



ABN 86 108 753 608

**Interim Financial Report  
for the half-year ended  
31 December 2022**

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# Corporate Directory

## DIRECTORS

Greg Evans  
Non-Executive Chair

Katina Law  
Non-Executive Director

Tim Kennedy  
Managing Director

## COMPANY SECRETARY

Greg Fitzgerald (appointed 1 February 2023)  
Bianca Taveira (resigned 1 February 2023)

## PRINCIPAL AND REGISTERED OFFICE

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## AUDITORS

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

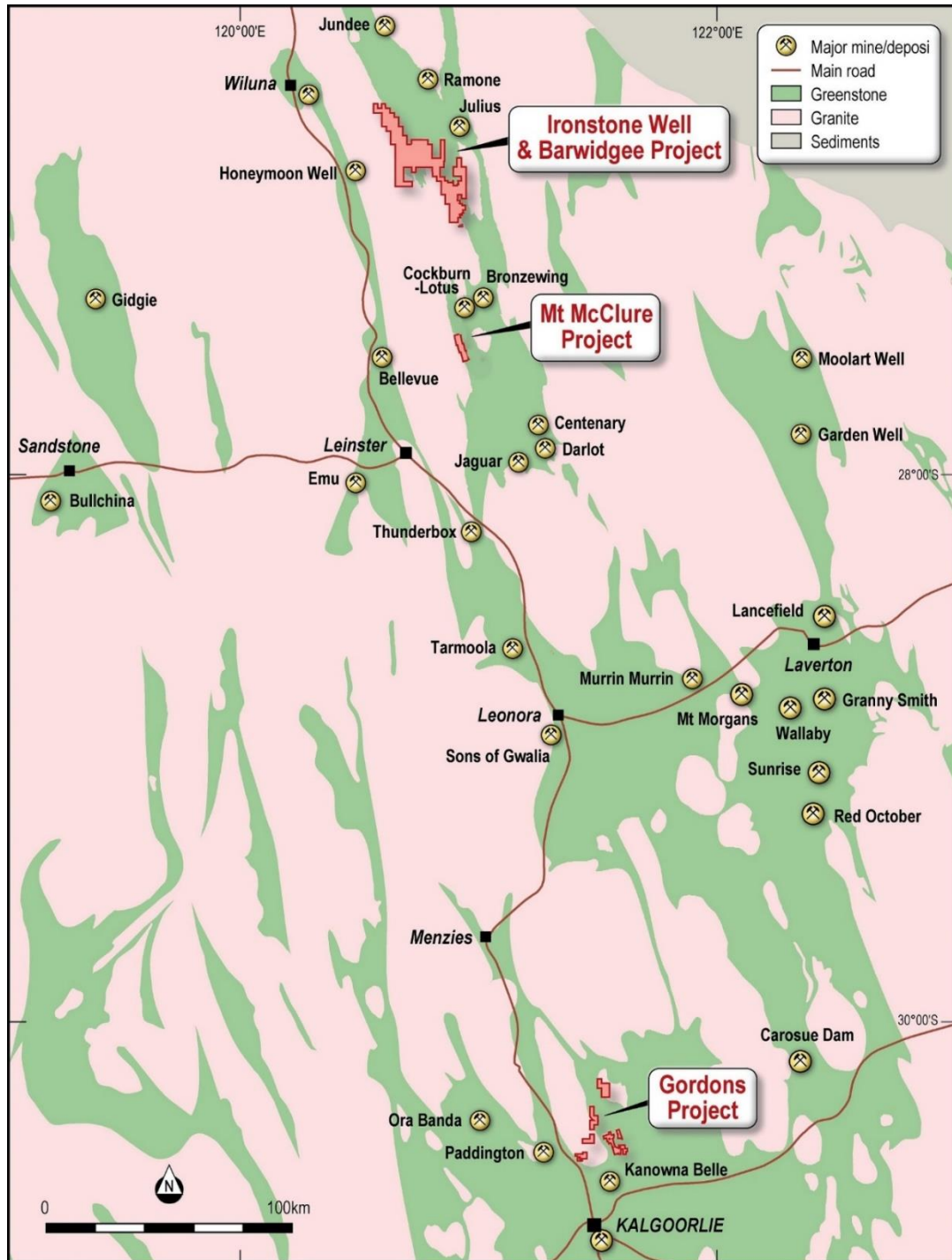
## SHARE REGISTRY

Boardroom Pty Limited  
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Sydney NSW 2000

## STOCK EXCHANGE LISTING

Australian Securities Exchange  
Code: YRL

# Directors' Report



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

## Directors' Report

The Directors of Yandal Resources Limited ("Yandal Resources") submit herewith the financial report for the half-year ended 31 December 2022. 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:

Greg Evans  
Katina Law  
Tim Kennedy

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 \$524,871 (December 2021: Loss of \$490,910).

### 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 occurred at the Mt McClure and Ironstone Well and Barwidgee Projects in the North Eastern Goldfields in Western Australia.

Target generation and drilling programs have identified numerous areas that are under explored, have very favourable geological, geochemical and geophysical attributes and hold excellent potential for new discoveries.

#### Mt McClure

The Mt McClure Project is located 15km SW of the historic Bronzewing gold mine and 10km from Orelia gold mine both owned by Northern Star Resources Ltd (ASX: NST) in the southern Yandal Belt (Figure 2). The greater Mt McClure gold camp, which covers a strike length of some 30km and includes Northern Star's Orelia mine (+1Moz), has a total gold endowment of +1.8Moz.

Yandal's Mt McClure Project includes several historical open cut pits including Success, Parmelia and Challenger from which a total of approximately 100,000z of gold was mined to maximum depths of between 60 to 100m mostly in the early 1990's at a time when the gold price was much lower than at present. Each of these open cuts together with a number of advanced target areas lie along a 10km long prospective trend which is located entirely on granted mining leases.

