



Mako Gold

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ABN 84 606 241 829

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

AUSTRALIAN BUSINESS NUMBER

ABN 84 606 241 829

REGISTERED OFFICE

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Level 10,
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ASX SECURITIES

MKG – Fully paid ordinary shares

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MAKO GOLD LIMITED DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Mako Gold Limited ('Mako' or 'the Company') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

Directors

The directors of the company in office during the half-year and until the date of this report are:

Michele Muscillo (Non-Executive Chairman)

Peter Ledwidge (Managing Director)

Steven Zaninovich (Non-Executive Director)

Review and Results of Operations and Significant Changes in the State of Affairs

Mako Gold is an exploration company focussed on the discovery of large high-grade gold deposits in highly prospective and under-explored terrains in Côte d'Ivoire in West Africa.

The Company was established in June 2015 and acquired its first project interests in July 2016. The Company completed an IPO raising \$6,000,000 and listed on the ASX on 16 April 2018.

Work in the period to 31 December 2021 was focussed on exploration work on the flagship Napié Project and subsequent to December 2021 exploration work was commenced on the Korhogo Project, both of which are in Côte d'Ivoire.

NAPIÉ PROJECT COTE D'IVOIRE

Mako Gold's flagship 224km² Napié Project is located in north-central Côte d'Ivoire within the Daloa greenstone belt (Figure 1).

Mako Gold entered into a farm-in and joint venture agreement on the Napié Permit with Occidental Gold SARL, a subsidiary of West African gold miner Perseus Mining Limited (ASX/TSX:PRU) in 2017. To earn up to a 75% interest in the Project.

On 29 June 2021 Mako entered into a binding agreement with Perseus Mining (ASX:PRU) to consolidate ownership from 51% to 90%.

In addition, Mako Gold has 100% ownership of the Korhogo Project comprising two permits (296km²) covering 17km of faulted greenstone/ granite contact (high-grade gold targets) located within 30km of Barrick's operating Tongon Gold Mine (4.9Moz Au) in a highly prospective greenstone belt that also hosts Montage Gold's 4.5Moz Kone gold deposit, both located in Côte d'Ivoire, as well as Endeavour's 2.7Moz Wahgnion gold mine across the border in Burkina Faso (Figure 1).

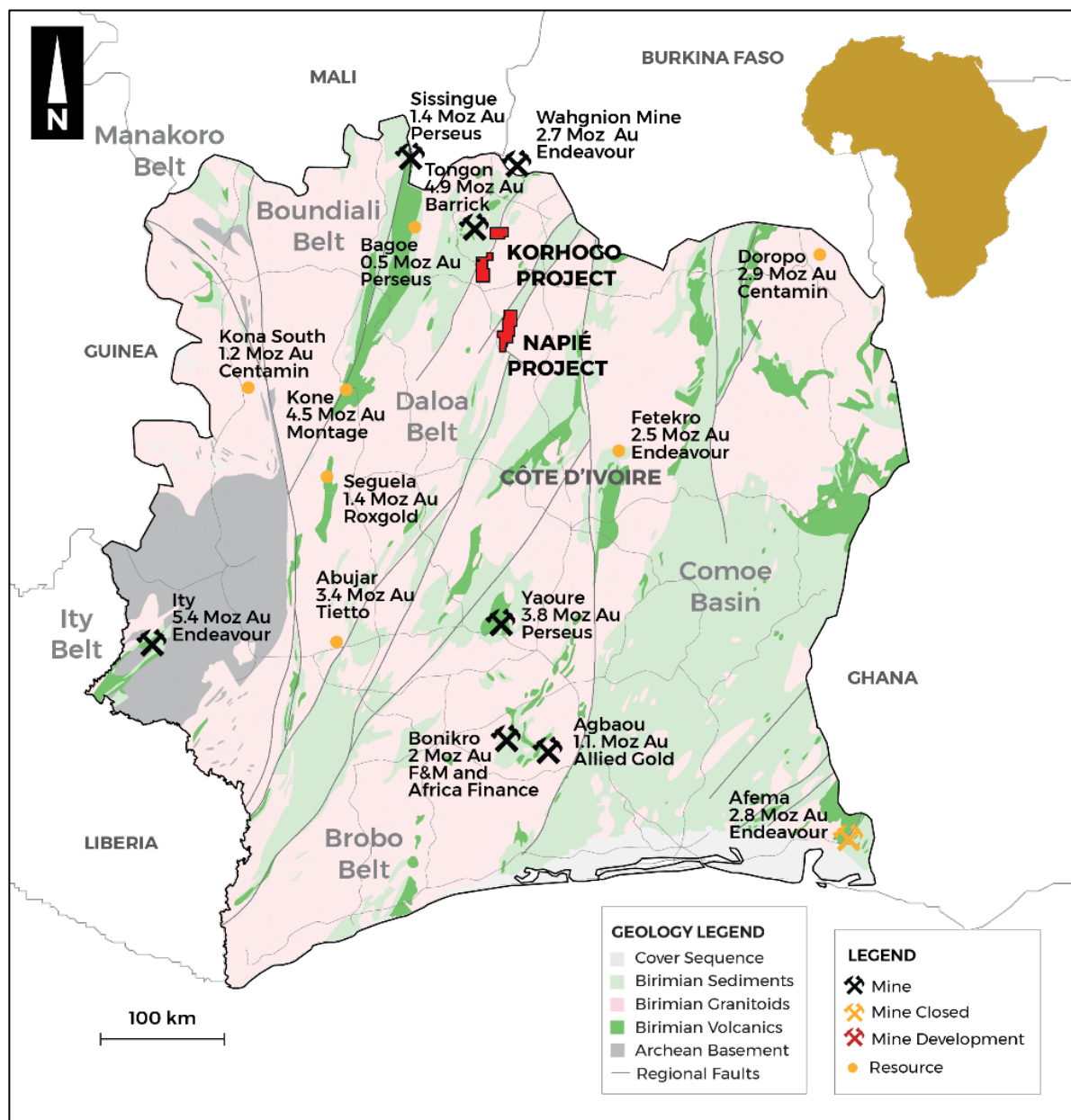


Figure 1: Napié and Korhogo projects location - Côte d'Ivoire

DRILLING ON FOUR PROSPECTS – PRIORITY IS ON TCHAGA AND GOGBALA FOR UPCOMING MAIDEN MINERAL RESOURCE ESTIMATE

During and subsequent to the report period the company continued its Reverse Circulation (RC) and diamond drilling (DD) programs on the Tchaga and Gogbala prospects and commenced Aircore (AC) drilling programs on the Tchaga North and Komboro prospects (Figure 2).

109 RC holes, totalling 14,425m, 18 DD holes totalling 2,108m, and 343 AC holes totalling 11,427m were completed on the Napié Project during and subsequent to the reporting period.

The Tchaga, Gogbala, and Tchaga North prospects are associated with a +40ppb gold soil anomaly coincident with a 30km long shear zone, thought to be a major control for gold mineralisation as shown on Figure 2. The Komboro Prospect is located on the same 30km fault and associated fault splays coincident with a 4km-long soil/auger anomaly.

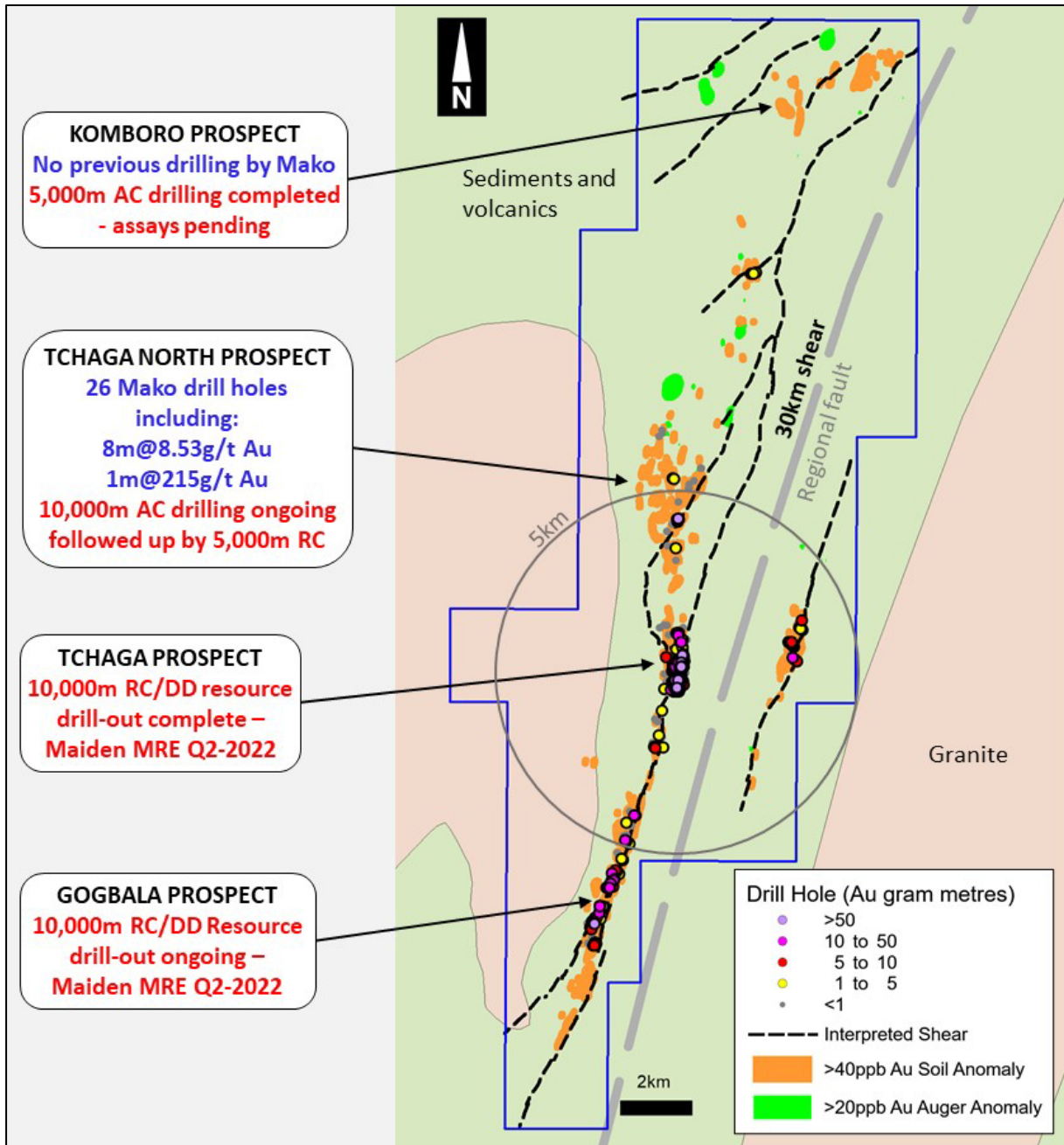


Figure 2: Napié Project - Prospects explored during and subsequent to reporting period

