



**ADELONG GOLD LIMITED  
AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)**

**ABN: 15 120 973 775**

**Financial Report For The Half-Year Ended  
31 December 2022**

**3D RESOURCES LIMITED  
AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)**



ABN: 15 120 973 775

**Financial Report For The Half-Year Ended  
31 December 2022**

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**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
ABN: 15 120 973 775  
DIRECTORS' REPORT**



Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of Adelong Gold Limited and its controlled entities for the half-year ended 31 December 2022.

**General Information**

**Directors**

The following persons were directors of Adelong Gold Limited during or since the end of the half-year up to the date of this report.

Mr Ian Hastings  
Mr Peter Mitchell  
Mr John Chegwiddden  
Mr Justin Ward (appointed 10 October 2022)

**DIRECTORS' REPORT**

In accordance with continuous disclosure requirements, it is recommended that this half-year report be read in conjunction with any public announcements lodged with the Australian Securities Exchange for the half-year.

**Review of Operations**

The consolidated loss for the six month period ended 31 December 2022 was \$398,705. (31 December 2021 loss: \$371,273)

The net assets and net current assets of the Group as at 31 December 2022 were \$5,053,879 and \$2,134,133 respectively.

During the six month period ending 31 December 2022, the Company continued to advance the Adelong Gold Project with the release of an upgraded Resource Estimate at Caledonian, an Updated Scoping Study for the project and further work on the Gibraltar deposit. These activities have substantially enhanced the projects prospects.

**Release of an Upgrade Resource Estimates for Caledonian Deposit**

A drilling program was completed on the Caledonian deposit in early 2022 for which assay results were released in May 2022. Following this program the JORC Resources Estimate for the Caledonian Deposit was upgraded and announced during this period with 57% of that resource falling in the Indicated Resource category. This JORC Estimate largely confirmed the previous Inferred Resources announced in 2021 but allowed production forecasts from this deposit to be included in a revised and updated Scoping Study released to the ASX.

**Release of the Updated Scoping Study**

On 31 October 2022, the company announced an updated Scoping Study incorporating an additional target production of 14,620oz of gold from the upgraded 28,000oz Caledonian Resource based on a planned open cut. This single additional resource added around \$17.5Million to the before tax returns for the project.

The Scoping Study now indicates the potential for a project that can deliver a Net Cash flow return (Before tax) of \$81Million from an initial investment in capital of approximately \$12M and indicating an IRR of 72% (See ASX Announcement 31 October 2022).

This return is viewed as the foundations for a commercial project and any additional resources can add substantially to the future commercial outcome.

**Gibraltar shaping up to add further Resources**

The Company also undertook additional exploratory drilling in 2022 which lead to the discovery of shallow, potentially commercial grade mineralisation to the west of the historic Perkin's Workings at Gibraltar. Follow up drilling completed in the period lead to several significant gold intersections (see ASX announcement 17 January 2023).

These results included numerous high grade drill intersections:

- 1m @ 4.99g/t Au from 11 metres (3DGIB007);
- 3m @ 12.57g/t Au from 20 metres (3DGIB007) including 1m intersection at 34.6g/t Au (3DGIB007);
- 1m @ 18.55g/t Au from 78 metres (3DGIB007);
- 6m @ 2.79g/t Au from 90 metres (3DGIB008) Including 1m @ 8.58g/t Au; and
- 1m @ 10.75g/t Au from Surface (3DGIB009)

The above exploration at Gibraltar shows the potential for an expansion of resources at this site and a further drill program is planned for March 2023 to start the process of bringing this discovery to a resource category.

**Exploration**

Several additional exploration targets exist at Gibraltar and in many other places in the company's tenements. Now that the Company has released its Scoping Study which demonstrates the viability of the Adelong gold project it expects to focus on exploration activities designed to add additional discoveries and resources in 2023.

**Corporate**

During the period the company completed a Consolidation of shares to reduce the issued capital of the company by a factor of 10 and also changed its name to Adelong Gold Ltd demonstrating its focus on the Adelong Gold project.

In December 2022 the Company undertook an entitlements issue at \$0.008 per share and in January 2023 placed 74,999,996 shares from this shortfall at a 50% premium to the price offered to shareholders, which when combined with a \$250,000 Convertible note, brought the total proceeds from the issue and note to approximately \$1.275 million (before costs). The Company retains capacity to place the balance of the shortfall within 3 months of the closing date of the issue (19 March 2023).

Monies raised from these activities are being invested in further exploratory and resource drilling at Adelong.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
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ABN: 15 120 973 775  
DIRECTORS' REPORT**



**Auditor's Independence Declaration**

The lead auditor's independence declaration is included on page 3 of the half-year financial report.

