TOMBOLA GOLD

TOMBOLA GOLD LIMITED

ACN 148 860 299

(ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

INTERIM FINANCIAL REPORT

For the half-year ended 31 December 2022

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DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2022. The Group comprises Tombola Gold Limited (Administrators Appointed) (Receivers and Managers Appointed) ("the Company") and its controlled entities.

On 15 May 2023, the Company announced that it had appointed Simon Cathro and Andrew Blundell (of Cathro & Partners Pty Ltd) as Joint and Several Administrators of the Company and its subsidiaries at that date. The Company also announced that McGrathNicol Restructuring had been appointed Receivers and Managers to the Company on 15 May 2023. See "Events subsequent to reporting date" below for further details. At the date of this report, the Company remains subject to a Deed of Company Arrangement.

In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Byron Miles	*Executive Director and Chairperson*
Rodney Watt	*Executive Director (resigned 23 April 2023)*
Trevor Coombe	*Non-Executive Director (appointed 21 October 2022 and resigned 20 April 2023)*
Sam Kennedy	*Non-Executive Director (resigned 21 October 2022)*
Ken Stapleton	*Non-Executive Director (resigned 13 July 2022)*

Review of Operations

Key events for the half-year ended 31 December 2022 include:

- Commencement of Gold Production
- Acquisition of Lorena Plant and Processing Facility
- Acquisition of True North Tenements and Resources
- Presale of Gold

Cloncurry Activities

During the period Tombola Gold (the Company) continued to advance its strategy of adding resources and infrastructure to facilitate its shorter and longer-term production ambitions, including the following specific initiatives.

1. Acquisition of the Lorena Plant and Processing Facility

During the period, the legal agreements for the Acquisition of 100% of the Lorena Processing Facility **("Lorena")**, were executed.

The Lorena assets include an integrated Carbon in Leach **("CIL")** processing facility capable of treating 250,000-300,000 tonnes per annum of gold and copper ore, an associated tenement package, and fully permitted mining and exploration leases.

Tombola shareholders approved the acquisition at the Company's EGM convened on 26 August 2022.

Lorena is primarily a gold CIL processing facility with the capacity to treat copper bearing ore. The Company is preparing to recommission the plant and aims to expand tailings capacity and process ore from the Group's minable reserves.

At 31 December 2022, the vendors were owed $4,500,000. Of this amount, $400,000 was paid on 30 January 2023, with the balance of $4,100,000 due by September 2023. However, due to the appointment of Administrators and Receivers and Managers subsequent to balance date as noted above, this amount remains outstanding.

Figure 1 – The Lorena Processing Facility

2. Acquisition of True North Copper Projects & Increased Resources

In July 2022, the Company announced that it had reached agreement with True North Copper Pty Ltd (True North) for the acquisition of various interests in five (5) projects around the Cloncurry region. This initiative, together with the Lorena acquisition and the Company's existing tenements, provided Tombola with a significant regional footprint around its Cloncurry base of operations giving the Company a strategic position in a key mineral province.

The tenements in this transaction consist of three mining leases (MLs) and two exploration permits for minerals (EPMs) located in the Cloncurry district. The majority are sited directly east and southeast of the township of Cloncurry.

Subsequent to balance date, the Company announced that the agreement with True North had been terminated and replaced with an Option Deed with True North for the purchase of the Wynberg project. Tombola was granted an option to purchase a 100% interest in the Wynberg tenements for cash consideration of $2,000,000 any time prior to 28 March 2025.