GOBALA PROSPECT – ONGOING 10,000M DRILL PROGRAM INTERSECTED BEST RESULTS TO DATE AND CONFIRM SIMILARITIES WITH TCHAGA PROSPECT

During and subsequent to the reporting period, 87 RC holes totalling 10,531m, and 2 DD holes totalling 173m (diamond tails) for a combined total of 10,704m drilled on the Gogbala Prospect.

The aim of the Gogbala drill program is to target high-grade areas identified from previous drilling by the Company and to work outwards along strike and down-dip with the goal of delineating stacked lodes. This targeting technique has worked well at the Tchaga Prospect a few kilometres north.

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**MAKO GOLD LIMITED
DIRECTORS' REPORT**

Mako continues to see many similarities in structurally controlled gold deposition between Gogbala and the Tchaga Prospect which hosts stacked high-grade gold lodes and increases the Company's confidence as Mako advances Gogbala towards a maiden **Mineral Resource Estimate (MRE)**. Wide and high-grade "en-echelon" mineralised zones which have a "pinch and swell" characteristic were repeatedly encountered in drilling. This lends itself well to follow-up drilling along strike and down dip as shown by the planned drill-holes on Figure 4 and Figure 5 which target a widening zone of the "pinch and swell". The Company believes that Gogbala has the **potential to host similar stacked gold lodes** as those identified on the Tchaga Prospect, and therefore has the **potential to host a significant gold deposit**. Drill results from Gogbala drilling will be **included in the upcoming Napié maiden MRE**.

Significant new assay results received during the quarter, using a 0.5g/t Au cut-off, include (Figure 3):

- **20m at 3.41g/t Au** from 19m; including **1m at 6.70g/t Au** from 22m and **2m at 14.12g/t Au** from 37m
- **35m at 1.72g/t Au** from 43m; including **2m at 7.91g/t Au** from 44m; and **6m at 3.93g/t Au** from 64m
- **7m at 6.70g/t Au** from 6m; including **3m at 10.61g/t Au** from 6m
- **23m at 1.81g/t Au** from 19m; including **1m at 5.73g/t Au** from 24m; **1m at 5.41g/t Au** from 28m; and **4m at 3.05g/t Au** from 36m
- **20m at 1.92g/t Au** from 33m; including **2m at 4.90g/t Au** from 35m; **1m at 9.64g/t Au** from 43m; and **1m at 6.78g/t Au** from 52m
- **8m at 4.29g/t Au** from 82m; including **3m at 8.45g/t Au** from 86m
- **9m at 3.77g/t Au** from 48m
- **3m at 9.41g/t Au** from 117m; including **2m at 13.03g/t Au** from 118m
- **8m at 2.87g/t Au** from 49m; including **1m at 11.13g/t Au** from 53m
- **5m at 4.61g/t Au** from 158m; including **1m at 15.71g/t Au** from 162m
- **9m at 2.52g/t Au** from 55m; including **1m at 11.84g/t Au** from 55m
- **6m at 5.37g/t Au** from 105m; including **3m at 9.61g/t Au** from 106m
- **1m at 30.89g/t Au** from 46m
- **1m at 28.93g/t Au** from 115m
- **11m at 1.56g/t Au** from 77m; including **1m at 4.27g/t Au** from 77m and **1m at 8.60g/t Au** from 87m
- **15m at 1.17g/t Au** from 109m; including **5m at 2.15g/t Au** from 110m
- **4m at 2.66g/t Au** from 34m; including **1m at 5.94g/t Au** from 35m; and
 - **4m at 1.48g/t Au** from 72m; and
 - **16m at 0.83g/t Au** from 93m; including **4m at 1.61g/t Au** from 94m

Select significant results from previous drilling include:

- **12m at 5.39g/t Au** from 11m in NARC035
- **2m at 16.81g/t Au** from 2m and **5m at 2.12g/t Au** from 19m in NARC066
- **6m at 4.97g/t Au** from 68m in NARC317
- **3m at 6.40g/t Au** from 58m in NARC313
- **7m at 2.73g/t Au** from 77m in NARC065
- **6m at 2.67g/t Au** from 42m in NARC034

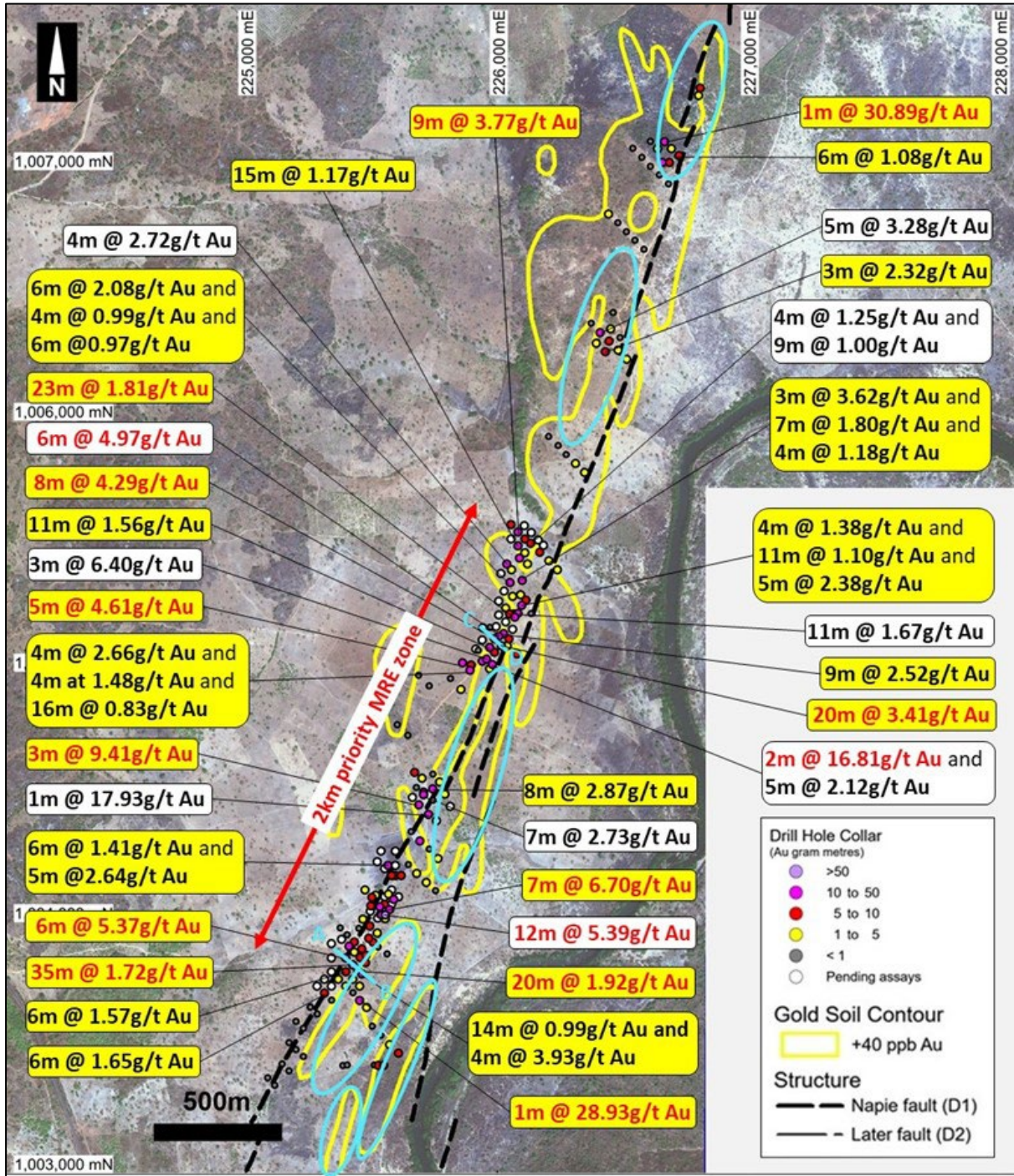


Figure 3: Gogbala Prospect – Select new (yellow) and previous (white) gold intercepts – blue ellipses are new drill targets – note the multitude positive new results ahead of the upcoming MRE

During and subsequent to the reporting period Mako reported its widest drill intersects to date at Gogbala which included 35m at 1.72g/t Au in NARC553 and 20m at 1.92g/t Au in NARC552. In addition, the Company reported its two highest single-meter intersects on Gogbala of 1m at 28.63g/t Au in NARC584 and 1m at 30.89g/t Au in NARC619.

