



WESTERN YILGARN NL

ABN 62 112 914 459

AND ITS CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT 2022

For the Half-Year Ended 31 December 2022

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WESTERN YILGARN NL

CONTENTS

Directors' Report	1
Auditor's Independence Declaration	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9
Directors' Declaration	15
Independent Auditor's Report	16

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WESTERN YILGARN NL CORPORATE DIRECTORY

Directors

Peter Lewis – Non-Executive Chairman
Peter Michael – Non-Executive Director
John Traicos – Non-Executive Director

Company Secretary

Melissa Chapman
Catherine Grant-Edwards

Registered and Principal Office

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North Perth WA 6006

Phone: (08) 6166 9107

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Legal Advisors

Larri Legal
Suite 6, 152 High Street
Fremantle WA 6160

Auditors

Rothsay Audit & Assurance Pty Ltd
Level 1, Lincoln House
4 Ventnor Avenue
West Perth WA 6005

Country of Incorporation

Western Yilgarn NL is domiciled and incorporated in Australia

Stock Exchange Listing

Western Yilgarn NL is listed on the Australian Securities Exchange
(ASX Code: WYX)

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WESTERN YILGARN NL DIRECTORS' REPORT

The Directors of Western Yilgarn NL (**Western Yilgarn** or the **Company**) submit their report, together with its controlled entities (collectively referred to as the **Group**) for the half year ended 31 December 2022.

DIRECTORS

The directors that held office during the whole of the half year (unless otherwise stated) and up to the date of this report were:

Peter Lewis – Non-Executive Chairman
Peter Michael – Non-Executive Director
John Traicos – Non-Executive Director

REVIEW AND RESULTS OF OPERATIONS

The net loss of the entity for the half year after tax was \$461,911 (2021: loss of \$311,665). Major costs were administration and compliance expenses \$304,950 (2021: \$267,739), depreciation on right of use asset \$47,976 (2021: \$nil), director fees of \$63,095 (2021: \$39,900) and exploration costs expensed \$72,699 (2021: \$3,137).

PROJECT REVIEW

The Company is dedicated to pursuing early-stage exploration opportunities that are strategically aligned and have the potential to deliver best in class value and growth for shareholders.

With a strong focus on green metals, Western Yilgarn aims to advance its highly prospective land holdings in existing and emerging premier nickel and platinum group elements (**PGE**) jurisdiction.

The Company's initial focus is on exploration activities at its PGE Projects (Sylvania, Challa, Bulga, Boodanoo and Melbourne) variously located in the Wheatbelt, the Eastern Goldfields and Pilbara regions of Western Australia. Concurrently, the Company maintains a vigil for the availability of tenements demonstrating suitable prospectivity.

The Company continues to progress its Darling Range PGE Project exploration licence application. Established and maintained in good standing, the application awaits grant by DMIRS. At that juncture, a predetermined exploration plan will be enacted.

An overview of the location of the Company's projects is shown in Figure 1.



Figure 1: Project Locations

PGE PROJECTS

Mount Magnet - Boodanoo

Comprises E59/2496

- Desktop review indicates two different granites within the tenement, one of which occurs only in the tenement. Both are most likely in fault contact with sediments to the east. The fault has anomalous Au outside of the tenement. There is prospectivity for anomalous Au in the unique granite structure contained in the lease. Sampling across the tenement for this and also to better understand REE and Li pegmatites shall be completed.
- Site Access permission agreed with the pastoral lease holder
- Shallow auger samples are planned to be uplifted from 234 points on a 1600mtr x 100mtr grid pattern.

WESTERN YILGARN NL DIRECTORS' REPORT

Mount Magnet - Challa

Comprises E58/562

- Desktop review indicated potential for V and Ti and underlain by gabbro. The gabbro may overly down-dip extensions of the Canegrass Magnetic Zone and could be several hundred metres thick.
- A soil and rock chip campaign in December 2022 saw removal of 144 samples back to Perth for assay.