During the half year the Company completed initial Mineral Resource Estimates ("MRE's") on the margins of the Success, Parmelia and Challenger historic open cuts incorporating the extensive historic drilling database and recent Yandal drilling which highlighted significant zones of unmined mineralisation extending up to 240m beneath the base of previous mining.

The MRE's defined a combined Resource inventory at Mt McClure of 2.225Mt @ 1.9g/t Au for 136,000oz at a 1.0g/t lower cut-off as summarised in the Table below.

## Directors' Report

**Table 1 – Breakdown of Mt McClure initial Mineral Resource Estimate by Deposit (1.0 g/t Au lower cut-off)**

Category	Inferred		
Deposit	Tonnes (000's)	Grade (g/t)	Au (Oz)
Challenger <sup>1</sup>	718	1.9	44,000
Success <sup>2</sup>	1,255	1.9	75,000
Parmelia <sup>3</sup>	252	2.1	17,000
<b>Total<sup>4</sup></b>	<b>2,225</b>	<b>1.9</b>	<b>136,000</b>

Note: Due to the effects of rounding totals may not represent the sum of the individual components.

(1) YRL ASX Announcement dated 23 March 2021 (2) YRL ASX announcement dated 22 August 2022 (3) YRL Announcement dated 6 September 2022 (4) YRL Announcement dated 20 September 2022. (4) Note Resources are calculated as global resources and not constrained by optimised pit shells.

There is opportunity to add to these Resources by defining mineralisation along strike and down-dip of the current Resources and during the half year two RC drilling programs were completed to assess this potential. Results received from the first program confirmed the prospectivity of HMS Sulphur and Gilmore with intercepts that included<sup>(1)</sup>:

- HMS Sulphur – mineralisation now confirmed over 600m strike.
  - **14m @ 1.3g/t Au** from 113m including **2m @ 6.4g/t Au** from 119m (YRLRC1076);
  - **8m @ 1.7g/t Au** from 148m including **4m @ 3.1g/t Au** (YRLRC1077);
- Gilmore
  - **21m @ 0.8g/t Au** from 90m including **3m @ 2.5g/t Au** from 90m (YRLRC1086);
  - **17m @ 0.6g/t Au** from 43m including **5m @ 1.4g/t Au** from 45m (YRLRC1085)

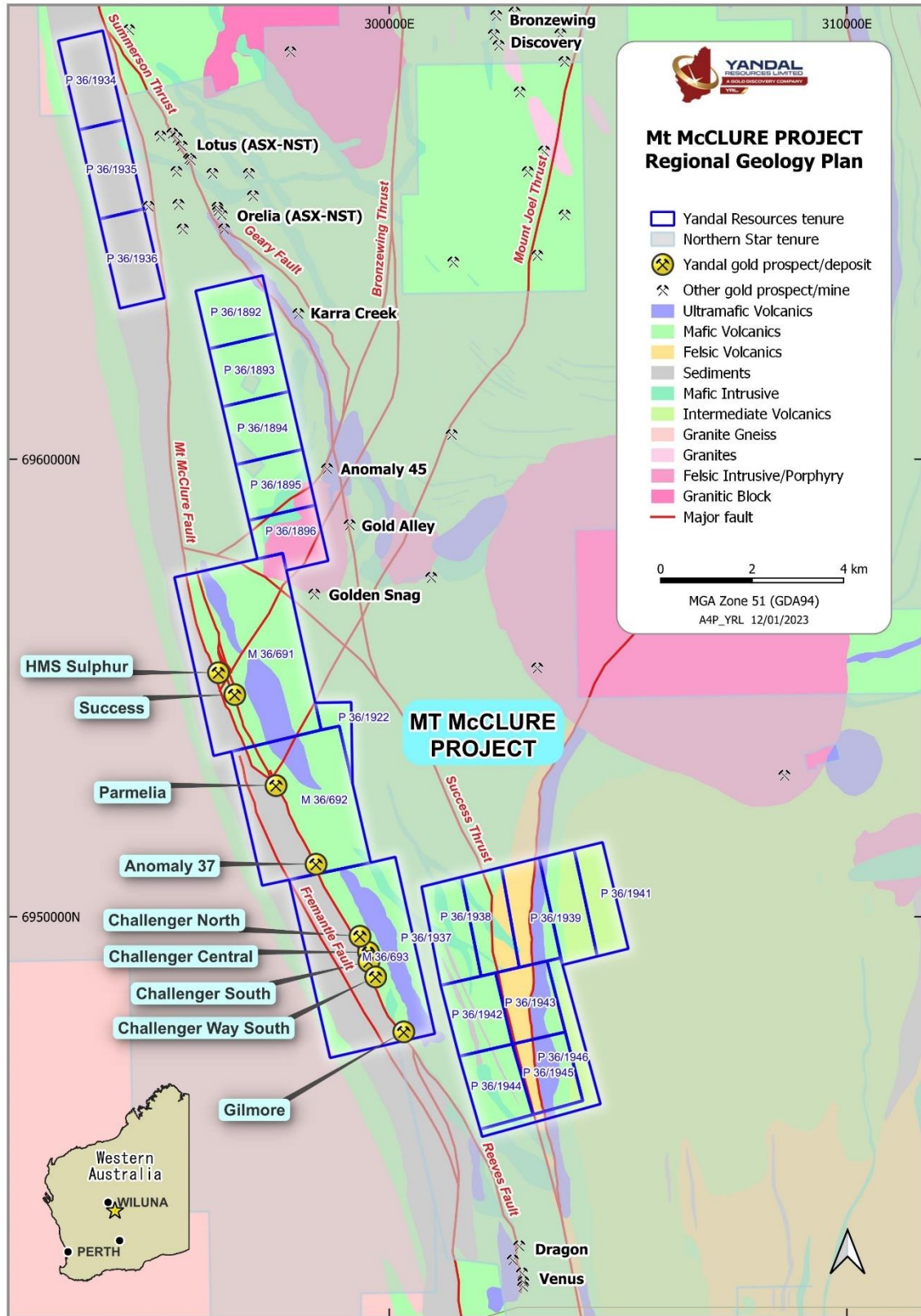
Results from the second program were received subsequent to period end and included<sup>(2)</sup>:

