



ABN 86 108 753 608

**Interim Financial Report
for the half-year ended
31 December 2021**

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Corporate Directory

DIRECTORS

Tim Kennedy
Non-Executive Chair

Katina Law
Non-Executive Director

David (Lorry) Hughes
Managing Director

COMPANY SECRETARY

Bianca Taveira

PRINCIPAL AND REGISTERED OFFICE

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AUDITORS

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

SHARE REGISTRY

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

STOCK EXCHANGE LISTING

Australian Stock Exchange
Code: YRL

Directors' Report

The Directors of Yandal Resources Limited ("Yandal Resources") submit herewith the financial report for the half-year ended 31 December 2021. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

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

Tim Kennedy
Katina Law
David (Lorry) Hughes

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

Operating Results

The operating loss of the Company for the six months amounted to \$490,910 (December 2020: Loss of \$170,546).

Review of Operations/Exploration Activity

The Company has a portfolio of "Brownfields" gold exploration projects in the highly prospective Yandal and Norseman-Wiluna Greenstone Belts of Western Australia (Figure 1). Exploration was conducted at all projects during the past six months, however, most drilling activity including Air-core ("AC"), reverse circulation ("RC") and diamond ("DD") drilling programs occurred at the Gordons Gold Project near Kalgoorlie in Western Australia.

A substantial number of outstanding assay results were returned from all projects and the prospectivity for new discoveries has been greatly enhanced. Exploration programs going forward are planned to be aggressively expanded.

Within the Gordons gold project (Figures 1 & 2) recent highlights from RC drilling at the most advanced prospects included;

Gordons Dam Prospect

- **5m @ 3.7g/t Au** from 28m including **1m @ 16.6g/t Au** (YRLRC683)¹
- **23m @ 1.2g/t Au** from 52m including **2m @ 8.4g/t Au** (YRLRC681)¹
- **43m @ 0.7g/t Au** from 42m including **8m @ 2.0g/t Au** (YRLRC689)¹

Star of Gordon Prospect

- **10m @ 8.4g/t Au** from 43m including **1m @ 52.5g/t Au** (YRLRC630)²
- **1m @ 19.8g/t Au** from 159m (YRLRC668)¹
- **9m @ 1.8g/t Au from 47m including 1m @ 9.6g/t Au** (YRLRC632)³

Malone Prospect

- **16m @ 2.8g/t Au** from 204m including **5m @ 7.7g/t Au** (YRLRC727)⁴
- **2m @ 1.4g/t Au** from 244m including **1m @ 2.0g/t Au** (YRLRC728A)⁴

An initial Mineral Resource Estimate ("MRE") is planned for the Gordons Dam deposit in the March Quarter 2022 whilst exploration continues to test the Company's highest priority prospects.

¹ Refer to YRL ASX announcement dated 28 September 2021, ² Refer to YRL ASX announcement dated 1 December 2021, ³ Refer to YRL ASX announcement dated 11 November 2021, ⁴ Refer to YRL ASX announcement dated 23 February 2022.

