

Barton Gold

Barton Gold Holdings Limited

ACN 633 442 618

Financial Report
for the half year ended 31 December 2023

Corporate Directory

Board of Directors

Kenneth Williams	Independent Non-Executive Chair
Alexander Scanlon	Managing Director & Chief Executive Officer
Christian Paech	Independent Non-Executive Director
Graham Arvidson	Independent Non-Executive Director

Company Secretary

Shannon Coates

Registered office

Level 4, 12 Gilles Street
Adelaide SA 5000
Email: contact@bartongold.com.au
Website: www.bartongold.com.au

Principal place of business

Level 4, 12 Gilles Street
Adelaide SA 5000
Email: contact@bartongold.com.au
Website: www.bartongold.com.au
Phone: (08) 7073 6368

Auditors

BDO Audit Pty Ltd
Level 7, 420 King William Street
Adelaide SA 5000

Share registry

Automic Group
Level 5, 126 Phillip St
Sydney NSW 2000
GPO Box 5193
Sydney NSW 2001
Website: www.automicgroup.com.au

Home exchange

Australian Securities Exchange Ltd
Level 40
152-158 St Georges Terrace
Perth WA 6000
ASX Code: **BGD**

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity comprising Barton Gold Holdings Limited (the **Company** or **Barton**) and its controlled entities (the **Group**) for the financial half year 1 July 2023 to 31 December 2023.

Directors

The following persons were directors of Barton Gold Holdings Limited during the whole of the financial half year and up to the date of this report unless otherwise stated.

Kenneth Williams
Alexander Scanlon
Christian Paech
Graham Arvidson

Company Secretary

Shannon Coates has held the role of Company Secretary since 7 January 2021.

Principal Activities

During the year, the Group focused on a series of exploration programs at its Tarcoola and Tunkillia projects, and asset monetisation initiatives at its Challenger project, each located in South Australia.

Dividends

No dividends have been declared or paid during the financial half year (30 June 2023: \$nil).

Operating Results and Financial Position

Loss after income tax for the financial half year ended 31 December 2023 is \$5.890 million (31 December 2022: net loss after income tax \$3.916 million). Net assets are \$4.436 million, including \$4.617 million cash.

The significant majority of the loss for the financial half year ended 31 December 2023 is exploration expenses, which the Company presently does not capitalise as an asset, further to the activities detailed below.

Review of Operations

During the financial half year ended 31 December 2023 Barton has executed multiple major exploration programs with the objectives to further expand the JORC 2012 Mineral Resource Estimate (**MRE**) at the Tunkillia Gold Project (**Tunkillia**) while also completing geophysical mapping of the regional architecture of the Tarcoola Gold Project (**Tarcoola**) to inform testing of prospective targets within a high-grade historical producing goldfield.

As a result of these programs the Company published (on 28 November 2023) a detailed new 3D map of the Tarcoola Goldfield's sub-surface structural architecture and announced (on 11 December 2023) a further MRE increase at Tunkillia of ~224,000oz Au for a total updated Tunkillia JORC MRE of 1.38 Million ounces gold.

Barton has also completed several key corporate initiatives including the rationalisation of non-core historical joint venture interests and the preparation of approximately 1,400oz gold-in-concentrates for which (subsequent to the financial half year ended 31 December 2023) a sales tender has commenced.

Exploration

On 14 August 2023, the Company announced the completion of a major regional seismic program at Tarcoola, led by industry leader HiSeis, with the goal to develop a higher resolution model of the near surface (0-500m depth) structure across a ~15km long zone prospective for potential repeats of the Perseverance Mine's mineralisation.

On 30 August 2023, the Company announced the mobilisation of another major drilling program at Tunkillia, with an initial ~7,500m program designed to target additional MRE growth in the strike extensions of the 223 Deposit.

On 8 September 2023, the Company announced the start of diamond drilling on the Perseverance West gold zone at Tarcoola's Perseverance open pit mine, targeting a potential MRE update.

On 25 September 2023, the Company announced the start of diamond drilling at Tunkillia, targeting extensions of the 223 Deposit and satellite gold zones Area 191, Area 51 and Area 223 North.

On 2 October 2023, the Company announced the further expansion of major drilling at Tunkillia, with the addition of a third drilling rig to accelerate JORC Resource growth drilling at the 223 Deposit and satellite gold zones.