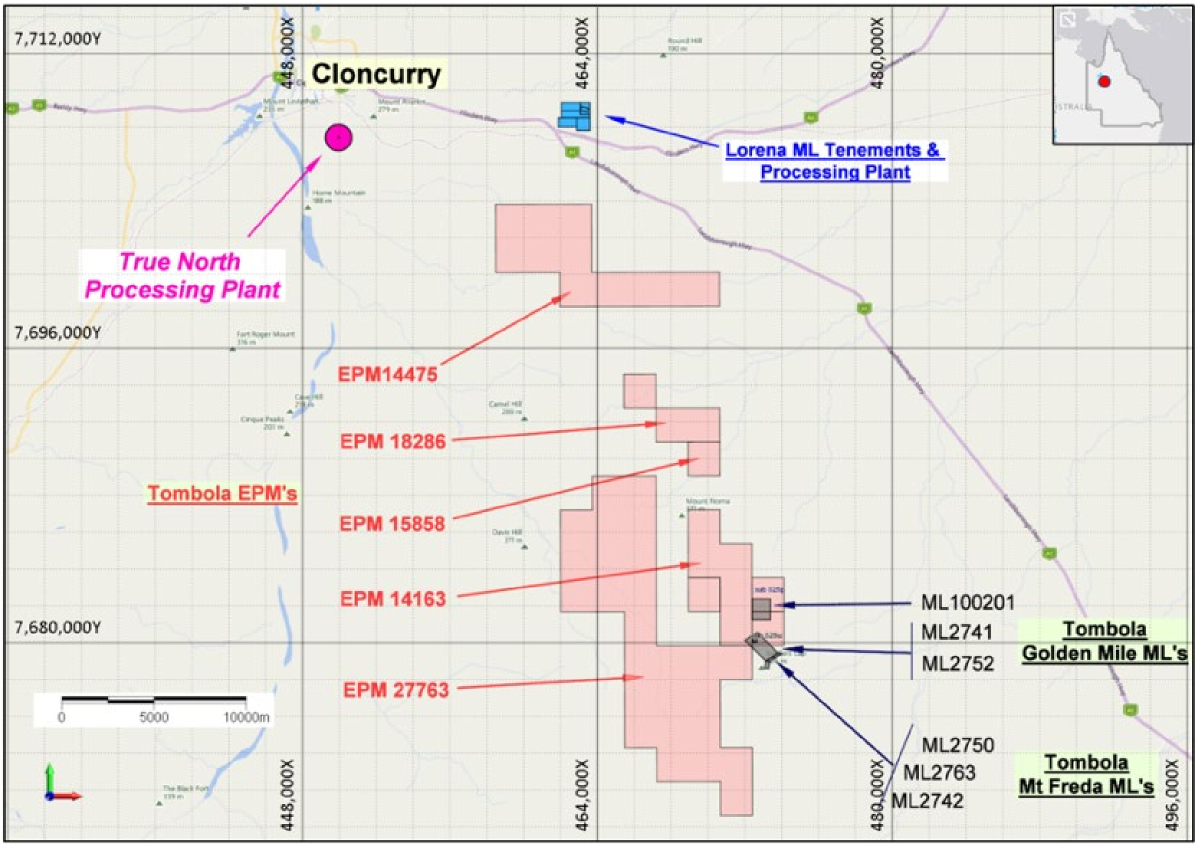

Figure 2 – Location of the True North Processing Facility shown in relation to the Tombola EPM & ML tenements and the Lorena Processing Plant is also shown.

3. Advance to 100% Ownership of Golden Mile

During the period, the Company paid $55,000 to advance to 100% ownership of the Golden Mile Project ("Golden Mile") in Cloncurry, increasing its ownership from 93%, via successful negotiations with ASX-listed Aeris Resources Ltd.

4. Confirmed Potential at Mt Scheelite

On 21 November 2022, the Company announced continued positive results from its initial drilling program at the Mt Scheelite Target, within the highly prospective Golden Mile Complex in Cloncurry.

One diamond hole was drilled as the last drill hole in initial exploration program, to confirm the significant results from a previously completed RC drilling program, and to provide drill core for further analysis and testing. Key intercepts from the hole included:

- 15m @ 6.96 g/t Au from 28m, including
  - 6m @ 7.41g/t Au from 28m
  - 5m @ 11.20 g/t Au from 37.5m, including
  - 2.5m @ 15.54 g/t Au from 40m

The results confirm the potential for Mt Scheelite to ultimately feed into the Company's longer-term forecast gold production plans.

5. Agreement to Generate First Cash Flow

In November 2022, the Company announced that it had achieved a significant milestone by reaching agreement with Ilwella Pty Ltd, one of its shareholders, for the pre-sale of the first 200 ounces of gold to be produced. The Company received cash of approximately $500,000 as a result of the pre-purchase transaction in December 2022.

6. Commencement of Gold Production

In December 2022, the Company commenced gold production at the Great Australian Mine ("GAM") plant, under a plant lease arrangement with True North Copper Pty Ltd. Feedstock was delivered to the GAM from mining undertaken by the Company at its Comstock and Shamrock mine sites.

However, on 20 December 2022, the Company experienced a failure within the GAM plant crushing circuit, causing production to be shut down. The Company's efforts to rectify the crusher breakdown were hampered by a number of convergent factors including the non-availability of spare parts, the shut-down of most businesses for the Christmas period, and the State Government moratorium on heavy vehicle movements on Queensland Roads over the holiday period.

Subsequent to the end of the reporting period, the Company restarted processing on site, the culmination of which resulted in the initial gold pour on 12 February 2023. The Australian Bullion Company took delivery of the initial gold bar produced and refined it for delivery of 200 Ounces of refined gold to Ilwella Pty Ltd as part of the $500,000 pre-purchase arrangements outlined above. This represented the majority of the gold produced from the initial gold pour.