Directors' Report

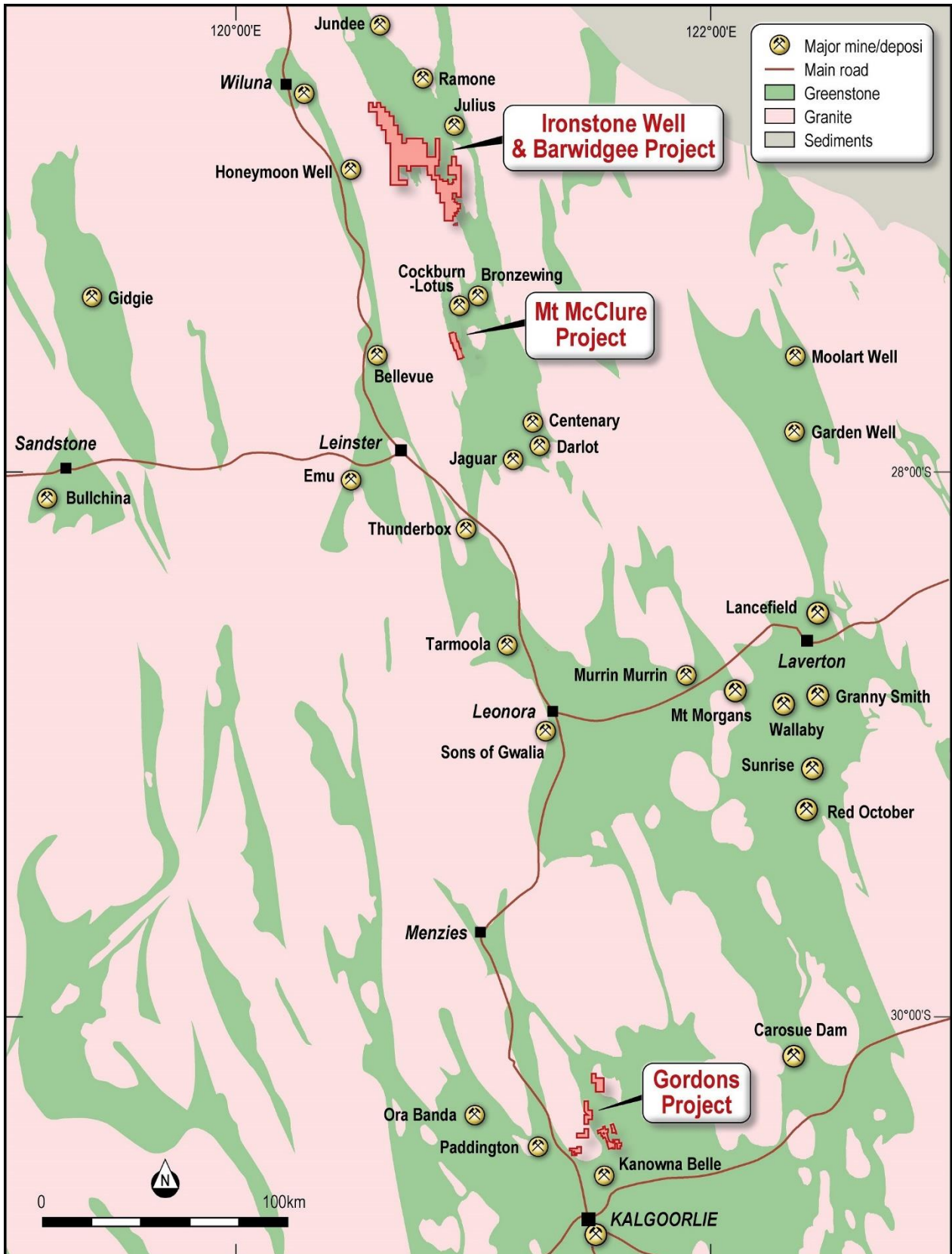


Figure 1 – Location of Yandal Resources' Ironstone Well, Barwidgee, Mt McClure and Gordons gold projects in Western Australia.

Directors' Report

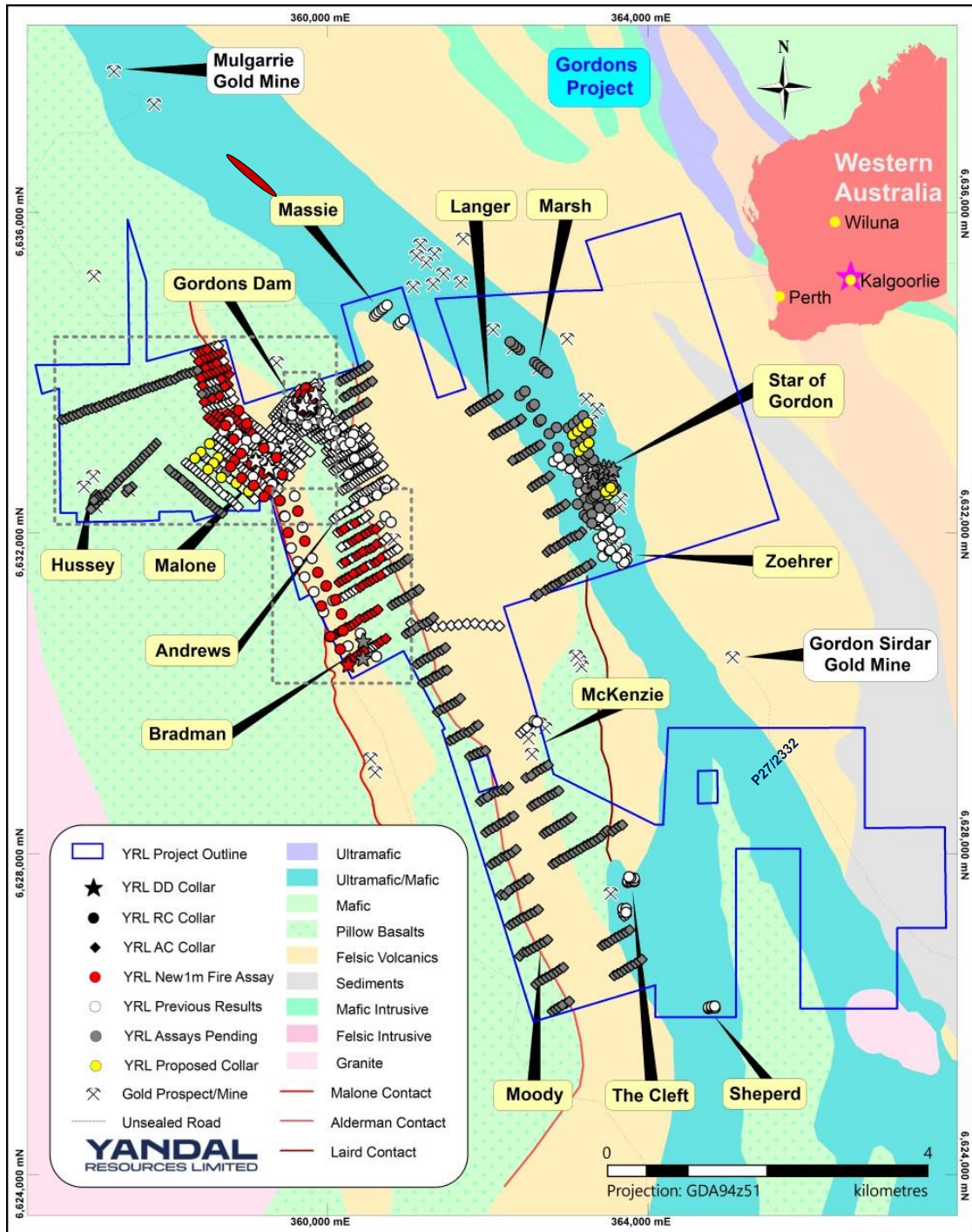


Figure 2 – Gordons Gold Project prospect and collar plan over interpreted geology showing the location of holes with recent results received (red), completed holes with assays pending (grey) and planned RC and AC holes (yellow).

At the Ironstone Well and adjoining Barwidgee gold projects located 50-70km east of Wiluna in Western Australia (Figures 1 & 3), exploration activities included substantial AC and RC drilling at the priority Flushing Meadows, Flinders Park, Oblique, Quarter Moon, Newport and Sims Find prospects. Smaller programs were completed at the Barty, Cash, Copan and regional prospects.