On 15 November 2023, the Company announced that Tunkillia Resource growth drilling had identified a new offset zone of mineralisation extending ~300m north from the northern end of the 223 Deposit.

On 21 November 2023, the Company announced that Tunkillia Resource growth drilling had identified a new offset zone of mineralisation ~300m long, near the southern end of the 223 Deposit.

On 28 November 2023, the Company published a new 3D structural model for Tarcoola following several rounds of new geophysical programs including the seismic program completed and announced on 14 August 2023.

On 4 December 2023, the Company announced the completion of Tunkillia growth drilling programs for 2023, with over 20,000 metres of reverse circulation and diamond drilling completed on the 223 Deposit, its offset extensions, 223 North, Area 191, Area 51 and the SE Offset target.

On 8 December 2023, the Company announced the completion of ~400m reverse circulation drilling on Tarcoola's Perseverance open pit mine, concluding calendar year 2023 field programs.

Finally, on 11 December 2023 the Company announced an updated MRE for Tunkillia's 223 Deposit, which included a ~224,000oz Au increase achieved at an all-in cost of only AUD \$16 per new ounce, bringing total Tunkillia JORC Mineral Resources to 1.38 Million ounces Au (46.3Mt @ 0.93 g/t Au) and total calendar year 2023 JORC MRE growth to ~413,000oz Au achieved at an average 'all in' cost of only AUD \$14 per new ounce.

Corporate

On 10 July 2023, the Company announced that a total of ~7.4 dry metric tonnes of concentrates bearing ~1,190oz Au total contained gold had been prepared as a result of the completion of a cleanout and preservation program at the Central Gawler Mill (announced by the Company on 20 December 2022).

On 13 July 2023, the Company provided a brief preliminary response to public claims made by Marmota Limited (**Marmota**) relating to the Western Gawler Craton Joint Venture (**WGCJV**), rejecting such claims as baseless.

On 19 July 2023, the Company announced the results of an oversubscribed Share Purchase Plan (**SPP**) to raise a total of \$1,233,000 by issuing 4,932,000 shares at a price of \$0.25 per share.

On 3 August 2023, the Company published a further statement in response to public claims by Marmota Limited (**Marmota**) and its subsidiary, Half Moon Pty Ltd (**HMP**) related to the Western Gawler Craton JV (**WGCJV**) and the WGCJV agreement, rejecting the claims and noting that it had proposed a settlement of the matter.

On 15 August 2023, the Company announced that its fully paid ordinary shares had commenced trading on the United States' OTCQB market and Germany's Frankfurt Stock Exchange under the symbols BGDFF and BGD3, respectively, providing access to Barton Gold shares in those markets in local US dollar and Euro currencies.

On 21 August 2023, the Company announced that the total amount of gold concentrates prepared by the Company had increased to ~11 dry metric tonnes grading ~3,880 g/t Au, for a total ~1,400oz contained gold.

On 1 September 2023, the Company announced that it had not received a reply to its settlement offer from HMP and Marmota prior to the deadline set by the Company, and the Company's withdrawal from its legacy minority positions in the WGCJV and overlapping All Minerals / 'Sandstone' JV. Upon completion of the withdrawal from the WGCJV the Company's total Mineral Resources endowment reduced by approximately 61,400oz Au.

On 22 September 2023, the Company published its Annual Report for the year ended 30 June 2023.

On 25 October 2024, the Company held its Annual General Meeting, with all proposed resolutions approved.

Matters Subsequent to the End of the Reporting Period

Exploration

On 8 February 2024, the Company announced the drilling results for the Area 51 gold zone at Tunkillia, where infill drilling further validated a zone of broad, coherent gold mineralisation for potential JORC modelling and validated the expansive potential of Tunkillia's gold mineralisation.

On 14 February 2024, the Company announced drilling results for the Area 191 gold zone at Tunkillia, where high-grade assays of 3.83m @ 68.0 g/t Au from 104.1m confirmed a potential new high-grade system located adjacent to the existing 1.38Moz Au Tunkillia JORC MRE.

On 4 March 2024, the Company announced a new 115,216oz Au MRE for Tunkillia's Area 51 zone, achieved at an all-in cost of AUD \$18 per new ounce, bringing the total Tunkillia MRE to 1.5 Million ounces Au (51.3Mt

@ 0.91 g/t Au) and Tunkillia's total twelve month MRE growth to ~530,000oz Au, achieved at an estimated average 'all in' cost of only AUD \$15 per new ounce.