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

A handwritten signature in blue ink, appearing to read "P Mitchell".

On behalf of the Directors

Mr Peter Mitchell

Managing Director

Dated 14 March 2023



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## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ADELONG GOLD LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

  
MORROWS AUDIT PTY LTD

  
A.M. FONG  
Director

Melbourne: 14 March 2023

Your financial future,  
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**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
ABN: 15 120 973 775  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



		<b>Consolidated Group</b>	
		<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Continuing operations</b>			
Revenue		1,129	1,253
Administration expenses		(78,526)	(89,280)
Audit fees		(12,500)	(11,500)
Employee benefits expenses		(36,463)	(39,113)
Share registry costs		(35,039)	(13,404)
Depreciation and amortisation expense		(34,218)	(34,218)
Directors' fees		(90,000)	(78,000)
Consulting fees		(31,685)	(62,800)
Exploration costs		-	(422)
Insurance		(20,853)	(17,799)
Legal and professional fees		(44,795)	(8,643)
Tenancy costs		(8,612)	(17,347)
Travel and accomodation		(7,143)	-
<b>Loss before income tax</b>		<b>(398,705)</b>	<b>(371,273)</b>
Tax expense		-	-
<b>Net loss for the period</b>		<b>(398,705)</b>	<b>(371,273)</b>
<b>Earnings per share</b>			
From continuing and discontinued operations			
Basic and diluted loss per share (cents)	2	(0.01)	(0.01)

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
ABN: 15 120 973 775  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**



		<b>Consolidated Group</b>	
		<b>31 December 2022</b>	<b>30 June 2022</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>	<b>Note</b>		
<b>Current Assets</b>			
Cash and cash equivalents		311,166	501,863
Trade and other receivables		116,878	72,236
Other financial assets	3	1,250,000	1,250,000
Other assets		638,827	659,639
<b>Total Current Assets</b>		<u>2,316,871</u>	<u>2,483,738</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		786,718	820,936
Exploration expenditure	5	2,133,028	1,892,780
<b>Total Non-Current Assets</b>		<u>2,919,746</u>	<u>2,713,716</u>
<b>Total Assets</b>		<u>5,236,617</u>	<u>5,197,454</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		182,738	292,863
<b>Total Current Liabilities</b>		<u>182,738</u>	<u>292,863</u>
<b>Total Liabilities</b>		<u>182,738</u>	<u>292,863</u>
<b>Net Assets</b>		<u>5,053,879</u>	<u>4,904,591</u>
<b>Equity</b>			
Issued capital	6	18,892,259	18,344,266
Reserves		13,473	13,473
Retained earnings		(13,851,853)	(13,453,148)
<b>Total Equity</b>		<u>5,053,879</u>	<u>4,904,591</u>

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**(FORMERLY KNOWN AS 3D RESOURCES LIMITED)**  
**ABN: 15 120 973 775**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	Issued Capital	Accumulated Losses	Foreign Currency Translation	Option Reserve	Total
	\$	\$	\$	\$	\$
<b>Consolidated Group</b>					
<b>Balance at 1 July 2021</b>	17,496,212	(13,116,124)	125	389,851	4,770,064
<b>Comprehensive income</b>					
Loss for the period	-	(371,273)	-	-	(371,273)
<b>Total comprehensive income for the year</b>	-	(371,273)	-	-	(371,273)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the period	-	-	-	-	-
Transaction costs net of tax	-	-	-	-	-
<b>Total transactions with owners and other transfers</b>	-	-	-	-	-
<b>Balance at 31 December 2021</b>	17,496,212	(13,487,397)	125	389,851	4,398,791
<b>Balance at 1 July 2022</b>	18,344,266	(13,453,148)	227	13,246	4,904,591
<b>Comprehensive income</b>					
Loss for the period	-	(398,705)	-	-	(398,705)
<b>Total comprehensive income for the year</b>	-	(398,705)	-	-	(398,705)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the year	625,083	-	-	-	625,083
Transaction costs net of tax	(77,090)	-	-	-	(77,090)
<b>Total transactions with owners and other transfers</b>	547,993	-	-	-	547,993
<b>Balance at 31 December 2022</b>	18,892,259	(13,851,853)	227	13,246	5,053,879