Directors' Report

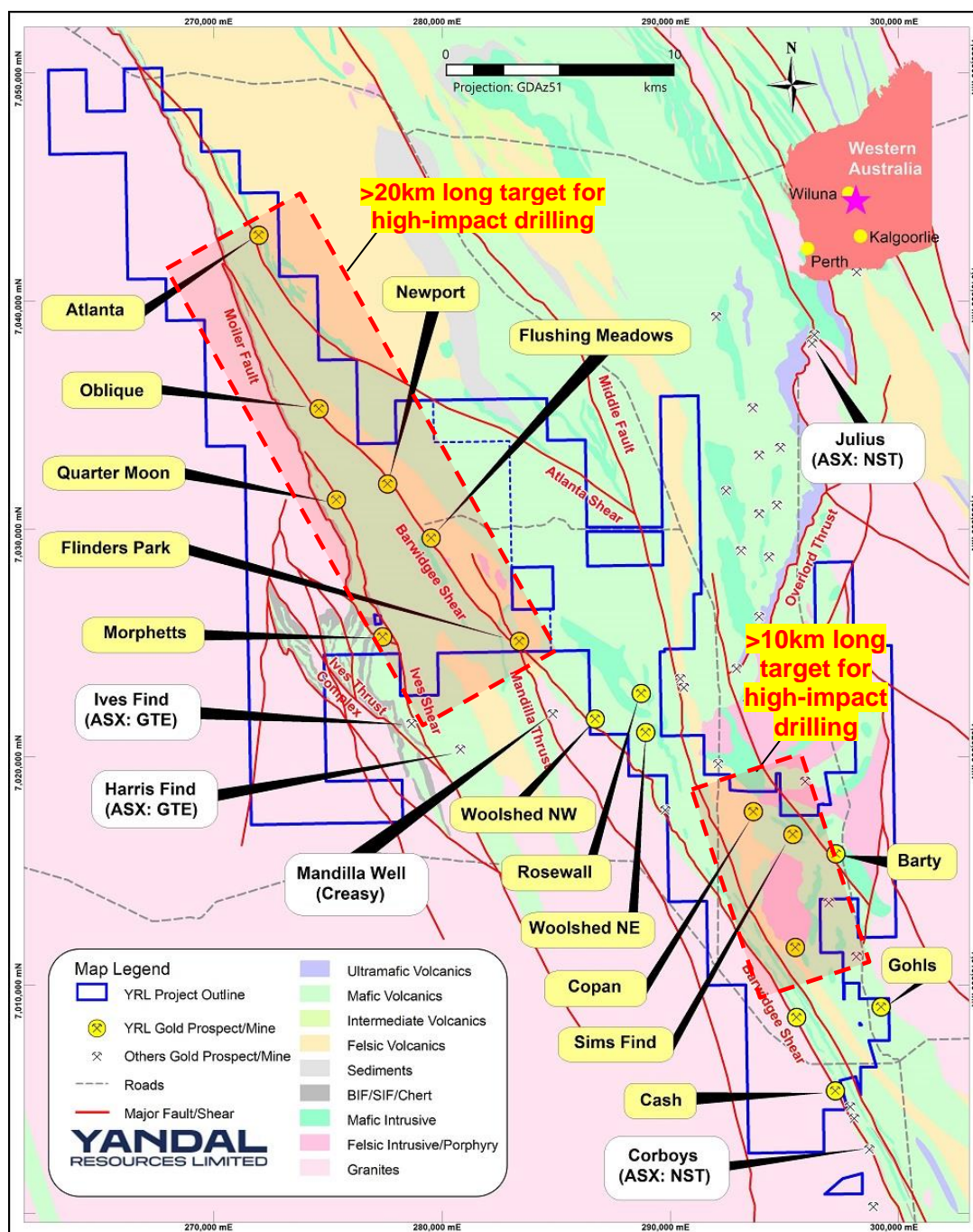


Figure 3 – Ironstone Well and Barwidgee gold project geological interpretation map including known prospects, structures and priority Tier 1 deposit exploration target areas.

An detailed Exploration and Prospecting Deed of Agreement was executed with the Kultju (Aboriginal Corporation) RNTBC (“Kultju AC”) during the period. The Kultju AC hold native title rights to an area which includes the entire Ironstone Well and Barwidgee projects.

The Company looks forward to a long-term, positive relationship with the Kultju AC in relation to conducting exploration activities whilst respecting and adhering to all cultural and heritage protection matters. Whilst some drilling programs were completed, the main focus for the period was on finalising the Agreement and preparation for cultural heritage surveys over multiple early stage and advanced exploration areas. These survey are planned to occur in June Quarter 2022.

Directors' Report

Within the Ironstone Well and Barwidgee projects AC and RC drilling highlights worthy of priority follow-up included;

Quarter Moon Prospect

- **2m @ 11.2g/t Au** from 80m (YRLRC478)³
- **12m @ 2.1g/t Au** from 5m including **1m @ 16.5g/t Au** (YRLRC479)¹
- **2m @ 7.1g/t Au** from 83m including **1m @ 14.0g/t Au** (YRLRC475)¹

Flinders Park Prospect

- **14m @ 4.4g/t Au** from 45m including **1m @ 42.5g/t Au** (YRLRC474)²
- **13m @ 2.9g/t Au** from 36m including **1m @ 21.0g/t Au** (YRLRC473)²