Corporate

On 24 January 2024, the Company published its Quarterly Activities Report for the quarter ended 31 December 2023 and noted that, subsequent to 31 December 2023 a tender for the sale of ~11 dry metric tonnes of gold concentrates, containing ~1,400oz Au total gold, had commenced.

No other matters or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors,



Alexander Scanlon
Managing Director & CEO

4 March 2024
Adelaide, South Australia

DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF BARTON GOLD HOLDINGS LIMITED

As lead auditor for the review of Barton Gold Holdings Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Barton Gold Holdings Limited and the entities it controlled during the period.



Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 4 March 2024

Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	22
Independent auditor's report to the members of Barton Gold Holdings Limited	23

General information

The financial statements cover Barton Gold Holdings Limited as a consolidated entity consisting of the entities it controlled at the end of, or during, the financial half year ending 31 December 2023. The financial statements are presented in Australian dollars, which is Barton Gold Holdings Limited's functional and presentation currency.

Barton Gold Holdings Limited is a listed public company limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 4
12 Gilles Street
Adelaide SA 5000

Principal place of business

Level 4
12 Gilles Street
Adelaide SA 5000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 04 March 2024. The directors have the power to amend and reissue the financial statements.

Barton Gold Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

	Note	Consolidated	
		31 Dec 2023 \$'000	31 Dec 2022 \$'000
Revenue from continuing operations		-	-
Other income	2	338	1,397
Expenses			
Exploration expense		(3,712)	(3,098)
Administrative and other expenses	3	(1,686)	(1,315)
Project and engineering expense		(425)	(547)
Care and maintenance expense		(102)	(96)
Finance expense	3	(303)	(257)
Loss before income tax expense		(5,890)	(3,916)
Income tax expense		-	-
Loss after income tax expense for the year		(5,890)	(3,916)
<i>Items that may be reclassified to profit or loss:</i>			
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to owners of the Company		(5,890)	(3,916)
Loss per share attributable to ordinary equity holders:		Cents	Cents
Basic and diluted loss per share	21	(3.022)	(2.229)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Barton Gold Holdings Limited
Statement of financial position
As at 31 December 2023

	Note	Consolidated	
		31 Dec 2023	30 Jun 2023
		\$'000	\$'000
Current assets			
Cash and cash equivalents	4	4,617	10,451
Trade and other receivables	5	391	68
Other current assets	6	398	200
Total current assets		5,406	10,719
Non-current assets			
Other receivables	7	4,551	4,520
Exploration and evaluation expenditure	8	9,262	9,262
Plant and equipment	9	601	485
Right-of-use assets	10	80	107
Total non-current assets		14,494	14,374
Total assets		19,900	25,093
Current liabilities			
Trade and other payables	11	1,058	636
Lease liabilities	13	22	53
Employee Benefits	12	198	153
Provisions	14	-	-
Total current liabilities		1,278	842
Non-current liabilities			
Lease liabilities	13	60	60
Provisions	14	14,126	15,488
Total non-current liabilities		14,186	15,548
Total liabilities		15,464	16,390
Net assets		4,436	8,703
Equity			
Issued capital	15	28,402	27,149
Reserves	16	2,154	1,784
Accumulated losses	17	(26,120)	(20,230)
Total equity		4,436	8,703

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Barton Gold Holdings Limited
Statement of changes in equity
For the half-year ended 31 December 2023

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 Jul 2022	23,540	1,281	(14,552)	10,269
Loss after income tax for the year	-	-	(3,916)	(3,916)
Total comprehensive loss for the year	-	-	(3,916)	(3,916)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of costs	156	-	-	156
Share-based payments	-	320	-	320
Balance as at 31 Dec 2022	23,696	1,601	(18,468)	6,829

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 Jul 2023	27,149	1,784	(20,230)	8,703
Loss after income tax for the year	-	-	(5,890)	(5,890)
Total comprehensive loss for the year	-	-	(5,890)	(5,890)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of costs	1,253	(47)	-	1,206
Share-based payments	-	417	-	417
Balance as at 31 Dec 2023	28,402	2,154	(26,120)	4,436

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Barton Gold Holdings Limited
Statement of cash flows
For the half-year ended 31 December 2023