Sylvania

Comprises E52/3861 "North" and ELA52/4177 "South"

- Historical data review and reprocessing of geochemical data undertaken during the half year using loGAS software.
- Desktop review indicated exploration potential for Ni, Cu, Li, REE (North) and Li, Au (South)
- Dialogue with Karla Nyiyaparli Aboriginal Corporation (KNAC) confirmed an Aboriginal Heritage Survey will be required before planned activities can be commenced at both Sylvania North and Sylvania South.
- Land access at Sylvania South agreed with pastoral lease holders with agreements in the process of being finalised. KNAC lodged an objection to the application for Sylvania South based on implementation of a new agreement between the Company and KNAC being accepted. The Company has responded to the objection and is optimistic of an equitable resolution soon being achieved
- As soon as access is available for Sylvania North, shallow auger samples are planned to be uplifted from 1588 points on a 800mtr x 100mtr grid.
- As soon as access issues are cleared at Sylvania South, shallow auger samples are planned to be uplifted from 928 points on a 1600mtr x 100mtr grid.

Bulga

Comprises E36/1010, E36/1011 and E36/1025

- The project is located at a complex structural knot on the edge of two major terranes. With so many structures converging in one place, there may be potential for greater volumes of fluid movement and third or fourth order sprays that may contain Au, even in granite.
- A confirmed ultramafic unit adjacent to one of the major structures may be prospective for nickel. In the south, a tortuous reversely polarised magnetic feature may represent a mafic sill, in which case it may be prospective for Ni and Cu.
- Site access agreements finalised
- POW approved and auger rigs mobilised to undertake an extensive auger drilling campaign totalling 1,134 holes expected to be finalised January '23. Anticipated hole numbers and grid patterns are: E 36/1010 533 points on an 800mtr x 100mtr grid; E 36/1011 372 points on an 800mtr x 100mtr grid; E 36/1025 229 points on an 1600mtr x 100mtr grid.

Melbourne Project

Comprises EL70/5767 "West", EL70/5921 "East" and EL70/6167 "Northwest"

- Historical data review and reprocessing of geochemical data undertaken during the half year using loGAS software.
- Desktop review indicates exploration potential for Cu, Ni, Au.
- POWs approved for Melbourne East and Melbourne West.
- Site access agreements in the process of being finalised

DARLING RANGE PGE PROJECT

Comprises ELA70/5111

- The Company applied for ELA 70/5111 on 4th January 2018 (Application) which was recommended for grant on 16th February 2018.
- The standing of its Exploration Lease application for ELA 70/5111 is good but remains not granted due to Government procedural issues which are currently being resolved.
- There has been activity in DMIRS that signals positive developments in the coming year through the abandonment of the Perth Peel Regional Scheme which has previously affected the progress

WESTERN YILGARN NL

DIRECTORS' REPORT

of the Application. In addition, DMIRS have indicated the development of policies for progressing mining tenure which are expected to be completed by the end of June 2023.

- The Company continues to engage with the Mining Minister and the DMIRS to seek clarity and finalisation of the group process of the Application
- For more background on Darling Range Project, the Company directs the reader to the Western Yilgarn website <https://westernyilgarn.com.au/projects/darling-range/>.

KEY RISKS

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of these risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

A summary of the key risk areas of the Company are listed below:

- Future capital requirements and associated dilution risk
- Accessibility risk including land access and compensation, tenement title, native title, private land considerations
- Exploration and development risk including no defined resources, resource estimates, results of studies, metallurgy consideration
- Operational risks including loss of key personnel, reliance on agents and contractors, environmental risks, regulatory compliance
- Macro risks including climate risk, downturn in the resources industry, commodity prices and demand, COVID-19, Ukraine conflict
- Other risks including aboriginal herniate, new projects and acquisition and royalties

Further details on the above risks can be found in the Prospectus released by the Company on 7 February 2022.

CORPORATE

On 23 November 2022, the Company held its annual general meeting (**AGM**) of shareholders. All resolutions were carried at the AGM.

Events occurring after the reporting date

On 13 January 2023, the Company relinquished tenement E58/562.

There were no other matters or circumstances that have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the future financial years.

Auditor's Independence Declaration

The auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2022 has been received and is set out on page 4.

Signed on behalf of the Company.



Peter Lewis
Non-Executive Chairman
3 February 2023
Perth, Western Australia

ROTHSAY

AUDIT & ASSURANCE PTY LTD

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the review of Western Yilgarn NL for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Western Yilgarn NL and the entities it controlled during the year.