Sims Find Prospect

- **8m @ 24.3g/t Au** from 9m including **1m @ 129.0g/t Au** (YRLRC457)³
- **3m @ 20.8g/t Au** from 30m including **1m @ 62.2g/t Au** (YRLRC447)³
- **5m @ 6.5g/t Au** from 17m including **1m @ 30.4g/t Au** (YRLRC445)³
- **2m @ 12.3g/t Au** from 37m including **1m @ 24.0g/t Au** (YRLRC432)³
- **2m @ 9.1g/t Au** from 48m including **1m @ 17.9g/t Au** (YRLRC450)³
- **7m @ 3.5g/t Au** from 23m including **1m @ 12.1g/t Au** (YRLRC433)³
- **6m @ 9.0g/t Au** from 172m including **1m @ 40.0g/t Au** (YRLRC1011)⁴

Newport Prospect (AC intercepts)

- **8m @ 482ppb Au** from 37m including **1m @ 2,620ppb Au** and **3m @ 1,360ppb Au** from 78m including **1m @ 3,150ppb Au** (YRLAC1002)⁴
- **11m @ 185ppb Au** from 33m including **1m @ 1,430ppb Au** (YRLAC1006)⁴
- **2m @ 695ppb Au** from 91m including **1m @ 1,400ppb Au** (YRLAC1007)⁴
- **12m @ 396ppb Au** from 40m including **4m @ 1,150ppb Au**, **8m @ 486ppb Au** from 76m including **4m @ 992ppb Au** and **4m @ 350ppb Au** from 96m (YRLAC1014)⁴

At the Flushing Meadows deposit there was no change to the initial MRE completed in November 2020 in accordance with Table 1. Further exploration to expand the MRE is planned upon completed of the abovementioned heritage surveys.

Table 1 – November 2020 Mineral Resource Estimate Summary

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz
Laterite	89,853	1.26	3,631	86,671	1.23	3,422	176,524	1.24	7,054
Oxide	2,015,900	1.33	86,071	2,246,845	1.10	79,389	4,262,745	1.21	165,420
Transition	35,223	1.20	1,360	1,160,471	1.10	40,966	1,195,695	1.10	42,325
Primary				1,751,484	0.95	53,440	1,751,484	0.95	53,440
Total	2,140,976	1.32	91,062	5,245,471	1.05	177,217	7,386,448	1.13	268,352

* Refer to Yandal Resources' ASX announcement dated 4 November 2020 for full details.

Exploration priorities over the next two years are planned to test a major underexplored trend including Flushing Meadows which extends in excess of 20km north west along strike between the Flinders Park prospect and the Atlanta prospect (Figure 3). In addition a +10km mineralised trend including the high-grade Sims Find prospect will be targeted as the highest priority exploration areas.

¹ Refer to YRL ASX announcement dated 9 March 2021, ² Refer to YRL ASX announcement dated 2 March 2021, ³ Refer to YRL ASX announcement dated 23 August 2021, ⁴ Refer to YRL ASX announcement dated 17 November 2021.

Directors' Report

The Mt McClure project is located in close proximity along established haul roads to the Bronzewing processing facility (Figure 4). Bronzewing is owned by Northern Star Resources Ltd and is currently on care and maintenance with only the camp and related infrastructure operational to support mining and haulage operations at the nearby Orelia gold deposit.

Yandal completed a high-impact RC program during the September Quarter 2021 comprising 18 holes for 4,969m to downhole depths between 207-400m. The holes were planned to follow-up a number of significant results returned from RC drilling at the Success, Parmelia, HMS Sulphur and Challenger prospects in the March Quarter 2021¹. Final assay results are pending.