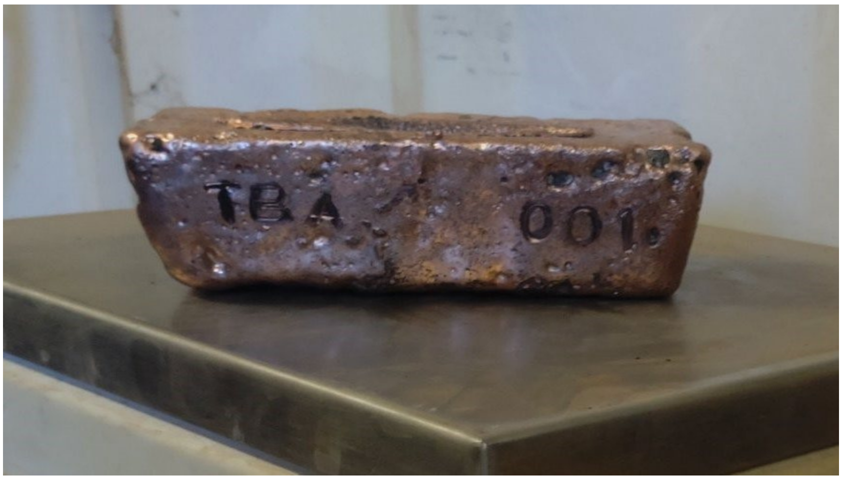

Figure 3

Figure 4

Figures 3 and 4 - Initial Gold Pour at GAM Plant on 12 February 2023

Burra South Australia

The Company continued to work on the project primarily via desktop studies progressing discussions with consultants on the geological origins of the mineralisation throughout and around the tenements.

As previously reported the Company also obtained an extension to the co-founded accelerated discovery initiative funding agreement “ADI” grant. The ADI provides for $300,000 of co funded activities as an initiative by the South Australian government. As part of this tenement and activity review with the Department of Energy and Mining in SA, the previously signed Accelerated Discovery Initiative (ADI) Funding Agreement (11th November 2020) between Ausmex SA and the Department of Energy and Mining was terminated due to the expiry of timeframes within which the activities were to be carried out. No payments of funding were made to Ausmex.

The Company also received a research and development refund of $94,727, received against eligible expenditure in South Australia.

The Company has complied with and maintained all statutory reporting requirements for the SA tenement packages.

Corporate

The Company completed a successful capital raising of $9.18 million during the period.

Through the acquisition of the Lorena plant the Group acquired a 100% interest in Volga Elderberry Pty Ltd which holds a number of Mining and Exploration tenements.

During the half-year Trevor Coombe was appointed as a Director, while Ken Stapleton and Sam Kennedy resigned as Directors of the Company. Subsequent to balance date, Rodney Watt and Trevor Coombe resigned as directors.

During the half-year the Group incurred a net loss of $18,092,288 (2021: $3,300,336) which reflected the nature of the Group’s expenditure which was largely focused on ramping up for mining and production in Cloncurry while maintaining overheads and other exploration expenditure. The current period loss also included the impairment of $5,013,498 in relation to the Group’s property, plant and equipment.

Events subsequent to reporting date

Subsequent to reporting date:

- As announced on 20 February 2023, due to the downtime in processing, the Group's cashflows were interrupted, whilst holding costs and overheads continued to be incurred. Accordingly, the Group negotiated a short-term secured debt facility of $4.25 million to fund the recommencement of production and to provide it with working capital. The loan was repayable on 24 April 2023, together with interest of $850,000. The Group would also issue the lenders with a total of 42.5m unlisted options exercisable for a 3-year period at 5 cents each. The debt facility required that the Company maintain a minimum $500,000 in cash during the term of the loan, the Group must not borrow from 3rd parties or grant any security without written consent of the lender, preserve and maintain the value of the business and its assets and ensure insurances do not lapse. Full details are as outlined in the ASX release of 20 February 2023;
- On 12 April 2023 it was announced that the Group had mutually restructured the asset acquisition package with True North Copper Pty Ltd such that the Group now has an option agreement to acquire the Wynberg project. This option agreement provides an option for the Group to acquire a 100% interest in the Wynberg tenements for $2,000,000, payable in cash exercisable at any time prior to 28 March 2025;
- Directors Trevor Coombe on 20 April 2023 and Rodney Watt 23 April 2023 resigned, while contract Company Secretary Karl Schlobohm provided notice in January 2023. They have not currently been replaced;
- The Group paid $500,000 for the benefit of extending the secured debt facility to 9 May 2023;
- On 15 May 2023 it was advised that Cathro Partners Pty Ltd has been appointed as Administrators of the Company and its subsidiaries and that McGrathNicol were appointed as Receivers and Managers;
- On 22 August 2023 the ASX advised that the Parent Company had been suspended from Official Quotation for non-payment of annual listing fees;
- At a second creditors' meeting on 9 October 2023, it was resolved to accept the Deeds of Company Arrangement whereby Ashby Mining Limited ACN 602 696 873 would acquire the assets of the Group for $12,0000,000 and Goodsail Holdings Pty Limited ACN 670 813 135 would acquire 80% of the Listed Public Company for $250,000;
- The Ashby DOCAs were agreed to by creditors at the resumed meeting of creditors on 13 October 2023; and
- On 27 February 2024, the Deed Administrators issued a report to creditors to request a variation of the DOCAs on the behest of Ashby. The variations are on the same purchase terms other than an extension of the payment date. The variations are still being considered by creditors.