	Note	Consolidated	
		31 Dec 2023	31 Dec 2022
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers		-	679
Payments for exploration and evaluation expenditure		(4,509)	(2,622)
Payments to suppliers and employees		(2,419)	(1,199)
Receipts from exploration co-funding		-	119
Interest received		164	19
Interest and other finance costs paid		(5)	-
		<hr/>	<hr/>
Net cash (outflow) from operating activities		(6,769)	(3,004)
Cash flows from investing activities			
Payments for property, plant and equipment		(187)	(150)
Payments for security deposits		(32)	-
Proceeds from sale of property, plant and equipment			701
Payments for lease bank guarantees		-	(25)
		<hr/>	<hr/>
Net cash inflow from investing activities		(219)	526
Cash flows from financing activities			
Proceeds from issues of shares		1,233	42
Share issue transaction costs		(48)	114
Repayment of lease liabilities		(31)	(27)
		<hr/>	<hr/>
Net cash inflow from financing activities		1,154	129
		<hr/>	<hr/>
Net (decrease) in cash and cash equivalents		(5,834)	(2,349)
Cash and cash equivalents at the beginning of the period		10,451	11,200
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial half year	4	4,617	8,851
		<hr/> <hr/>	<hr/> <hr/>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Note 1. Significant accounting policies

These general purpose financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted

Going concern

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

For the period ended 31 December 2023 the Group recorded a loss after tax of \$5.900 million and had net cash outflows from operating activities equal to \$6.769 million. This reflects that the substantial majority of the Group's expenditure relates to a significant quantum of discretionary exploration activities which are expensed, rather than capitalised. As at 31 December 2023, the Group has cash equivalents amounting to \$4.617 million and reported a net current asset position of \$4.436 million.

As detailed in the Group's 31 December 2023 Appendix 5B statement (as published to the ASX on 24 January 2024), and as at the date of this report, management does not consider there to be any material uncertainty over the Group's ability to continue as a going concern, given that:

- a. during the half year ended 31 December 2023 Barton completed multiple large-scale exploration, evaluation and development programs including more than 20,000 metres of reverse circulation and diamond drilling. This work was discretionary in nature and its quantum significantly exceeded normal operational levels, with several programs which were accelerated (brought forward) from early 2024. As a result, work programs during the calendar year 2024 are expected to be considerably lower in terms of exploration expenditure, with the Group maintaining discretionary control over spending according to the liquidity needs of its business; and
- b. separate and in addition to the Group's financial capacity detailed above, pursuant to its ASX announcement dated 21 August 2023 the Group has produced ~11 dry metric tonnes of high-grade gold concentrates grading (on average) approximately 3,880 g/t Au for a contained estimated gold content of ~1,400 ounces worth \$4.3 million (assuming an AUD gold price of \$3,080 per ounce). The Group has opened a sales tender for these concentrates, has received multiple indicative and firm bids, and expects to complete the sale of these materials in the near future for an anticipated cash benefit in excess of \$3 million (net of treatment, processing and sale costs). Accordingly, the completion of this sale would considerably boost the Group's cash reserves. Management also notes that the Group has previously successfully completed the sale of similar materials for aggregate total cash proceeds of approximately \$1.5m during June 2022 and March 2023.

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 2. Other Income

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$'000	\$'000
<i>Other income</i>		
Government grants	150	152
Profit on sale of assets	-	692
Accommodation hire	-	530
Interest income	164	-
Supplier discount received	24	-
	<hr/>	<hr/>
Other income	338	1,374
	<hr/> <hr/>	<hr/> <hr/>

Note 3. Expenses

	Note	Consolidated	
		31 Dec 2023	31 Dec 2022
		\$'000	\$'000
Loss before income tax from continuing operations includes the following specific expenses:			
<i>Administrative expenses</i>			
Salary and wages		487	391
Advertising and investor relations		241	262
Share based payments		417	320
Consultants		140	88
Travel and accommodation		142	15
Compliance		45	64
Administration costs		62	103
Insurance		36	12
Occupancy costs		18	15
		<hr/>	<hr/>
<i>Depreciation</i>			
Plant and equipment		71	26
Right of use asset buildings		27	27
		<hr/>	<hr/>
Total administrative and depreciation		1,686	1,323
		<hr/>	<hr/>
<i>Finance expense</i>			
Interest accretion on rehabilitation provision		298	244
Interest and finance charges paid on lease liabilities		5	4
Interest income		-	(22)
		<hr/>	<hr/>
Total finance expense		303	226
		<hr/>	<hr/>
<i>Exploration expenditure</i>			
Drilling Costs		2,359	1,356
Geological and geophysical		574	1
Assay		328	235
Fieldworks		824	417
Environmental Costs		32	32
Heritage and Community Relations		2	-
Personnel Expenses		554	252
Rehabilitation		14	-