- Step out drilling down-dip at Gilmore which returned:
  - **3m @ 4.9g/t Au** from 113m including **1m @ 14.4g/t Au** from 113m (YRLRC1117);
  - **4m @ 1.8g/t Au** from 116m including **1m @ 6.7g/t Au** from 45m (YRLRC1118);
  - **Intercepts are 50m apart along strike and remain open down-dip**
- Extensions of mineralisation at Challenger North and Challenger South with intercepts of:
  - **9m @ 1.1g/t Au** from 142m including **5m @ 1.7g/t Au** and **1m @ 3.7g/t Au** (YRLRC1106)
  - **5m @ 2.2g/t Au** from 124m including **1m @ 3.6 g/t Au** (YRLRC1110)

The focus at Mt McClure moving forward is to model mineralisation in 3D to attempt to identify potential plunging shoots that may control the distribution of high-grade gold and present attractive deeper drilling targets beneath the mineral resource envelopes that may ultimately add to the Resource if sufficient grades and thicknesses are intersected.

1. Refer to YRL ASX announcement dated 17 September 2022 2. Refer to YRL ASX announcement dated 23 February 2023

# Directors' Report



**Figure 2 – Mt McClure project geological interpretation map including known prospects, structures and priority target areas.**

## Directors' Report

### Ironstone Well and Barwidgee

The 100% owned Ironstone Well and adjacent Barwidgee Projects cover over 400km<sup>2</sup> of contiguous, highly prospective and under-explored tenure located between the Jundee and Bronzewing mines in the northern Yandal Belt (Figure 3).

During the period an RC program comprising 34 holes for a total of 5,555m testing eight prospect areas across the projects. The purpose of the program was to test and prioritise several advanced prospects as well as provide an initial test of several new targets. Results were detailed in a release to the ASX on 9 December 2022 the highlights of which are summarised below.

The Sims Find Prospect is located along a north-west trending subsidiary structure parallel to the regional scale Ockerbury Fault. Previous drilling by Yandal intersected high-grade gold associated with stacked quartz lodes occurring in a mafic dolerite host rock over a strike length of approximately 400m. Broad spaced (400m) step-out drilling to the north-west along the interpreted Sims structure in 2021 intersected gold mineralisation (up to 10.5g/t Au YRLC1015) some 1.2km from Sims Find. The recently completed program comprised seven holes that both infilled and stepped out from the previous broad spaced drilling. Most holes intersected gold mineralisation with the most significant result coming from the furthest step-out hole YRLRC1045 located approximately 2km NW along strike of Sims Find which intersected:

- **3m @ 3.6g/t Au** from 138m *including 1m @ 7.2g/t Au* (YRLRC1045)

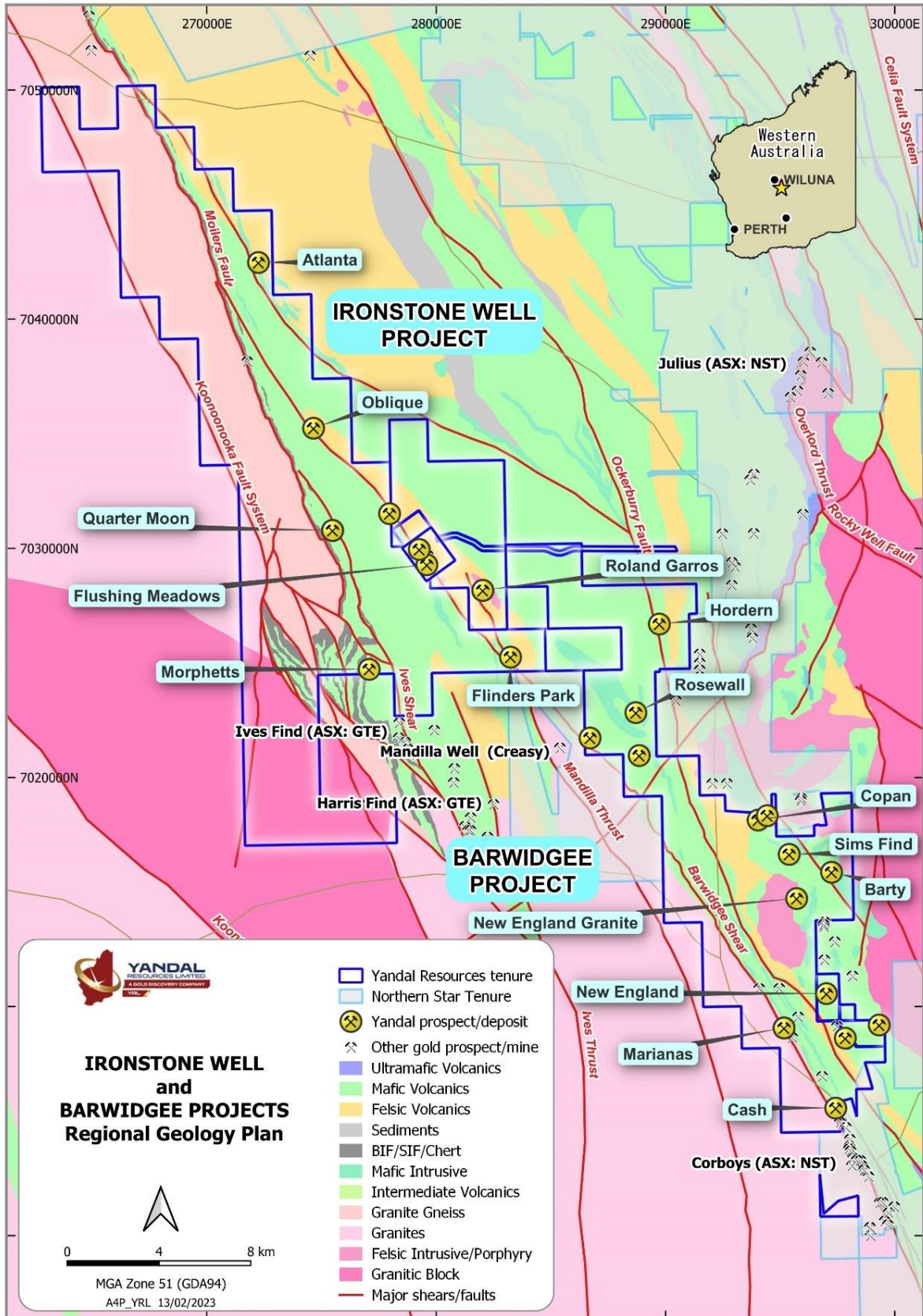
Due to the relatively low drilling density along the majority of the Sims Find structure the continuity of mineralisation cannot be established, however the recently flown detailed aeromagnetic survey does suggest a correlation between high-grade mineralisation and magnetic lows. 3D magnetic inversion modelling has recently been completed and will be used to establish an updated geological model to aid future drill targeting.