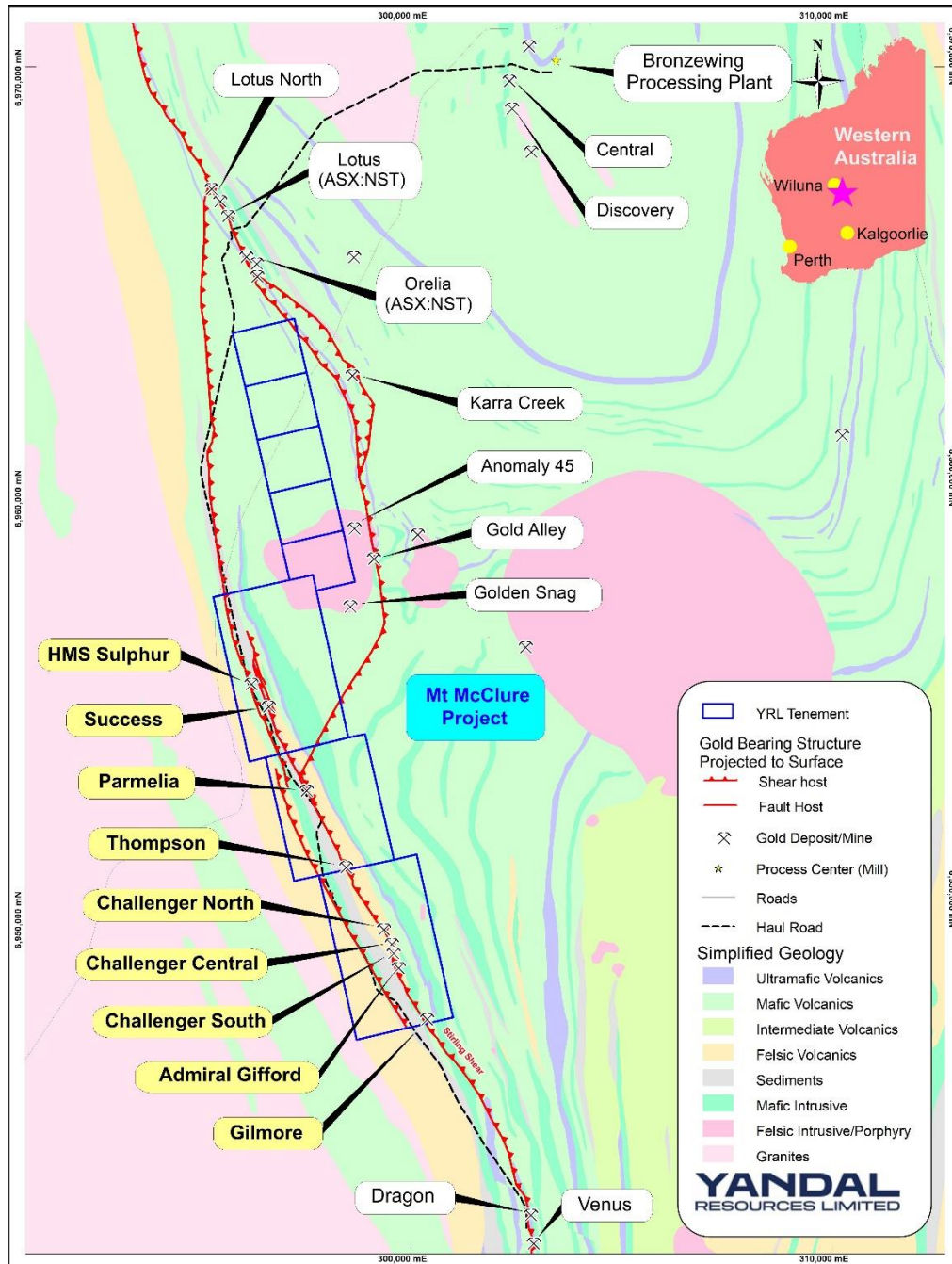


Figure 4 – Location plan of key prospects at the Mt McClure project over regional geology.

¹ Refer to YRL ASX announcement dated 13 October 2021.

Directors' Report

In July 2021, DGO Gold Ltd moved to ownership of 19.90% of Yandal Resources to become the Company's largest individual shareholder via an off-market purchase of shares from Northern Star Resources Ltd¹.

In November 2021, the Company launched a Pro-rata Non-renounceable Rights Issue Offer ("Rights Issue") to raise up to \$6,785,876 by the issue of 16,964,690 New Shares at an issue price of 40 cents per New Share. The New Shares include and attached free New Option for every two New Shares with an exercise price of 65 cents and an expiry date of 31 December 2022².

On the 20 December 2021, the Company announced the Rights Issue completion and Shortfall Placement notification³. At total of \$4,280,825 was raised and an additional \$2,591,821 is able to be placed by the 16th March 2022 as the Shortfall Placement.

The new capital raised was to specifically accelerate the Company's exploration programs.

Other than the matters above, there were no significant changes in the state of affairs of the Company during the period.

Competent Person Statement

The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Trevor Saul, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy. Mr Saul is the Exploration Manager for the Company, is a full-time employee and holds shares and options in the Company.

Mr Saul has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Saul consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information that relates to the Flushing Meadows Mineral Resource Estimate is based on information compiled and generated by Andrew Bewsher, an employee of BM Geological Services Pty Ltd ("BMGS"). Both Andrew Bewsher and BMGS hold shares in the company. BMGS consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Bewsher has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

¹ Refer to YRL ASX announcement dated 9 July 2021, ² Refer to YRL ASX announcement dated 19 November 2021, ³ Refer to YRL ASX announcement dated 20 December 2021.

Directors' Report

Subsequent Events

- Subsequent to period end, 1,355 unlisted options were exercised at \$0.65, expiring 31 December 2022. The Company received approximately \$881 for the exercise of these options.
- A Heads of Agreement (HOA) was executed with Moho Resources Ltd (ASX: MOH, Moho) that provides for the Company to acquire a 100% interest in the gold and related metal rights over granted Prospecting Licences P27/2226, P27/2216-18 and Prospecting Licence application P27/2456. Moho will retain a 1% royalty over gold production.

The HOA also provides for Moho to acquire from the Company a 100% interest in the nickel, copper, cobalt and platinum group elements and related metal rights over Exploration and Prospecting Licences E24/198, P27/2206, E27/536, M27/237 ("Mulgarrie North Tenements") and E27/601, P27/2325, P27/2331, P27/2340-41, P27/2355-64. Yandal will retain a 1% royalty over any Ni-Cu-Co-PGE production.

Consideration for the Moho transaction is \$50,000 cash + GST. Moho's consideration is to provide 50% of the minimum expenditure commitments otherwise attributable to the Mulgarrie North Tenements for two years from the date of execution of the HOA. The HOA is subject to the completion of Final Agreements and royalty deeds to be negotiated in good faith for completion prior to 31 January 2022.

- An additional 650,000 Class C and Class D Performance Rights were granted to the Company's employees on 6 December 2021 as announced on 18 January 2022.
- On 17 February 2022, the Company announced that founding Managing Director and Chief Executive Officer (CEO), Mr Lorry Hughes resigned, effective 4 April 2022. Current Non-Executive chairman Mr Tim Kennedy will transition into the role of Managing Director and CEO over the next few months.

In the opinion of the Directors of the Company, there are no other matters or circumstances that have arisen since 31 December 2021 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial periods.

Dividends Paid or Recommended

No dividends were paid during the period and no recommendation is made as to payments of future dividends.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 10 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.

On behalf of the Directors



Mr Lorry Hughes
Director

10 March 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Yandal Resources Limited for the half-year ended 31 December 2021, 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
10 March 2022



B G McVeigh
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Yandal Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Yandal Resources Limited ("the company") which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 entity 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, we have not become aware of any matter that makes us believe that the interim financial report of Yandal Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2021 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 conclusion

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

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the interim 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 interim 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 interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 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*.