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 3: Expenses continued

Rehabilitation Provision Movements	(1,660)	474
Insurance	113	97
Licences & Fees	276	169
Consultancy Fees	204	28
Other expenses	92	35
	<hr/>	
Total exploration expenditure	3,712	3,096
	<hr/>	

Note 4. Current assets – cash and cash equivalents

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Cash at bank	617	792
Cash on deposit	4,000	9,659
	<hr/>	
	4,617	10,451
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Cash and short-term deposits comprise of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Reconciliation to cash and cash equivalents at the end of the financial half year

The above figures are reconciled to cash and cash equivalents at the end of the financial half year as shown in the statement of cash flows as follows:

Balances as above	4,617	10,451
	<hr/>	
Balance as per statement of cash flows	4,617	10,451
	<hr/>	

Note 5. Current assets – receivables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Government grants	170	-
GST	220	68
	<hr/>	
	390	68
	<hr/>	

Government grants related to research and development incentive and South Australia government Landing Pad to offset costs of establishing a corporate office in Adelaide.

Note 6. Current assets – other

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Consumables	55	100
Prepayments	338	96
Security deposit	-	-
Supplier advances	4	4
	<hr/>	
	397	200
	<hr/>	

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 7. Non-current assets – receivables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Environment bonds on deposit	4,526	4,495
Bank guarantee security	25	25
	4,551	4,520

Bonds on deposit is cash placed with the South Australian, Department of Energy and Mining to support future environmental and rehabilitation performance obligations. This is in respect to the Challenger Mining Operation (\$2.6m), the Challenger Central Tenement Area (\$0.07m), the Tarcoola Mining Area (\$1.76m), Tarcoola Seismic Survey (\$0.012m), the Tunkillia Exploration (\$0.065m) and Tunkillia Drilling (\$0.020m). A building lease bond in the form of a bank guarantee has been provided to the lessor of the Company's corporate office.

Note 8. Non-current asset - exploration and evaluation expenditure

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Exploration and evaluation - at cost	9,262	9,262
Closing balance	9,262	9,262

Note 9. Non-current asset - property, plant and equipment

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Land and buildings - at cost	80	80
Less: Accumulated depreciation	(8)	(7)
	72	73
Plant and equipment - at cost	866	679
Less: Accumulated depreciation	(337)	(267)
	529	412
Net carrying value	601	485

Reconciliations

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

Consolidated	Land and Buildings	Plant & Equipment	Total
Opening balance as at 1 July 2023	73	412	485
Additions	-	187	187
Classified as held for sale	-	-	-
Disposal	-	-	-
Depreciation expense	(1)	(70)	(71)
Closing balance as at 31 December 2023	72	529	601

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 10. Non-current asset – right-of-use asset

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Buildings right-of-use	160	160
Less: Accumulated depreciation	(80)	(53)
	80	107
	80	107

The consolidated entity leases a building for its corporate office. The term of the lease is 3 years, and the lease has an annual escalation clause. At renewal, the terms of the lease are renegotiated.

Note 11. Current liabilities - trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Trade payables	937	586
Other payables	121	50
	1,058	636
	1,058	636

Note 12. Current liabilities – employee entitlements

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Annual leave	198	153
	198	153
	198	153

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current since the consolidated entity does not have an unconditional right to defer settlement.

Note 13. Lease liabilities

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Current lease liability	22	53
Non-current lease liability	60	60
	82	113
	82	113

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 14. Provisions

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Current rehabilitation provision	-	-
Non-current rehabilitation provision	14,126	15,488
	14,126	15,488

Rehabilitation

The provision represents the present value of estimated costs for future rehabilitation of land explored or mined by the consolidated entity at the end of the exploration or mining activity.