The Cash Prospect is located immediately NW along strike from the Corboys deposit currently under evaluation by Northern Star (ASX: NST). Like Corboys, Cash is situated on a flexure in the sheared granite-greenstone contact. Prior to the termination of drilling in the region in mid-2021 due to heritage issues, Yandal was only able to complete one RC hole to test the prospect which returned up to 4.6g/t Au over 1 meter (YRLRC1016). Notably the drill hole intersected a felsic porphyry, a similar lithology to that described at the Corboys deposit. The recently completed program tested the prospect with seven holes on two 400m spaced traverses across the granite contact. YRLRC1036 confirmed mineralisation along the contact intersecting **3m @ 3.6g/t Au** from 96m including **1m @ 6.9g/t Au**. This result together with an intercept of **3m @ 2.3g/t Au from 26m** in YRLRC1016 indicate a mineralised structure that is at least 400m long and remains open to the NW along strike for at least 2km's on Yandal's tenure.

During the period, the Company completed a high-resolution aeromagnetic survey over the area from **Sim's Find to New England Granite** within the Barwidgee Project. The program involved flying 50m spaced lines halfway between existing multi-client 50m spaced survey data to effectively generate 25m spaced lines after all the data is merged. Data generated from the aeromagnetic survey will assist in accurately delineating the deformed granite margins and cross-cutting faults that may also be prospective.



# 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.**

# Directors' Report

## Gordons Project

The 100%-owned Gordons Project is located 30km north of Kalgoorlie on the eastern flank of the Scotia-Kanowna Dome, a key regional geological feature controlling mineralisation in the district (Figure 4).

No drilling was undertaken during the period, however programs completed in the second half of CY2021 and the first half of CY2022 highlighted a number of prospect areas with potential for discovery of high-grade deposits including Malone, Star of Gordon, Zoehrer and Meuleman. Each of these prospects is currently undergoing a thorough geological review prior to further follow-up programs.

Malone covers an area of approximately 500m x 500m immediately west of a prominent flexure in a mafic-felsic mafic contact. Previous results demonstrate the potential for a high-grade mineralisation with intercepts including<sup>(1)</sup>

- **5m @ 7.7g/t Au** from 210m including 1m @ 15.4g/t Au from 212m (YRLRC0727); and
- **3m @ 8.8g/t Au** from 190m including 1m @ 19.4g/t Au (YRLRC0811)
- **7.00m @ 2.2g/t Au** from 271.00m including 1.00m @ 6.9g/t Au (YRLDD021)

Data indicates a broad westerly apparent dip of mineralisation though structural core logging shows that individual high-grade zones are generally associated with steeply dipping and north to north-north-west trending quartz-carbonate-sulphide veins within the host mafic lithology.

The Meuleman Prospect is located approximately 3.5km south-south-east of Malone. The prospect was identified during systematic aircore testing along the Alderman contact which returned an intercept of 8m @ 1.7g/t Au from 52m including 4m @ 2.6g/t Au. Follow-up RC drilling returned an intersection from a single RC hole of **4m @ 5.1g/t Au** from 44m *including 2m @ 9.7g/t Au* (YRLRC0823)<sup>(1)</sup> Meuleman occurs adjacent to a prominent flexure in the felsic-mafic contact similar to Malone and is mostly untested by historic drilling though one nearby shallow RAB drilled on a broad spaced traverse in 1992 did return up to 0.23g/t Au (WAMEX Accession number 97877). The prospect is also located 740m south-east of an intercept of 16m @ 1.3g/t Au (YRLDD0015) reported in the March quarter 2022. Importantly, the Meuleman Prospect remains open to the north and south and down dip and potentially represents an emerging new area of significant high-grade mineralisation.

Previous drilling at Star of Gordon has returned some highly encouraging results from shallow depths including<sup>(2)</sup>:

- **10m @ 8.4g/t Au** from 43m including 1m @ 52.5g/t Au (YRLRC630)
- **9m @ 1.8g/t Au** from 47m including 1m @ 9.6g/t Au (YRLRC632)
- **8m @ 4.7g/t Au** from 15m including 1m @ 13.3g/t Au (YRLRC513)
- **10m @ 2.5g/t Au** from 27m including 1m @ 8.6g/t Au (YRLRC514)

The broad trend of mineralisation follows the north-west trend of stratigraphy and historic workings, though high-grade zones appear to have an orthogonal north-east trend. The area is structurally complex containing interpreted late-stage faults which offset mineralisation. Further geological modelling incorporating structural observations is required prior to finalising further drill testing.