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
ABN: 15 120 973 775  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	<b>Consolidated Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest received	580	1,184
Payments to suppliers and employees	(352,882)	(384,192)
Net cash generated by operating activities	<u>(352,302)</u>	<u>(383,008)</u>
<b>Cash flows from investing activities</b>		
Payments for exploration expenses	(236,388)	(577,470)
Loan to Cosmo Gold Limited	-	(211,393)
Net cash (used in)/generated by investing activities	<u>(236,388)</u>	<u>(788,863)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	475,083	-
Payments for capital raising costs	(77,090)	-
Net cash provided by (used in) financing activities	<u>397,993</u>	<u>-</u>
Net increase in cash held	(190,697)	(1,171,871)
Cash and cash equivalents at beginning of financial year	501,863	1,858,578
Cash and cash equivalents at end of financial year	<u><u>311,166</u></u>	<u><u>686,707</u></u>

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



These consolidated financial statements and notes represent those of Adelong Gold Limited and Controlled Entities (the "group").

The financial statements were authorised for issue on 14 March 2023 by the directors of the company.

**Note 1 Summary of Significant Accounting Policies**

**Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type usually included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2022 and any public announcements made by the Company since 30 June 2022 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

**Basis of Preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

**Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group's last reported annual financial statements at 30 June 2022, unless otherwise stated.

**(a) Exploration and Development Expenditure**

Exploration, evaluation and development expenditures incurred is capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

**(b) Foreign Currency Transactions and Balances**

**Functional and presentation currency**

The functional currency of the Company is the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars, which is the Company's functional currency.

**Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except exchange differences that arise from net investment hedges.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



**Note 1: Summary of Significant Accounting Policies (continued)**

**The Company**

The financial results and position of foreign operations whose functional currency is different from the entity's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at exchange rates on the date of transaction; and
- all resulting exchange differences are recognised in other comprehensive income.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position and allocated to non-controlling interest where relevant. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

**(c) Critical Accounting Estimates and Judgements**

In applying the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. These estimates and assumptions are made based on past experience and other factors that are considered relevant. Actual results may differ from these estimates. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed if the revision affects both current and future periods.

The following describes critical judgments that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

*Impairment of deferred exploration costs*

The Group's accounting policy for exploration expenditure results in some items being capitalised for an area of interest where it is considered likely to be recoverable in the future where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Management is required to make certain estimates and assumptions as to future events and circumstances, which may change as new information becomes available. If a judgement is made that recovery of a capitalised expenditure is likely, the relevant amount will be written off to the income statement.

*Environmental Issues*

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors' understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

*Taxation*

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates by the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors' understanding thereof. No adjustments have been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

**(d) Going Concern**

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the half-year of \$398,705 (2021: \$371,273) and net cash outflows from operating activities of \$352,302. (2021: \$383,008).

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity source.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds.

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

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



**Note 2 Earnings per Share**

	Consolidated Group	
	31 December 2022	31 December 2021
	\$	\$
(a) Reconciliation of earnings to profit or loss		
Losses	(398,705)	(371,273)
Losses used to calculate basic EPS	<u>(398,705)</u>	<u>(371,273)</u>
	No.	No.
(b) Weighted average number of ordinary shares outstanding during the reporting period used in calculating basic EPS	2,689,848,867	3,880,372,092
Weighted average number of ordinary shares outstanding during the reporting period used in calculating dilutive EPS	<u>2,689,848,867</u>	<u>3,880,372,092</u>
Basic loss per share from continuing and discontinued operations	<u>(0.01)</u>	<u>(0.01)</u>

**Note 3 Other Financial Assets**

	Note	Consolidated Group	
		31 December 2022	30 June 2022
		\$	\$
CURRENT			
Loan to Cosmo Gold Limited	3	1,250,000	1,250,000
Total current assets		<u>1,250,000</u>	<u>1,250,000</u>

The above loan was provided to Cosmo Gold Limited.

On 16 November 2020, the Company entered into a loan agreement with Cosmo Gold Limited on the assumption that an initial public offering of securities of Cosmo Gold (IPO) and subsequent listing on ASX would be completed. The IPO has now been formally withdrawn by Cosmo Gold Limited.

The loan agreement was originally extended to 31 December 2022 and was subsequently further extended to 31 March 2023. Terms of the loan agreement are as follows:

- loan facility provided is up to AUD \$1.25 million;
- repayment of the facility is secured by the General Security Deed;
- repayment terms are as follows:
  - (a) immediately upon the occurrence of an Event of Default; or
  - (b) on 31 March 2023
 whichever occurs first

Event of Default occurs on the happening of any of the following:

