



# TEMPUS

## RESOURCES

ABN 70 625 645 338

**TEMPUS RESOURCES LIMITED**  
**CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL REPORT**  
**FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023**

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*EXPRESSED IN AUSTRALIAN DOLLARS*

## CONTENTS

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	6
Notes to the Financial Statements	7

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023**



	Notes	For the three months ended		For the six months ended	
		31 December	31 December	31 December	31 December
		2023	2022	2023	2022
		\$	\$	\$	\$
Revenue		5,160	72,991	7,087	73,666
Flow-through share premium recovery		-	15,330	-	239,422
Directors' and employee benefits expense		(41,249)	(46,291)	(99,149)	(101,753)
Legal and other professional fees		(191,856)	(101,896)	(326,926)	(187,931)
Management consulting fees		(56,201)	(55,646)	(113,402)	(111,645)
Regulatory fees		(65,116)	(77,242)	(116,794)	(145,169)
Advertising and marketing expenses		(76,553)	(145,085)	(204,474)	(341,259)
Ecuador claim		-	60,987	-	60,987
Depreciation expense		(3,216)	(5,641)	(6,456)	(12,465)
Share based payments	9(ii)	-	-	-	(64,721)
Interest expense		-	(483)	-	(1,210)
Impairment loss on exploration and evaluation expenditure	5	(31,828)	-	(63,130)	-
Foreign exchange gain		223	220,587	256	209,547
Other expenses		(104,571)	(83,991)	(184,928)	(160,667)
<b>Loss before income tax</b>		<b>(565,207)</b>	<b>(146,380)</b>	<b>(1,107,916)</b>	<b>(543,198)</b>
Income tax expense		-	-	-	-
<b>Loss for the period</b>		<b>(565,207)</b>	<b>(146,380)</b>	<b>(1,107,916)</b>	<b>(543,198)</b>
Other comprehensive (loss)/ income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(273,311)	(805,310)	(273,311)	(677,032)
<b>Total other comprehensive (loss) / income</b>		<b>(273,311)</b>	<b>(805,310)</b>	<b>(273,311)</b>	<b>(677,032)</b>
<b>Total comprehensive loss for the period</b>		<b>(838,518)</b>	<b>(951,690)</b>	<b>(1,381,227)</b>	<b>(1,220,230)</b>
Loss attributable to:					
Non-controlling interests		-	-	29	152
Members of the parent		(565,207)	(146,380)	(1,107,945)	(543,350)
		<b>(565,207)</b>	<b>(146,380)</b>	<b>(1,107,916)</b>	<b>(543,198)</b>
Total comprehensive loss attributable to:					
Non-controlling interests		-	-	29	152
Members of the parent		(838,518)	(951,690)	(1,381,256)	(1,220,382)
		<b>(838,518)</b>	<b>(951,690)</b>	<b>(1,381,227)</b>	<b>(1,220,230)</b>
<b>Loss per share</b>					
- Basic loss per share (cents)		(0.17)	(0.06)	(0.34)	(0.27)
- Diluted loss per share (cents)		(0.17)	(0.06)	(0.34)	(0.27)

The accompanying notes form part of this half-year financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**



	Notes	31 December 2023 \$	30 June 2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		177,756	1,445,851
Trade and other receivables		168,682	55,741
Other assets		63,794	248,862
<b>Total current assets</b>		<b>410,232</b>	<b>1,750,454</b>
<b>Non-current assets</b>			
Exploration and evaluation	5	21,468,668	21,309,211
Other assets		545,699	493,480
Property, plant and equipment		23,576	30,722
<b>Total non-current assets</b>		<b>22,037,943</b>	<b>21,833,413</b>
<b>Total assets</b>		<b>22,448,175</b>	<b>23,583,867</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		538,102	801,604
Provisions	7(a)	246,233	254,032
<b>Total current liabilities</b>		<b>784,335</b>	<b>1,055,636</b>
<b>Non-current liabilities</b>			
Provisions	7(b)	5,128,387	5,249,213
Deferred tax liability		2,377,443	2,445,868
<b>Total non-current liabilities</b>		<b>7,505,830</b>	<b>7,695,081</b>
<b>Total liabilities</b>		<b>8,290,165</b>	<b>8,750,717</b>
<b>Net assets</b>		<b>14,158,010</b>	<b>14,833,150</b>
<b>EQUITY</b>			
Issued capital	8	27,982,073	27,281,731
Reserves	9	1,849,366	2,946,458
Accumulated losses		(15,647,764)	(15,369,345)
Equity attributable to owners of the Company		14,183,675	14,858,844
Non-controlling interest		(25,665)	(25,694)
<b>Total equity</b>		<b>14,158,010</b>	<b>14,833,150</b>