There have been no additional matters or circumstances that have arisen after balance date that have 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

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 7 and forms part of this directors' report for the half-year ended 31 December 2022.

This report is signed by declaration of the sole director.

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Byron Miles

Managing Director

15 March 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Tombola Gold Limited 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:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
15 March 2024

L Di Giallonardo
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Notes	31 December 2022 $	31 December 2021 $
Continuing operations			
Interest income		5,915	88
Total income		**5,915**	**88**
Administrative expenses		(187,257)	(179,991)
Audit fees		(33,120)	(34,775)
Consulting fees		(571,236)	(90,043)
Directors and officers		(512,401)	(212,000)
Exploration and mining expenses		(11,677,424)	(3,006,519)
Finance costs		-	(5,983)
Impairment of property, plant and equipment	3	(5,013,498)	-
Share based payments		(197,994)	-
Loss before income tax		**(18,187,015)**	**(3,529,223)**
Income tax benefit		94,727	228,887
Net loss for the period		**(18,092,288)**	**(3,300,336)**
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the period		**(18,092,288)**	**(3,300,336)**
Net loss after income tax for the year attributable to:			
Members of the parent entity		(17,547,006)	(2,822,283)
Non-controlling interest		(545,282)	(478,053)
Net loss for the year		**(18,092,288)**	**(3,300,336)**
Total comprehensive loss attributable to:			
Members of the parent entity		(17,547,006)	(2,822,283)
Non-controlling interest		(545,282)	(478,053)
Net loss for the year		**(18,092,288)**	**(3,300,336)**
Basic and diluted loss per share (cents)		(1.66)	(0.44)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	31 December 2022 $	30 June 2022 $
Current Assets			
Cash and cash equivalents		436,136	5,082,236
Receivables		666,528	762,478
Prepayments		1,950	1,800
Total Current Assets		1,104,614	5,846,514
Non-Current Assets			
Other	14	887,030	256,877
Exploration and evaluation assets	2	3,216,350	1,706,090
Intangible assets		1,120	586
Property, plant and equipment	3	2,011,410	1,247,900
Total Non-Current Assets		6,115,910	3,211,453
TOTAL ASSETS		7,220,524	9,057,967
Current Liabilities			
Trade and other payables		4,029,110	1,956,228
Unearned income	4	500,000	-
Vendor loan	5	4,500,000	-
Total Current Liabilities		9,029,110	1,956,228
TOTAL LIABILITIES		9,029,110	1,956,228
NET (LIABILITIES)/ASSETS		**(1,808,586)**	**7,101,739**
EQUITY			
Issued capital	6	51,488,727	42,614,302
Reserves	6	755,151	888,983
Accumulated losses		(50,643,288)	(33,537,652)
Equity attributable to equity holders of the parent		1,600,590	9,965,633
Non-controlling interest		(3,409,176)	(2,863,894)
TOTAL (DEFICIENCY)/EQUITY		**(1,808,586)**	**7,101,739**

The accompanying notes form part of these financial statements

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

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Non-Controlling Interest	Total Equity
	$	$	$	$	$
Balance on 1 July 2022	**42,614,302**	**888,983**	**(33,537,652)**	**(2,863,894)**	**7,101,739**
Loss for the period	-	-	(17,547,006)	(545,282)	(18,092,288)
Total comprehensive loss for the period	-	-	(17,547,006)	(545,282)	(18,092,288)
Shares issued	9,647,720	-	-	-	9,647,720
Share issue costs	(773,295)	-	-	-	(773,295)
Options expired	-	(441,370)	441,370	-	-
Options issued	-	307,538	-	-	307,538
Balance at 31 December 2022	**51,488,727**	**755,151**	**(50,643,288)**	**(3,409,176)**	**(1,808,586)**
Balance at 1 July 2021	**27,919,155**	**883,502**	**(23,348,692)**	**(1,211,435)**	**4,242,530**
Loss for the period	-	-	(2,822,283)	(478,053)	(3,300,336)
Total comprehensive loss for the period	-	-	(2,822,283)	(478,053)	(3,300,336)
Shares issued	6,000,000	-	-	-	6,000,000
Share issue costs	(821,725)	-	-	-	(821,725)
Options expired	-	(3,181)	3,181	-	-
Options issued	-	402,232	-	-	402,232
Balance at 31 December 2021	**33,097,430**	**1,282,553**	**(26,167,974)**	**(1,689,488)**	**6,522,701**

