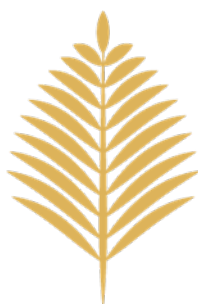


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ANTILLES GOLD LIMITED

ABN: 48 008 031 034 ASX CODE: AAU

Financial Report

for the half-year ended

30 June 2022

HALF-YEAR FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2022

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CORPORATE INFORMATION

ABN 48 008 031 034

DIRECTORS

Brian Johnson *Executive Chairman*

James Tyers *Executive Director*

Ugo Cario *Non-Executive Director*

Angela Pankhurst *Non-Executive Director*

COMPANY SECRETARY

Pamela Bardsley (appointed 8 February 2022)

Megan McPherson (resigned 8 February 2022)

REGISTERED OFFICE

55 Kirkham Road

Bowral NSW 2576

AUSTRALIA

PRINCIPAL PLACE OF BUSINESS

55 Kirkham Road

Bowral NSW 2576

AUSTRALIA

Phone: +61 2 4861 1740

SHARE REGISTER

Automic

Level 5, 126 Phillip Street

Sydney NSW 2000

Phone: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)

AUDITOR

HLB Mann Judd (WA Partnership)

Level 4, 130 Stirling Street

Perth WA 6000

SOLICITORS

Atkinson Corporate Lawyers

Level 8, 99 St Georges Terrace

Perth WA 6000

BANKERS

National Australia Bank

Level 2, 1 Bolger Street

Campbelltown NSW 2560

SECURITIES EXCHANGE LISTING

Antilles Gold Limited shares are listed on the Australian Securities Exchange.

Securities Exchange

Code: AAU – Fully paid ordinary shares

Code: AAUUSR – US control register

Code: AAUOB - Listed options exp 30/04/23 @\$0.13

FSE Code: PTJ

OTCQB Code: ANTMF

DIRECTORS' REPORT

The directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Group') consisting of Antilles Gold Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2022.

DIRECTORS

The names of the company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period.

Brian Johnson	Executive Chairman
James Tyers	Executive Director
Ugo Cario	Non-Executive Director
Angela Pankhurst	Non-Executive Director

PRINCIPAL ACTIVITIES & REVIEW OF OPERATIONS

- Completion of 28,000m drilling program for the La Demajagua gold-silver open pit mine in Cuba.
- Establishment of JORC Resources for La Demajagua open pit
- Completion of Initial Scoping Study for La Demajagua mine.
- Metallurgical testwork for concentrate production at La Demajagua.
- Progressing the Definitive Feasible Study ("DFS") for the La Demajagua open pit mine.
- Formalisation of an Exploration Agreement which permits the Company to evaluate the potential of previously explored gold, silver, copper, and zinc deposits before nominating they be included in a joint venture for possible development.
- Maintenance of oxygen plant and other surplus equipment stored in the Dominican Republic.
- Continuation of Arbitration of contractual claims against the Dominican Republic Government.

OPERATING RESULTS

Revenue for the period from the Las Lagunas project was US\$183,137 [2021: US\$234,623]. All revenue during the current period was generated from the sale of scrap materials and minor plant items.

Net cash outflows from operations after interest paid were US\$1,209,788 [2021: US\$1,530,003].

Earnings before interest, depreciation and amortisation (EBITDA) for the half year were (US\$1,137,600) [2021: (US\$1,014,587)]. The consolidated net loss for the period was (US\$1,836,673) [2021: (US\$1,702,617)].

The net assets of the Group at balance date were US\$12,995,340 [31 December 2021: US\$12,732,575].

Cash and cash equivalents as at the balance date were US\$1,357,285 [31 December 2021: US\$3,337,398].

There were no external borrowings as at the current balance date or comparative period balance date.

Corporate Activities

In August 2022, the Company raised an additional A\$3.0 million that is being applied to a preliminary drilling program of the El Pilar copper-gold porphyry deposit and its overlying oxide deposit in central Cuba, and to completion of the DFS for the La Demajagua open pit mine.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF OPERATIONS

La Demajagua Gold/Silver Project, Cuba

The Company's Cayman Islands registered subsidiary, Antilles Gold Investments Inc ("AGI"), signed a Joint Venture Agreement on 6 August 2020, to take up a 49% shareholding in Cuban registered company, Minera La Victoria SA ("MLV"), which intends to develop the La Demajagua gold-silver mine on the Isle of Youth in SW Cuba.

Gold Caribbean Mining SA ("GCM"), a subsidiary of Government owned mining company, GeoMinera SA ("GMSA"), holds 51% of the Joint Venture, resulting from their transfer of the Mining Concession for the La Demajagua gold-silver deposit to MLV.

Under the terms of the Joint Venture Agreement, AGI is contributing US\$13 million equity to MLV between Q4 2020 and Q2 2023 for its 49% shareholding in the proposed Stage One open pit mine. It is expected the Company will have contributed approximately US\$8.5 million of its equity by the time the DFS is completed at the end of 2022. The US\$4.5 million balance will be provided between January and June 2023 and applied to construction of infrastructure for the La Demajagua mine.

If a decision is made by MLV to develop the Stage Two underground operation, as is expected based on historical drilling results, it could add a further 10 years to the life of the mine.

If AGI wishes to participate in the underground operation it must contribute a further US\$13 million of share capital to MLV in order to maintain its 49% shareholding, which would be expended on additional drilling and underground mine development.

Los Llanos International Economic Assessment ("Exploration Agreement")

On 16 March 2022, AGI signed what is effectively an Exploration Agreement with GCM which permits AGI to evaluate previously explored gold, silver, copper, and zinc deposits prior to their nomination by AGI to be included in a joint venture with GCM for possible development.

The two important concessions currently within the Los Llanos project are:

El Pilar

The 7,800ha El Pilar concession hosts a large copper-gold porphyry system in central Cuba and an overlying oxide deposit with high grade gold and copper domains to a depth of 60m to 80m.

Based on surface expressions and a previous aeromagnetic survey, mineralisation of one of three porphyry deposits within the concession is expected to extend to a depth of >1,000m and present an open pit target of 500mt.