The accompanying notes form part of this half-year financial report.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023



## For the six months ended 31 December 2022

	Issued capital \$	Share based payment reserve \$	Foreign exchange reserve \$	Accumulated losses \$	Non- controlling interest \$	Total \$
<b>Balance at 1 July 2022</b>	20,120,765	2,256,775	372,538	(8,002,731)	(25,817)	14,721,530
Loss for the period	-	-	-	(543,350)	152	(543,198)
Other comprehensive income	-	-	(677,032)	-	-	(677,032)
<b>Total comprehensive (loss) / income for the period</b>	-	-	(677,032)	(543,350)	152	(1,220,230)
Issue of capital (net of costs)	4,921,669	592,116	-	-	-	5,513,785
Transfer to accumulated losses upon the expiry of options	-	(517,114)	-	517,114	-	-
Transfer to recognise flow- through share premium	(96,436)	-	-	-	-	(96,436)
Share based payments	-	64,721	-	-	-	64,721
<b>Balance at 31 December 2022</b>	<b>24,945,998</b>	<b>2,396,498</b>	<b>(304,494)</b>	<b>(8,028,967)</b>	<b>(25,665)</b>	<b>18,983,370</b>

## For the six months ended 31 December 2023

<b>Balance at 1 July 2023</b>	27,281,731	2,396,498	549,960	(15,369,345)	(25,694)	14,833,150
Loss for the period	-	-	-	(1,107,945)	29	(1,107,916)
Other comprehensive loss	-	-	(273,311)	-	-	(273,311)
<b>Total comprehensive (loss) / income for the period</b>	-	-	(273,311)	(1,107,945)	29	(1,381,227)
Issue of capital (net of costs)	700,342	5,745	-	-	-	706,087
Transfer to accumulated losses upon the expiry of options	-	(829,526)	-	829,526	-	-
<b>Balance at 31 December 2023</b>	<b>27,982,073</b>	<b>1,572,717</b>	<b>276,649</b>	<b>(15,647,764)</b>	<b>(25,665)</b>	<b>14,158,010</b>

The accompanying notes form part of this half-year financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**



	31 December 2023	31 December 2022
	\$	\$
<b>Cash flows from operating activities</b>		
Interest received	7,033	4,385
Payments to suppliers and employees	(867,602)	(1,368,591)
Interest paid	-	(1,104)
<b>Net cash outflow from operating activities</b>	<u>(860,569)</u>	<u>(1,365,310)</u>
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(1,058,019)	(4,094,762)
Payments for property, plant and equipment	-	(43,476)
<b>Net cash outflow from investing activities</b>	<u>(1,058,019)</u>	<u>(4,138,238)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	714,945	5,811,330
Share issue costs paid	(52,905)	(347,217)
Lease liability repayments	-	(2,399)
<b>Net cash inflow from financing activities</b>	<u>662,040</u>	<u>5,461,714</u>
<b>Net decrease in cash held</b>	(1,256,548)	(41,834)
Cash at the beginning of the financial period	1,445,851	1,113,789
Effect of exchange rate changes on cash and cash equivalents	(11,547)	77,066
<b>Cash at the end of the financial period</b>	<u><b>177,756</b></u>	<u><b>1,149,021</b></u>

The accompanying notes form part of this half-year financial report.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023

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## 1. Corporate information

These condensed consolidated half-year financial statements represent those of Tempus Resources Limited (the “Company”) and its controlled entities (the “Group”) at the end of, or during the quarter and half year ended 31 December 2023. The condensed consolidated half-year financial statements are presented in Australian dollars, which is Tempus Resources Limited’s functional and presentation currency. Foreign operations are translated into Australian dollars using the exchange rates at the reporting date.