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Notes	31 December 2022 $	30 June 2022 $
Cash flows from operating activities			
Payments for administration expenses		(846,125)	(390,767)
Payments for project expenses		(9,517,966)	(2,779,133)
Interest paid		-	(5,983)
Receipts from customers		500,000	-
Interest received		5,915	88
Tax benefit		94,727	228,887
Net cash (outflow) from operating activities		(9,763,449)	(2,946,908)
Cash flows from investing activities			
Purchase of plant and equipment		(1,211,945)	(827,708)
Purchase of intangible assets		(749)	-
Security deposit paid on acquisition of subsidiary	13	(729,653)	-
Payments for capitalised exploration expenditure		(1,510,760)	(113,264)
Net cash (outflow) from investing activities		(3,453,107)	(940,972)
Cash flows from financing activities			
Proceeds from issue of shares, net of costs		8,570,456	5,580,507
Principal lease repayments		-	(53,552)
Net cash inflow from financing activities		8,570,456	5,526,955
Net (decrease)/increase in cash held		(4,646,100)	1,639,075
Cash and cash equivalents at the beginning of the period		5,082,236	948,142
Cash and cash equivalents at the end of the period		**436,136**	**2,587,217**

The accompanying notes form part of these financial statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

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

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Tombola Gold Limited during the half-year and since the end of the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

As a result of the appointment subsequent to balance date of Administrators to the Company and its subsidiaries as well as the appointment of Receivers and Managers, and the resultant uncertainties as to the future operations of the Group, the financial statements have not been prepared on a "going concern basis" but rather have been prepared on a "realisation basis". The realisation basis continues to apply the requirements of Australian Accounting Standards taking into account that the Group is not expected to continue as a going concern in its present form in the foreseeable future.

As the non-current assets do not meet the requirements for "held for sale" or "discontinued operations" under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, they continue to be recognised as assets at cost, less impairment losses. However, the adoption of the realisation basis of accounting representing a planned orderly realisation of assets and settlement of liabilities has resulted in a change in the method of assessing the recoverable value of certain assets which have required impairments in accordance with AASB 136 *Impairment of Assets*. The carrying value of assets at 31 December 2022 reflects the directors' assessment of recoverable value (or amortised cost if lower than recoverable value). This assessment has been formed on the following basis:

1. The major assets of the Group at balance date comprise exploration and evaluation assets and property, plant and equipment.
2. Ordinarily, the contributions received by the Administrators via the Administration process would be a good guide as to the value of the Group's assets. As noted in Note 10, at a second creditors' meeting on 9 October 2023, it was resolved to accept the Deeds of Company Arrangement whereby Ashby Mining Limited would acquire the assets of the Group for $12,000,000. However, the Deeds of Company Arrangement have not yet been effectuated, therefore it is not considered appropriate to utilise this amount when assessing the recoverable amount of the Group's assets.
3. Shortly after their appointments, the Administrators and Receivers and Managers engaged an independent valuer to conduct a valuation of all known assets of the Group. The valuers ascribed both a fair market value and a liquidation value to the Group's assets. The directors consider it prudent to utilise the liquidation value when assessing the recoverable amount of the Group's assets.
4. The liquidation values determined by the valuers of the Group's major assets were:

a)	Exploration and evaluation assets	$6,761,000
b)	Property, plant and equipment	$2,011,410

No additional provisions or liabilities have been recognised as a result of adopting the realisation basis of accounting as the directors have not incurred any additional legal or contractual obligations.

The valuation of assets and liabilities included in these financial statements have been shown to reflect the subsequent event transactions that are known at the date of this report.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The interim financial statements were authorised for issue on 15 March 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022. In addition, as a result of the matters noted above, there have been significant additional judgements made by management in applying the realisation basis of accounting. These are set out elsewhere in these financial statements.

Accounting policies and methods of computation

Apart from the adoption of the realisation basis of accounting noted above, the accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Standards and Interpretations applicable to 31 December 2022

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

Standards and Interpretations in issue but not yet mandatory

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

NOTE 2: EXPLORATION AND EVALUATION ASSETS

	Half year to 31 December 2022 $	Year to 30 June 2022 $
Exploration and evaluation phase – at cost		
Balance at beginning of period	1,706,090	1,705,198
Exploration assets acquired – Volga Elderberry Pty Ltd (Note 13)	1,325,538	-
Exploration assets acquired - other	184,722	892
Total exploration and evaluation assets	**3,216,350**	1,706,090

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent upon the successful development and commercial exploitation or sale of the respective areas.

The significant movement in the exploration assets in the current period was the acquisition of the Volga Elderberry Pty Ltd tenements acquired with the purchase of the Lorena Gold processing plant (see Note 13).

As noted in Note 1, the directors have assessed the recoverable amount of the Group's exploration and evaluation assets by reference to the independent valuation commissioned by the Administrators and Receivers and Managers shortly after their appointments. This valuation ascribed a liquidation value of the Group's exploration and evaluation assets of $6,761,000. As this value is greater than the carrying value of these assets at balance date, no impairment is required to be recorded at balance date.