- Cosmo Gold failing to pay any of the monies required to be paid under the agreement at the time or in a manner required under the Agreement;
- Cosmo Gold failing to observe or perform any of its obligations under the Agreement, the General Security Deed or any other
  - (a) if such failure is capable of remedy, such failure is not remedied within 14 days of receipt by Cosmo Gold of Notice from the Company of such failure; or
  - (b) if such failure is not capable of remedy, upon the Company serving Notice of such failure on Cosmo Gold;
- without the prior written consent of the Company:
  - (a) Cosmo Gold granting an Encumbrance in any property the subject of the Security other than in the Company's favour; or
  - (b) any property the subject of the Security being removed from the effective management or control of Cosmo Gold;
- a change in the composition of the Board of Cosmo Gold;
- Cosmo Gold committing any act or experiencing any event which, in the opinion of the Company, shows or tends to show that it is not able to pay its debts as and when they fall due, or Cosmo Gold otherwise enters into any form of bankruptcy or insolvency administration; and
- Cosmo Gold having a receiver or receiver and manager appointed to any asset of Cosmo Gold.

**Note 4 Interests in Subsidiaries**

**(a) Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place of business	Ownership interest held by the Group	
		2022 (%)	2021 (%)
Platquest Resources Pty Ltd	Australia	100%	100%
Haiti Gold Aust Pty Ltd	Australia	100%	100%
Challenger Mines Pty Ltd	Australia	100%	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

**Note 5 Exploration Expenditure**

	\$
Balance at 1 July 2021	897,991
Current year expenditure capitalised	994,789
Balance at 30 June 2022	<u>1,892,780</u>
Balance at 1 July 2022	1,892,780
Current half-year expenditure capitalised	240,248
Balance at 31 December 2022	<u>2,133,028</u>

The value of the Company's interest in exploration expenditure is dependent upon the:

- continuance of the economic entity's right to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

75% of Peter Mitchell's Directors Fees have been capitalised as Deferred Exploration and Evaluation Assets.

The recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and evaluation or sale or farm-out of the exploration interest. A percentage of the CEO's salary and associate costs are capitalised in line with the Company's policy for capitalising costs directly relating to pre-feasibility and exploration. Broadly, the Company has three cost centres, Corporate, Pre-feasibility and Exploration. Where identifiable, costs associated with Pre-feasibility and Exploration cost centres are capitalised. These costs are annually reviewed for impairment and a charge is made direct to the Statement of profit or loss and other comprehensive income of the Company where an impairment is identified.

No impairment (2021: \$Nil) was brought to account for the financial period. The Company still intends to exploit for economical gain the remaining tenements under its control.

The Group has reviewed all of its tenements and has only carried forward the expenses on the tenements that give rise to a potential economic benefit to the Company through development or exploration.

The Group has considered the impairment indicators below and confirms no such indicators are applicable at 31 December 2022. As such, the Group does not consider that a full impairment test is necessary.

**Impairment indicators**

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale;
- Evidence is available of obsolescence or physical damage of an asset; and
- The net assets of the Group exceeds its market capitalisation.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



**Note 6 Issued Capital**

<b>(a) Ordinary Shares</b>	<b>No.</b>	<b>\$</b>
Balance at 1 July 2021	3,880,372,092	17,496,212
Shares issued during the year	301,500,000	906,300
Less transaction costs arising from issue of shares	-	(58,246)
Balance at 30 June 2022	<u>4,181,872,092</u>	<u>18,344,266</u>
Balance at 1 July 2022	4,181,872,092	18,344,266
Shares issued during the half-year	265,635,391	625,083
Less transaction costs arising from issue of shares	-	(77,090)
Less consolidation of shares	<u>(3,988,685,187)</u>	<u>-</u>
Balance at 31 December 2022	<u>458,822,296</u>	<u>18,892,259</u>

<b>(b) Unlisted Options</b>	<b>No.</b>
Balance at 1 July 2021	189,000,000
Options issued during the year	130,000,000
Options lapsed during the year	<u>(66,500,000)</u>
Balance at 30 June 2022	<u>252,500,000</u>
Balance at 1 July 2022	252,500,000
Options issued during the half-year	-
Options lapsed during the half-year	<u>(122,500,000)</u>
Less consolidation of options	<u>(118,000,004)</u>
Balance at 31 December 2022	<u>11,999,996</u>

On 13 October 2022, the Company underwent a share consolidation. For every 10 securities held, the shares will be consolidated to 1 security.

**Note 7 Operating Segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Unless stated otherwise, all accounts are reported to the Board of Directors, being chief decision makers with respect to operating segments, which are determined in accordance with accounting policies that are consistent to those adapted in the annual financial statements of the consolidated entity.