Tempus Resources Limited is a listed public company limited by shares, listed on the Australian Stock Exchange (ASX:TMR). The Company was also listed on the TSX-Venture Exchange (TSXV: TMRR) until 27 December 2023, incorporated in Australia and with a registered office at Level 2, 22 Mount Street, Perth, Western Australia, 6000, Australia.

### **Management’s Responsibility for Condensed Consolidated Half-Year Financial Statements**

The accompanying condensed consolidated half-year financial statements of Tempus Resources Limited (the “Group”) are the responsibility of the Management of the Group. The condensed consolidated half-year financial statements have been prepared in accordance with International Financial Reporting Standards and reflect management’s best estimate and judgements based on currently available information. Management is also responsible for a system of internal controls, which is designed to provide reasonable assurance that assets are safeguarded, liabilities are recognised, and that financial information is relevant and reliable. The Board of Directors are responsible for ensuring that management fulfils its responsibilities in respect of financial reporting and internal control. The Audit Committee of the Board of Directors, comprised of independent Directors, meets periodically with management and the Group’s independent auditors to discuss auditing matters and financial reporting issues. In addition, the Audit Committee reviews the annual financial statements and provides a recommendation to the Board of Directors on their approval.

These condensed consolidated half-year financial statements were authorised by the Board of Directors of the Company on February 14, 2024.

## 2. Principal activities

The principal activity of the Group during the half-year was mineral exploration, with gold projects located in Canada and Ecuador.

## 3. Basis of preparation

### **Statement of compliance**

The condensed consolidated half-year financial statements is a general purpose financial report that has been prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The condensed consolidated half-year financial statements do not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the audited annual financial report for the year ended 30 June 2023.

The accounting policies and methods of computation adopted in the preparation of these condensed consolidated half-year financial statements are consistent with those adopted and disclosed in the Group’s 2023 audited annual financial report for the year ended 30 June 2023 and are consistent with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) issued by the Accounting Standards Board (“IASB”) and interpretations of the International Reporting Interpretations Committee (“IFRIC”).

### **Critical accounting judgments, estimates and assumptions**

Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

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There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

Critical accounting judgements, estimates and assumptions are consistent with those in the previous financial year and corresponding half-year reporting period.

### **Going concern**

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

As disclosed in the financial statements, the Group incurred a loss of \$1,107,916 and had net cash outflows from operating and investing activities of \$860,569 and \$1,058,019 respectively for period ended 31 December 2023 additionally the Group has net current liabilities of \$374,103. In order to continue as a going concern the directors identified that additional capital would be required.

Subsequent to the interim period end the Group completed an entitlement offer which raised A\$1.7m (before costs) through the issue of shares, as disclosed in Note 15.

Despite this capital raise the forecast performance and budgets show that the Group will require further capital to continue as a going concern. The directors are confident the Group will be successful in sourcing further capital to fund the on-going operations of the Group.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern. Accordingly, the financial report has been prepared on a going concern basis.

Should the Group be unsuccessful with the initiatives detailed above then there is a material uncertainty which may cast significant doubt as to whether the Group may in the future be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statement.

### **New and revised accounting standards and interpretations**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the reporting period. The adoption of these did not have a material impact on the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There are no other standards that are not yet effective that would be expected to have a material impact on the Group.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

### 4. Segment Information

The Group operates within three geographical segments within mineral exploration and extraction being Australia, Canada and Ecuador. The segment information provided to the chief operating decision maker is as follows:

Three months ended 31 December 2023	Corporate and Exploration activities AUSTRALIA \$	Corporate and Exploration activities CANADA \$	Exploration activities ECUADOR \$	Consolidated \$
Other income	1,105	4,055	-	5,160
Total other income				<u>5,160</u>
Segment result before income tax	(346,091)	(187,289)	(31,827)	(565,207)
Loss before income tax				<u>(565,207)</u>
<b>At 31 December 2023</b>				
Segment assets	2,266,643	20,075,021	106,511	22,448,175
Total assets				<u>22,448,175</u>
Segment liabilities	128,359	7,573,028	588,778	8,290,165
Total liabilities				<u>8,290,165</u>