**MAKO GOLD LIMITED
DIRECTORS' REPORT**

Some of the best results were returned from extensional drilling along strike or below previous positive drill intersects, which extended the mineralised zones. The results of the drilling will be **included in the upcoming Napié maiden Mineral Resource Estimate**.

Multiple step-out holes are planned or are currently being drilled at Gogbala to extend mineralisation along strike or at depth.

Deeper holes, such as the planned holes shown in Figure 4 and Figure 5, follow up on previous significant intersects and aim to **extend the mineralisation intersected at depth**. Gogbala drilling has been shallow (80m maximum vertical depth in this case) therefore **deeper drilling has the potential to add significant ounces to the upcoming MRE**. A diamond drill (DD) rig recently arrived on site and commenced drilling at Gogbala in order to test mineralisation at depth. **The second rig is accelerating drilling at Gogbala in anticipation of the upcoming maiden MRE**.

In addition, drilling of new targets areas are also planned as shown by the blue ellipses on Figures 4 and 5.

The Company is highly encouraged by results from drill holes in **an emerging zone, located approximately 2km NE of the MRE priority Gogbala area**, such as **1m at 30.89g/t Au** in NARC619, as this **demonstrates the potential for Gogbala to grow**. Follow-up drilling on these zones is planned with the aim to include these areas in the maiden MRE (northernmost blue ellipse on Figure 3).

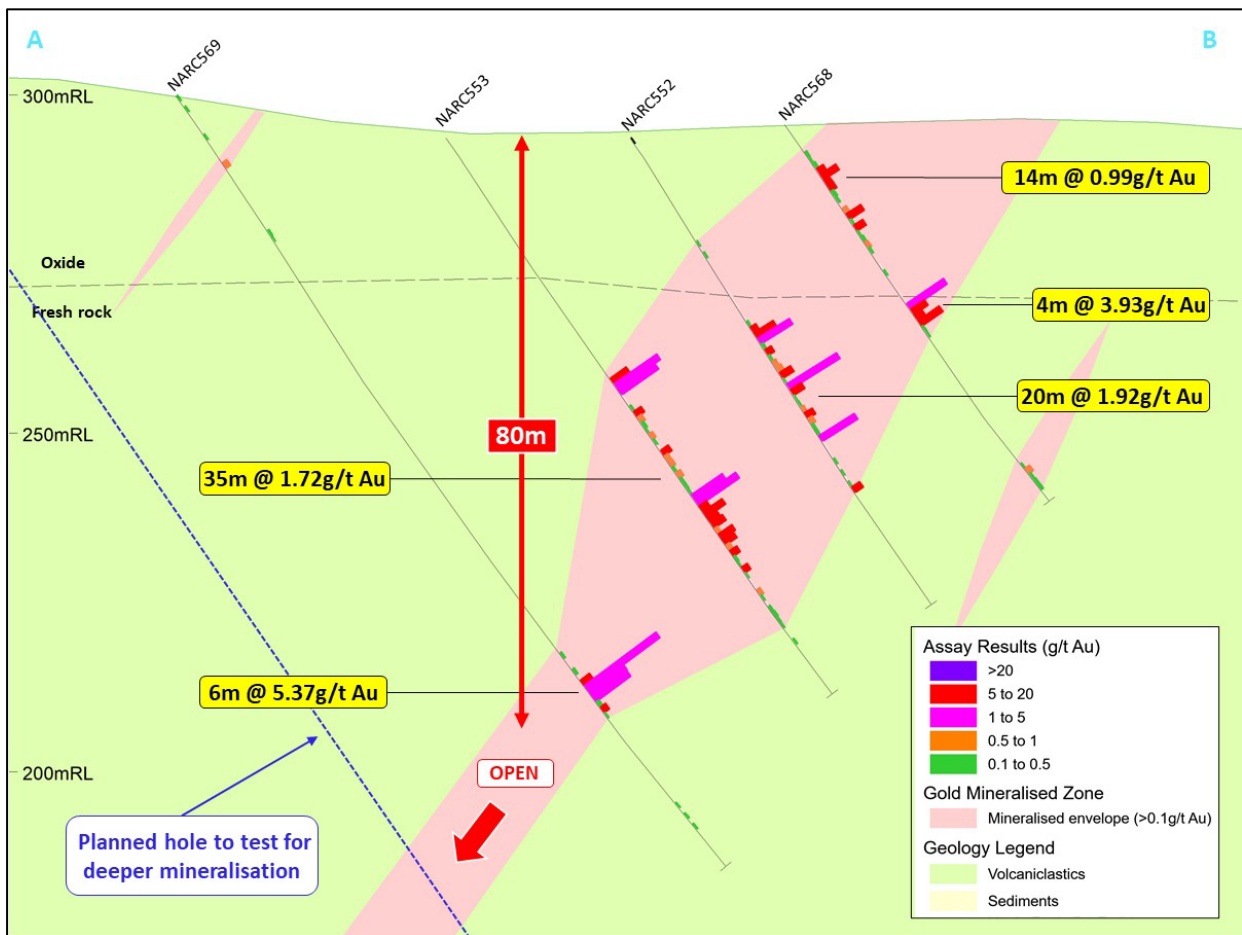


Figure 4: Gogbala section AB looking northeast with new gold intercepts - note the planned drill hole which will test for deeper mineralisation

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Figure 5: Section CD looking northeast with select new gold intercepts - note the planned drill hole which will test for deeper “pinch and swell” mineralisation

NAPIÉ PROJECT – TCHAGA PROSPECT

EXTENSIONAL DRILLING ADDS POTENTIAL OUNCES TO UPCOMING MAIDEN MRE

During and subsequent to the reporting period, limited drilling was completed on the Tchaga Prospect as the focus shifted to the Gogbala Prospect. 22 RC holes totalling 3,894m, and 16 DD holes totalling 1,935m (including some diamond tails) were drilled for a combined total of 5,829m drilled. Assays are pending for 10 DD holes.

High-grade intersects were returned on Tchaga during the reporting period.

Hole NARC467DD returned **5.8m at 6.96g/t Au** including **1m at 34.62g/t Au** in the diamond extension of the RC portion of the hole which intersected **26m at 1.01g/t Au**. Hole NARC542 returned **2m at 24.06g/t Au** including **1m at 40.32g/t Au** (Figure 6).

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DIRECTORS' REPORT

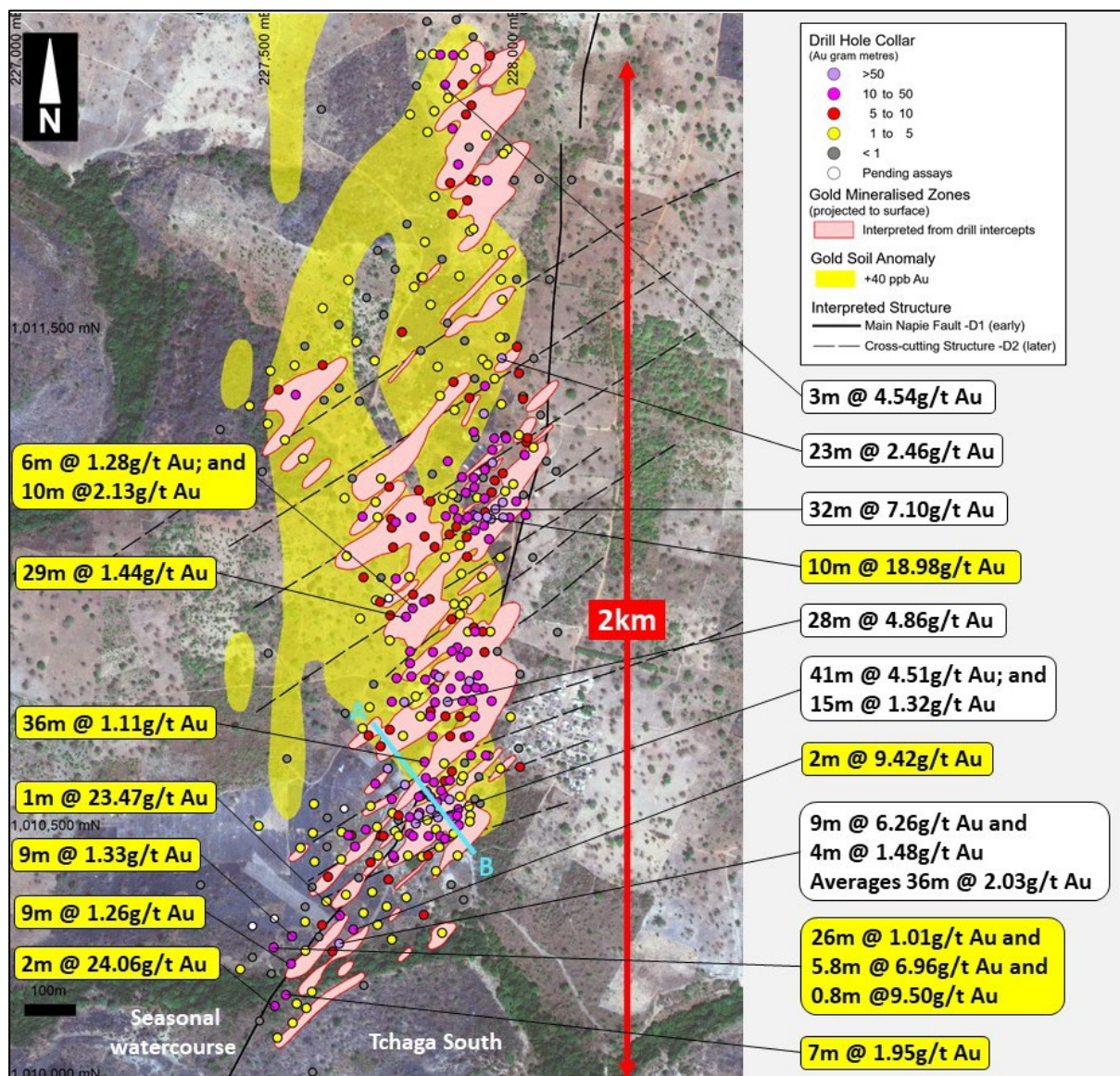


Figure 6: Tchaga Prospect - Select gold intercepts from current (yellow) and previous (white) drilling – Note the repeated parallel stacked high-grade lodes shown in pink

The latest results validate the Company's strategy of expanding previously identified mineralised lodes on the Tchaga Prospect and continue to increase the potential size of the upcoming maiden MRE. Since large parts of the soil anomaly at Tchaga remain undrilled, this provides potential upside for growth of after the upcoming maiden MRE. During the reporting period **all drilling at Tchaga was extensional drilling and not infill drilling**. This means that **any significant mineralisation intersected should add potential ounces to the upcoming maiden MRE**.