Rothsay Audit & Assurance Pty Ltd



Daniel Dalla
Director

3 February 2023

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Sydney NSW 2000

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CHARTERED ACCOUNTANTS
AUSTRALIA - NEW ZEALAND

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WESTERN YILGARN NL
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the half-year ended 31 December 2022

	Note	31 December 2022 \$	31 December 2021 \$
Other Income		32,122	-
Administrator and relisting expenses		-	(267,739)
Consultants		(187,072)	-
Travel and entertainment		(15,190)	-
Director fees		(63,095)	(39,900)
Professional services		(17,600)	-
Compliance and regulatory fees		(54,866)	-
Administration expenses		(27,212)	-
Finance expenses		(3,478)	-
Occupancy expenses		(4,818)	-
Share based payments		-	-
Depreciation	6	(47,976)	-
Forgiveness of debt		-	-
Impairment of loan to associate		-	(889)
Impairment of investment in associate		-	444
Share of net loss of associate		-	(444)
Exploration costs expensed	7	(72,699)	(3,137)
Other expenses		(27)	-
(Loss) before Income Tax		(461,911)	(311,665)
Income tax (expense) / benefit		-	-
(Loss) for the year		(461,911)	(311,665)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		(461,911)	(311,665)
(Loss) per share attributed to the owners of Western Yilgarn NL			
Basic and diluted loss per share (cents)	13	(0.58)	(0.08)

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

WESTERN YILGARN NL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	Note	31 December 2022 \$	30 June 2022 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	3,382,332	3,890,482
Restricted Cash	4	101,500	61,500
Trade and Other Receivables	5	56,141	160,544
Right of use asset	6	81,829	-
TOTAL CURRENT ASSETS		3,621,802	4,112,526
NON-CURRENT ASSETS			
Exploration Expenditure	7	814,860	702,640
TOTAL NON-CURRENT ASSETS		814,860	702,640
TOTAL ASSETS		4,436,662	4,815,166
CURRENT LIABILITIES			
Trade and Other Payables	8	64,040	60,781
Convertible notes	9	546	2,813
Lease liability	10	82,415	-
TOTAL CURRENT LIABILITIES		147,001	63,594
TOTAL LIABILITIES		147,001	63,594
NET ASSETS		4,289,661	4,751,572
EQUITY			
Issued Capital	11	28,467,559	28,467,559
Reserves	12	2,155,737	2,155,737
Accumulated Losses		(26,333,635)	(25,871,724)
TOTAL EQUITY		4,289,661	4,751,572

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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WESTERN YILGARN NL
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the half-year ended 31 December 2022

2022	Issued Capital	Accumulated Losses	Option Reserve	Total
	\$	\$	\$	\$
Balance as at 1 July 2022	28,467,559	(25,871,724)	2,155,737	4,751,572
Total comprehensive income for the year				
Loss for the year	-	(461,911)	-	(461,911)
Total comprehensive loss for the year	-	(461,911)	-	(461,911)
Issue of shares	-	-	-	-
Balance as at 31 December 2022	28,467,559	(26,333,635)	2,155,737	4,289,661
2021	Issued Capital	Accumulated Losses	Option Reserve	Total
	\$	\$	\$	\$
Balance as at 1 July 2021	20,321,348	(23,353,720)	1,624,540	(1,407,832)
Total comprehensive income for the year				
Loss for the year	-	(311,665)	-	(311,665)
Total comprehensive loss for the year	-	(311,665)	-	(311,665)
DOCA contribution	150,000	-	-	150,000
Balance as at 31 December 2021	20,471,348	(23,665,385)	1,624,540	(1,569,497)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

WESTERN YILGARN NL
CONSOLIDATED STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2022

	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	11,055	-
Interest paid	(3,652)	-
Receipts from customers	(1,109)	-
Payment for exploration and evaluation	(219,870)	(1,046)
Payments to suppliers and employees	(208,557)	(137,371)
Movement in cash from non-restricted to restricted	(40,000)	-
NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES	(462,133)	(138,417)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from DOCA	-	150,000
NET CASH INFLOW FROM INVESTING ACTIVITIES	-	150,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from convertible notes	-	225,000
Interest payments	(2,267)	-
Finance lease	(43,750)	-
Proceeds from borrowings	-	120,000
NET CASH INFLOW/(OUTFLOWS) FROM FINANCING ACTIVITIES	(46,017)	345,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(508,150)	356,583
Cash and cash equivalents at the beginning of the financial year	3,890,482	7,016
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	3,382,332	363,599

3

The above consolidated statement of cash flows should be used in conjunction with the accompanying notes.