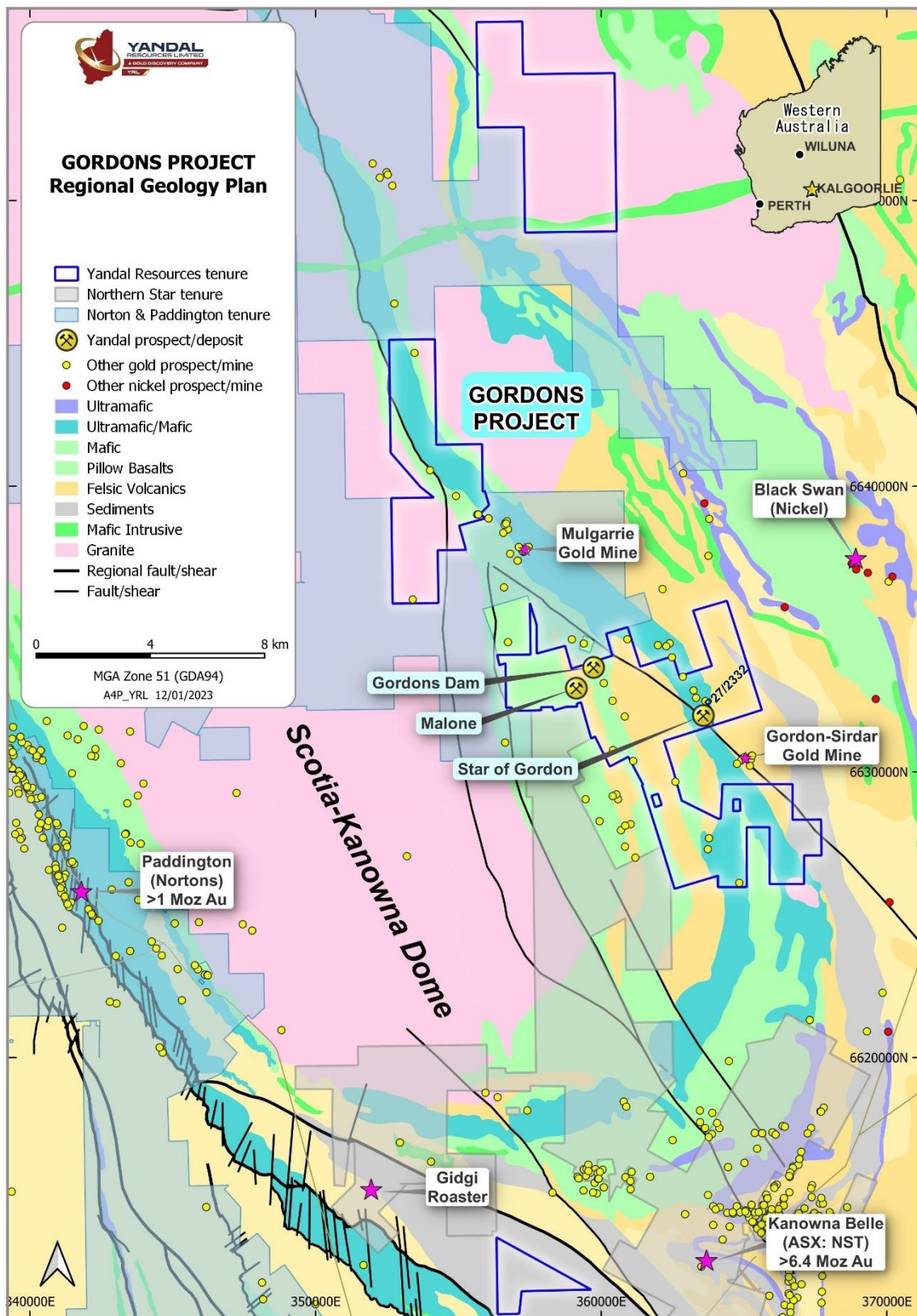
The Zoehrer Prospect is located ~1.6km directly north-north-west along strike from the Gordon Sirdar underground gold mine, currently operated by FMR Investments who are mining around 60,000t per month from an underground operation. Results announced early in the quarter highlight an area of high-grade mineralisation including encouraging intercepts as outlined below<sup>(2)</sup>:

- **12m @ 2.3g/t Au** from 184m including 1m @ 8.2g/t Au (YRLRC0806)
- **17m @ 0.7g/t Au** from 132m including 2m @ 3.5g/t Au (YRLRC0805A)

These results are considered significant as they are strategically located between the Star of Gordon prospect and the Gordon Sirdar mine. There is little effective historic drilling in this area, particularly to the east and follow-up drilling is being planned

<sup>1</sup> Refer to YRL ASX announcements dated 11 July 2022 <sup>2</sup> Refer to YRL ASX Announcement dated 21 July 2021 & 27 May 2021

# Directors' Report



**Figure 4 – Gordons Project geological map including prospects, prospects and mines and Yandal and major competitor tenure.**

# Directors' Report

## CORPORATE ACTIVITY

1,000,000 Unlisted Options were granted to the Company's employees on 1 September 2022, the Unlisted Options expire on 1 September 2025 and have an exercise price of \$0.30. On 19 December 2022, 500,000 Unlisted Options ceased due to an employee leaving the Company and under the Employee Incentive Plan, these options lapsed.

During the period 31 December 2022, the Company completed a placement and non-renounceable rights issue, raising \$5,005,083. 19,166,667 Placement and 22,542,049 Non-renounceable Rights were issued at a price of 12 cents per New Share. Both Placement Shares and New Shares include a free attaching New Option for every two New Shares with an exercise price of 24 cents and an expiry date of 31 October 2024.

On 20 October 2022, the Company announced the Placement completion. A total of \$2,300,000 was raised.

On 8 November 2022, the Company announced the results of the Rights Issue offer. A total of \$2,705,083 was raised.

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

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 full-time employees of Yandal Resources Limited under the supervision and direction of Mr Tim Kennedy, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy. Mr Kennedy is the Managing Director of the Company, is a full-time employee of the Company and holds shares and options in the Company.