Drilling to date has generally been shallow (mostly to 150m vertical depth from surface). However, during the quarter, the Company drilled several deeper RC and DD holes including **two deep DD holes** below positive drill intercepts to test for mineralisation at **depths around 300m vertical**. An example of this is shown on Figure 7.

Significant drill intersections from limited drilling, received during the quarter from Tchaga are highlighted in yellow in Figure 6 and include:

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DIRECTORS' REPORT

- 10m at 18.98g/t Au from 7m; including
 - 1m at 174g/t Au from 14m
- 2m at 24.06g/t Au from 112m; including
 - 1m at 40.32g/t Au from 113m
- 29m at 1.44g/t Au from 62m; including
 - 5m at 3.16g/t Au from 68m
- 36m averaging 1.11g/t Au intersected over multiple zones from 40m; including
 - 10m at 1.92g/t Au from 40m
- 26m averaging 1.01g/t Au intersected over multiple zones from 92m; including 9m at 1.09g/t Au from 100m; and 5m at 2.55g/t Au from 113m
- 2m at 24.06g/t Au from 112m; including 1m at 40.32g/t Au from 113m
- 5.8m at 6.96g/t Au from 135m; including 1m at 34.62g/t Au from 137m; and 0.8m at 9.50g/t Au from 154.5m

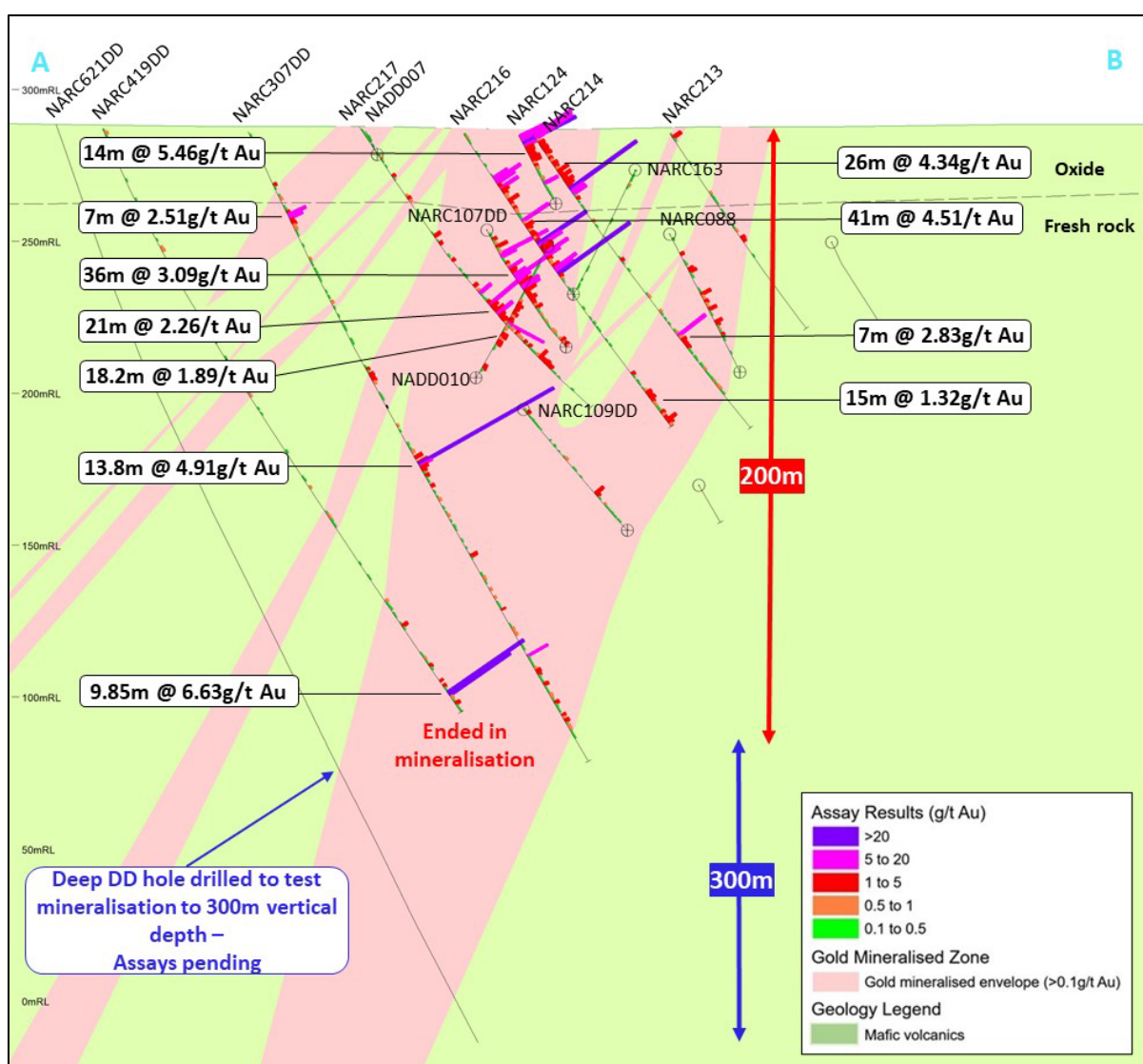


Figure 7: Tchaga section AB looking NE with select drill intercepts -note the location of a deep hole to test mineralisation to 300m vertical depth

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DIRECTORS' REPORT**

The drill program follows up on positive results received on the Tchaga Prospect to date by the Company. Previous select drill results received include:

- **41m at 4.51g/t Au** from 17m in NARC216
- **32m at 7.1g/t Au** from 13m in NARC184
- **13m at 20.82g/t Au** from 32m in NARC145
- **36m at 3.09g/t Au** from 43m in NARC107DD
- **28m at 4.86g/t Au** from 83m in NARC057
- **26m at 4.34g/t Au** from surface in NARC214
- **25m at 3.43g/t Au** from 53m in NARC017
- **14m at 5.46g/t Au** from surface in NARC124
- **18m at 3.25g/t Au** from 39m in NARC080
- **23m at 2.46g/t Au** from 15m in NARC084
- **17m at 2.43g/t Au** from 86m in NARC055
- **38m at 1.64g/t Au** from 5m in NARC180
- **7.7m at 11.65g/t Au** from 169m in NARC058DD
- **4m at 14.26g/t Au** from 33m in NARC185

TCHAGA NORTH AND KOMBORO PROSPECTS – 15,000M AC PROGRAM

Subsequent to the reporting period Mako commenced a 15,000m Aircore (AC) drill program at the Tchaga North and Komboro prospects. Approximately 5,000m was planned for the Komboro Prospect and 10,000m for the Tchaga North Prospect. 192 AC holes totalling 5,712m were completed at Komboro and 151 holes totalling 5,715m were completed at Tchaga North. The AC program will resume in 4-6 weeks' time to complete drilling on Tchaga North.

Drillhole fences were strategically placed over high-priority targets (Figures 8 and 9). Targets were generated based on anomalous data from previous exploration which includes soil/auger geochemistry, structures identified from geophysical interpretation, rock chip assays, and RC/DD drilling by the Company¹. Heel to toe fences (where the bottom of one hole when projected to surface is the collar of the next hole), ranging from 300 to 1000m in length, cover the exploration targets.

The purpose of the program is to **make new discoveries in previously undrilled areas of the Napié permit** and then to follow up positive results with RC drilling. The longer-term objective, assuming AC and RC drilling identify new mineralised zones, is to **define resources** on newly discovered zones thereby adding mineral inventory and enabling **Mako to update its MRE subsequent to the maiden MRE scheduled for Q2-CY22**. This is in line with the Company's strategy to discover several deposits along the 30km Napié Fault with the goal of **outlining several million ounces of gold in the near-term**.