AGI anticipates that development of a low cap-ex mine on the El Pilar oxide deposit will become the second operation for the joint venture company, MLV.

New Horizons

Two concessions totalling 31,700ha comprise the 40km long New Horizons VMS style polymetallic mineral belt in Central Cuba which hosts four previously producing copper-zinc mines and 16 identified surface occurrences of such mineralisation, and some with gold and silver content.

AGI anticipates that the re-opening of the Antonio open pit mine will become the third operation for the joint venture company, MLV.

Sierra Maestra

GeoMinera has also agreed in-principle for selected areas within the large, highly prospective Sierra Maestra polymetallic belt in south east Cuba to be included in the Los Llanos Exploration Agreement, after AGI's review of existing geological data, and nomination of its preferred deposits.

DIRECTORS' REPORT (CONTINUED)

Las Lagunas Gold Tailings Project

The Las Lagunas project involving the extraction of gold and silver from stored refractory tailings utilising an Albion/CIL process plant was completed in December 2019.

The plant has been dismantled and surplus equipment stored for future sale, or incorporation in a new concentrate processing plant if the opportunity arises.

Disputes with Dominican Government

The rights and obligations of subsidiary, EnviroGold (Las Lagunas) Limited ("EVGLL") in relation to the Las Lagunas Project are governed by the "Special Contract" which it signed with the Dominican Government in 2004.

As outlined in note 19 in the notes to the financial statements, a number of contractual disputes with the Government have been submitted by EVGLL for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC.

The three-member arbitration tribunal involved in the proceedings has established that matters will be finalised by 9 June 2023. A decision and rulings will probably take another three months.

CHANGE IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

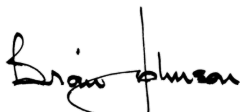
SUBSEQUENT EVENTS & FUTURE ACTIVITIES

- In August 2022, 58,340,320 shares were issued by the Company to raise A\$2,917,016 (US\$2,034,730) less costs of A\$68,618 (US\$48,056). In addition, 18,780,106 listed options were issued to subscribers for new shares at no cost. The options may be exercised at A\$0.13 each on or before 30 April 2023.
- On 3 August 2022 Antilles Gold Limited was listed on the Frankfurt Stock Exchange (FSE Code: PTJ). The listing will assist trading by a number of investors in Germany, Switzerland, and Austria who are showing interest in Antilles Gold's activities and growth potential in Cuba.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the auditor independence requirements of the *Corporations Act 2001*, the directors have received and are satisfied with the "Auditor's Independence Declaration" provided by the company's external auditors HLB Mann Judd. The Auditor's Independence Declaration has been attached immediately after the Directors' Report.

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



Brian Johnson
Executive Chairman
1 September 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Antilles Gold Limited for the half-year ended 30 June 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
1 September 2022



M R Ohm
Partner

hlb.com.au

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

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2022

	Note	30 Jun 2022 US\$	30 Jun 2021 US\$
Revenue	3	183,137	234,623
Project closure care and maintenance costs		(188,014)	(43,181)
Employee benefits – non-direct	4	(89,482)	(86,585)
Insurance costs		(9,526)	(18,154)
Legal and professional costs		(355,569)	(346,608)
Depreciation and amortisation expense	9,10, 11	(198,887)	(189,246)
Finance costs	5	(500,186)	(498,784)
Project evaluation costs		(208,458)	(144,647)
Foreign exchange gain / (loss)		8,170	(53,636)
Share-based payments	23	(34,425)	-
Other expenses		(394,418)	(416,325)
Change in fair value of investments		(49,015)	(140,074)
Loss before income tax expense		(1,836,673)	(1,702,617)
Income tax benefit / (expense)		-	-
Loss for the period		(1,836,673)	(1,702,617)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation movement		(126,916)	(36,744)
Equity-accounted investees – share of other comprehensive income	12	(46,449)	290,914
Total other comprehensive (loss) / income net of tax for the half-year		(173,365)	254,170
Total comprehensive loss for the half-year		(2,010,038)	(1,448,447)
Attributable to: Owners of the Parent		(2,010,038)	(1,448,447)
Total comprehensive loss for the half-year attributable to members of the parent		(2,010,038)	(1,448,447)
		Cents	Cents
Basic loss per share (cents per share)	20	(0.56)	(0.83)
Diluted loss per share (cents per share)	20	(0.56)	(0.83)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	30 Jun 2022 US\$	31 Dec 2021 US\$
CURRENT ASSETS			
Cash and cash equivalents	6	1,357,285	3,337,398
Trade and other receivables	7	185,000	-
Prepayments and deposits	8	111,366	399,080
TOTAL CURRENT ASSETS		1,653,651	3,736,478
NON – CURRENT ASSETS			
Property, plant and equipment	9	3,210	1,717
Right-of-use assets	10	61,845	83,003
Intangible assets	11	3,956,117	4,135,235
Investment in joint venture	12	23,032,821	23,079,270
Investments in shares	13	100,831	159,630
Other assets	14	147,828	-
TOTAL NON – CURRENT ASSETS		27,302,652	27,458,855
TOTAL ASSETS		28,956,303	31,195,333
CURRENT LIABILITIES			
Trade and other payables	15	547,687	847,744
Provisions	16	525,174	497,172
Lease liabilities	10	33,278	34,935
Joint venture future contributions payable	12	5,871,229	8,990,550
TOTAL CURRENT LIABILITIES		6,977,368	10,370,401
NON – CURRENT LIABILITIES			
Lease liabilities	10	29,782	48,367
Joint venture future contributions payable	12	8,953,813	8,043,990
TOTAL NON – CURRENT LIABILITIES		8,983,595	8,092,357
TOTAL LIABILITIES		15,960,963	18,462,758
NET ASSETS		12,995,340	12,732,575
EQUITY			
Contributed equity	17	87,006,905	84,786,290
Reserves	18	(2,083,211)	(1,962,034)
Accumulated losses		(71,928,354)	(70,091,681)
TOTAL EQUITY		12,995,340	12,732,575