Mr Kennedy 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 Kennedy 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 in this announcement that relates to the Flushing Meadows Mineral Resource Estimate and the Success, Challenger and Parmelia Mineral Resource Estimates at Mt McClure 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'.

## Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Yandal Resources Limited's (Yandal's) current expectations, estimates and projections about the industry in which Yandal operates, and beliefs and assumptions regarding Yandal's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Yandal believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Yandal and no assurance can be given that actual results will be consistent with these forward-looking statements. Drilling results presented indicate geological potential for mineralisation but there can be no certainty that these results will eventually form part of a Mineral Resource Estimate.

## Directors' Report

### Subsequent Events

- On 1 February 2023, the Company announced the resignation of Company Secretary, Mrs Bianca Taveira and the appointment of Mr Greg Fitzgerald.

In the opinion of the Directors of the Company, there are no other matters or circumstances that have arisen since 31 December 2022 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 12 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 Tim Kennedy**  
Director

8 March 2023

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Yandal Resources 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  
8 March 2023**



**B G McVeigh  
Partner**

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**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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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 2022, 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.

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 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 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 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*.

**hlb.com.au**

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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**  
**8 March 2023**



**B G McVeigh**  
**Partner**



## Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 16 to 29 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 2022 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 Tim Kennedy**  
Director

Date: 8 March 2023

## Condensed Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2022

	NOTE	Half-year ended 31 Dec 2022 \$	Half-year ended 31 Dec 2021 \$
<b>Continuing Operations</b>			
Interest income		13,468	5,474
<b>Total Revenue from Continuing Operations</b>		<b>13,468</b>	<b>5,474</b>
Employee and contractors expenses		(108,783)	(212,707)
Occupancy expenses		(28,347)	(11,399)
Administration expenses		(132,774)	(50,314)
Bad debt expense		(23,000)	-
Consultants expenses and professional costs		(127,972)	(86,383)
Travel expenses		(354)	(3,184)
Share based payments	6	(91,788)	(101,594)
Depreciation		(25,321)	(30,803)
<b>Loss from continuing operations before income tax</b>		<b>(524,871)</b>	<b>(490,910)</b>
Income tax (expense)/benefit		-	-
<b>Loss from continuing operations after income tax for the period</b>		<b>(524,871)</b>	<b>(490,910)</b>
<b>Other comprehensive income for the period</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period attributable to owners of Yandal Resources Limited</b>		<b>(524,871)</b>	<b>(490,910)</b>
Basic loss (cents per share)	5	(0.41)	(0.48)

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

## Condensed Statement of Financial Position as at 31 December 2022

	NOTE	31 Dec 2022 \$	30 Jun 2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	2	5,968,904	3,730,000
Trade and other receivables		114,159	116,161
Other assets		27,464	6,899
<b>Total Current Assets</b>		<b>6,110,527</b>	<b>3,853,060</b>
<b>Non-Current Assets</b>			
Capitalised exploration & evaluation expenditure	3	21,775,576	19,382,704
Property, plant and equipment		227,738	195,030
<b>Total Non-Current Assets</b>		<b>22,003,314</b>	<b>19,577,734</b>
<b>Total Assets</b>		<b>28,113,841</b>	<b>23,430,794</b>
<b>Current Liabilities</b>			
Trade and other payables		706,471	213,663
<b>Total Current Liabilities</b>		<b>706,471</b>	<b>213,663</b>
<b>Total Liabilities</b>		<b>706,471</b>	<b>213,663</b>
<b>Net Assets</b>		<b>27,407,370</b>	<b>23,217,131</b>
<b>Equity</b>			
Issued capital	4	29,715,384	25,154,568
Reserves		1,021,091	866,797
Accumulated losses		(3,329,105)	(2,804,234)
<b>Total Equity</b>		<b>27,407,370</b>	<b>23,217,131</b>

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

## Condensed Statement of Changes in Equity for the half-year ended 31 December 2022

	Attributable to equity holders			
	Ordinary Shares \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 July 2022</b>	<u>25,154,568</u>	<u>866,797</u>	<u>(2,804,234)</u>	<u>23,217,131</u>
<b>Comprehensive income for the half-year</b>				
Loss for the half-year	-	-	(524,871)	(524,871)
<b>Total comprehensive loss for the half-year</b>	-	-	<u>(524,871)</u>	<u>(524,871)</u>
<b>Transactions with owners in their capacity as owners:</b>				
Issue of shares during the period	5,006,708	-	-	<b>5,006,708</b>
Share issue costs	(445,892)	-	-	<b>(445,892)</b>
Issue of performance rights (refer Note 6)	-	14,343	-	<b>14,343</b>
Issue of options (refer Note 6)	-	139,951	-	<b>139,951</b>
<b>Balance at 31 December 2022</b>	<u><b>29,715,384</b></u>	<u><b>1,021,091</b></u>	<u><b>(3,329,105)</b></u>	<u><b>27,407,370</b></u>

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

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

## Condensed Statement of Cash Flows for the half-year ended 31 December 2022

	Half-year ended 31 Dec 2022 \$	Half-year ended 31 Dec 2021 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(338,094)	(382,799)
Interest received	13,381	6,236
Net cash used in operating activities	<u>(324,713)</u>	<u>(376,563)</u>
<b>Cash flows from investing activities</b>		
Payments for Exploration and evaluation expenditure	(1,979,177)	(5,882,213)
Payments for acquisition of tenements	(22,500)	(65,000)
Payments for purchase of plant and equipment	(58,029)	(35,481)
Repayment from secured loan	-	70,000
Net cash used in investing activities	<u>(2,059,706)</u>	<u>(5,912,694)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issues of ordinary shares	5,005,083	5,504,933
Proceeds from exercising of options	1,625	-
Share issue costs	(383,385)	(66,692)
Net cash provided by financing activities	<u>4,623,323</u>	<u>5,438,241</u>
Net increase/(decrease) in cash and cash equivalents	2,238,904	(851,016)
Cash and cash equivalents at the beginning of the half-year	3,730,000	8,047,415
<b>Cash and cash equivalents at the end of the half-year</b>	<b><u>5,968,904</u></b>	<b><u>7,196,399</u></b>

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 2022

## 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. The accounting policies and methods of computation 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 2022.