¹ Refer to ASX releases dated 22 June 2018, 7 August 2018, 9 October 2018, and 17 September 2020

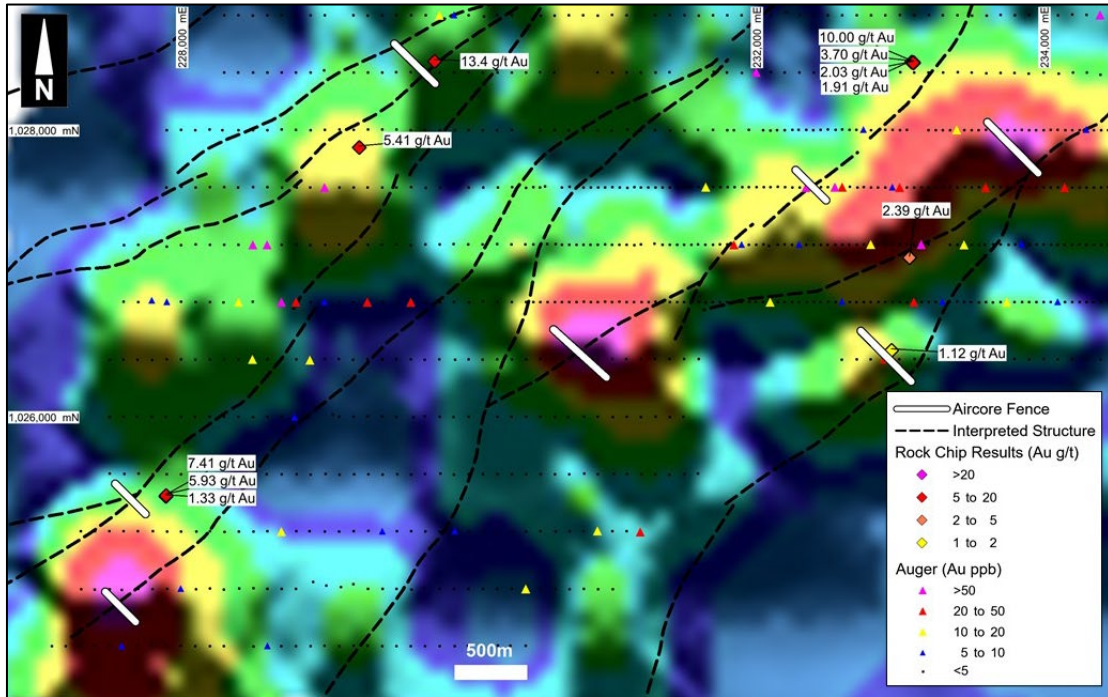


Figure 8: Komoro Prospect - AC drill fences over high-priority targets based on anomalous geophysical/ geochemical/ RAB/ rock chip/ auger results - note that drill fences are 300-600m long and cover broad targets- background map is gridded soil geochem

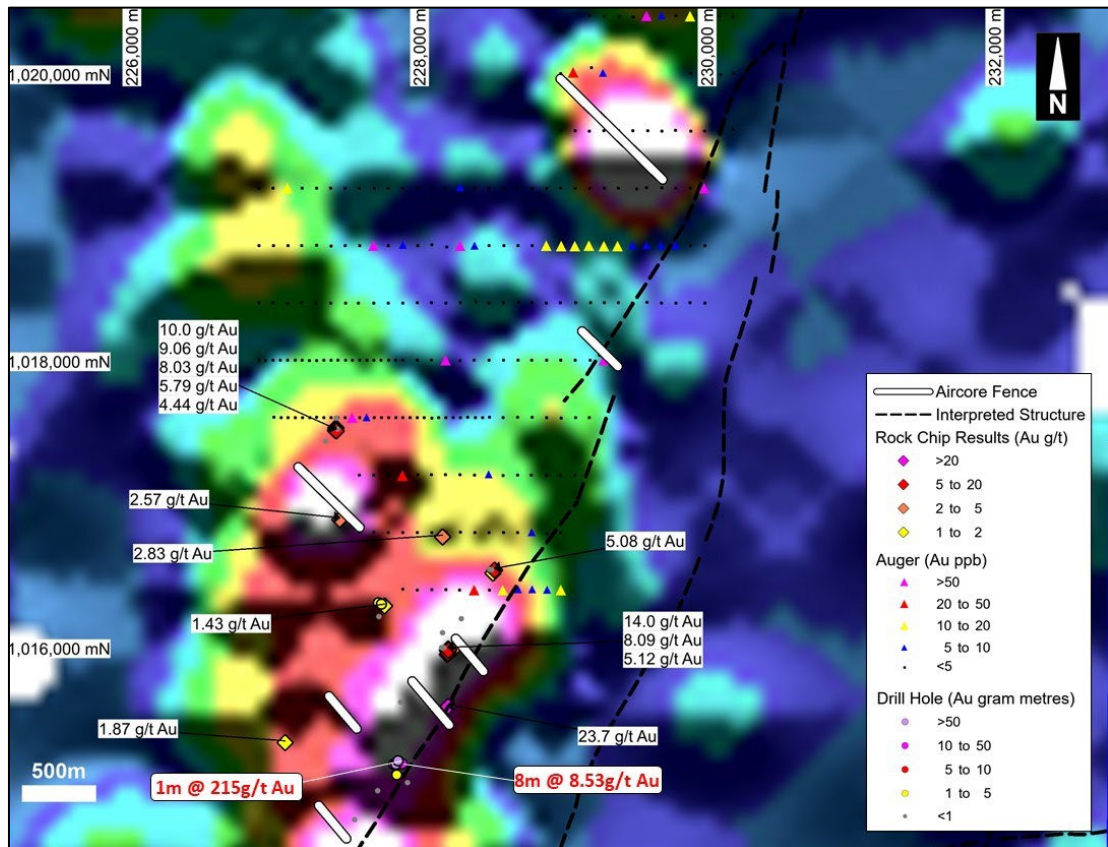


Figure 9: Tchaga North Prospect AC drill fences over high-priority targets based on anomalous geophysical/ geochemical/ RAB/ rock chip/ auger results - note that drill fences are 300-1000m long and cover broad targets- background map is gridded soil geochem

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**MAKO GOLD LIMITED
DIRECTORS' REPORT**

KORHOGO PROJECT – 7,000M AUGER DRILL PROGRAM COMMENCED AHEAD OF PLANNED 10,000M AC DRILL PROGRAM

Subsequent to the reporting period the Company commenced a +7,000m, 1,400-hole auger drilling program on the Ouangolodougou and Korhogo Nord permits which together constitute the Korhogo Project. The Korhogo Project is located in a highly prospective greenstone belt that hosts Barrick Gold's 4.9Moz Tongon gold mine and Montage Gold's 4.5Moz Kone gold deposit, both in Côte d'Ivoire, as well as Endeavour's 2.7Moz Wahgnion gold mine across the border in Burkina Faso (Figure 1). The permits collectively cover 296km² hosting 17km of faulted greenstone granite contact as shown in Figure 10. Both permits are 100% owned by Mako and are easily accessible from the existing Mako Field Office.

Four auger grids on Korhogo Nord were completed, totalling 4,838m of auger drilling in 571 holes. In addition, 473m in 46 holes was completed on the large grid on the Ouangolodougou permit. Drilling is ongoing.

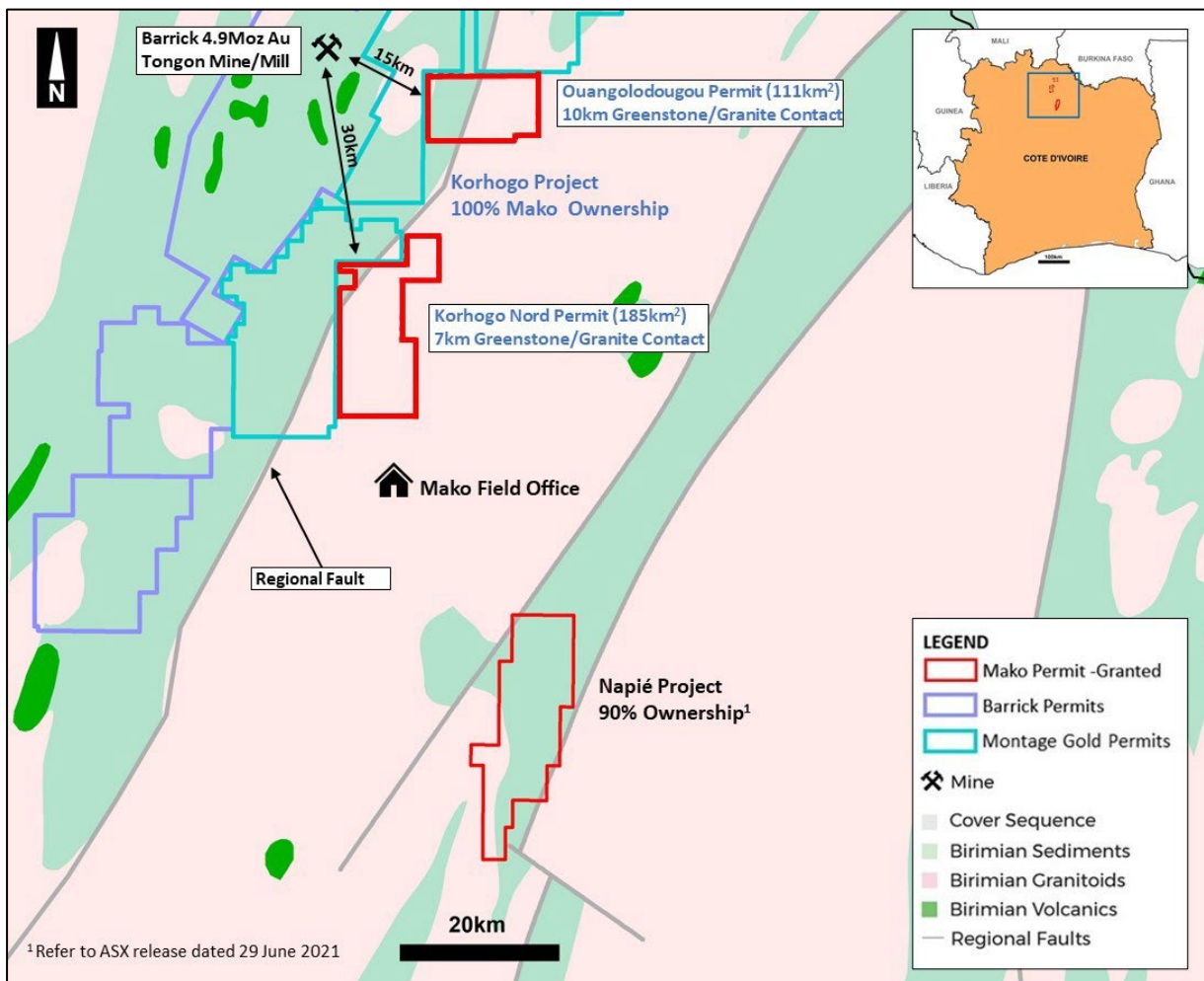


Figure 10: Location of Mako Gold projects

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**MAKO GOLD LIMITED
DIRECTORS' REPORT**

The auger drilling grids cover large prospective areas identified from the interpretation of the airborne magnetics geophysical survey and the 400m X 100m preliminary soil geochemical survey, which were completed by the Company in 2021. The soil geochemical anomalies, along with the coincident interpreted structures from the airborne magnetics completed in 2021, and the planned auger grids are shown in Figure 11.