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2022

	Ordinary Shares \$US	Equity Reserve \$US	Options Reserve \$US	Performance Rights Reserve \$US	Foreign Currency Translation Reserve US\$	Share of Joint Venture's Other Comprehensive Income \$US	Accumulated Losses \$US	Total \$US
Balance as at 1 January 2021	79,590,223	(11,773,880)	3,920,449	1,386,963	4,017,227	-	(66,257,262)	10,883,720
Loss for the period	-	-	-	-	-	-	(1,702,617)	(1,702,617)
Other comprehensive income	-	-	-	-	(36,744)	290,914	-	254,170
Total comprehensive loss for the period	-	-	-	-	(36,744)	290,914	(1,702,617)	(1,448,447)
Transactions with owners in their capacity as owners								
Shares issued	2,811,289	-	-	-	-	-	-	2,811,289
Transaction costs on share issue	(325,670)	-	-	-	-	-	-	(325,670)
Share-based payments of transaction costs on share issue	74,647	-	67,518	-	-	-	-	142,165
Balance as at 30 June 2021	82,150,489	(11,773,880)	3,987,967	1,386,963	3,980,483	290,914	(67,959,879)	12,063,057
Balance as at 1 January 2022	84,786,290	(11,773,880)	4,086,832	1,386,963	3,940,257	397,794	(70,091,681)	12,732,575
Loss for the period	-	-	-	-	-	-	(1,836,673)	(1,836,673)
Other comprehensive income	-	-	-	-	(126,916)	(46,449)	-	(173,365)
Total comprehensive loss for the period	-	-	-	-	(126,916)	(46,449)	(1,836,673)	(2,010,038)
Transactions with owners in their capacity as owners:								
Shares issued	2,406,467	-	-	-	-	-	-	2,406,467
Transaction costs on share issue	(185,852)	-	-	-	-	-	-	(185,852)
Share-based payments of transaction costs on share issue	-	-	52,188	-	-	-	-	52,188
Balance as at 30 June 2022	87,006,905	(11,773,880)	4,139,020	1,386,963	3,813,341	351,345	(71,928,354)	12,995,340

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2022

	30 Jun 2022	30 Jun 2021
	US\$	US\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from metal and scrap sales	26,155	103,711
Payments to suppliers and employees	(1,045,694)	(1,489,433)
Payments for project evaluation activities	(189,199)	(144,647)
Interest received	202	214
Interest paid	(1,252)	152
NET CASH USED IN OPERATING ACTIVITIES	(1,209,788)	(1,530,003)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,142)	-
Receipts from discontinued Investments	-	36,225
Payments for joint venture project development	(2,702,294)	(997,820)
Payments for other assets	(159,149)	-
NET CASH USED IN INVESTING ACTIVITIES	(2,864,585)	(961,595)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,406,467	2,811,289
Payment of share issue costs	(168,089)	(183,505)
Lease payments	(17,203)	(10,511)
NET CASH PROVIDED BY FINANCING ACTIVITIES	2,221,175	2,617,273
NET (DECREASE)/INCREASE IN CASH HELD	(1,853,198)	125,675
Cash at the beginning of the financial period	3,337,398	3,875,699
FX movement in opening balances	(126,915)	-
CASH AT THE END OF FINANCIAL PERIOD	1,357,285	4,001,374

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2022

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Reporting Entity

Antilles Gold Limited (the "Company") is a public company, listed on the Australian Securities Exchange, incorporated and domiciled in Australia. The address of the Company's registered office is 55 Kirkham Road, Bowral, NSW, 2576. This half-year financial report covers the consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group" or "consolidated entity") as at 30 June 2022. The half-year financial report is presented in US dollars, which is the consolidated entity's functional and presentational currency.

(b) Basis of preparation

These general purpose financial statements for the half-year ended 30 June 2022 have been prepared in accordance with the requirements of AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 *Interim Financial Reporting*.

The half-year financial statements do not include all notes of the type normally included within the annual financial statements 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 statements.

It is recommended that the half-year financial statements be read in conjunction with the annual report for the year ended 31 December 2021 and considered together with any public announcements made by Antilles Gold Limited during the half-year ended 30 June 2022 in accordance with the continuous disclosure obligations of the *ASX Listing Rules*.

(c) New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (applicable to annual reporting periods beginning on or after 1 January 2023):

When effective, AASB 2020-1 amends AASB 101 *Presentation of Financial Statements* to require a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period. The directors anticipate that the adoption of AASB 2020-1 will not have an impact on the Group's financial statements.

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (applicable to annual reporting periods beginning on or after 1 January 2025):

When effective, these amendments will clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The directors anticipate that the adoption of AASB 2014-10 will not have an impact on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(d) Going concern

The Group made a loss of US\$1,836,673 for the half-year ended 30 June 2022 [2021: US\$1,702,617]. Net cash outflows from operations after interest paid for the six months ending 30 June 2022 were US\$1,209,788 [2021: US\$1,530,003]. As at 30 June 2022, the Group's current liabilities exceeded its current assets by US\$5,323,717 [2021: US\$2,702,893].

The Las Lagunas Gold Tailings Project in the Dominican Republic finished production in December 2019. The Company's rights and obligations in relation to the Las Lagunas Project are governed by the "Special Contract" entered into with the Dominican Government. As outlined in Note 19, a number of contractual disputes with the Government have been submitted for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC.

A subsidiary, Antilles Gold Inc, has entered into an Agreement with a subsidiary of Cuban Government owned mining company, GeoMinera S.A., for the joint venture company, Minera La Victoria S.A., to develop the La Demajagua gold/silver mine. Minera La Victoria was registered in August 2020. The Group has committed to provide a total of US\$25.9 million of equity capital to Minera La Victoria across two stages of development. The first stage, totalling approximately US\$13.0 million, is payable between Q4 2020 and Q2 2023 to progress feasibility studies and pay for infrastructure for the La Demajagua open pit gold/silver mine. At 30 June 2022 the amount remaining to be paid for stage 1 is US\$6.8 million, which is scheduled to be paid between July 2022 and June 2023. The second stage, totalling US\$12.9 million is payable between July 2026 and June 2027 provided the Group wishes to participate in the stage two underground mining operation at La Demajagua.