Notwithstanding that the Group had advanced its operations during the current period with a view to progressing to full scale mine production, due to the issues faced by the Group prior to balance date and subsequent to balance date, the Directors have deemed it prudent not to reclassify the Gorup's exploration and evaluation assets to mine development assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 3: PROPERTY PLANT AND EQUIPMENT

	31 December 2022 $	30 June 2022 $
At cost	7,586,395	1,598,939
Accumulated depreciation and impairments	(5,574,985)	(351,039)
Total property, plant and equipment	**2,011,410**	1,247,900

	Half-year to 31 December 2022 $	Year to 30 June 2022 $
Reconciliation		
Balance at beginning of period	1,247,900	298,459
Additions (i)	6,011,945	1,125,966
Proceeds on disposal of assets	-	(2,000)
Loss on disposal of assets	-	(10,473)
Depreciation	(234,937)	(164,052)
Impairment (ii)	(5,013,498)	-
	2,011,410	1,247,900

(i) The additions in the current period were principally comprised of the acquisition of the Lorena CIP gold processing plant in Cloncurry.

(ii) As noted in Note 1, the directors have assessed the recoverable amount of the Group's property, plant and equipment by reference to the independent valuation commissioned by the Administrators and Receivers and Managers shortly after their appointments. This valuation ascribed a liquidation value of the Group's property, plant and equipment of $2,011,410. As this value is less than the carrying value of these assets at balance date, an impairment charge has been recorded at balance date.

NOTE 4: UNEARNED INCOME

	31 December 2022 $	30 June 2022 $
Deferred revenue	500,000	-
Total unearned income	500,000	-

This represents the proceeds received from Ilwella Pty Ltd for the pre-sale of 200 ounces of gold to be produced. The performance obligation was completed subsequent to balance date with the delivery of gold to Ilwella Pty Ltd.

NOTE 5: VENDOR LOAN

	31 December 2022 $	30 June 2022 $
Lorena plant loan	4,500,000	-
Total vendor loan	4,500,000	-

This relates to the final payment for the acquisition of the Lorena plant. The full amount was repayable by 27 September 2023 and remains outstanding. Interest was payable on a portion of this liability ($3,500,000) from 1 April 2023 at 15% pa.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 6: ISSUED CAPITAL

	31 December 2022	30 June 2022
	$	$
Ordinary shares		
Issued and fully paid	**51,488,727**	42,614,302

	Half year to 31 December 2022		Year to 30 June 2022	
	Number	$	Number	$
Movements in ordinary shares				
Balance at beginning of period	955,249,674	42,614,302	554,295,779	27,919,155
Capital raised	307,586,094	9,182,207	398,953,895	16,059,184
Shares issued to Director	-	-	2,000,000	118,000
Shares issued to consultants	6,365,885	165,513	-	-
Shares issued under contract	5,000,000	300,000	-	-
Share issue costs	-	(773,295)	-	(1,482,037)
Balance at end of period	1,274,201,653	51,488,727	955,249,674	42,614,302

	31 December 2022	30 June 2022
	$	$
Options Reserve		
Issued and fully paid	**755,151**	888,982

	Half year to 31 December 2022		Year to 30 June 2022	
	Number	$	Number	$
Movements in options/share-based payment reserve				
Balance at beginning of period	91,250,000	888,983	30,500,000	883,502
Directors – (adjustment)	-	-	40,000,000	45,381
Directors – expensing of prior period options	-	151,324	-	-
Corporate advisers	7,000,000	46,670	30,000,000	402,232
Underwriter	10,000,000	109,544	-	-
Options expired	(21,250,000)	(441,370)	(9,250,000)	(442,132)
Balance at end of period	87,000,000	755,151	91,250,000	888,983

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 7: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 8: COMMITMENTS FOR EXPENDITURE

There has been no significant change in commitments for expenditure since the last annual reporting date.

NOTE 9: SHARE-BASED PAYMENTS

Share-based payments reserve

This reserve is used to record the value of equity benefits provided to consultants, employees and directors as part of their remuneration.

During the half year ended 31 December 2022 the directors granted 17,000,000 options to consultants and underwriters. The share-based payment expense for the options issued have been calculated in accordance with AASB 2: Share-based Payment using the Black Scholes method to determine the fair value of the options. The total fair value of the options was $156,214 (2022: $Nil).

The grant date fair value has therefore been estimated in accordance with AASB 2 using the inputs below.