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A review of a interim 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
10 March 2022



B G McVeigh
Partner

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 14 to 25 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance, as represented by the results of its operations and its cash flow, for the half-year ended on that date.

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.

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



Mr Lorry Hughes
Director

Date: 10 March 2022

Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2021

	NOTE	Half-year ended 31 Dec 2021 \$	Half-year ended 31 Dec 2020 \$
Continuing Operations			
Interest income		5,474	13,300
Total Revenue from Continuing Operations		5,474	13,300
Employee and contractors expenses		(212,707)	(58,446)
Occupancy expenses		(11,399)	(11,108)
Administration expenses		(50,314)	(57,266)
Consultants expenses and professional costs		(86,383)	(49,047)
Travel expenses		(3,184)	(2,996)
Share based payments	6	(101,594)	-
Depreciation		(30,803)	(4,983)
Loss from continuing operations before income tax		(490,910)	(170,546)
Income tax (expense)/benefit		-	-
Loss from continuing operations after income tax for the period		(490,910)	(170,546)
Other comprehensive income for the period			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the period		-	-
Total comprehensive loss for the period attributable to owners of Yandal Resources Limited		(490,910)	(170,546)
Basic loss (cents per share)	5	(0.48)	(0.21)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position as at 31 December 2021

	NOTE	31 Dec 2021 \$	30 Jun 2021 \$
Current Assets			
Cash and cash equivalents	2	7,196,399	8,047,415
Trade and other receivables		230,471	318,133
Other assets		27,042	3,917
Total Current Assets		7,453,912	8,369,465
Non-Current Assets			
Capitalised exploration & evaluation expenditure costs	3	16,275,917	10,422,822
Property, plant and equipment		213,003	208,324
Total Non-Current Assets		16,488,920	10,631,146
Total Assets		23,942,832	19,000,611
Current Liabilities			
Trade and other payables		379,545	511,186
Total Current Liabilities		379,545	511,186
Total Liabilities		379,545	511,186
Net Assets		23,563,287	18,489,425
Equity			
Issued capital	4	25,169,748	19,706,570
Reserves		710,455	608,861
Accumulated losses		(2,316,916)	(1,826,006)
Total Equity		23,563,287	18,489,425

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the half-year ended 31 December 2021

	Attributable to equity holders			
	Ordinary Shares \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2021	19,706,570	608,861	(1,826,006)	18,489,425
Comprehensive income for the half-year				
Loss for the half-year	-	-	(490,910)	(490,910)
Total comprehensive loss for the half-year	-	-	(490,910)	(490,910)
Transactions with owners in their capacity as owners:				
Issue of shares during the period	5,529,870	-	-	5,529,870
Share issue costs	(66,692)	-	-	(66,692)
Issue of performance rights	-	101,594	-	101,594
Balance at 31 December 2021	25,169,748	710,455	(2,316,916)	23,563,287

	Attributable to equity holders			
	Ordinary Shares \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2020	8,567,958	599,750	(1,226,464)	7,941,244
Comprehensive income for the half-year				
Loss for the half-year	-	-	(170,546)	(170,546)
Total comprehensive loss for the half-year	-	-	(170,546)	(170,546)
Transactions with owners in their capacity as owners:				
Issue of shares during the period	9,518,864	-	-	9,518,864
Share issue costs	(374,700)	-	-	(374,700)
Balance at 31 December 2020	17,712,122	599,750	(1,397,010)	16,914,862

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the half-year ended 31 December 2021

	Half-year ended 31 Dec 2021 \$	Half-year ended 31 Dec 2020 \$
Cash flows from operating activities		
Payments to suppliers and employees	(382,799)	(219,394)
Interest received	6,236	12,828
ATO cash flow boost	-	50,000
	<hr/>	<hr/>
Net cash used in operating activities	(376,563)	(156,566)
Cash flows from investing activities		
Payments for Exploration and evaluation expenditure	(5,882,213)	(2,190,728)
Payments for acquisition of tenements	(65,000)	(66,246)
Payments for purchase of assets	(35,481)	(72,682)
Repayment from secured loan	70,000	-
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Net cash used in investing activities	(5,912,694)	(2,329,656)
Cash flows from financing activities		
Proceeds from issues of ordinary shares	5,504,933	9,518,864
Share issue costs	(66,692)	(374,700)
	<hr/>	<hr/>
Net cash provided by financing activities	5,438,241	9,144,164
Net increase/(decrease) in cash and cash equivalents	(851,016)	6,657,942
Cash and cash equivalents at the beginning of the half-year	8,047,415	3,384,990
	<hr/>	<hr/>
Cash and cash equivalents at the end of the half-year	7,196,399	10,042,932

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

1. Basis of Accounting and Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard *AASB 134 Interim Financial Reporting* and other mandatory professional reporting requirements. The interim financial statements were approved by the Board of Directors on 9 March 2022. The accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in its financial report for the year ended 30 June 2021.

It is also recommended that the half-year financial report be considered together with any public announcements made by Yandal Resources Limited during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Going Concern

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

New accounting standards and interpretations

In the half-year ended 31 December 2021, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Company.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2021. The impact on the financial statements is not expected to be material.