Antilles Gold Inc has also entered into the Los Llanos International Economic Association (Exploration Agreement) which permits Antilles Gold Inc to review the technical and commercial potential of previously explored major mineral deposits held by GeoMinera S.A. prior to nominating which deposits should be incorporated in a joint venture for development. Antilles Gold Inc intends to expend approximately US\$2.5 million per year for three years, commencing September 2022, to evaluate three promising projects. This expenditure will be reimbursed by any joint venture that develops the respective project.

The Directors are confident of obtaining the necessary funds for the project in Cuba through the issue of equity and/or borrowings and of a favourable outcome from the arbitration process, to be able to pay its debts as and when they fall due.

Having reviewed the business outlook and cash flow forecasts and taking into account the above matters, the Directors are of the opinion that the use of the going concern basis of accounting is appropriate. Notwithstanding this, the above conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

2. SEGMENT REPORTING

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

The operating segment is identified by management by project – discrete financial information about this operating segment is reported to the executive management team on at least a monthly basis. Management has identified the Las Lagunas project, its Albion/CIL plant design and the Cuban projects as the group's main operating segments. Other segment information comprises a variety of projects that do not meet the definition of an operating segment on a quantitative basis.

The following tables present revenue and profit information for business segments for the half year ended 30 June 2022 and 30 June 2021, and assets and liabilities information for the half year ended 30 June 2022 and full year ended 31 December 2021:

Information about reportable segments

	Las Lagunas Project		Albion/CIL Plant Design		Cuban Projects		Others		Consolidated	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
External revenue	182,935	93,082	-	-	-	-	-	-	182,935	93,082
Inter segment revenue	-	-	-	-	-	-	-	141,327	-	141,327
Interest revenue	1	11	-	-	-	-	201	203	202	214
Interest expense	(189)	(53)	-	-	(498,934)	(498,936)	(1,063)	205	(500,186)	(498,784)
Depreciation and amortisation	(5,706)	(2,127)	(179,118)	(179,118)	-	-	(14,063)	(8,001)	(198,887)	(189,246)
Reportable segment profit/(loss) before income tax	(206,516)	(168,153)	(179,118)	(179,118)	(761,817)	(675,744)	(689,222)	(679,602)	(1,836,673)	(1,702,617)
Other material non-cash items										
Foreign exchange gain/(loss)	(4,837)	(4,529)	-	-	4,574	-	8,433	(49,107)	8,170	(53,636)
Interest on deferred settlement of contributions	-	-	-	-	(498,934)	(498,936)	-	-	(498,934)	(498,936)
Share-based payments	-	-	-	-	-	-	(52,188)	(142,165)	(52,188)	(142,165)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

2. SEGMENT REPORTING (CONTINUED)

	Las Lagunas Project		Albion/CIL Plant Design		Cuban Projects		Others		Consolidated	
	30 Jun 2022 US\$	31 Dec 2021 US\$	30 Jun 2022 US\$	31 Dec 2021 US\$	30 Jun 2022 US\$	31 Dec 2021 US\$	30 Jun 2022 US\$	31 Dec 2021 US\$	30 Jun 2022 US\$	31 Dec 2021 US\$
Segment assets	2,358,503	2,109,624	3,956,117	4,135,235	23,280,221	23,638,862	31,862,802	33,117,799	61,457,643	63,001,520
Capital expenditure	-	-	-	-	147,828	-	3,142	-	150,970	-
Segment liabilities	1,508,084	1,049,816	-	-	14,866,218	17,338,832	35,998,913	32,100,349	52,373,215	50,488,997

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

2. SEGMENT REPORTING (CONTINUED)

	30 Jun 2022 US\$	30 Jun 2021 US\$
Revenue		
Total revenue for reportable segments	182,935	234,409
Consolidated revenue	182,935	234,409

	30 Jun 2022 US\$	31 Dec 2021 US\$
Assets		
Total assets for reportable segments	61,457,643	63,001,520
Elimination of investments in subsidiaries	(25,257,323)	(22,320,044)
Elimination of intercompany loans and interest	(36,412,252)	(32,026,239)
Elimination of provision for intercompany loans	28,586,801	21,931,565
Elimination of head office expenses charged to projects	581,434	608,531
Consolidated total assets	28,956,303	31,195,333

	30 Jun 2022 US\$	31 Dec 2021 US\$
Liabilities		
Total liabilities for reportable segments	52,373,215	50,488,997
Elimination of intercompany loans and interest	(36,412,252)	(32,026,239)
Consolidated total liabilities	15,960,963	18,462,758

Geographical Information

Geographical non-current assets	30 Jun 2022 US\$	31 Dec 2021 US\$
Dominican Republic	10,460	16,167
Cuba	23,180,649	23,079,270
Australia	4,111,543	4,363,418
	27,302,652	27,458,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

3. REVENUE

	30 Jun 2022 US\$	30 Jun 2021 US\$
Revenue from continuing operations		
<i>Sales revenue</i>		
Sales of minor plant items	176,864	73,237
Sales of scrap materials	6,071	19,845
Minor plant items transferred to joint venture	-	141,327
	182,935	234,409
<i>Other revenue</i>		
Interest received	202	214
	183,137	234,623

Recognition and measurement

Nature of goods and services

The Group's revenue was generated from the sale of scrap materials and minor plant items following closure of the Las Lagunas project in the Dominican Republic. The Group has concluded there is no significant financing associated with any sale.

Revenue recognition

Sales of scrap and fully depreciated assets

Revenue is recognised when the customer obtains control of the product and selling price can be determined with reasonable accuracy. Sales revenue represents gross proceeds recoverable from the customer.

Under AASB 15, each sale is a separate customer contract whereby revenue is recognised at a point in time upon delivery to the customer. The full risk of the material passes to the customer when the customer takes delivery.