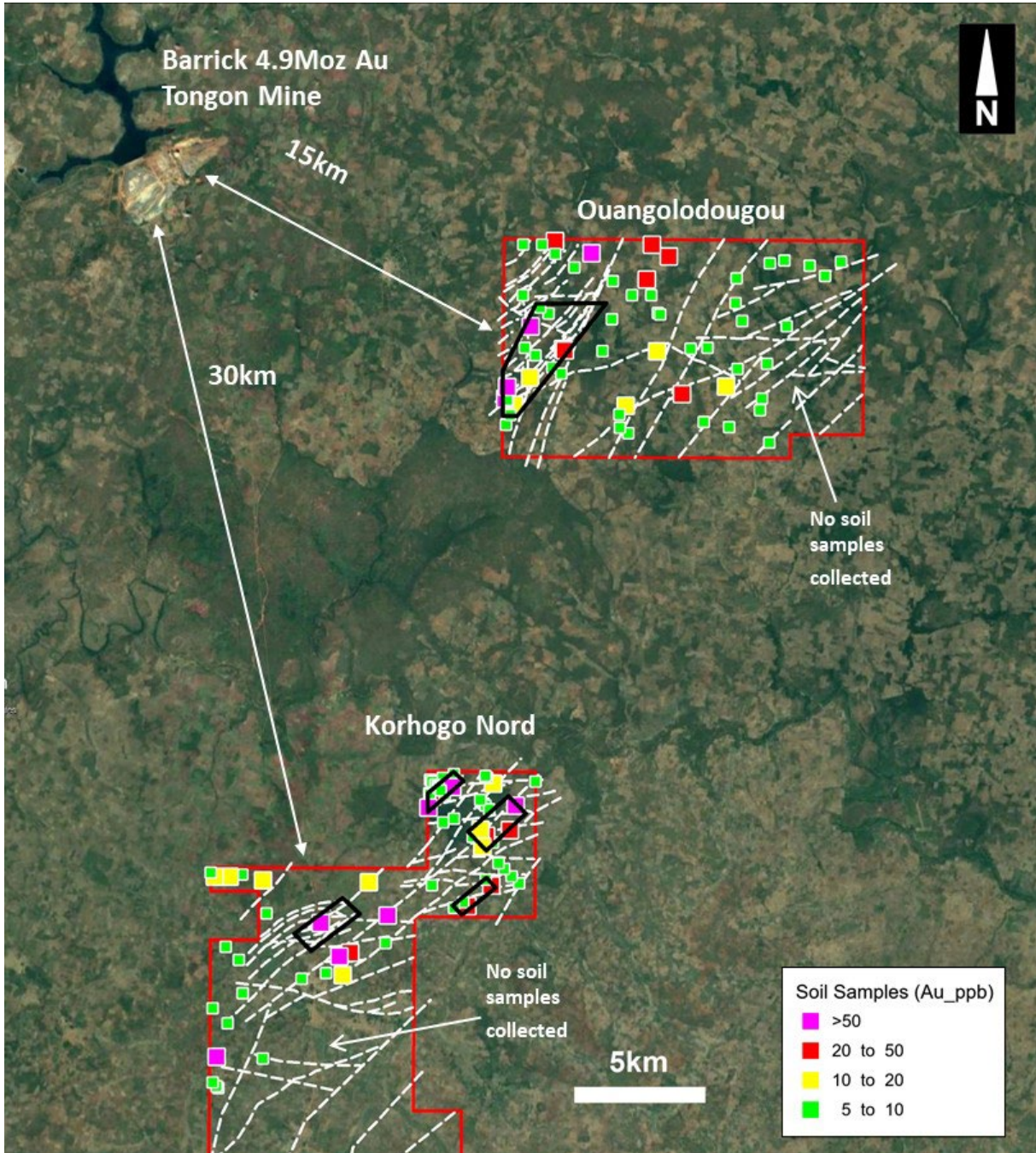


Figure 11: Auger grids (black) with anomalous soil samples and structure (white) interpreted from airborne geophysics. Note the size of Barrick's 4.9Moz gold mine compared to the soil anomaly strike lengths and the size of auger grids

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MAKO GOLD LIMITED DIRECTORS' REPORT

Review of the soil sampling data and subsequent ground truthing of anomalous soil sample locations by Mako geologists indicated that a tighter grid of follow-up soil sampling, as was previously planned, may not be the best follow-up exploration method in this area. Large portions of the permit are covered with transported material which mask soil anomalies. The anomalous soil samples which were returned from the preliminary program were in the limited areas not covered by transported material. The soil anomalies are generally located along structures (faults), interpreted from the airborne geophysical survey. The auger grids were planned to cover the highest priority coincident soil and geophysical targets.

Two Landcruiser-mounted auger rigs are being used in order to fast-track the drilling program. Both rigs are working simultaneously on a grid in order to send the samples to the lab as soon as the drilling is completed on each grid. This will speed up the receipt of results by the Company in preparation for the **10,000m AC drill program which is planned as soon as the results from the auger program are assessed.**

It is interesting to note the size of the footprint of the nearby 4.9Moz Tongon gold mine operated by Barrick, compared to the size of auger grids and the strike-length of the soil anomalies on the Ouangolodougou and Korhogo Nord permits. This bolsters the Company's confidence that the Korhogo permits could host large gold deposits.

\$10M PLACEMENT TO STRATEGIC NORTH AMERICAN & EUROPEAN INSTITUTIONAL INVESTORS

During the reporting period **Mako** announced that it had completed a two tranche Placement which raised \$10M before costs (**Placement**). The Placement comprised the issue of up to 125M new fully paid ordinary shares in Mako at an issue price of 8.0c per share. **Prominent North American resource fund, Dundee Goodman Merchant Partners, cornerstoned the Placement** and subscribed to c.37.8M shares (~\$3.0M) giving it a **holding of 9.9% in Mako's pro-forma issued capital.**

Mako also secured commitments of c.41.25M shares from two strategic German Institutions: **Delphi Unternehmensberatung AG ("DELPHI")** the parent company of **Deutsche Balaton AG and Sparta AG** a subsidiary of Deutsche Balaton. DELPHI and Sparta now collectively have a **holding of 12.7% in Mako's issued capital.**

COVID-19

Mako has maintained strict protocols regarding the COVID-19 crisis and is pleased to report that there has been no incidence of COVID-19 at any Company sites.

**MAKO GOLD LIMITED
DIRECTORS' REPORT**

December 2021 Half-Yearly ASX Announcements

Further details including 2012 JORC reporting tables where applicable, which relate to results and announcements in this Half-Yearly Report, can be found in the following announcements lodged with the ASX:

- 10 February 2022 – 15,000m Scout AC Drilling Program on Napié Project
- 7 February 2022 – 7,000M Auger Drilling Program Commences on Korhogo Project
- 18 January 2022 – High-Grade Gold from Drilling at Tchaga and Gogbala Prospects
- 13 October 2021 – Widest Drill Intercepts to Date at Gogbala Prospect
- 6 October 2021 – Gogbala Returns Wide and High-Grade Results
- 9 September 2021 – Re-Release of Gogbala Results Announcement
- 9 September 2021 - Gogbala High-Grade Results Confirm Similarities with Tchaga
- 30 August 2021 - \$10m Placement Completed and 45,000m Drill Program Commenced
- 17 August 2021 – Best Ever Grade in Continued Drilling Success at Tchaga
- 12 August 2021 – 10,000m Drill Program Commences on Gogbala Prospect at Napié
- 10 August 2021 – Mako Completes Sale of Niou Project in Burkina Faso
- 9 August 2021 – Drilling Extends Tchaga Strike to 2 km
- 8 July 2021 - Strategic \$10M Equity Raise to Accelerate Napié Exploration
- 29 June 2021 - Updated Release - Interest in Napié Gold Project Increased from 51% to 90%
- 4 June 2021 - Tchaga Continues to Expand With Further High-Grade Results
- 26 May 2021 - Shallow High-Grade Results Extend Tchaga Strike to 1.8km
- 19 May 2021 - Drilling Extends Gogbala Gold Mineralised trend to Over 7km
- 12 May 2021 - Korhogo and Napié Projects Exploration Update
- 28 April 2021 - Tchaga delivers Wide High-Grade Drill results at Depth
- 20 April 2021 - Korhogo and Napié Exploration Update
- 15 March 2021 - Gogbala Results Confirm Potential for High-Grade Gold System
- 11 March 2021 - Extension of Tchaga Shallow High-Grade Gold Mineralisation
- 21 January 2021 - Mako Granted Ouangolodougou Permit in Côte d'Ivoire
- 19 January 2021 - 5,200m Drill Program Commenced on Gogbala Prospect
- 13 January 2021 - Tchaga Delivers Widest High-Grade Gold Intercepts to Date
- 14 December 2020 - Continuing Shallow, Wide, High-Grade Intersections at Tchaga
- 17 November 2020 - Shallow High-Grade Gold Zone Confirmed at Tchaga
- 9 November 2020 - Wide and High-Grade gold Intercepts Continue at Tchaga
- 29 September 2020 - Korhogo Nord Permit Granted Exploration to Commence Shortly
- 17 September 2020 - Drilling at Tchaga Extends Gold Mineralisation by 250m
- 11 August 2020 - Tchaga Shallow Drilling Intersects 13m at 20.82g/t Gold
- 4 August 2020 - Tchaga Drilling Continues to Deliver Wide and high-Grade Gold
- 15 July 2020 - Tchaga Prospect Delivers Multiple High-Grade Intercepts
- 2 June 2020 - Mako Signs Definitive Sale Agreement for Niou Project
- 1 May 2020 - Binding Term Sheet to Sell Niou Project – Burkina Faso
- 5 March 2020 - High-Grade Results Extend Mineralisation at Depth at Tchaga
- 3 December 2019 - Exceptional Results Continue at Tchaga Napié Project
- 9 August 2019 - Mako Receives Final Drill Results for Napié Project
- 25 July 2019 - Strike Length of Mineralisation at Napié Project Doubles
- 13 March 2019 - Wide High-Grade Fold Results of up to 28m@4.86g/t from Napié
- 29 January 2019 - Gold Discovery at Niou Project - Burkina Faso
- 9 October 2018 - Further Gold Mineralisation from Diamond Drilling at Tchaga
- 7 August 2018 - further Gold Mineralisation from RC Drilling Napié Project
- 22 June 2018 - Wide High-Grade Gold Intersected in Maiden Drilling Program
- 13 April 2018 - Section 9.2 of Mako Gold's Prospectus and section 4.7 of Mako Gold's Supplementary Prospectus