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WESTERN YILGARN NL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

1. Basis of Preparation

These condensed interim financial reports for the half-year reporting period ended 31 December 2022 have been prepared in accordance with Accounting Standard 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.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the entity during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New accounting standards and interpretations

Standards and Interpretations applicable to 31 December 2022

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2022. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 July 2022 with no material impact on the amounts or disclosures included in the financial report.

2. Segment Reporting

AASB 8 *Operating Segments* requires operating segments to be identified based on internal reports that are regularly reviewed by the Chief Operating Decision Maker (**CODM**) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. In the case of the Group the CODM are the executive management team and all information reported to the CODM is based on the consolidated results of the Group as one operating segment, as the Group's activities relate to mineral exploration.

Accordingly, the Group has only one reportable segment and the results are the same as the Group results.

3. Cash and Cash Equivalents

	31 December 2022	30 June 2022
	\$	\$
Cash at bank and in hand	3,382,332	3,890,482
	<u>3,382,332</u>	<u>3,890,482</u>

Since reinstatement to the ASX on 4 May 2022, and in accordance with Listing Rule 4.10.19, the Company confirms that it has been using the cash and assets for the half year ended 31 December 2022 in a way that is consistent with its business objectives and strategy.

4. Restricted Cash

	31 December 2022	30 June 2022
	\$	\$
Restricted cash	101,500	61,500
	<u>101,500</u>	<u>61,500</u>

WESTERN YILGARN NL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

5. Trade and Other Receivables

	31 December 2022	30 June 2022
	\$	\$
GST receivable	26,284	126,320
Prepayments	9,414	31,140
Other receivables	20,444	3,084
	<u>56,141</u>	<u>160,544</u>

6. Right of Use Assets

	31 December 2022	30 June 2022
	\$	\$
Cost	129,805	-
Accumulated depreciation	(47,976)	-
	<u>81,829</u>	<u>-</u>

	31 December 2022	30 June 2022
	\$	\$
Balance as at beginning of year	-	-
Additions	129,805	-
Depreciation	(47,976)	-
Balance at end of year	<u>81,829</u>	<u>-</u>

Leased assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received.

7. Deferred Exploration and Evaluation Expenditure

	31 December 2022	30 June 2022
	\$	\$
Balance at beginning of period	702,640	-
Expenditure incurred	184,919	45,732
Acquisition of AAM Resources	-	326,008
Acquisition of Western Yilgarn	-	334,037
Impairment of exploration expenditure	(72,699)	(3,137)
Balance at end of period	<u>814,860</u>	<u>702,640</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

During the half year ended 31 December 2022, the Company recognized impairment losses in respect of capitalized exploration and evaluation of \$72,699 (30 June 2022: \$3,137). The impairment made during the period was recognized on areas of interest on Western Australian tenements which have not yet been granted and in respect to the application of new tenement areas.

AAM Resources

On 12 April 2022, the Company completed the acquisition of 100% of the issued share capital and voting rights of AAM Resources Pty Ltd (**AAM Resources**) (**AAM Acquisition**). AAM Resources own various projects located in the Eastern Goldfields and Pilbara regions of Western Australia prospective for platinum group metals, gold, nickel and other minerals.

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WESTERN YILGARN NL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

Consideration for the AAM Acquisition consisted of the issue of 1,500,000 shares at a deemed issue price of \$0.20 per share (**AAM Acquisition Consideration Shares**). The AAM Acquisition Consideration Shares were approved for issue by shareholders at the Company's AGM on 31 January 2022 and were issued on 12 April 2022.