4. LOSS BEFORE TAX

	30 Jun 2022 US\$	30 Jun 2021 US\$
Loss before tax includes, amongst others, the following:		
Employee costs – salaries	76,170	74,908
Employee costs – superannuation	5,173	7,075
Employee costs – other	8,139	4,602
	89,482	86,585

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

5. FINANCE COSTS

		30 Jun 2022 US\$	30 Jun 2021 US\$
Interest on loan borrowings			-
Interest on deferred settlement of contributions	(i)	498,934	498,936
Lease interest		1,252	(152)
		500,186	498,784

- (i) Joint venture future contributions payable, as described in note 12, are initially recognised at the fair value of the future contributions using a discounted cash flow method. The liability is subsequently measured at amortised cost using the effective interest method. The value of interest on deferred settlement of contributions represents a non-cash finance charge which is generated for valuation purposes only.

6. CASH AND CASH EQUIVALENTS

For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised of the following:

	30 Jun 2022 US\$	31 Dec 2021 US\$
Cash at bank and on hand	1,336,660	3,315,630
Cash on deposit	20,625	21,768
	1,357,285	3,337,398

7. TRADE AND OTHER RECEIVABLES (CURRENT)

	30 Jun 2022 US\$	31 Dec 2021 US\$
Trade receivables	185,000	-
	185,000	-

All debtors are recognised at the amounts receivable as they are due for settlement.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment of receivables is raised when some doubt as to collection exists. No impairment allowance is required as the amount disclosed was collected during July 2022.

8. PREPAYMENTS & DEPOSITS

	30 Jun 2022 US\$	31 Dec 2021 US\$
Prepayments and bonds	52,707	40,999
Prepaid future capital contributions	58,659	358,081
	111,366	399,080

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

9. PROPERTY, PLANT & EQUIPMENT

30 June 2022	Mine Buildings and Plant US\$	Plant and Equipment US\$	Total US\$
Cost			
Balance 1 January 2022	67,512,011	9,867,883	77,379,894
Additions	-	3,142	3,142
Balance 30 June 2022	67,512,011	9,871,025	77,383,036
Accumulated Depreciation			
Balance 1 January 2022	(47,653,680)	(9,866,166)	(57,519,846)
Depreciation expense	-	(1,649)	(1,649)
Balance 30 June 2022	(47,653,680)	(9,867,815)	(57,521,495)
Impairment			
Balance 1 January 2022	(19,858,331)	-	(19,858,331)
Balance 30 June 2022	(19,858,331)	-	(19,858,331)
Carrying Value 30 June 2022	-	3,210	3,210

31 December 2021	Mine Buildings and Plant US\$	Plant & Equipment US\$	Total US\$
Cost			
Balance 1 January 2021	67,512,011	9,867,883	77,379,894
Additions	-	-	-
Balance 31 December 2021	67,512,011	9,867,883	77,379,894
Accumulated Depreciation			
Balance 1 January 2021	(47,653,680)	(9,863,069)	(57,516,749)
Depreciation expense	-	(3,097)	(3,097)
Balance 31 December 2021	(47,653,680)	(9,866,166)	(57,519,846)
Impairment			
Balance 1 January 2021	(19,858,331)	-	(19,858,331)
Impairment	-	-	-
Balance 31 December 2021	(19,858,331)	-	(19,858,331)
Carrying Value 31 December 2021	-	1,717	1,717

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

10. LEASE ASSETS AND LIABILITIES

During the half year ended 30 June 2022 the Group leased office premises and office equipment in Bowral (Australia) and office premises in Santo Domingo (Dominican Republic). Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

	Office Premises US\$	Office Equipment US\$	Total US\$
June 2022			
Balance at 1 January 2022	78,984	4,019	83,003
Depreciation charge for the half year	(17,680)	(440)	(18,120)
Foreign currency adjustment	(2,844)	(194)	(3,038)
Balance at 30 June 2022	58,460	3,385	61,845

There were no additions to the right-of-use assets during the current reporting period.

	Office Premises US\$	Office Equipment US\$	Total US\$
December 2021			
Balance at 1 January 2021	13,701	-	13,701
Additions	100,384	4,620	105,004
Depreciation charge for the full year	(19,819)	(225)	(20,044)
Foreign currency adjustment	(15,282)	(376)	(15,658)
Balance at 31 December 2021	78,984	4,019	83,003

Lease liabilities

	30 Jun 2022 US\$	31 Dec 2021 US\$
Maturity analysis – contractual undiscounted cash flows		
Less than one year	34,889	37,203
One to five years	30,590	49,913
More than five years	-	-
Total undiscounted lease liabilities	65,479	87,116
Lease liabilities included in the statement of financial position	63,060	83,302
Current	33,278	34,935
Non-current	29,782	48,367

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

10. LEASE ASSETS AND LIABILITIES (CONTINUED)

Movements of lease liabilities:	30 Jun 2022 US\$	31 Dec 2021 US\$
Carrying amount at the start of the year	83,302	16,135
Lease additions	-	100,782
Lease payments	(17,203)	(22,178)
Interest	1,252	1,431
Foreign currency adjustment	(4,291)	(12,868)
Carrying amount at the end of the period	63,060	83,302

Amounts recognised in profit or loss

	30 Jun 2022 US\$	30 Jun 2021 US\$
Interest on lease liabilities	1,252	(152)
Expenses relating to short-term leases	-	19,562

Amounts recognised in the statement of cash flows

	30 Jun 2022 US\$	30 Jun 2021 US\$
Total cash outflow for leases	17,203	10,511

11. INTANGIBLE ASSETS

	30 Jun 2022 US\$	31 Dec 2021 US\$
Development costs		
Albion/CIL processing plant design costs		
Balance at the beginning of the period	4,135,235	4,495,990
Amortisation expense	(179,118)	(360,755)
Closing balance	3,956,117	4,135,235
Total intangible assets	3,956,117	4,135,235

Impairment

The intangible asset, "Albion/CIL processing plant design costs" was originally established for development of the Las Lagunas project in the Dominican Republic and that project came to an end in December 2019. The Group has negotiated to utilise the Albion process in the joint venture with the Cuban Government's mining company, GeoMinera SA, to develop the La Demajagua gold mine. Under the terms of the Joint Venture Agreement, the Group will charge the JV Company a fee for the transfer of technology equal to 1.5% of the JV's sales proceeds from gold and silver.