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

	31 Dec 2021 \$	30 Jun 2021 \$
2. Cash and Cash Equivalents		
Cash at bank	7,196,399	8,047,415
	7,196,399	8,047,415
3. Capitalised Exploration and Evaluation Expenditure		
Opening balance at beginning of period	10,422,822	4,506,326
Acquisition of tenements during the period	92,000	66,246
Exploration expenditure capitalised during the period	5,761,095	5,850,250
Exploration expenditure written off	-	-
	16,275,917	10,422,822

4. Issued Capital

(a) Movements in share capital during the six months to 31 December 2021 were as follows:

	Issue Price	Fully Paid Ordinary Shares	\$
01/07/21		100,439,953	19,706,570
12/10/21	\$0.25	1,288,182	322,045
21/10/21	\$0.45	60,000	27,000
23/11/21	\$0.25	1,300,000	325,000
03/12/21	\$0.25	200,000	50,000
21/12/21	\$0.25	400,000	100,000
23/12/21	\$0.40	10,702,063	4,280,825
31/12/21	\$0.25	1,700,000	425,000
		-	(66,692)
31/12/21		116,090,198	25,169,748

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

4. Issued Capital (continued)

Movements in share capital for the year ended 30 June 2021 were as follows:

		Issue Price	Fully Paid Ordinary Shares	\$
01/07/20	Opening balance		66,847,975	8,567,958
20/07/20	Rights Issue	\$0.25	8,498,542	2,124,636
27/07/20	Rights Issue	\$0.25	3,551,093	887,773
31/07/20	Shortfall Shares	\$0.25	1,320,000	330,000
20/10/20	Conversion of options	\$0.25	200,000	50,000
20/10/20	Conversion of options	\$0.27	288,034	77,769
23/10/20	Placement	\$0.50	12,000,000	6,000,000
24/11/20	Conversion of options	\$0.25	61,818	15,455
24/11/20	Conversion of options	\$0.27	123,079	33,231
27/01/21	Conversion of options	\$0.25	500,000	125,000
27/01/21	Conversion of options	\$0.27	48,126	12,994
02/03/21	Conversion of options	\$0.27	115,417	31,163
08/03/21	Conversion of options	\$0.27	44,167	11,925
17/03/21	Conversion of options	\$0.27	180,459	48,724
23/04/21	Conversion of options	\$0.27	51,812	13,989
04/05/21	Conversion of options	\$0.25	800,000	200,000
04/05/21	Conversion of options	\$0.27	2,346,229	633,482
25/05/21	Conversion of options	\$0.27	1,038,525	280,402
30/06/21	Conversion of options	\$0.27	2,424,677	654,663
	Share issue costs		-	(392,594)
30/06/21	Closing balance		100,439,953	19,706,570

(b) Options

As at 31 December 2021, the following unlisted options were on issue:

5,351,050 Unlisted options - Exercisable at 65 cents and expire on 31 December 2022

5. Earnings/(Loss) Per Share

	31 Dec 2021 \$	31 Dec 2020 \$
Profit/(loss) after tax attributable to members of Yandal Resources Limited	(490,910)	(170,546)
Basic profit/(loss) per share	(0.48) cents	(0.21) cents
Diluted profit/(loss) per share	(0.48) cents	(0.21) cents
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share.	101,752,067	83,130,549

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

5. Earnings/(Loss) Per Share (continued)

Basic Earnings/(Loss) Per Share

Basic earnings/(loss) per share is determined by dividing the loss after income tax attributable to members of Yandal Resources Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted Earnings/(Loss) Per Share

Diluted earnings/(loss) per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any change in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

Where options exercise prices are above market values (out of the money), no dilutive impact arises as it increases the loss per share.

6. Share Based Payments

(i) 31 December 2021

During the period ended 31 December 2021, \$101,594 was expensed as a share based payment respect of the Company's Class A, B, C and D performance rights, with the fair value being recognised over the vesting period. As at 31 December 2021, a total of 3,925,000 performance rights remain unvested.

In November 2021, directors were granted a total of 2,100,000 Class B, C and D performance rights.

In December 2021, employees were granted a total of 1,300,000 Class C and D performance rights as announced to the ASX on 18 January 2022.

The performance rights were granted at nil consideration, do not have an exercise price and will lapse if the vesting conditions are not met.

The Performance Rights are issued under the Company's Employee Incentive Scheme (EIS), dated 19 October 2018 and were approved by shareholders at the General Meeting held on 19 November 2021. The issue to Directors was on 22 November 2021 and the issue to employees was granted on 6 December 2021.

Each Performance Right will, at the election of the holder, vest, and convert to one fully paid ordinary share, subject to the satisfaction of certain Performance Conditions.

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

6. Share Based Payments (continued)

The terms of the Performance Rights issued during the period to 31 December 2021 are as follows:

Class of Performance Rights	Service Condition	Performance Condition
Class B Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until 1 June 2022.	(a) On or before 1 July 2022 the volume weighted average price of the Company's Shares over 20 consecutive Trading Days on which the Shares trade is \$1.00 or more; or (b) On or before 1 July 2022 a Takeover Event occurs where the bidder pays a price of \$1.00 or more per Share.
Class C Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until 1 June 2023.	(a) On or before 1 July 2023 the volume weighted average price of the Company's Shares over 20 consecutive Trading Days on which the Shares trade is \$2.00 or more; or (b) On or before 1 July 2023 a Takeover Event occurs where the bidder pays a price of \$2.00 or more per Share.
Class D Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until 1 June 2024.	(a) On or before 1 July 2024 the volume weighted average price of the Company's Shares over 20 consecutive Trading Days on which the Shares trade is \$3.00 or more; or (b) On or before 1 July 2024 a Takeover Event occurs where the bidder pays a price of \$3.00 or more per Share.

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

6. Share Based Payments (continued)

(ii) 30 June 2021

600,000 Class A performance rights were issued to employees of the Company.