Three months ended 31 December 2022	Corporate and Exploration activities AUSTRALIA \$	Corporate and Exploration activities CANADA \$	Exploration activities ECUADOR \$	Consolidated \$
Other income	1,268	87,053	-	88,321
Total other income				<u>88,321</u>
Segment result before income tax	(135,558)	(10,822)	-	(146,380)
Loss before income tax				<u>(146,380)</u>
<b>At 30 June 2023</b>				
Segment assets	3,037,213	20,357,515	189,139	23,583,867
Total assets				<u>23,583,867</u>
Segment liabilities	133,114	7,903,241	714,362	8,750,717
Total liabilities				<u>8,750,717</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

Six months ended 31 December 2023	Corporate and Exploration activities AUSTRALIA \$	Corporate and Exploration activities CANADA \$	Exploration activities ECUADOR \$	Consolidated \$
Other income	2,762	4,325	-	7,087
Total other income				<u>7,087</u>
Segment result before income tax	(700,478)	(344,310)	(63,128)	(1,107,916)
Loss before income tax				<u>(1,107,916)</u>
<b>At 31 December 2023</b>				
Segment assets	2,266,643	20,075,021	106,511	22,448,175
Total assets				<u>22,448,175</u>
Segment liabilities	128,359	7,573,028	588,778	8,290,165
Total liabilities				<u>8,290,165</u>
<b>Six months ended 31 December 2022</b>	<b>Corporate and Exploration activities AUSTRALIA \$</b>	<b>Corporate and Exploration activities CANADA \$</b>	<b>Exploration activities ECUADOR \$</b>	<b>Consolidated \$</b>
Other income	1,892	311,196	-	313,088
Total other income				<u>313,088</u>
Segment result before income tax	(676,100)	132,902	-	(543,198)
Loss before income tax				<u>(543,198)</u>
<b>At 30 June 2023</b>				
Segment assets	3,037,213	20,357,515	189,139	23,583,867
Total assets				<u>23,583,867</u>
Segment liabilities	133,114	7,903,241	714,362	8,750,717
Total liabilities				<u>8,750,717</u>

Consolidated	
31 December 2023 \$	30 June 2023 \$

### 5. Exploration and evaluation

A summary of the exploration and evaluation asset is as follows:

Opening balance	21,309,211	16,855,006
Expenditure incurred during the period	758,060	5,117,396
Impairment loss incurred during the year <sup>1</sup>	(63,130)	(3,634,577)
Fair value of tenements on disposal	-	(15,061)
Changes in rehabilitation	26,729	2,563,080
Foreign exchange movements	(562,202)	423,367
Closing balance	<u>21,468,668</u>	<u>21,309,211</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

<sup>1</sup>During the period, the Group raised a provision for impairment of \$63,130 (30 June 2023: \$3,634,577) against the capitalised exploration and evaluation that relates to the Group's projects in Ecuador. Management assessed for indicators of impairment and resolved to impair the Ecuador projects to \$nil (30 June 2023: \$nil) until such time that the ultimate recoupment of exploration and evaluation expenditure carried forward on the Ecuador projects can be accurately assessed on the basis of successful development and commercial exploration or, alternatively, sale of the respective area.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
<b>6. Flow-through premium liability</b>		
Opening balance	-	224,092
Flow-through share premium liability recognised <sup>1</sup>	-	96,435
Flow-through expenditure incurred	-	(323,440)
Foreign exchange movements	-	2,913
Closing balance	-	-

<sup>1</sup>The flow-through premium recovery is recognised in the condensed consolidated statement of profit or loss and other comprehensive income based on the amount of qualifying flow-through expenditures incurred by the Group.

In December 2022, the Group issued 8,835,000 flow-through shares at a price of \$0.066 per flow-through share for gross proceeds of \$582,016. The Group recorded a flow-through premium liability \$96,435 on issuance of the flow-through shares and recognised a share premium of \$239,422 for the half-year ending 31 December 2022.