Management has considered the evidence of any impairment indicators in the current period. In making this assessment, management has considered gold prices in addition to the results of the Initial Scoping Study. Based upon this assessment, no impairment indicators were determined to be present.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

12. JOINT VENTURE – INVESTMENT AND COMMITMENTS

In August 2020 the Group acquired a 49% interest in Cuban registered, Minera La Victoria S.A. ("MLV"), a joint venture formed with Gold Caribbean Mining SA ("GCM"), a subsidiary of Cuban Government owned mining company, GeoMinera SA ("GMSA"), to develop the La Demajagua gold / silver mine on the Isle of Youth in SW Cuba. The Group's interest in MLV is accounted for using the equity method in the consolidated financial statements.

Under the terms of the joint venture agreement, GCM has paid for its 51% shareholding by providing the mining licence and historical data and information for the La Demajagua gold/silver deposit, with a fair value of US\$27,000,000. The Group is required to pay for its 49% shareholding by making capital contributions of US\$25,941,176 to fund the two stages of the mine development. The Group's contributions are required to be made across the two stages, with the first stage to be paid for progressively over a two and a quarter year period, commencing in Q4 of 2020 and ending in Q1 of 2023. The second stage is to be paid for over a one year period between Q3 of 2026 and Q2 of 2027 if the Group wishes to participate in stage two.

The joint venture future contributions payable is initially recognised at the fair value of the future contributions. They are subsequently measured at amortised cost using the effective interest method.

Net assets of joint venture at formation date	US\$
Intangible assets	27,000,000
Cash	100,000
Other receivables - future capital contributions	19,188,726
	46,288,726

The carrying amount of the investment in the joint venture and the liabilities for future capital contributions at balance are shown in the following tables:

Investment in a joint venture	30 Jun 2022	31 Dec 2021
	US\$	US\$
Group's share of net assets, initial investment – 49%	22,681,476	22,681,476
Group's share of other comprehensive income – 49%	(i) 351,345	397,794
Group's carrying amount of the investment	23,032,821	23,079,270

(i) Movements in share of other comprehensive income:	30 Jun 2022	31 Dec 2021
	US\$	US\$
Carrying amount at the start of the year	397,794	-
Share of other comprehensive (loss) / income for the period	(46,449)	397,794
Carrying amount at the end of the period	351,345	397,794

Future capital contributions	30 Jun 2022	31 Dec 2021
	US\$	US\$
Future contributions payable - beginning balance	17,034,540	19,099,970
Contributions paid during the period	(2,708,432)	(3,063,300)
Interest on deferred settlement of contributions	498,934	997,870
	14,825,042	17,034,540

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

12. JOINT VENTURE – INVESTMENT AND COMMITMENTS (CONTINUED)

	30 Jun 2022 US\$	31 Dec 2021 US\$
Future capital contributions		
Future contributions payable – current	5,871,229	8,990,550
Future contributions payable – non-current	8,953,813	8,043,990
	14,825,042	17,034,540

Summarised financial information of the joint venture, based on its IFRS financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are set out below:

Summarised statement of financial position of Minera La Victoria S.A:

	30 Jun 2022 US\$	31 Dec 2021 US\$
Current assets	268,890	118,383
Non-current assets	47,774,148	47,881,450
Current liabilities	(1,037,280)	(899,281)
Equity	47,005,758	47,100,552
Group's share in equity - 49%	23,032,821	23,079,270
Group's carrying amount of the investment	23,032,821	23,079,270

A small loss recorded in the joint venture, generated as a result of currency exchange revaluations, is not reported by the Company as the amount is considered trivial.

13. INVESTMENTS IN SHARES

		30 Jun 2022 US\$	31 Dec 2021 US\$
Shares Black Dragon Gold Corp	Level 1	100,831	159,630
		100,831	159,630

The Group subscribed for 11,000,000 shares in TSX Listed Black Dragon Gold Corp (“BDG”) to assist in funding exploration of a Spanish gold prospect of interest to the company. In May 2018 BDG completed a consolidation of its issued and outstanding common shares on the basis of three (3) pre-consolidation common shares, options and warrants to one (1) post consolidation common share, option or warrant. BDG was listed on the ASX on 29 August 2018 (ASX: BDG) and de-listed from the TSX on 28 February 2019. The 3,666,666 post consolidation shares are shown at fair value through profit or loss.

14. OTHER ASSETS

As advised by the Company to the ASX on 1 March 2022, the Group has established the Los Llanos Project in Cuba through the formalisation of an International Economic Assessment (“IEA”) with a subsidiary of the Cuban Government’s mining company, GeoMinera SA, for a period of five years, which can be extended.

The IEA is effectively a “global” Exploration Agreement with GeoMinera whereby Antilles Gold may conduct preliminary exploration and studies of previously explored gold, silver, copper and zinc deposits in Cuba that are included in the IEA, before recommending which deposits should be transferred to a joint venture mining company for further exploration and potential development. The Company’s expenditure on a particular property will be reimbursed if it is ultimately developed. As such, all relevant

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

14. OTHER ASSETS (CONTINUED)

expenditure incurred by the Company for these activities are classified in the Consolidated Statement of Financial Position as "Other assets". The recovery of these costs is dependent on forming a joint venture mining company with GeoMinera, which is considered by the Company as being probable.

Antilles Gold can also recommend the removal of properties from the IEA if they demonstrate insufficient prospectivity. In this event, all costs incurred in relation to these properties will be written off during the period in which such a decision is made.