Movement in provision

Movement in the rehabilitation provision during the current financial half year, largely due to higher risk-free rate at 3.86% compared to 3.79% as at 30 June 2023 on 5-year government bonds, and is set out below:

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Carrying amount at start of year	15,488	15,267
Additional provision recognised/(derecognised)	(1,658)	(335)
Unwinding of the discount	295	556
	14,126	15,488

Note 15. Equity – issued capital

		Consolidated		
	31 Dec	30 Jun	31 Dec	30 Jun
	2023	2023	2023	2023
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	195,621,217	190,354,326	28,402	27,149

Movements in ordinary share capital

Details	Date of issue	Number of shares	Issue Price per share \$	\$'000
Opening balance at 1 July 2023	01 Jul 2023	190,354,326		27,149
Issue of shares	20 Jul 2023	4,932,000	0.25	1,233
Issue of shares	26 Sep 2023	99,584	0.21	21
Issue of shares	29 Sep 2023	127,885	0.156	20
Issue of shares	23 Nov 2023	23,449	0.24	6
Issue of shares	05 Dec 2023	83,973	0.25	21
Cost of capital issue				(48)
		195,621,217		28,402
Closing balance at 31 December 2023		195,621,217		28,402

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Note 16. Equity – reserves

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Share based payment reserve	2,154	1,784
	2,154	1,784

Share based payment reserve

The reserve is used to recognise fair value of share options and rights that are issued to directors, employee's and service providers. Any options that are exercised or expire will be derecognised from the reserve.

Note 17. Equity – accumulated losses

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Accumulated losses at the beginning of financial half year	20,230	14,552
Loss after income tax for the year	5,900	5,678
Accumulated losses at the end of the half year	26,130	20,230

Note 18. Contingent assets and liabilities

The consolidated entity has given a \$25,000 bank guarantee to lessor of the corporate office as of 31 December 2023 (30 June 2023: \$25,000).

The consolidated entity has given \$4,527,000 rehabilitation performance cash bonds to Department of Energy and Mining as of 31 December 2023 (30 June 2023: \$4,495,000).

The consolidated entity has recovered ~11 dry tonnes of high-grade gold concentrates, which are anticipated to yield a cash benefit of ~ \$3 million net of treatment, processing and sale costs.

These economic inflows are probable and expected to be realised in March 2024 in line with multiple indicative bids that have been received from prospective buyers.

Note 19. Commitments

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant, and equipment	-	93
	-	93

Note 20. Matters Subsequent to the End of the Reporting Period

Exploration

On 8 February 2024, the Company announced the drilling results for the Area 51 gold zone at Tunkillia, where infill drilling further validated a zone of broad, coherent gold mineralisation for potential JORC modelling and validated the expansive potential of Tunkillia's gold mineralisation.

On 14 February 2024, the Company announced drilling results for the Area 191 gold zone at Tunkillia, where high-grade assays of 3.83m @ 68.0 g/t Au from 104.1m confirmed a potential new high-grade system located adjacent to the existing 1.38Moz Au JORC MRE.

On 4 March 2024, the Company announced a new 115,216oz Au MRE for Tunkillia's Area 51 zone, achieved at an all-in cost of AUD \$18 per new ounce, bringing the total Tunkillia MRE to 1.5 Million ounces Au (51.3Mt @ 0.91 g/t Au) and Tunkillia's total twelve month MRE growth to ~530,000oz Au, achieved at an estimated average 'all in' cost of only AUD \$15 per new ounce.

Corporate

On 24 January 2024, the Company published its Quarterly Activities Report for the quarter ended 31 December 2023 and noted that, subsequent to 31 December 2023 a tender for the sale of ~11 dry metric tonnes of gold concentrates, containing ~1,400oz Au total gold, had commenced.

No other matters or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future.

Note 21. Loss per share

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$'000	\$'000
<i>Loss per share for profit from continuing operations</i>		
Loss used in calculating basic and diluted loss per share from continuing operations	(5,890)	(3,916)
	Shares	Shares
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	194,911,710	175,683,350
	Cents	Cents
Basic loss and diluted loss per share	3.022	2.229

Basic loss per share is determined by dividing net loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period.

Diluted loss per share adjusts the value used in the determination of basic loss per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares by the weighted average number of shares assumed to have been issued for no consideration in relation to potential ordinary shares.

Note 22. Share-based payments

The Company provides benefits to employees (including directors) in the form of share-based payment transactions, whereby services are rendered in exchange for shares or rights over shares. All director issued options are approved by shareholders at a general meeting. The board may approve external service providers rights over shares in exchange for services provided.