The performance rights were granted to nil consideration, do not have any exercise price and will lapse if the vesting conditions are not met.

The Performance Rights are issued under the Company's Employee Incentive Scheme (EIS), dated 19 October 2018.

Each performance right will convert to an ordinary share upon satisfaction of the below vesting criteria:

1. Prior to 1 July 2022, the volume weighted average price of the Company's shares over 20 consecutive trading days on which the shares trade is \$1.00 or more; and
2. Completing 12 months of continuous employment with the Company to 1 June 2022.

During the year ended 30 June 2021, \$9,111 was expensed as a share based payment.

Set out below is a summary of the performance rights on issue:

	Employees			Directors			Total
	Class A	Class C	Class D	Class B	Class C	Class D	
Number granted	600,000	650,000	650,000	700,000	700,000	700,000	4,000,000
Grant date	11 Jun 2021	6 Dec 2021	6 Dec 2021	22 Nov 2021	22 Nov 2021	22 Nov 2021	
Expiry date of milestone achievements	1 Jul 2022	1 July 2023	1 July 2024	1 Jul 2022	1 Jul 2023	1 Jul 2024	
Share price hurdle	\$1.00	\$2.00	\$3.00	\$1.00	\$2.00	\$3.00	
Fair value per right	\$0.3077	\$0.0699	\$0.0949	\$0.0969	\$0.1043	\$0.1291	
Total fair value that would be recognised over the vesting period if rights are vested	\$161,543	\$45,435	\$61,685	\$67,830	\$73,010	\$90,370	\$449,873
Number cancelled at 30 June 2021	-	-	-	-	-	-	-
Number cancelled at 31 December 2021	(75,000)	-	-	-	-	-	(75,000)
Number vested at 30 June 2021	-	-	-	-	-	-	-
Number vested at 31 December 2021	-	-	-	-	-	-	-
Number remaining at 30 June 2021	600,000	-	-	-	-	-	600,000
Number remaining at 31 December 2021	525,000	650,000	650,000	700,000	700,000	700,000	3,925,000
Amount expensed at 30 June 2021	\$9,111	-	-	-	-	-	\$9,111
Amount expensed at 31 December 2021	\$76,066	\$1,986	\$1,644	\$12,718	\$5,206	\$3,974	\$101,594

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

6. Share Based Payments (continued)

The fair value of the rights was determined using Hoadley's Barrier 1 model that takes into account the vesting condition of the rights, and was based on the following inputs:

Assumptions	Rights					
	Employees			Directors		
	Class A	Class C	Class D	Class B	Class C	Class D
Spot price	\$0.555	\$0.395	\$0.395	\$0.4519	\$0.4519	\$0.4519
Vesting hurdle	\$1.00	\$2.00	\$3.00	\$1.00	\$2.00	\$3.00
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Expiry date	1 July 2022	1 July 2023	1 July 2024	1 July 2022	1 July 2023	1 July 2024
Expected future volatility	85%	80%	80%	80%	80%	80%
Risk free rate	-0.01%	0.54%	0.89%	0.55%	0.55%	0.95%
Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil

7. Financial Instruments

The directors consider that the carrying value of the financial assets and liabilities as recognised in the financial statements approximate their fair values.

8. Segment Information

The Company operates predominantly in one business segment, which is the exploration for gold, and predominately in one geographical area, which is in Western Australia.

9. Commitment and Contingent Liabilities

There are no known contingent liabilities at reporting date.

There are no significant changes to the Company's commitments since 30 June 2021.

10. Related Party Transactions

During the period 31 December 2021, the Key Management Personnel of the Company, being the directors received a share based payment from the issue of Class B, C and D performance rights. The total fair value of these performance rights that would be recognised over the vesting period if the rights are vested are \$231,210. An amount of \$21,898 was expensed to 31 December 2021, refer to Note 6.

Notes to the Interim Financial Statements for the half-year ended 31 December 2021

11. Events Subsequent To Reporting Date

- Subsequent to period end, 1,355 unlisted options were exercised at \$0.65, expiring 31 December 2022. The Company received approximately \$881 for the exercise of these options.
- A Heads of Agreement (HOA) was executed with Moho Resources Ltd (ASX: MOH, Moho) that provides for the Company to acquire a 100% interest in the gold and related metal rights over granted Prospecting Licences P27/2226, P27/2216-18 and Prospecting Licence application P27/2456. Moho will retain a 1% royalty over gold production.

The HOA also provides for Moho to acquire from the Company a 100% interest in the nickel, copper, cobalt and platinum group elements and related metal rights over Exploration and Prospecting Licences E24/198, P27/2206, E27/536, M27/237 ("Mulgarrie North Tenements") and E27/601, P27/2325, P27/2331, P27/2340-41, P27/2355-64. Yandal will retain a 1% royalty over any Ni-Cu-Co-PGE production.

Consideration for the Moho transaction is \$50,000 cash + GST. Moho's consideration is to provide 50% of the minimum expenditure commitments otherwise attributable to the Mulgarrie North Tenements for two years from the date of execution of the HOA. The HOA is subject to the completion of Final Agreements and royalty deeds to be negotiated in good faith for completion prior to 31 January 2022.

- An additional 650,000 Class C and Class D Performance Rights were granted to the Company's employees on 6 December 2021 as announced on 18 January 2022.
- On 17 February 2022, the Company announced that founding Managing Director and Chief Executive Officer (CEO), Mr Lorry Hughes resigned, effective 4 April 2022. Current Non-Executive chairman Mr Tim Kennedy will transition into the role of Managing Director and CEO over the next few months.

At the date of this report, there are no matters or circumstances that have arisen since 31 December 2021 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial periods.