The fair value of the AAM Acquisition Consideration Shares, together with the take on balances of AAM Resources at 12 April 2022, has been used to record the value of exploration and evaluation assets on initial recognition in accordance with the Groups accounting policies.

	<u>\$</u>
Consideration	
Loan Repayment	30,847
Shares issued (1,500,000 shares)	300,000
	<u>330,847</u>
Assets Acquired	
Cash acquired	2
Trade and other receivables	994
Exploration assets	3,843
	<u>4,839</u>
Deferred Exploration and Evaluation Expenditure	<u>326,008</u>

Western Yilgarn

On 12 April 2022, the Company completed the acquisition of 100% of the issued share capital and voting rights of Western Yilgarn PGM Pty Ltd (**Western Yilgarn**) (**Western Yilgarn Acquisition**). Western Yilgarn own various projects located in the Eastern Goldfields and Pilbara regions of Western Australia prospective for platinum group metals, gold, nickel and other minerals.

Consideration for the Western Yilgarn Acquisition consisted of the issue of 1,500,000 shares at a deemed issue price of \$0.20 per share (**Western Yilgarn Acquisition Consideration Shares**). The Western Yilgarn Acquisition Consideration Shares were approved for issue by shareholders at the Company's AGM on 31 January 2022 and were issued on 12 April 2022.

The fair value of the Western Yilgarn Acquisition Consideration Shares, together with the take on balances of AAM Resources at 12 April 2022, has been used to record the value of exploration and evaluation assets on initial recognition in accordance with the Groups accounting policies.

	<u>\$</u>
Consideration	
Loan Repayment	37,858
Shares issued (1,500,000 shares)	300,000
	<u>337,858</u>
Assets Acquired	
Cash acquired	6
Trade and other receivables	1,218
Exploration assets	2,597
	<u>3,821</u>
Deferred Exploration and Evaluation Expenditure	<u>334,037</u>

WESTERN YILGARN NL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

8. Trade and Other Payables

	31 December 2022	30 June 2022
	\$	\$
Trade payables	55,210	39,189
Accruals	7,000	10,000
Other payables	1,830	11,592
	<u>64,040</u>	<u>60,781</u>

The fair value of trade payables approximates the carrying value as presented above due to their short-term nature.

9. Convertible Notes

	31 December 2022	30 June 2022
	\$	\$
Balance at beginning of period	2,813	-
Funds borrowed under convertible loan agreement	-	550,000
Accrued interest under convertible loan agreement	-	7,451
Differential interest accrued for convertible loans	-	8,461
Amount repaid through issue of shares (note 9)	-	(558,461)
Interest amount repaid in cash	(2,267)	(4,638)
Balance at end of period	<u>546</u>	<u>2,813</u>

In December 2021, the Company entered into Convertible Note Deeds with a number of note holders through the issue of 550,000 convertible notes to raise funds of \$550,000 (**Convertible Notes**). The face value of each convertible note is \$1, maturing 18-months after issue, attracting interest at 6% per annum (re-payable in cash) and which, subject to shareholder approval, would automatically be converted into Shares at a conversion price of \$0.10 on completion of a qualifying capital raising by the Company. Noteholders will also be issued one free attaching option for every two shares issued. On 12 April 2022, the Company issued 5,500,000 fully paid ordinary shares and 2,750,000 unlisted options (exercisable at \$0.30 each on or before 12 April 2025) on conversion of the Convertible Notes.

10. Lease Liability

	31 December 2022	30 June 2022
	\$	\$
Lease liability	82,415	-
	<u>82,415</u>	<u>-</u>

The Company has entered into a commercial lease to rent office space at its head office in West Perth, Western Australia. The lease has a initial term ending 31 December 2023.