During the half-year ending 31 December 2023, the Group did not conduct a flow through placement as such there was no remaining commitment to incur, recognising nil flow-through premium liability.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
<b>7. Provisions</b>		
<b>(a) Current</b>		
Ecuador provision <sup>1</sup>	240,970	248,602
Other provisions	5,263	5,430
	246,233	254,032

<sup>1</sup>A claim for tax liabilities associated with a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at the end of the reporting period. Refer to Note 14 for further detail on the contingent liability.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
<b>(b) Non-Current</b>		
<b>Rehabilitation - Blackdome</b>		
Opening balance	5,249,213	2,596,687
Changes in rehabilitation estimate <sup>1</sup>	26,729	2,563,080
Foreign exchange movements	(147,555)	89,446
	5,128,387	5,249,213

<sup>1</sup>A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
<b>8. Issued capital</b>		
Ordinary shares – fully paid (i)	27,982,073	27,281,731
	27,982,073	27,281,731

### (i) Ordinary shares

Date	No. of shares	Issue price	
		\$	\$
Opening balance: 1 July 2023	311,838,242		27,281,731
– 9 October 2023 – Placement	31,084,560	0.023	714,945
– 8 December 2023 – Xwisten Anniversary Payment <sup>1</sup>	2,222,222	0.018	40,000
– Capital raising costs	-		(54,603)
– Closing balance: 31 December 2023	345,145,024		27,982,073

<sup>1</sup>On 8 December 2023, the Company issued 2,222,222 fully paid ordinary shares at \$0.018 per share in relation to the third anniversary payment pursuant to the Exploration Agreement with Bridge River Indian Band represented by the Chief and Council of Xwisten.

Date	No. of shares	Issue price	
		\$	\$
Opening balance: 1 July 2022	135,592,569		20,120,765
– 4 August 2022 – Capital raising	20,338,885	0.0499	1,016,944
– 5 September 2022 – Entitlement offer	38,148,166	0.0499	1,907,408
– 6 September 2022 – Entitlement offer	39,817,561	0.0499	1,990,878
– 29 September 2022 – Public relations services	3,000,000	0.0500	150,000
– 1 December 2022 – Shares issued under exploration agreement	606,061	0.0650	39,394
– 23 December 2022 – Capital raising (flow through)	8,835,000	0.0657	582,016
– 23 December 2022 – Capital raising (non-flow through)	3,000,000	0.0548	164,690
– 19 May 2023 – Placement	62,500,000	0.0400	2,500,000
– Capital raising costs	-		(1,190,364)
Closing balance: 30 June 2023	311,838,242		27,281,731

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
<b>9. Reserves</b>		
Foreign currency reserve (i)	276,649	549,960
Share based payments reserve (ii)	1,572,717	2,396,498
	1,849,366	2,946,458

### (i) Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

### (ii) Share based payments reserve

#### Reconciliation of share based payments reserve

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Opening balance	2,396,498	2,256,775
– Options – recognised in equity (share issue costs)	5,745	592,116
– Options – recognised as an expense	-	64,721
– Transfer to accumulated losses upon the expiry of options	(829,526)	(517,114)
Closing balance	1,572,717	2,396,498

#### Performance rights

Performance rights outstanding at reporting date:

	Consolidated	
	31 December 2023	30 June 2023
	#	#
Opening balance	400,000	600,000
Performance rights expired during the period	(400,000)	(200,000)
Closing balance	-	400,000

#### Options

During the half-year, the Group issued 15,000,000 options to brokers, with a total fair value of \$5,745. These options were granted and were recognised as a share issue cost during the financial year ended 30 June 2023.