**MAKO GOLD LIMITED
DIRECTORS' REPORT**

Competent Persons Statement

The information in this Annual Report that relates to Exploration Results and Mineral Resources is based on information compiled and/or reviewed by Mrs Ann Ledwidge B.Sc.(Hon.) Geol., MBA, who is a Member of The Australasian Institute of Mining and Metallurgy. Mrs Ledwidge is a full-time employee and a shareholder of the Company. Mrs Ledwidge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'. Mrs Ledwidge consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The company is not aware of any new information or data that materially affects the information included in this report.

Auditor Independence Declaration under Section 307C of the Corporations Act 2001

The Auditor's Independence Declaration is attached and forms part of the Directors' Report for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Directors.


Peter Ledwidge
Director

Brisbane 16 March 2022

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**MAKO GOLD LIMITED
AUDITOR'S INDEPENDENCE DECLARATION**



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DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF MAKO GOLD LIMITED

As lead auditor for the review of Mako Gold Limited for the half-year ended 31 December 2021 I declare that, to the best of my knowledge and belief, there have been:

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

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

A handwritten signature in black ink, appearing to read 'R M Swaby', is written over a light grey circular watermark.

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 16 March 2021

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MAKO GOLD LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	31 December 2020 \$
Interest income		806	2,222
COVID PAYG refund		-	37,500
Exploration write down	6	-	(270,000)
Amortisation and depreciation	9	(17,390)	(29,594)
Interest	9	(71)	(1,530)
Employment costs		(194,922)	(199,325)
Share based payment expense	10	(217,361)	(280,284)
Other corporate and administrative expenses		(422,911)	(275,691)
Loss before tax		<u>(851,849)</u>	<u>(1,016,702)</u>
Income tax expense		-	-
Loss for the period		<u>(851,849)</u>	<u>(1,016,702)</u>
<u>Other Comprehensive Income</u>			
Foreign currency translation differences on foreign operations		(527)	(1,300)
Other comprehensive income		(527)	(1,300)
Total comprehensive income for the half-year		<u>(852,376)</u>	<u>(1,018,002)</u>
Total comprehensive income for the half year is attributable to:			
Owners of Mako Gold Limited		<u>(852,376)</u>	<u>(1,018,002)</u>
Basic loss per share (cents per share)	3	(0.24)	(0.47)
Diluted loss per share (cents per share)	3	(0.24)	(0.47)

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

MAKO GOLD LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
Current Assets			
Cash and cash equivalents		9,609,248	4,526,260
Short term investment		71,500	42,900
Trade and other receivables		32,873	254,470
Exploration assets held for sale	6	-	946,744
Other current assets		71,577	92,112
Total Current Assets		9,785,198	5,862,486
Non-Current Assets			
Right of use assets	9	240,879	9,863
Exploration and evaluation assets	6	17,863,536	13,782,543
Total Non-Current Assets		18,104,415	13,792,406
Total Assets		27,889,613	19,654,892
Current Liabilities			
Trade and other payables	7	793,847	1,700,666
Lease liabilities	9	28,285	11,602
Provisions		186,260	163,793
Total Current Liabilities		1,008,392	1,876,061
Non-Current Liabilities			
Lease liabilities	9	220,121	-
Total Non-Current Liabilities		220,121	-
Total Liabilities		1,228,513	1,876,061
Net Assets		26,661,100	17,778,831
Equity			
Issued capital	2	31,734,331	22,334,291
Reserves		809,255	475,178
Accumulated losses		(5,882,486)	(5,030,638)
Total Equity		26,661,100	17,778,831

The Consolidated Balance Sheet should be read in conjunction with the accompanying notes

MAKO GOLD LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	31 December 2020 \$
Cash Flows from Operating Activities			
Cash payments in the course of operations		(621,228)	(656,593)
Receipts re COVID		-	50,000
Interest received		806	2,222
Interest re right of use asset		(71)	(1,530)
Net cash used in operating activities		<u>(620,493)</u>	<u>(605,901)</u>
Cash Flows from Investing Activities			
Receipt for sale of project		946,744	-
Payments for exploration & evaluation		(4,602,574)	(2,527,645)
Right of use security bond payment		(28,600)	-
Net cash used in investing activities		<u>(3,684,430)</u>	<u>(2,527,645)</u>
Cash Flows from Financing Activities			
Proceeds from issue of securities		10,000,040	12,784,542
Payment of security issue costs		(600,000)	(767,274)
Principal elements of lease payments		(11,602)	(27,003)
Net cash flows provided by financing activities		<u>9,388,438</u>	<u>11,990,265</u>
Net increase/(decrease) in cash held		5,083,515	8,856,719
FX Reserve		(527)	(1,300)
Cash at the beginning of the period		4,526,260	602,805
Cash at the end of the period		<u>9,609,248</u>	<u>9,458,224</u>

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

MAKO GOLD LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Issued Capital	Foreign Currency Reserve	Share Option Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2020	10,010,875	200	111,583	(3,542,613)	6,580,045
Loss after income tax	-	-	-	(1,016,702)	(1,016,702)
Foreign currency translation differences of foreign operations	-	(1,300)	-	-	(1,300)
Total comprehensive income	-	(1,300)	-	(1,016,702)	(1,018,002)
Transactions with owners in their capacity with owners					
Shares issued	13,090,691	-	-	-	13,090,691
Share issue costs	(767,274)	-	-	-	(767,274)
Share based payments (note 10)	-	-	290,364	-	290,364
Total transactions with owners	12,323,417	-	290,364	-	12,613,780
Balance at 31 December 2020	22,334,291	(1,100)	401,947	(4,559,315)	18,175,824
Balance at 1 July 2021	22,334,291	(1,285)	476,463	(5,030,638)	17,778,832
Loss for the period	-	-	-	(851,849)	(851,849)
Foreign currency translation differences of foreign operations	-	(527)	-	-	(527)
Total comprehensive income	-	(527)	-	(851,849)	(852,376)
Transactions with owners in their capacity with owners					
Shares issued (note 2)	10,000,000	-	-	-	10,000,000
Share issue costs	(599,960)	-	-	-	(599,960)
Share based payments (note 10)	-	-	334,604	-	334,604
Total transactions with owners	9,400,040	-	334,604	-	9,734,644
Balance at 31 December 2021	31,734,332	(1,812)	811,067	(5,882,487)	26,661,100

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

MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

This general purpose financial report for the interim half-year reporting period ended 31 December 2021 has been prepared in accordance with Australian Accounting Standard AASB134: Interim Financial Reporting and the Corporations Act 2001.

The interim report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Mako Gold Limited during the interim reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Fair Values

The fair values of cash and cash equivalents, trade and other receivables, security deposits, borrowings and trade and other payables approximate their carrying value due to their short term nature

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

Key judgements – exploration & evaluation assets

The consolidated entity performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to balance date.

The Directors have assessed the exploration and evaluation assets recognised as at 31 December 2021 and the facts and circumstances do not suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

Going concern basis for accounting

The Group does not generate revenue to fund operations and ongoing investment in exploration activities. The ability of the Group to continue as a going concern is dependent on its ability to raise additional equity.

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Company achieved a net loss of \$851,849 (and exploration and operating cash outflows of \$5,223,802) for the half year ended 31 December 2021. As at 31 December 2021 the Company had a total cash balance of \$9,609,248.

The ability of the Company to continue as a going concern is principally dependent upon the following conditions:

- the ability of the Company to successfully raise capital, as and when necessary; and
- the ability to complete successful development and commercialisation of its projects in West Africa.

These conditions give rise to a material uncertainty which may cast significant doubt over the ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the Company's proven history of successfully raising funds – with \$10,000,000 being raised through share placements since the end of the 2021 financial year.

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 ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.

MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

2. ISSUED CAPITAL

Ordinary Shares	Half-year Ended Dec 2021		Year Ended June 2021	
	Nos of shares	\$	Nos of shares	\$
Ordinary shares fully paid				
Beginning of the financial period	257,241,602	22,334,291	113,017,227	10,010,875
Increases				
- Placement of shares to subscribers (1)	125,000,000	10,000,000	-	-
- Issue of shares to pay for drilling (2)	-	-	2,589,872	306,149
- Placement of shares to subscribers (3)	-	-	53,665,125	2,683,256
- Placement of shares to subscribers (4)	-	-	86,956,522	10,000,000
- Exercise of November 2020 \$0.10 options (5)	-	-	1,012,856	101,286
- Costs of share issues (6)	-	(599,960)	-	(767,274)
End of financial period	257,241,602	22,334,291	257,241,602	22,334,292

(1) Placement of shares at \$0.08 per share

(2) Issue of shares to Geodrill re Napié Drilling 2,589,872 - 663,912 at \$0.08, 1,393,788 at \$0.13 and 532,172 at \$0.135 Under an agreement entered into in October 2019 and approved at the 2019 AGM the Company had approval (up to 14 November 2020 when the facility expired) to issue up to 5,000,000 Shares to Geodrill Ltd as payment for drilling services supplied. Mako had the option to pay invoices 50% in cash and 50% via the issue of shares, at an issue price equal to the 15-day VWAP immediately prior to the date of the invoice.

(3) Placement of shares at \$0.05 per share

(4) Placement of shares at \$0.115 per share

(5) Exercise of November 2020 \$0.10 options.

(6) Costs in relation to securities issues.

Share Options

Details of options issued, exercised and expired during the financial period are set out below:

Each option is convertible into one fully paid ordinary share on or before the expiry date

Expiry Date	Exercise Price	Movements				31-Dec-21
		1-Jul-21	Issued	Exercised	Expired	
Unlisted 5/7/22 (1)	\$0.075	2,500,235	-	-	-	2,500,235
Unlisted 30/9/22 (2)	\$0.1725	4,000,000	-	-	-	4,000,000
Unlisted 30/11/23 (3)	\$0.155	10,200,000	-	-	-	10,200,000
Unlisted 31/08/23 (4)	\$0.12	-	4,000,000	-	-	4,000,000
		16,700,235	4,000,000	-	-	20,700,235

(1) 2,500,235 unlisted \$0.075 5/7/22 options to corporate advisors re capital raising

(2) 4,000,000 unlisted \$0.1725 30/9/22 options to corporate advisors re capital raising

(3) Issue of 10,200,000 unlisted \$0.155 30/11/23 options re Mako ESOP

(4) 4,000,000 unlisted \$0.12 31/8/23 options to corporate advisors re capital raising

3. LOSS PER SHARE

	Consolidated Entity	
	31 December 2021	31 December 2020
	\$	\$
Loss per share		
Basic and diluted loss per share (cents per share)	(0.24)	(0.47)

The following reflects the income and share data used in the calculations of basic and diluted loss per share:

Loss for the period used in calculating basic and diluted loss per share*	(851,849)	(1,016,702)
Weighted average no. of ordinary shares on issue	357,907,846	214,438,062

*As the company has made a loss for the reporting period the basic loss per share will be the same as the diluted loss per share as any potential shares are antidilutive.

MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

4. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent assets or liabilities.

5. SEGMENT INFORMATION

Reportable Segments

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographic basis, that is, the location of the respective areas of interest (tenements) in Australia and Africa. Operating segments are determined on the basis of financial information reported to the Board for the Group as a whole. The Group does not yet have any products or services from which it derives an income.

Accordingly, management currently identifies the Group as having only one reportable segment, being exploration for base and precious metals. The financial results from this segment are equivalent to the financial statements of the Group. There have been no changes in the operating segments during the half-year.

The principal geographical areas of operation of the Consolidated Entity are as follows:

	Geographical – non-current assets	
	Half-year Ended 31 December 2021	Year Ended 30 June 2021
	\$	\$
Australia	-	-
Africa	17,863,536	13,782,543
	<u>17,863,536</u>	<u>13,782,543</u>

6. EXPLORATION AND EVALUATION ASSETS

	Consolidated Entity	
	Half-year Ended 31 December 2021	Year Ended 30 June 2021
	\$	\$
Current		
Exploration asset held for sale	-	946,744
Project Expenditure at sale agreement/brought forward	946,744	1,023,555
Expenditure on project	-	186,446
Written-off during the period	-	(263,257)
Sale proceeds received	(946,744)	-
	<u>-</u>	<u>946,744</u>

In June 2020 Mako signed a contract to sell the Niou project based in Burkina Faso. Mako received US\$700,000 cash consideration and has retained a 1% NSR if the purchaser Nordgold discovers a resource of at least 2Moz gold and advances the resource to production. Nordgold has the right to repurchase the NSR for US\$4.5M at any time. Payment in full, of the carrying amount as at 30 June 2021, was received in August 2021.

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MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

6. EXPLORATION AND EVALUATION ASSETS (CONT)

	Consolidated Entity	
	Half-year Ended 31 December 2021	Year Ended 30 June 2021
	\$	\$
Non-Current		
Exploration costs carried forward in respect of areas of interest		
- Exploration phase	17,863,536	13,782,543
Reconciliation		
Exploration expenditure capitalised		
- Opening balance	13,782,543	5,275,466
- Current year expenditure	3,195,294	7,991,189
- Foreign exchange on intercompany balances	885,699	515,888
Carried forward	17,863,536	13,782,543

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of areas of interest, and the sale of minerals or the sale of the respective areas of interest.

7. TRADE AND OTHER PAYABLES

	Consolidated Entity	
	Half-year Ended 31 Dec 2021	Year Ended 30 June 2021
	\$	\$
Trade creditors	662,741	1,419,989
Other payables and accruals	131,106	280,677
	793,847	1,700,666

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows, includes short-term deposits and cash as follows:

	Consolidated Entity	
	Half-year Ended 31 Dec 2021	Year Ended 30 June 2021
	\$	\$
Cash at bank and in hand	9,609,248	4,526,260

9. LEASES

	Consolidated Entity	
	Half-year Ended 31 Dec 2021	Year Ended 30 June 2021
	\$	\$
Non-Current Asset		
Right of Use Assets		
Opening balance	9,864	69,052
Additions	248,406	-
Amortisation	(17,390)	(59,189)
	240,880	9,863
Lease Liability		
Current lease liability	28,285	11,602
Non-current lease liability	220,121	-
	248,406	11,602

During the half year ended 31 December 2021 amortisation of \$17,390 (2020 - \$29,594) and finance charges of \$71 (2020 - \$1,530) were charged to expenses in relation to leased assets.

MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

10. SHARE BASED PAYMENTS

Advisor Options

During the 2020 and 2021 financial years the Company granted options to its capital advisors in connection with the capital raising program undertaken in the period. The options were granted for either nominal or nil consideration and are not quoted on the ASX. Options granted carry no dividend or voting rights. When exercised, each option converts into one ordinary share.

Details of advisor options on issue, issued, exercised and expired during the financial period are set out below:

Expiry Date	Exercise Price	Fair Value at Grant Date	1-Jul-21	Issued	Vested	Exercised/Expired	31-Dec-21
5-Jul-22	\$0.075	\$0.0257	2,500,235	-	2,500,235	-	2,500,235
30-Sep-22	\$0.1725	\$0.0521	4,000,000	-	4,000,000	-	4,000,000
31-Aug-23	\$0.1200	\$0.0312	-	4,000,000	4,000,000	-	4,000,000

The weighted average exercise price of the advisor options is \$0.129.

Staff Options

In the 2020 financial year the company granted a total of 10,200,000 to company staff in accordance with an ESOP approved at the 2020 AGM. The option vest as follows: 1/3rd on 30/11/21, 1/3rd on 30/11/22 and 1/3rd on 31/5/23. The options were granted for nil consideration and are not quoted on the ASX. Options granted carry no dividend or voting rights. When exercised, each option converts into one ordinary share. Details of staff options on issue, issued, exercised and expired during the financial period are set out below:

Expiry Date	Exercise Price	Fair Value at Grant Date	1-Jul-21	Issued	Vested	Exercised/Expired	31-Dec-21
30-Nov-23	\$0.155	\$0.0446	10,200,000	-	3,400,000	-	10,200,000

The weighted average exercise price of the staff options is \$0.155.

Fair value of options granted

The assessed fair value at the date of grant of options issued is determined using a Black-Scholes option pricing model that takes into account the exercise price, the underlying share price at the time of issue, the term of the option, the underlying share's expected volatility, expected dividends and the risk free interest rate for the life of the instrument.

Ordinary Shares

In the prior reporting period the company issued shares to Geodrill Limited in payment for drilling services on the Napié project - total cost of \$306,149 being 2,589,872 shares - 663,912 at \$0.08, 1,393,788 at \$0.13 and 532,172 at \$0.135. Under an agreement entered into in October 2019 the Company had approval (up to 14 November 2020 when the facility expired) to issue up to 5,000,000 Shares to Geodrill Ltd as payment for drilling services supplied. Mako had the option to pay invoices 50% in cash and 50% via the issue of shares, at an issue price equal to the 15-day VWAP immediately prior to the date of the invoice.

Expenses arising from share-based payment transactions

<u>Expensed in Period</u>	Consolidated Entity	
	Half-year Ended 31 Dec 2021	Half-year Ended 31 Dec 2020
	\$	\$
Options issued to capital advisors	124,800	272,656
Options issued to staff and consultants	92,561	7,628
	217,361	280,284
<u>Capitalised in Period</u>		
Shares re drilling costs capitalised in exploration assets	-	306,149
Options issued to staff capitalised in exploration assets	117,243	10,079
	117,243	316,228

MAKO GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Directors' Declaration

In the Directors' opinion:

- (a) the attached financial statements and notes as set out on pages 20 to 28 are in accordance with the Corporations Act 2001 and:
 - (i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- (b) 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.

On behalf of the directors



Peter Ledwidge
Managing Director

Brisbane
16 March 2022

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mako Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Mako Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

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Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company'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*.

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.

BDO Audit Pty Ltd



R M Swaby
Director

Brisbane, 16 March 2021

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