Details of costs capitalised during the current period are as follows:

	30 Jun 2022 US\$	31 Dec 2021 US\$
Los Llanos project (Cuba) costs	147,828	-
Total other assets	147,828	-

15. TRADE & OTHER PAYABLES (CURRENT)

	30 Jun 2022 US\$	31 Dec 2021 US\$
Trade Creditors - Current		
Other corporations	418,546	727,246
Director related entities	82,361	87,219
Accruals	46,780	33,279
	547,687	847,744

16. PROVISIONS (CURRENT)

	30 Jun 2022 US\$	31 Dec 2021 US\$
Employee benefits (expected to be settled within 12 months)	237,690	209,688
Government share of cash flow from Las Lagunas project (PUN)	287,484	287,484
	525,174	497,172

Movements of employee benefits provision:

Carrying amount at the start of the year	209,688	281,370
Provisions recognised during the period	28,002	-
Amounts paid during the period	-	(71,682)
Carrying amount at the end of the period	237,690	209,688

Movements of Government share of cash flow from Las Lagunas project (PUN) provision:

Carrying amount at the start of the year	287,484	287,484
Provisions recognised during the period	-	-
Amounts paid during the period	-	-
Carrying amount at the end of the period	287,484	287,484

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

17. CONTRIBUTED EQUITY

	30 Jun 2022 US\$	31 Dec 2021 US\$
(A) Paid Up Capital		
Ordinary shares fully paid	87,006,902	84,786,287
Non-redeemable preference shares	3	3
	87,006,905	84,786,290

	30 Jun 2022		31 Dec 2021	
	No. of Shares	US\$	No. of Shares	US\$
(B) Movements in ordinary shares on issue				
Beginning of the financial period	304,004,961	84,786,287	195,141,649	79,590,220
Rights issue allotments to shareholders	-	-	55,766,201	2,811,289
Rights issue allotments for lead manager costs	-	-	1,480,738	74,647
Share placements	49,400,000	2,406,467	51,612,901	2,942,880
Options exercised	-	-	3,472	332
Capital raising costs	-	(185,852)	-	(633,081)
Balance	353,404,961	87,006,902	304,004,961	84,786,287

(C) Terms and Conditions of Contributed Equity

Ordinary shares have no par value. Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote either in person or by proxy, at a meeting of the Company.

(D) Options

In June 2021, the Company issued 32,248,243 listed options to participants in a 1 for 4 renounceable rights issue in which every participating shareholder received one free attaching option for every two shares issued. Of the 32,248,243 options issued, 3,624,804 were for Lead Manager services.

On 1 October 2021, one shareholder exercised 3,472 options at A\$0.13 each.

In November 2021, the Company issued 29,806,434 listed options to participants in a new share placement in which every participating shareholder received one free attaching option for every two shares issued. Of the 29,806,434 options issued, 4,000,000 were for Lead Manager services.

In April 2022, the Company issued 25,700,000 listed options to participants in a new share placement in which every participating shareholder received one free attaching option for every two shares issued. Of the 25,700,000 options issued, 1,000,000 were for Lead Manager services.

In May 2022, the Company issued 2,500,000 listed options to an investor relations consultant in part payment of fees for services rendered (refer note 23).

In August 2022, the Company issued 18,780,109 listed options to participants in a new share placement in which every participating shareholder received one free attaching option for every two shares issued.

All options issued during 2021 and 2022 are exercisable at A\$0.13 each on or before 30 April 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

18. RESERVES

		30 Jun 2022 US\$	31 Dec 2021 US\$
Foreign currency translation reserve	i.	3,813,341	3,940,257
Option reserve	ii.	4,139,020	4,086,832
Performance rights reserve	iii.	1,386,963	1,386,963
Equity reserve	iv.	(11,773,880)	(11,773,880)
Share of joint venture's other comprehensive income	v.	351,345	397,794
		(2,083,211)	(1,962,034)

i. Foreign currency translation reserve

Exchange differences arising on translation of the Australian Parent Entity (Antilles Gold Limited), Australian Subsidiary (Antilles Gold Technologies Pty Ltd) and Cayman Islands Subsidiary (Antilles Gold Inc) are taken to the foreign currency translation reserve.

ii. Option reserve

The option reserve is used to record the value of share-based payments issued to directors, employees and external parties.

Fair value of options granted is independently determined using the Black Scholes option valuation methodology which takes into account the risk free interest rate and share price volatility.

iii. Performance rights reserve

The performance rights reserve is used to recognise the fair value of performance rights issued to employees.

iv. Equity reserve

The Equity reserve of \$11,773,880 is a consequence of the consolidated entity acquiring 30% of the shares in EnviroGold (Las Lagunas) from Grimston World Inc. on 3 December 2010. The increase in ownership from 70% to 100% was accounted for as an equity transaction.

v. Share of joint venture's other comprehensive income

The Group's share of movement in the fair value of the joint venture contributions reserve and foreign currency translation reserve.

19. LITIGATION AND CONTINGENT LIABILITIES

Status as at 30 June 2022 follows:

EnviroGold (Las Lagunas) Limited ("EVGLL") v Grúas Liriano

EVGLL filed a lawsuit in the Dominican Republic for damages against crane operator, Grúas Liriano, for damage caused to one of its dredges. On 14 October 2020, EVGLL was awarded damages of DOP \$40 million (approximately US\$720,000 at the current exchange rate) however Grúas Liriano appealed this decision, which has not yet been heard.

Grúas Liriano filed a counterclaim for outstanding invoices for work performed, and not paid by EVGLL. They obtained favourable decisions from the trial and the appellate courts, respectively. The decision from the appellate court was upheld by the Supreme Court of Justice, thereby becoming final. The awarded amount is for DOP \$4,293,708.20 (approximately US\$78,000 at the current exchange rate). This amount will be offset against the amount of damages awarded to EVGLL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

19. LITIGATION AND CONTINGENT LIABILITIES (CONTINUED)

Disputes with Dominican Government

The Company's rights and obligations in relation to the Las Lagunas Project are governed by the "Special Contract" it signed with the Dominican Government in 2004. As outlined below, a number of contractual disputes with the Government have been submitted for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC. The arbitration will be completed in June 2023, with a decision by the arbitration tribunal within three to six months.

i. Contractual Claims

Tailings Dam Site

The Company has submitted a formal Claim to the Dominican Government for costs relating to its failure, at the commencement of the project, to provide a suitable site for constructing a dam for depositing reprocessed tailings from the Las Lagunas Albion/CIL plant. The provision of the dam site was an obligation of the Government under the Special Contract.

The inability of EVGLL to construct a new storage dam resulted in the reprocessed tailings having to be deposited back into the same storage facility from which they were mined, and also prohibited blending of the feed to the flotation circuit which resulted in additional direct costs and inefficiencies in the operation of the plant.

The Claim, which has been rejected by the Government, was prepared by independent consultants and has been submitted for arbitration.