For the options issued during the half-year, a Black Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of Options	Value per Option	Total Value	Vesting terms
		\$	\$	%	%	%	#	\$	\$	
19/05/2023	05/09/2025	0.005	0.075	100	3.47	-	15,000,000	0.0004	5,745	Immediately
							15,000,000		5,745	

For the options issued in lieu of goods and services received during the half-year ending 31 December 2022, a Black Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of Options	Value per Option	Total Value	Vesting terms
		\$	\$	%	%	%	#	\$	\$	
23/08/2022	12/09/2025	0.074	0.12	100	3.30	-	1,600,000	0.0405	64,721	Immediately
06/09/2022	05/09/2025	0.061	0.075	100	3.28	-	16,000,000	0.0361	577,895	Immediately
23/12/2022	23/12/2024	0.057	0.099	100	3.27	-	618,450	0.0230	14,221	Immediately
							18,218,450		656,837	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

Options outstanding at reporting date:

Grant date	Expiry date	Exercise price	31 December 2023	30 June 2023
		\$	#	#
7 July 2020	10 September 2023	0.37	-	100,000
30 November 2020	14 December 2023	0.29	-	1,500,000
30 November 2020	14 December 2023	0.37	-	1,500,000
20 April 2021	12 November 2024	0.20	1,500,000	1,500,000
14 May 2021	12 November 2024	0.20	1,500,000	1,500,000
16 August 2021	3 December 2024	0.32	1,500,000	1,500,000
1 September 2021	3 December 2024	0.31	1,080,000	1,080,000
10 November 2021	12 November 2024	0.25	1,000,000	1,000,000
12 November 2021	3 December 2024	0.17	1,000,000	1,000,000
18 November 2021	3 December 2024	0.31	1,360,000	1,360,000
6 April 2022	6 April 2024	0.12	4,872,606	4,872,606
29 June 2022	6 April 2024	0.12	642,857	642,857
17 June 2022	29 June 2025	0.12	2,700,000	2,700,000
29 September 2022	5 September 2025	0.05	20,338,885	20,338,885
6 September 2022	5 September 2025	0.075	16,000,000	16,000,000
5 September 2022	5 September 2025	0.05	38,148,166	38,148,166
6 September 2022	5 September 2025	0.05	39,817,561	39,817,561
23 August 2022	12 September 2025	0.12	1,600,000	1,600,000
23 December 2022	23 December 2024	0.098	8,835,000	8,835,000
23 December 2022	23 December 2024	0.098	3,000,000	3,000,000
23 December 2022	23 December 2024	0.10	618,450	618,450
19 May 2023	5 September 2025	0.04	31,250,000	31,250,000
8 December 2023	5 September 2025	0.075	15,000,000	-
			191,763,525	179,863,525

### 10. Related parties

#### Transactions occurring with related parties

Consilium Corporate Pty Ltd, a company with which Ms Ross and Ms Betti are shareholders and Directors, are also engaged to perform Company Secretarial and Accounting duties. Per the terms of the agreement, either party may terminate by giving three (3) months written notice to the other. All transactions were made on normal commercial terms and conditions and at market rates. During the period, \$86,656 (31 December 2022: \$72,397) was paid or payable under this agreement.

During the period ended 31 December 2023, payments were made to Consilium Corporate Pty Ltd ("Consilium") for the provision of director fees. The total amounts paid or payable were \$21,200 (31 December 2022: \$18,000).

Velocity North Management Ltd, a Company of which Mr. Bahnsen is an owner. Payments were made for the provision of consulting fees and amounts paid or payable were \$119,631 (31 December 2022: \$143,138).

### 11. Commitments for expenditure

#### Capital

There are no capital commitments at 31 December 2023 (30 June 2023: nil).

#### Exploration and evaluation

The Group is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances, these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations; however they are expected to be fulfilled in the normal course of operations.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

	31 December 2023 \$	30 June 2023 \$
The Group has tenement rental and expenditure commitments payable of:		
- Not later than 12 months	196,709	254,671
- Between 12 months and 5 years	1,707,603	1,677,962
- More than 5 years	354,356	483,509
	2,258,668	2,416,142

### 12. Financial risk management

The Group's principal financial instruments comprise cash and short-term deposits. The Group has various other financial assets and liabilities such as other receivables and payables, which arise directly from its operations. The principal financial instruments are measured at amortised cost.

The Group's activities expose it to a variety of financial risks, including, credit risk, liquidity risk, foreign exchange rate risk and cash flow interest rate risk. The Group is not exposed to price risk.

