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E79 GOLD MINES LIMITED

HALF-YEAR REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

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**Directors**

Christopher Cairns (Non-Executive Chair)
Peter Ironside (Non-Executive Director)
Deborah Lord (Non-Executive Director)

Company Secretary

Amanda Sparks

CEO

Edward (Ned) Summerhayes

Registered and Principal Office

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ABN

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Share Registry

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191 St Georges Terrace
Perth Western Australia 6000
Telephone: 1300 288 664

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth Western Australia 6000

Bankers

ANZ Bank
Level 5
240 St Georges Terrace
Perth Western Australia 6000

Stock Exchange Listing

Australian Securities Exchange Ltd
Level 40, Central Park, 152-158 St Georges Terrace
Perth Western Australia 6000

ASX Code: E79

Auditors

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth Western Australia 6000

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Your Directors submit their interim financial report on the consolidated entity consisting of E79 Gold Mines Limited ("E79 Gold") and the entities it controls at the end of the half-year ended 31 December 2022.

DIRECTORS

The Directors in office at the date of this report and at any time during the half-year are as follows. Directors were in office for the entire period unless otherwise stated.

Christopher Cairns
Peter Ironside
Deborah Lord

PRINCIPAL ACTIVITY

The Company's principal activity was mineral exploration.

REVIEW AND RESULTS OF OPERATIONS

CORPORATE

The following key corporate activities occurred:

- On 27 September 2022 a Mineral Rights Deed and a Sale and Purchase Agreement of Mineral Rights were both executed with Gascoyne (Ops Management) Pty Ltd in relation to mineral rights (excluding iron) for tenement E51/1681, named Beebyn. The total consideration was \$150,000 plus GST, consisting of \$50,000 cash and 925,925 fully paid ordinary shares in E79 Gold (\$100,000), which was settled on 17 October 2022.

SUMMARY OF FINANCIAL PERFORMANCE

A summary of key financial indicators for the Group, with prior period comparison, is set out in the following table:

	31 December 2022	30 June 2022
	\$	\$
Cash and cash equivalents held	4,956,266	6,890,876
	Six Months Ended 31 December 2022	Six Months Ended 31 December 2021
	\$	\$
Net profit/(loss) for the half-year after tax	(2,006,149)	(1,047,680)
Basic profit/(loss) per share (cents)	(3.06) cents	(2.61) cents
Net cash from/(used in) operating activities	(1,711,673)	(612,263)
Net cash from/(used in) investing activities	(222,937)	(232,896)
Net cash from/(used in) financing activities	-	6,293,104

During the half-year:

- Expenditure on exploration totalled \$1,460,829 (2021 half-year: \$335,901).

SUMMARY OF OPERATIONS

E79 Gold has two flagship projects, the Laverton South Project in the world-class Laverton gold district and the Jungar Flats Project in the North Murchison region.

Key highlights during the 6 months were:

Laverton South Project

- E79 Gold took 100% control of the Pinjin Project with the withdrawal of the JV partner;
- ~21,000m of aircore and RC drilling at the Laverton South Project;
- Aircore drilling at Target 3 extended the anomalous strike length to 2,600m, with mineralised gold intercepts to 200m depth in RC drilling; and
- Aircore drilling at Target 4 identified zones of anomalism within a 30km long gold bearing structure.

Jungar Flats Project

- Increased Jungar Flats landholding by 37% with the strategic acquisition of adjoining tenements; and
- 2,768 auger samples testing 32km of strike of greenstone stratigraphy.

Safe and efficient exploration on both projects with no incidents to report.