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 2022 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 2022, 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 2022.

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 2022. 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 2022

	31 Dec 2022 \$	30 Jun 2022 \$
<b>2. Cash and Cash Equivalents</b>		
Cash at bank	5,968,904	3,730,000
	<b>5,968,904</b>	<b>3,730,000</b>
<b>3. Capitalised Exploration and Evaluation Expenditure</b>		
Opening balance at beginning of period	19,382,704	10,422,822
Acquisition of tenements during the period	22,500	143,000
Exploration expenditure capitalised during the period	2,370,372	8,816,882
Exploration expenditure written off	-	-
	<b>21,775,576</b>	<b>19,382,704</b>
<b>Closing balance at end of period</b>	<b>21,775,576</b>	<b>19,382,704</b>

The ultimate recoupment of above expenditure relating to exploration is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

#### 4. Issued Capital

(a) Movements in share capital during the six months to 31 December 2022 were as follows:

	Issue Price	Fully Paid Ordinary Shares	\$
<b>01/07/22</b> <b>Opening balance</b>		<b>116,091,553</b>	<b>25,154,568</b>
20/10/22    Placement	\$0.12	19,166,667	2,300,000
11/11/22    Rights Issue	\$0.12	14,138,411	1,696,609
14/11/22    Rights Issue - Underwriter	\$0.12	8,403,948	1,008,474
02/12/22    Conversion of options	\$0.65	2,500	1,625
Share issue costs		-	(445,892)
		<b>157,803,079</b>	<b>29,715,384</b>
<b>31/12/22</b> <b>Closing balance</b>		<b>157,803,079</b>	<b>29,715,384</b>

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 4. Issued Capital (continued)

Movements in share capital for the year ended 30 June 2022 were as follows:

		Issue Price	Fully Paid Ordinary Shares	\$
<b>01/07/21</b>	<b>Opening balance</b>		<b>100,439,953</b>	<b>19,706,570</b>
21/10/21	Tenement Acquisition	\$0.45	60,000	27,000
12/10/21	Conversion of options	\$0.25	1,288,182	322,045
23/11/21	Conversion of options	\$0.25	1,300,000	325,000
02/12/21	Conversion of options	\$0.25	200,000	50,000
21/12/21	Conversion of options	\$0.25	400,000	100,000
23/12/21	Rights Issue	\$0.40	10,702,063	4,280,825
31/12/21	Conversion of options	\$0.25	1,700,000	425,000
04/01/22	Conversion of options	\$0.65	1,355	881
	Share issue costs		-	(82,753)
<b>30/06/22</b>	<b>Closing balance</b>		<b>116,091,553</b>	<b>25,154,568</b>

#### (b) Options

As at 31 December 2022, the following unlisted options were on issue:

22,854,535	Unlisted options - Exercisable at 24 cents and expire on 31 October 2024
5,347,195	Unlisted options - Exercisable at 65 cents and expire on 31 December 2022 <sup>1</sup>
1,300,000	Unlisted options - Exercisable at 50 cents and expire on 4 April 2025
1,300,000	Unlisted options - Exercisable at \$1 and expire on 4 April 2026
500,000	Unlisted options - Exercisable at 30 cents and expire on 1 September 2025

<sup>1</sup>Securities ceased on 31 December 2022 due to expiry without exercise or conversion.

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

	31 Dec 2022 \$	31 Dec 2021 \$
Profit/(loss) after tax attributable to members of Yandal Resources Limited	(524,871)	(490,910)
Basic profit/( loss) per share	(0.41) cents	(0.48) cents
Diluted profit/(loss) per share	(0.41) cents	(0.48) cents
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share.	129,580,567	101,752,067

#### 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.



## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

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

#### 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

	31 Dec 2022 \$	31 Dec 2021 \$
Share based payments expensed to the Condensed Statement of Profit or Loss and Other Comprehensive Income during the period:		
Performance rights reversed (Note 6(a))	(10,108)	-
Performance rights expensed (Note 6(a))	24,452	101,594
Issue of options (Note 6(b))	77,444	-
	91,788	101,594
Share based payments expensed as capital raising costs during the period:		
Issue of options for services provided (Note 6(c))	62,507	-

#### (a) Performance Rights

##### (i) 31 December 2022

During the period ended 31 December 2022, \$24,452 was expensed as a share based payment for the Company's performance rights issued to directors and employees. An amount of \$10,108 was reversed on an employee leaving the Company.

In July 2022, Class A and B performance rights granted to directors and employees expired.

##### (ii) 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 2022

### 6. Share Based Payments (continued)

The terms of the Performance Rights issued during the period to 31 December 2022 are as follows:

Class of Performance Rights	Service Condition	Performance Condition
Class A Performance Rights <sup>1</sup>	The holder or the holder's representative remains engaged as an employee 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.
Class B Performance Rights <sup>1</sup>	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.

<sup>1</sup> Class A and B Performance Rights expired on 1 July 2022.