Risk management is carried out by Management, who evaluates and agrees upon risk management and objectives.

#### a) Interest rate risk

The Group is not materially exposed to interest rate risk.

#### b) Credit risk

The Group does not have any significant concentrations of credit risk. Credit risk is managed by Management and arises from cash and cash equivalents as well as credit exposure including outstanding receivables.

All cash balances held in Australia, Canada and Ecuador are held at internationally recognised institutions.

The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets disclosed within the financial report.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates.

#### c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Group's exposure to the risk of changes in market interest rates relate primarily to cash assets.

Management monitors the cash-burn rate of the Group on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

The financial liabilities the Group had at reporting date were other payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

#### *Maturity analysis for financial liabilities*

Financial liabilities of the Group comprise of trade and other payables. As at 31 December 2023, all financial liabilities are contractually maturing within 60 days (31 December 2022: 60 days).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

### d) Foreign currency risk

Foreign exchange risks arise when future commercial transactions and recognised financial assets and financial liabilities are denominated in a currency that is not the entity's functional currency.

The Group is primarily exposed to the fluctuations in the Canadian and US dollar, as the Group holds cash in Canadian and US dollars and much of the Group's exploration costs and contracts are denominated in Canadian and US dollars.

The Group aims to reduce and manage its foreign exchange risk by holding the majority of its funds in its Canadian and US dollar accounts so that the exchange rate is crystallised early and future fluctuations in rates for settlement of Canadian and US dollar denominated payables are avoided. As the Group's operations develop and expand, the Group will develop and implement a more sophisticated foreign exchange risk strategy, which may include the use of Forward Exchange Contracts and sophisticated treasury products.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Consolidated Financial Assets		Consolidated Financial Liabilities	
	December 2023	June 2023	December 2023	June 2023
	\$	\$	\$	\$
US dollars	44,200	189,140	342,547	460,330
Canadian dollars	37,247	419,807	67,198	208,160
	<u>81,447</u>	<u>608,947</u>	<u>409,745</u>	<u>668,490</u>

The Group had net financial liabilities in foreign currencies of \$328,298 (financial assets of \$81,447 less financial liabilities of \$409,745) as at 31 December 2023 (30 June 2023: net financial liabilities in foreign currencies of \$59,543, financial assets of \$608,947 less financial liabilities of \$668,490). Based on this exposure, the Group's foreign currency risk is immaterial.

### e) Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the reporting date are recorded at amounts approximating their carrying amount.

The carrying value provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

#### 13. Dividends

There were no dividends paid, recommended or declared during the half-year.

#### 14. Contingent assets and liabilities

##### *Contingent assets*

The Group had no contingent assets as at 31 December 2023 and 30 June 2023.



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

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### *Contingent liabilities*

The Group's subsidiary, Condor Gold S.A., recognised a claim for tax liabilities in regards to a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. There is significant uncertainty as to what future liabilities will arise in relation to this claim as the matter is still preliminary and is contingent on the outcome determined by the courts, affecting the amount required to settle the claim which cannot be measured with sufficient reliability at this time. All known costs that currently can be reliably measured have been recognised as a liability, as disclosed in Note 7(a). As more information is obtained regarding the claim from the courts, judgements and estimates may increase or decrease the possible impact on the Group's financial statements.

The Group had no other contingent liabilities as at 31 December 2023 and 30 June 2023.

### **15. Events after the reporting date**

On 17 January 2024, the Company completed an Entitlement Offer to Australian and New Zealand domiciled shareholders of 1 fully paid ordinary share for every 1 share held at an issue price of \$0.005 per share. 54,831,872 fully paid ordinary shares were issued on 9 January 2024 and 290,313,152 shares were issued on 17 January 2024, raising a total of \$1,725,725 before costs.

On 1 February 2024, the Company issued 40,708,700 fully paid ordinary shares at \$0.005 per share for services provided by the Underwriters and Lead Manager involved in the Entitlement Offer.

On 14 February 2023, a General Meeting of shareholders of the Company was called and no resolutions were passed.

The directors are not aware of any matters or circumstances that have arisen since the end of the half-year 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 years.