- **Consultants**
- Grant date : 28 November 2022
- Number : 1,000,000
- Grant date share price : $0.026
- Risk-free interest rate : 3.13%
- Expected volatility : 89.90%
- Expiry date : 28 November 2024
- Exercise Price : $0.05

- Grant date : 28 November 2022
- Number : 6,000,000
- Grant date share price : $0.026
- Risk-free interest rate : 3.13%
- Expected volatility : 89.90%
- Expiry date : 28 November 2024
- Exercise Price : $0.07

- **Underwriters**
- Grant date : 8 December 2022
- Number : 10,000,000
- Grant date share price : $0.027
- Risk-free interest rate : 3.06%
- Expected volatility : 89.73%
- Expiry date : 8 December 2025
- Exercise Price : $0.06

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the outcome. No other features of options granted were incorporated into the measurement of fair value.

During the year ended 30 June 2022 options were granted to Directors. The value of these options is required to be expensed over the vesting period in accordance with AASB 2. For the half year, the amount expensed was $151,324.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to reporting date:

- As announced on 20 February 2023, due to the downtime in processing, the Group's cashflows were interrupted, whilst holding costs and overheads continued to be incurred. Accordingly, the Group negotiated a short-term secured debt facility of $4.25 million to fund the recommencement of production and to provide it with working capital. The loan is repayable on 24 April 2023, together with interest of $850,000. The Group will also issue the lenders with a total of 42.5m unlisted options exercisable for a 3-year period at 5 cents each. The debt facility requires that the company maintain a minimum $500,000 in cash during the term of the loan, the Group must not borrow from 3rd parties or grant any security without written consent of the lender, preserve and maintain the value of the business and its assets and ensure insurances do not lapse. Full details are as outlined in the ASX release of 20 February 2023;
- On 12 April 2023 it was announced that the Group had mutually restructured the asset acquisition package with True North Copper Pty Ltd such that the Group now has an option agreement to acquire the Wynberg project. This option agreement provides an option for the Group to acquire a 100% interest in the Wynberg tenements for $2,000,000, payable in cash exercisable at any time prior to 28 March 2025;
- Directors Trevor Coombe on 20 April 2023 and Rodney Watt 23 April 2023 resigned, while contract Company Secretary Karl Schlobohm provided notice in January 2023. They have not currently been replaced;
- The Group paid $500,000 for the benefit of extending the secured debt facility to 9 May 2023;
- On 15 May 2023 it was advised that Cathro Partners Pty Ltd has been appointed as Administrators of the Company and its subsidiaries and that McGrathNicol were appointed as Receivers and Managers;
- On 22 August 2023 the ASX advised that the Parent Company had been suspended from Official Quotation for nonpayment of annual listing fees;
- At a second creditors' meeting on 9 October 2023, it was resolved to accept the Deeds of Company Arrangement whereby Ashby Mining Limited ACN 602 696 873 would acquire the assets of the Group for $12,000,000 and Goodsail Holdings Pty Limited ACN 670 813 135 would acquire 80% of the Listed Public Company for $250,000;
- The Ashby DOCAs were agreed to by creditors at the resumed meeting of creditors on 13 October 2023; and
- On 27 February 2024, the Deed Administrators issued a report to creditors to request a variation of the DOCA's on the behest of Ashby. The variations are on the same purchase terms other than an extension of the payment date. The variations are still being considered by creditors.

There have been no additional matters or circumstances that have arisen after balance date that have 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 11: SEGMENT REPORTING

The Board has determined that the Group has two reportable segments, being mineral exploration and other. The following tables present revenue and profit information and certain asset and liability information regarding business segments for the half-years ended 31 December 2022 and 31 December 2021.

31 December 2022	Continuing Operations			
	Mineral Operations	Other	Unallocated items	Total
	$	$	$	$
Segment revenue (*i*)	-	5,915	-	5,915
Segment loss before income tax expense	(16,848,645)	(1,338,370)	-	(18,187,015)
Segment assets	6,692,230	528,294	-	7,220,524
Segment liabilities	(8,636,412)	(392,698)	-	(9,029,110)

(i) Segment revenue represents interest revenue. There were no inter-segment revenues in the current period.

	Continuing Operations			
	Mineral Operations	Other	Unallocated items	Total
31 December 2021	$	$	$	$
Segment revenue (*i*)	-	88	-	88
Segment loss before income tax expense	(3,131,189)	(398,034)	-	(3,529,223)
Segment assets	5,059,106	2,554,911	-	7,614,017
Segment liabilities	(1,055,943)	(35,373)	-	(1,091,316)

(i) Segment revenue represents interest revenue. There were no inter-segment revenues in the current period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 12: FINANCIAL RISK MANAGEMENT

Overview

Risk management is carried out under policies set by the Board. The Board provides principles for overall risk management, as well as policies covering specific areas.

Financial risk management objectives

The Board monitors and manages the financial risk relating to the operations of the Group. The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The overall risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance. Risk management is carried out under the direction of the Board.