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

Eligible employees may receive share-based payments as a benefit under the Employee Incentive Scheme. Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company. There is no issue price for options and the option exercise price is determined by the Board. An option may only be exercised after that option has vested and any other conditions imposed by the Board on exercise are satisfied. The Board may determine the vesting period, if any.

No voting or dividend rights are attached to the options and any unissued ordinary shares. Voting rights are attached to unissued ordinary shares after options have been exercised.

The number and weighted average exercise prices of share options outstanding as at 31 December 2023 are:

	31 December 2023		31 December 2022	
	Options granted	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Opening balance at 1 July	18,868,957	0.2019	11,490,080	0.3019
Granted	5,028,219	0.0000	7,049,041	0.0484
Settled	(201,923)	-	-	
Exercised	(151,334)			
Lapsed/forfeited	(861,792)		-	
Closing balance at 31 December	22,682,121	0.16887	18,539,121	0.2055

On 26 July 2023 Mr Williams, Mr Paech and Mr Arvidson were issued respectively 13,902, 9,268 and 9,268 zero exercise price options expiring on 26 July 2026 in lieu of a cash compensation.

Further, on 11 October 2023 Mr Williams, Mr Paech and Mr Arvidson were issued respectively 18,863, 12,575 and 12,575 zero exercise price options expiring on 11 October 2026 in lieu of a cash compensation.

At the AGM held on 25 October 2023 shareholders approved issuing Mr Scanlon 1,559,635 zero exercise price options expiring 30 June 2028 in respect of his long-term incentive (LTI) compensation, and a further 411,010 STI zero exercise price options expiring 3 years from the date of issue in lieu of a cash bonus for FY23. All of these options were issued on 7 November 2023.

On 7 November 2023 under the Employee Incentive Scheme key management were issued STI awards of 314,984 zero priced options in lieu of a cash bonus, and 2,666,139 LTI award zero exercise price options expiring 30 June 2028.

Barton Gold Holdings Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2023

31 December 2023						
	Options issued	Grant date	Vesting and exercisable date	Expiry date	Exercise price \$	Fair value measure \$
Non-Executive Director Options	32,438	26-Jul-2023	26-Jul-2023	26-Jul-2026	-	0.25500
Non-Executive Director Options	44,013	11-Oct-2023	11-Oct-2023	11-Oct-2026	-	0.21500
STI	725,994	7-Nov-2023	7-Nov-2023	7-Nov-2026	-	0.23000
LTI Tranche 2 and 3 non-market	779,818	25-Oct-2023	30-Jun-2026	30-Jun-2028	-	0.24000
LTI Tranche 1 market condition	779,817	25-Oct-2023	30-Jun-2026	30-Jun-2028	-	0.20400
LTI Tranche 2 and 3 non-market	1,333,072	30-Oct-2023	30-Jun-2026	30-Jun-2028	-	0.24000
LTI Tranche 1 market condition	1,333,067	30-Oct-2023	30-Jun-2026	30-Jun-2028	-	0.20600
Total	5,028,219					

The fair value of the 76,451 non-executive director options is calculated using the Share Price on grant date and allocated to the reporting period starting from the grant date to the vesting date.

STI options, including Mr Scanlon, 411,010 are measured at fair value being the share price at grant date.

The LTI options have been issued in 3 tranches and will vest on the satisfaction of specific performance conditions. 2,112,890 LTI Options, 779,818 options granted to Mr Scanlon's nominee are subject to non-market-based performance targets where the fair value of the LTI option is measured as the closing share price at grant date.

The remaining 2,112,890 LTI options including 779,818 LTI options granted to Mr Scanlon's nominee, are subject to market-based conditions and a measure of Total Shareholder Return (TSR). The performance condition is measured in relative terms against a defined peer group of companies approved by the Board. The fair value of these options is estimated using the Monte Carlo simulation valuation model at grant date. The Monte Carlo simulates the Company's share price and depending on the criteria arrives at a value based on the number of options that are likely to vest.

A share-based payment expense for the half-year ended 31 December 2023 of \$417,747 (31 December 2022: \$319,720) was recorded.

Barton Gold Holdings Limited
Directors' declaration
For the half-year ended 31 December 2023

In the Directors' opinion:

the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements:

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors.



Alexander Scanlon
Managing Director
Adelaide, South Australia
4 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BARTON GOLD HOLDINGS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Barton Gold Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Paul Gosnold'.

Paul Gosnold
Director

Adelaide, 4 March 2024