dec 2022	31 Dec 2021
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(222,882)	(248,629)
Interest received		-	61
Net cash used in operating activities		(222,882)	(248,568)
Cash flows from investing activities			
Payments for exploration and evaluation		(582,431)	(225,102)
Net cash used in investing activities		(582,431)	(225,102)
Cash flows from financing activities			
Proceeds from issues of equity instruments of the Company		400,000	1,680,000
Payment for share issue costs		(2,971)	(68,134)
Net cash provided by financing activities		397,029	1,611,866
Net (decrease)/increase in cash and cash equivalents		(408,284)	1,138,196
Cash and cash equivalents at the beginning of the period		2,458,612	467,266
Effects of exchange rate changes		1,033	(2,266)
Cash and cash equivalents at the end of the period		2,051,361	1,603,196

Condensed notes to the consolidated financial statements are included on pages 18 to 21.

Condensed notes to the consolidated financial statements for the half-year ended 31 December 2022

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial statements of the Company for the year ended 30 June 2022 together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 14 March 2023.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

The consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the year half year ended 31 December 2022, the Group incurred a loss after tax of \$262,847 (2021: \$218,588), and net cash outflows from operating and investing activities of \$805,313 (2021: \$473,670) and had a net working capital surplus as at 31 December 2022 of \$2,021,320 (30 June 2022: \$2,364,822). As disclosed in Note 7, the Group has \$610,159 in exploration commitments due within the next 12 months.

The directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

The Company will require further funding during the 2023 calendar year in order to meet day to day obligations as they fall due and to progress its exploration projects. Based on the Company's cash flow forecast, the Board of Directors is aware of the Company's need to access additional working capital funds in the next 12 months to enable the Company to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due.

Based on the above, the Directors consider the going concern basis of preparation to be appropriate for this half-year report.

In the event that the Company is not successful in raising funds from the issue of new equity, containing operating and exploration expenditures and the sale of non-core assets, there exists material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year report.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Accounting Standards that are mandatorily effective for the current reporting period

In the half-year 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 Group and effective for the half-year reporting periods beginning on or after 1 July 2022. 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 Group and therefore no material change is necessary to the Group's accounting policies.

Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the half-year then ended. Where controlled entities have entered (left) the Group, their operating results have been included (excluded) from the date control was obtained (ceased).

Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Consolidated Entity's last annual financial statements for the year ended 30 June 2022.

2. Segment information

The Group operates in one business segment, namely the mineral exploration industry. AASB 8 '*Operating Segments*' states that similar operating segments can be aggregated to form one reportable segment. Also, based on quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the consolidated statement of financial position.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2022.

4. Issued capital

Fully paid ordinary shares

31 Dec 2022	30 Jun 2022
\$	\$
17,195,521	16,798,492

Fully paid ordinary shares

	31 Dec 2022		30 Jun 2022	
	No.	\$	No.	\$
Balance at beginning of period	202,044,281	16,798,492	122,942,494	12,991,479
Issue of vendor shares(i)	-	-	5,000,000	330,000
Issue of Placement shares (ii)	-	-	25,660,000	1,283,000
Issue of Director shares(iii)	-	-	283,561	17,297
Issue of shares (iv)	-	-	10,340,000	517,000
Conversion of Vendor Performance Rights(v)	-	-	5,000,000	260,000
Issue of Director shares(vi)	-	-	323,775	17,251
Issue of Director shares(vii)	-	-	494,451	25,452
Issue of Placement shares (viii)	-	-	32,000,000	1,600,000
Issue of Placement shares (ix)	8,000,000	400,000	-	-
Less: capital raising costs	-	(2,971)	-	(242,987)
	210,044,281	17,195,521	202,044,281	16,798,492

- (i) Fully paid ordinary shares issued to acquire Unconformity Zinc Pty Ltd
- (ii) Tranche 1 Placement of 25,660,000 fully paid ordinary shares to at an issue price of \$0.05 per share.
- (iii) Shares issued to directors in lieu of cash payment of director fees approved at a General Meeting of shareholders of the Company held on 3 September 2021.
- (iv) Tranche 2 Placement of 10,340,000 fully paid ordinary shares to at an issue price of \$0.05 per share approved at a General Meeting of shareholders of the Company held on 3 September 2021.
- (v) Conversion of vendor Performance Shares on achievement of performance milestone (Refer Note 8).
- (vi) Shares issued to directors in lieu of cash payment of director fees approved at a General Meeting of shareholders of the Company held on 19 November 2021.
- (vii) Shares issued to directors in lieu of cash payment of director fees approved at a General Meeting of shareholders of the Company held on 27 November 2020.
- (viii) Tranche 1 Placement of 32,000,000 fully paid ordinary shares to at an issue price of \$0.05 per share.
- (ix) Tranche 2 Placement of 8,000,000 fully paid ordinary shares to at an issue price of \$0.05

5. Reserves

5.1 Reserve balances

Share based payment reserve
Foreign currency translation reserves
Carrying value at end of the period

31 Dec 2022	30 Jun 2022
\$	\$
376,904	376,904
16,870	15,837
393,774	392,741

6. Exploration and evaluation expenditure

Balance at beginning of the period
Expenditure incurred during the period
Consideration for Unconformity Zinc
Impairment of Exploration & Evaluation Expenditure

31 Dec 2022	30 Jun 2022
\$	\$
7,983,870	6,828,058
497,310	661,172
-	494,640
-	-
8,481,180	7,983,870

7. Commitments for expenditure

Exploration expenditure

	31 Dec 2022	30 Jun 2022
	\$	\$
Not longer than one (1) year	610,159	693,580
Two (2) to five (5) years	3,766,315	3,619,669
Five (5) years onwards	849,190	774,017
	5,225,664	5,087,266

8. Related Party Transactions

There were no related party transactions during the period other than Directors fees paid to Directors of the Company on commercial terms.

9. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2022 annual financial report.

10. Key management personnel

Remuneration policies of key management personnel are disclosed in the 2022 annual financial report. During the period under review, there were no changes to key management personnel.

Subsequent half year end, the following changes to key management personnel occurred:

- Mr Richard Monti resigned as Non-Executive Chairman (effective 7 March 2023),
- Mr Peter Huljich appointed as Non-Executive Chairman (effective 8 March 2023), and
- Mr Jerry Monzu appointed as Non-Executive Director (effective 8 March 2023).

11. Subsequent events

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