The Group holds the following financial instruments:

	31 December 2022	30 June 2022
	$	$
Financial assets		
Cash and cash equivalents	436,136	5,082,236
Trade and other receivables	666,528	762,478
	1,102,664	5,844,714
Financial liabilities		
Trade and other payables	4,029,110	1,956,228
Unearned income	500,000	-
Vendor loan	4,500,000	-
	9,029,110	1,956,228

Market risk

Foreign exchange risk

Exposure to foreign currency risk

The Board does not consider the Group to be materially exposed to changes in foreign exchange rates as all financial instruments and transactions are denominated in the functional currency in which they are measured.

Price risk

The Group is involved in the exploration and development of mining tenements for minerals. Should the Group successfully progress to a producer, revenues associated with mineral sales, and the ability to raise funds through equity and debt, will have some dependence upon commodity prices.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 12: FINANCIAL RISK MANAGEMENT (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Classification and measurement of financial liabilities

The Group’s financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included within finance costs or finance income.

Derivative financial instruments and hedge accounting

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment.

Capital management

When managing capital, the Board’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Board are constantly adjusting the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, management may issue new shares, sell assets to reduce debt or consider payment of dividends to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

The Company has no formal financing and gearing policy or criteria during the year having regard to the early status of its development and low level of activity.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 12: FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The following are the contractual maturities of financial liabilities on an undiscounted basis, including estimated interest payments. Cash flows for liabilities without fixed amount or timing are based on conditions existing at year end.

31 December 2022	Carrying amount	Contractual cash flows	Less than 12 months	Between 1 and 2 years
	$	$	$	$
Trade and other payables	(4,029,110)	(4,029,110)	(4,029,110)	-
Unearned income	(500,000)	(500,000)	(500,000)	-
Vendor loan	(4,500,000)	(4,500,000)	(4,500,000)	-
	(9,029,110)	(9,029,110)	(9,029,110)	-

30 June 2022	Carrying amount	Contractual cash flows	Less than 12 months	Between 1 and 2 years
	$	$	$	$
Trade and other payables	(1,956,228)	(1,956,228)	(1,956,228)	-
	(1,956,228)	(1,956,228)	(1,956,228)	-

Fair value of financial instruments

The fair values of financial assets and liabilities are determined in accordance with generally accepted pricing models based on estimated future cash flows. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Measured at fair value on recurring basis

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

NOTE 13: ACQUISITION OF SUBSIDIARY

On 31 October 2022, NQ Copper Pty Ltd, a wholly-owned subsidiary of the Company, acquired 100% of the voting shares of Volga Elderberry Pty Ltd ("Volga") for cash consideration. Volga holds a number of mining and exploration tenements.

The acquisition was deemed not to constitute a business combination as Volga's operations were deemed not to constitute a business. The acquisition has been accounted for as an asset acquisition, whereby the consideration paid is allocated to the net assets acquired.

Details are as follows:

	31 December 2022 $
Consideration paid - cash	2,055,191
Assets acquired:	
Security deposits – cash (Note 14)	729,653
Exploration assets (Note 2)	1,325,538
	2,055,191

NOTE 14: OTHER NON-CURRENT ASSETS

	31 December 2022 $	30 June 2022 $
Security deposits:		
Assumed on acquisition of Volga Elderberry Pty Ltd (Note 13)	729,653	-
Other	157,377	256,877
	887,030	256,877

DIRECTORS' DECLARATION

1. In the opinion of the directors of Tombola Gold Limited ('the Company'):

   a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:

      i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year then ended; and

      ii. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements.

   b. due to the uncertainty outlined in Note 1, the directors are unable to conclude whether the Group will be a going concern or whether the Company will be able to pay its debts as and when they fall due for the period of 12 months from the date of this declaration.

   c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. Signed by declaration of the sole director.

Byron Miles

Managing Director

15 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Tombola Gold Limited

Report on the Condensed Half-Year Financial Report

Qualified conclusion

We have reviewed the accompanying half-year financial report of Tombola Gold Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, with the exception of the matter described in the "Basis for qualified conclusion" section below, we have not become aware of any matter that makes us believe that the half-year financial report of Tombola Gold Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group'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 the *Corporations Regulations 2001*.

Basis for qualified conclusion

Management has not conducted an assessment of the financial effect of any rehabilitation or restoration work required to be carried out in relation to any of the Group's exploration and evaluation areas of interest or in relation to the removal or dismantling of any of the Group's plant and equipment. Any material rehabilitation and restoration work would require a provision to be recorded in the books of the Group. As a result, we have been unable to ascertain whether a material provision for rehabilitation or restoration is required to be booked at balance date.

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

Emphasis of matter – Realisation basis of preparation

We draw attention to Note 1 in the financial report, which indicates that the Group has prepared the financial report on a realisation basis due to the appointment of Administrators and Receivers and Managers subsequent to balance date. Our conclusion is not further modified in respect of this matter.

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HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

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 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 Group'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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2024

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L Di Giallonardo
Partner