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 6. Share Based Payments (continued)

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	
Number cancelled at 30 June 2021	-	N/A	N/A	N/A	N/A	N/A	-
Number cancelled at 30 June 2022	(275,000)	(200,000)	(200,000)	(400,000)	(400,000)	(400,000)	(1,875,000)
Number cancelled at 31 Dec 2022	-	(250,000)	(250,000)	-	-	-	(500,000)
Number expired at 31 Dec 2022	(325,000)	-	-	(300,000)	-	-	(625,000)
Number vested at 30 June 2021	-	N/A	N/A	N/A	N/A	N/A	-
Number vested at 30 June 2022	-	-	-	-	-	-	-
Number vested at 31 Dec 2022	-	-	-	-	-	-	-
Number remaining at 30 June 2021	600,000	-	-	-	-	-	600,000
Number remaining at 30 June 2022	325,000	450,000	450,000	300,000	300,000	300,000	2,125,000
Number remaining at 31 Dec 2022	-	200,000	200,000	-	300,000	300,000	1,000,000
Total fair value at grant date	\$184,620	\$45,435	\$61,685	\$67,830	\$73,010	\$90,370	\$522,950
Total fair value that would be recognised over the vesting period if rights are vested	\$100,002	\$13,980	\$18,980	\$29,070	\$31,290	\$38,730	\$232,052
Amount expensed at 30 June 2021	\$9,111	-	-	-	-	-	\$9,111
Amount expensed at 30 June 2022	\$90,631	\$11,328	\$9,379	\$28,940	\$11,847	\$9,044	\$161,169
Amount expensed at 31 Dec 2022	\$260	\$3,734	\$3,091	\$130	\$9,775	\$7,462	\$24,452
Amount reversed at 31 Dec 2022 upon cancellation	-	(\$5,530)	(\$4,578)	-	-	-	(\$10,108)
Total fair value still to be recognised at 31 Dec 2022 if all remaining rights are vested	-	\$4,448	\$11,088	-	\$9,668	\$22,224	\$47,428

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 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

#### (b) Options

##### (i) 31 December 2022

#### Employees

In September 2022, 1,000,000 options were issued to the Company's employees. 500,000 options were cancelled upon an employee leaving the Company. At 31 December 2022, 500,000 options were on hand. These options are exercisable at \$0.30 and expire on 1 September 2025. An amount of \$33,950 was expensed for the period to 31 December 2022 for options issued to directors and employees.

#### Directors

During the year ended 30 June 2022, the Company issued options to its directors, Mr Evans and Mr Kennedy. An amount of \$43,494 was expensed as a share based payment for the period to 31 December 2022.

Details of the options issued are as follows:

	Tranche 1 Options	Tranche 2 Options	Employees	Total
Details	Unlisted options to be issued for nil consideration. Each option is exercisable into one ordinary share at any time on or before the expiry date.	Unlisted options to be issued for nil consideration. Each option is exercisable into one ordinary share at any time between meeting the vesting conditions and the expiry date.	Unlisted options to be issued for nil consideration. Each option is exercisable into one ordinary share at any time on or before the expiry date.	
Vesting conditions	None	Continuous service until 4 April 2023	None	
Methodology	Black Scholes	Black Scholes	Black Scholes	
Grant date	19 May 2022	19 May 2022	1 Sept 2022	
Vesting date	-	4 April 2023	-	
Expiry date	4 April 2025	4 April 2026	1 Sept 2025	

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 6. Share Based Payments (continued)

	Tranche 1 Options		Tranche 2 Options		Employees	Total
Share price at grant date (\$)	0.200		0.200		0.16	
Exercise price (\$)	0.500		1.000		0.30	
Risk-free rate (%)	2.901		2.901		3.33	
Volatility (%)	85		85		86.4	
Dividend yield (%)	-		-		-	
<b>Fair value per Option (\$)</b>	<b>0.0668</b>		<b>0.0582</b>		<b>0.0679</b>	
Recipient	Tim Kennedy	Gregory Evans	Tim Kennedy	Gregory Evans	Employees	
Number	1,000,000	300,000	1,000,000	300,000	1,000,000	3,600,000
<b>Total fair value (\$)</b>	<b>66,799</b>	<b>20,040</b>	<b>58,185</b>	<b>17,456</b>	<b>67,900</b>	<b>230,380</b>
Recipient	Tim Kennedy	Gregory Evans	Tim Kennedy	Gregory Evans		
Number cancelled at 31 Dec 2022	-	-	-	-	(500,000)	(500,000)
Amount reversed at 31 Dec 2022 upon cancellation	-	-	-	-	(33,950)	(33,950)
Number vested at 30 June 2022	1,000,000	300,000	-	-	-	1,300,000
Number vested at 31 Dec 2022	-	-	-	-	500,000	500,000
Number remaining at 30 June 2022	1,000,000	300,000	1,000,000	300,000	-	2,600,000
Number remaining at 31 Dec 2022	1,000,000	300,000	1,000,000	300,000	500,000	3,100,000
Amount expensed to 30 June 2022	66,799	20,040	7,637	2,291	-	96,767
Amount expensed to 31 Dec 2022	-	-	33,457	10,037	33,950	77,444
Amounts to be expensed in future periods if voting condition is met	-	-	17,091	5,128	-	22,219

#### (ii) 31 December 2021

There were no options on issue to directors or employees during the period to 31 December 2021.

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 6. Share Based Payments (continued)

#### (c) Options issued for services provided

On 30 November 2022, the Company issued 2,000,000 unlisted options to satisfy payment for capital raising services provided by MST Financial Services Pty Ltd. The options are valued at \$62,507 and expire on 31 December 2024, with an exercise price of \$0.24. This amount has been expensed to capital raising costs.

Details of the options issued are as follows:

Details	Referring to Prospectus dated 13 October 2022, MST will receive options after raising minimum \$4.5M and shareholder approval
Vesting conditions	None
Methodology	Black-Scholes
Grant date	29 Nov 2022
Expiry date	31 Oct 2024
Share price at Grant date (\$)	0.12
Exercise price (\$)	0.24
Risk free rate (%)	3.33%
Volatility (%)	82%
Dividend yield (%)	-
<b>Fair value per option (\$)</b>	<b>0.0313</b>
<b>Total fair value (\$)</b>	<b>62,507</b>

### 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 2022.

## Notes to the Interim Financial Statements for the half-year ended 31 December 2022

### 10. Events Subsequent To Reporting Date

- On 1 February 2023, the Company announced the resignation of Company Secretary, Mrs Bianca Taveira and the appointment of Mr Greg Fitzgerald effective 1 February 2023.

At the date of this report, there are no matters or circumstances that have arisen since 31 December 2022 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial periods.