The Claim for costs to 31 December 2020 amounted to US\$17,374,306.

Additional Claims

The following additional Claims have been submitted to the Government and will be included in the Arbitration proceedings:

- US\$5,208,000 for costs of overheads, storage, maintenance and security of surplus plant and equipment and their deterioration while remaining on site for over three years as a result of the Government illegally prohibiting their sale and removal from site.
- US\$354,745 for recovery of amount overpaid in relation to royalties.
- US\$600,000 (approximately) for recovery of legal costs incurred for defending tax assessments by the Government despite the Special Contract specifically waiving all taxes.

The total of Claims of submitted to date is approximately US\$23.5 million.

Claims for the cost of conducting the arbitration of approximately US\$1.5 million, and interest in excess of US\$5.0 million will be submitted when accurate amounts are able to be assessed. The total of all Claims will be in the order of US\$30 million.

ii. Taxation Matters

Despite very clear documentation in the Special Contract that EVGLL will benefit from an "exemption from any type of tax, fee, duty, national or municipal", the Dominican Government has repeatedly submitted assessments to EVGLL for 'asset tax' and 'income tax', which have had to be defended in the Courts.

As advised to the ASX on 17 December 2019 the Supreme Court of the Dominican Republic has ruled in favour of EVGLL's interpretation of the Special Contract. A second decision from the Dominican Supreme Court acknowledging EVGLL's tax exemption was handed down on 28 July 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

19. LITIGATION AND CONTINGENT LIABILITIES (CONTINUED)

The Government challenged the Supreme Court decision in the Constitutional Court. The Constitutional Court posted on its website on 3 February 2022 that it had upheld the previous ruling of the Supreme Court and there is no provision for appeal against this decision.

Resolution of this dispute has been included as a subject matter for arbitration, including a claim for the legal fees incurred by EVGLL in defending its position.

In December 2020, EVGLL received a Garnishee Notice from the Government's taxation department which prevents the sale or export of surplus equipment stored at Las Lagunas, based on a declaration that taxes were owed by EVGLL. EVGLL's legal counsel has advised EVGLL that the Notice was knowingly and illegally issued based on the Supreme Court's earlier decision that taxation was not applicable to the project. Legal proceedings have been commenced to have the notice rescinded.

iii. Share of Cash Flow (PUN)

EVGLL also disputes the Government's interpretation of the Special Contract that its share of cash flow after recovery of the project investment ("PUN") and royalties payable to the Government are taxes and as such interest and penalties should apply under the Tax Code for any late payments even in the event of delays in payments occasioned by disagreement and resolution of applicable amounts. The Dominican Government does not agree with the amount of PUN paid by EVGLL for 2018 and 2019 and has claimed penalties and interest, in addition to the additional assessed amount of PUN, which is disputed by EVGLL. As a consequence, this matter has been added to the arbitration proceedings.

20. EARNINGS PER SHARE

	30 Jun 2022 US\$	30 Jun 2021 US\$
Numerator used for basic and diluted EPS:		
(Loss)/Profit after tax attributable to the owners of Antilles Gold Limited	(1,836,673)	(1,702,617)
Number of shares		
Weighted average number of ordinary shares outstanding during the half year used in calculating the basic EPS	326,897,863	204,630,092
Weighted average number of ordinary shares outstanding during the half year used in calculating the diluted EPS	326,897,863	204,630,092

21. FINANCIAL INSTRUMENTS

The Group has a number of financial instruments which are not measured at fair value in the Statement of Financial Position. For all of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable is either close to current market rates or the instruments are short-term in nature.

The Group has US\$100,831 of investments measured at fair value through profit or loss. Fair value is ascertained via Level 1 inputs, being quoted prices in active markets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF-YEAR ENDED 30 JUNE 2022

22. EVENTS SUBSEQUENT TO REPORTING DATE

- In August 2022, 58,340,320 shares were issued by the Company to raise A\$2,917,016 (US\$2,034,730) less costs of A\$68,618 (US\$48,056). In addition, 18,780,106 listed options were issued to subscribers for new shares at no cost. The options may be exercised at A\$0.13 each on or before 30 April 2023.
- On 3 August 2022 Antilles Gold Limited was listed on the Frankfurt Stock Exchange (FSE Code: PTJ). The listing will assist trading by a number of investors in Germany, Switzerland, and Austria who are showing interest in Antilles Gold's activities and growth potential in Cuba.

23. SHARE-BASED PAYMENTS

On 7 April 2022, the Company issued 1,000,000 listed options for Lead Manager services in a new share placement. The fair value at grant date is determined using the market price of listed options of the Company as at the close of trading on the date the options are granted, and the cost is recorded as capital raising cost against issued capital, as disclosed in the consolidated statement of changes in equity.

On 27 May 2022, the Group issued 2,500,000 listed options to an investor relations consultant in part payment of fees for services rendered. The fair value at grant date is determined using the market price of listed options of the Company as at the close of trading on the date the options are granted, and the cost is recorded in the consolidated statement of profit or loss and other comprehensive income.

The key inputs used in the fair valuation of options issued during the current period are shown in the following table:

Grant Date	Options issued	Exercise price	Exercise date	Option price at grant date	Fair Value US\$
27/05/2022	2,500,000	A\$0.13	30/04/2023	A\$0.01377	34,425
7/04/2022	1,000,000	A\$0.13	30/04/2023	A\$0.01776	17,763

DIRECTORS' DECLARATION


FOR THE HALF-YEAR ENDED 30 JUNE 2022

In accordance with a resolution for the directors of Antilles Gold Limited, the Directors of the Company declare that:

- a. the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 30 June 2022 and the performance of the half year ending on that date of the consolidated entity; and
 - (ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional requirements; and
- b. 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.

Signed in accordance with a resolution of the directors made pursuant to S303(5)(a) of the *Corporations Act 2001*.

On behalf of the Board,



Brian Johnson

Executive Chairman
1 September 2022

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Antilles Gold Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Antilles Gold Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2022, 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, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 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.

Material uncertainty related to going concern

We draw attention to Note 1(d) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

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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 consolidated entity's financial position as at 30 June 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
1 September 2022



M R Ohm
Partner

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