11. Issued Capital

	31 December 2022	30 June 2022
	\$	\$
79,122,506 fully paid ordinary shares (2021: 79,122,506)	28,467,559	28,467,559
	<u>28,467,559</u>	<u>28,467,559</u>

WESTERN YILGARN NL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

Movements in ordinary shares on issue

	31 December 2022	30 June 2022
	No of shares	\$
Balance at beginning of period	79,122,506	28,467,559
Balance at end of period	<u>79,122,506</u>	<u>28,467,559</u>
	30 June 2022	30 June 2022
	No of shares	\$
Balance at beginning of period	396,614,034	20,321,348
Cancellation of shares - Consolidation of capital	(388,681,528)	-
Issue of shares - AAM Resources Acquisition (refer note 6)	1,500,000	300,000
Issue of shares - Western Yilgarn Acquisition (refer note 6)	1,500,000	300,000
Issue of shares – DOCA (Oceanic)	32,000,000	1,600,000
Issue of shares – DOCA (Oceanic)	440,000	220,000
Issue of shares - Conversion of debt (Directors)	300,000	30,000
Issue of shares - Conversion of debt (Bellatrix)	450,000	45,000
Issue of shares – Conversion of debt (Pacific)	6,000,000	1,200,000
Issue of shares – Conversion of debt (Administrator)	1,000,000	200,000
Issue of shares - Convertible notes (refer note 8)	5,500,000	558,461
Issue of shares – Placement	22,500,000	4,500,000
Capital raising costs – Options issued to corporate advisors	-	(432,812)
Capital raising costs - Share issue costs	-	(374,438)
Balance at end of period	<u>79,122,506</u>	<u>28,467,559</u>

Terms and Conditions of Issued Capital

Fully paid ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of paid-up shares held.

Fully paid ordinary shares entitle their holder to one vote, either in person or by proxy, at any shareholders' meeting of the Company.

12. Reserves

	31 December 2022	30 June 2022
	\$	\$
Option reserve	2,155,737	2,155,737
	<u>2,155,737</u>	<u>2,155,737</u>

Movements in option reserve

	31 December 2022	30 June 2022
	No of options	\$
Balance at beginning of period	60,932,466	2,155,737
Balance at end of period	<u>60,932,466</u>	<u>2,155,737</u>

WESTERN YILGARN NL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

	30 June 2022	30 June 2022
	No of options	\$
Balance at beginning of period	-	1,624,540
Issue of options - DOCA (Oceanic) (refer to note 15)	32,000,000	-
Issue of options - DOCA (Oceanic) (refer to note 15)	440,000	-
Issue of options – Conversion of debt (Pacific) (refer to note 15)	6,000,000	-
Issue of options - Convertible notes (refer note 12)	2,750,000	-
Issue of options – April 2022 Placement (refer to note 15)	11,249,997	-
Issue of options – Directors (refer to note 17(a))	2,492,469	98,385
Issue of options – Advisors (refer to note 17(b))	6,000,000	432,812
Balance at end of period	<u>60,932,466</u>	<u>2,155,737</u>

13. Loss per share

	31 December 2022	31 December 2021
	\$	\$
Loss using the calculation of basic and dilutive loss per share	<u>(461,911)</u>	<u>(311,665)</u>
	31 December 2022	31 December 2021
	Cents per share	Cents per share
Loss per share		
Basic loss per share (cents per share)	(0.58)	(0.08)
Diluted loss per share (cents per share)	(0.58)	(0.08)

There are dilutive potential ordinary shares on issue at balance date. However, given the Company has made a loss, there is no dilution of earnings hence the diluted loss per share is the same as for basic loss per share.

	31 December 2022	31 December 2021
	Number	Number
Weighted average number of shares	<u>79,122,506</u>	<u>396,614,034</u>

14. Events Occurring After the Reporting Period

On 13 January 2023, the Company relinquished tenement E58/562.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the future financial years.

**WESTERN YILGARN NL
DIRECTORS DECLARATION
31 DECEMBER 2022**

In the Directors' opinion:

1. The financial statements of Western Yilgarn NL for the half year ended 31 December 2022 and notes set out on pages 5 to 14 are in accordance with the *Corporations Act 2001*, including:
 - a. Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the year ended on that date; and
 - c. Complying with IFRS and interpretations adopted by the International Accounting Standards Board.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors and signed for and on behalf of the Board by:



Peter Lewis
Non-Executive Chairman

3 February 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

WESTERN YILGARN NL

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Western Yilgarn NL ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, 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 31st December 2022 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and 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 Group 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.

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

Directors' Responsibility 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 the 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.



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
WESTERN YILGARN NL (continued)

Auditor's Responsibility for the Review of the Half-Year 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 Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla
Director

Dated 3 February 2023

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