**(i) Segment performance**

	<b>Adelong Gold</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Challenger Mines</b>	<b>Total</b>
<b>31 December 2022</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Total segment revenue	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Total segment revenue	-	-	-	-	-
<b>Segment net loss from continuing operations before tax</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts not included in segment result but reviewed by Board					
Interest revenue					1,129
<u>Administration expenses</u>					
Directors' fees					(90,000)
Consultancy fees					(31,685)
Occupancy costs					(8,612)
Other costs					<u>(269,537)</u>
Net profit before tax from continuing operations					<u><u>(398,705)</u></u>

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



**Note 7: Operating Segments (continued)**

	Adelong Gold \$	Challenger Mines \$	Alltower \$	Platquest \$	Total \$
<b>31 December 2021</b>					
Total segment revenue	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Total segment revenue	-	-	-	-	-
<b>Segment net loss from continuing operations before tax</b>	-	-	-	-	-
Amounts not included in segment result but reviewed by Board					
Interest revenue					1,253
<u>Administration expenses</u>					
Directors' fees					(78,000)
Consultancy fees					(62,800)
Occupancy costs					(8,643)
Other costs					(223,083)
Net profit before tax from continuing operations					<u>(371,273)</u>

(ii) **Segment assets**

	Adelong Gold \$	Challenger Mines \$	Alltower \$	Platquest \$	Total \$
<b>31 December 2022</b>					
Segment assets - opening balance	-	1,892,780	-	-	1,892,780
Segment assets increases for the half-year					
— Capital expenditure for the half-year	-	240,248	-	-	240,248
— Write off/exploration	-	-	-	-	-
Reconciliation of segment assets to group assets	-	2,133,028	-	-	2,133,028
Intersegment eliminations					
Unallocated assets:					
— Cash					311,166
— Receivables					116,878
— Other assets					638,827
— Other financial assets					1,250,000
— Property, plant and equipment					786,718
<b>Total group assets</b>					<u>5,236,617</u>
	Adelong Gold \$	Challenger Mines \$	Alltower \$	Platquest \$	Total \$
<b>30 June 2022</b>					
Segment assets - opening balance	-	897,991	-	-	897,991
Segment assets increases for the year					
— Capital expenditure for the half-year	-	994,789	-	-	994,789
— Write off/exploration	-	-	-	-	-
Reconciliation of segment assets to group assets	-	1,892,780	-	-	1,892,780
Intersegment eliminations					
Unallocated assets:					
— Cash					501,863
— Receivables					72,236
— Other assets					1,250,000
— Other financial assets					659,639
— Property, plant and equipment					820,936
<b>Total group assets</b>					<u>5,197,454</u>

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



**Note 7: Operating Segments (continued)**

(iii) **Segment liabilities**

	Adelong Gold	Challenger Mines	Alltower	Platquest	Total
<b>31 December 2022</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Segment liabilities - opening balance	-	-	-	-	-
Reconciliation of segment liabilities to group liabilities					
Intersegment eliminations					
Unallocated liabilities:					
— Trade and other payables					182,738
<b>Total group liabilities</b>					<u>182,738</u>
<b>30 June 2022</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Segment liabilities - opening balance	-	-	-	-	-
Reconciliation of segment liabilities to group liabilities					
Intersegment eliminations					
Unallocated liabilities:					
— Trade and other payables					292,863
<b>Total group liabilities</b>					<u>292,863</u>

**Note 8 Events After the Reporting Period**

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

On 23 January 2023, the Company issued 10,416,667 convertible notes raising a total of \$250,000. The Convertible Notes have a face value of \$0.024 per note and an expiry date of 28 July 2024. The Notes have an interest of 8% per annum which is payable in cash annually in arrears.

On 25 January 2023, the Company issued 74,999,996 fully paid ordinary shares raising a total of \$900,000.

**Note 9 Financial Risk Management**

The Group's financial instruments consist mainly of deposits with banks, receivables and trade and other payables

The Group's financial instruments consist of those which are measured at amortised cost including trade and other receivables and trade and other payables. The carrying amount of these financial assets and liabilities approximate their fair value.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES  
(FORMERLY KNOWN AS 3D RESOURCES LIMITED)  
DIRECTORS' DECLARATION**



In accordance with a resolution of the directors of Adelong Gold Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 4 to 14, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards applicable to the entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
  - (b) give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Director

A handwritten signature in blue ink, appearing to read "Peter Mitchell".

**Mr Peter Mitchell**

Dated this 14 March 2023

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ADELONG GOLD LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Adelong Gold Limited (the Entity), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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.

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

- i. giving a true and fair view of the Entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.



**MORROWS AUDIT PTY LTD**



**A.M. FONG**  
Director

Melbourne: 14 March 2023

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