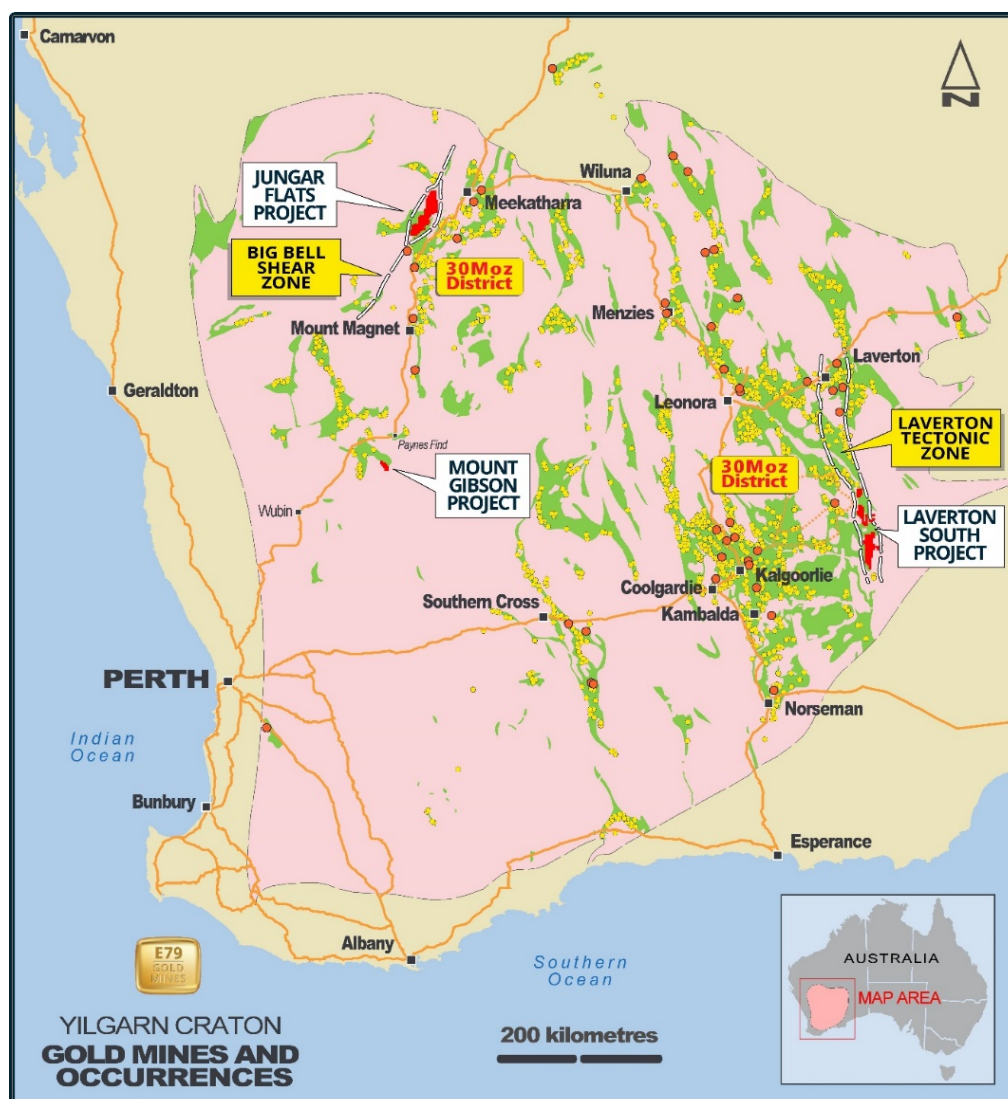


Figure 1: Yilgarn Craton Greenstones showing E79 Gold Project locations

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Laverton South Project

The Laverton South Project, with an area of 355km², covers a southern portion of the Laverton Tectonic Zone ('LTZ') approximately 130km east-northeast of Kalgoorlie, within the major gold producing Archean Yilgarn Craton of Western Australia. The LTZ is one of the world's richest gold belts with more than 30 million ounces ('Moz') in historical production, reserves and resources and hosts numerous prolific deposits including Granny Smith (3.7Moz), Sunrise Dam (10.3Moz) and Wallaby (11.8Moz). Within the Laverton South Project are two tenement packages, Lake Yindana and Pinjin.

- **Pinjin (100% E79)** 139km² of prospective ground with early-stage drilling success
- **Lake Yindana (100% E79)** 215km² within a newly identified greenstone package

These projects sit within 15km either side of the ~1Moz Rebecca deposit (Ramelius Resources), while the Pinjin ground straddles the Anglo-Saxon deposit (Hawthorn Resources) and has the historic Patricia open pits 7.5km to the north. The Pinjin Project became 100% owned by E79 Gold after the withdrawal of the JV Partner¹.

Work at the Laverton South Project consisted of aircore drilling at Target 3 and Target 4, with 271 holes drilled for 18,396m. The bulk of this work, 176 aircore holes for 14,350m, was drilled at Target 3 where the anomalous zone has been extended to 2,600m in strike and RC drilling, comprising 14 RC holes for 2,490m, showing that this anomalism extends to 200m depth. Thick zones of anomalous gold were found in three separate zones within the broader target area; the Western, Central and Southern Zones.

The Western Zone sits wholly within the intermediate rocks and forms an elongate narrow zone with results including²:

- 8m @ 0.21 g/t Au from 48m (22LRAC256)
- 8m @ 0.42 g/t Au from 76m (22LRAC297)

The Central Zone forms a 600m long, 120m wide linear zone in the aircore drilling and is located along the eastern contact of an altered granite and basalt/sediment greenstones. Evidence of a large system were found from large-scale fluid flow from the end of hole spectral data.

Follow up RC drilling under the Central Zone was undertaken with gold being intersected in multiple zones including³:

- 23m @ 0.45 g/t Au from 95m in drill-hole PRC009 including;
 - **1m @ 1.70 g/t Au** from 103m and,
 - **1m @ 1.35 g/t Au** from 106m and,
 - **1m @ 1.80 g/t Au** from 110m
- 12m @ 0.58 g/t Au from 120 in drill-hole PRC010 including;
 - **1m @ 1.60 g/t Au** from 122m and
 - **1m @ 2.33 g/t Au** from 128m
- 5m @ 0.62 g/t Au from 197m also in drill-hole PRC010 including
 - **1m @ 1.78 g/t Au** from 197m

Gold mineralisation was located on the eastern side of a granite, proximal to the granite/basalt contact. The gold is associated with an increase in pyrite content. The size of the gold anomaly, position of gold in the granite contact and position of granite within the regional stratigraphy draw parallels to the large Granny Smith (Goldfields) gold deposit, also within the LTZ.

¹ Refer to E79 ASX Announcement 26/07/2022

² Refer to E79 ASX announcement 10/11/2022

³ Refer to E79 ASX announcement 13/02/2023

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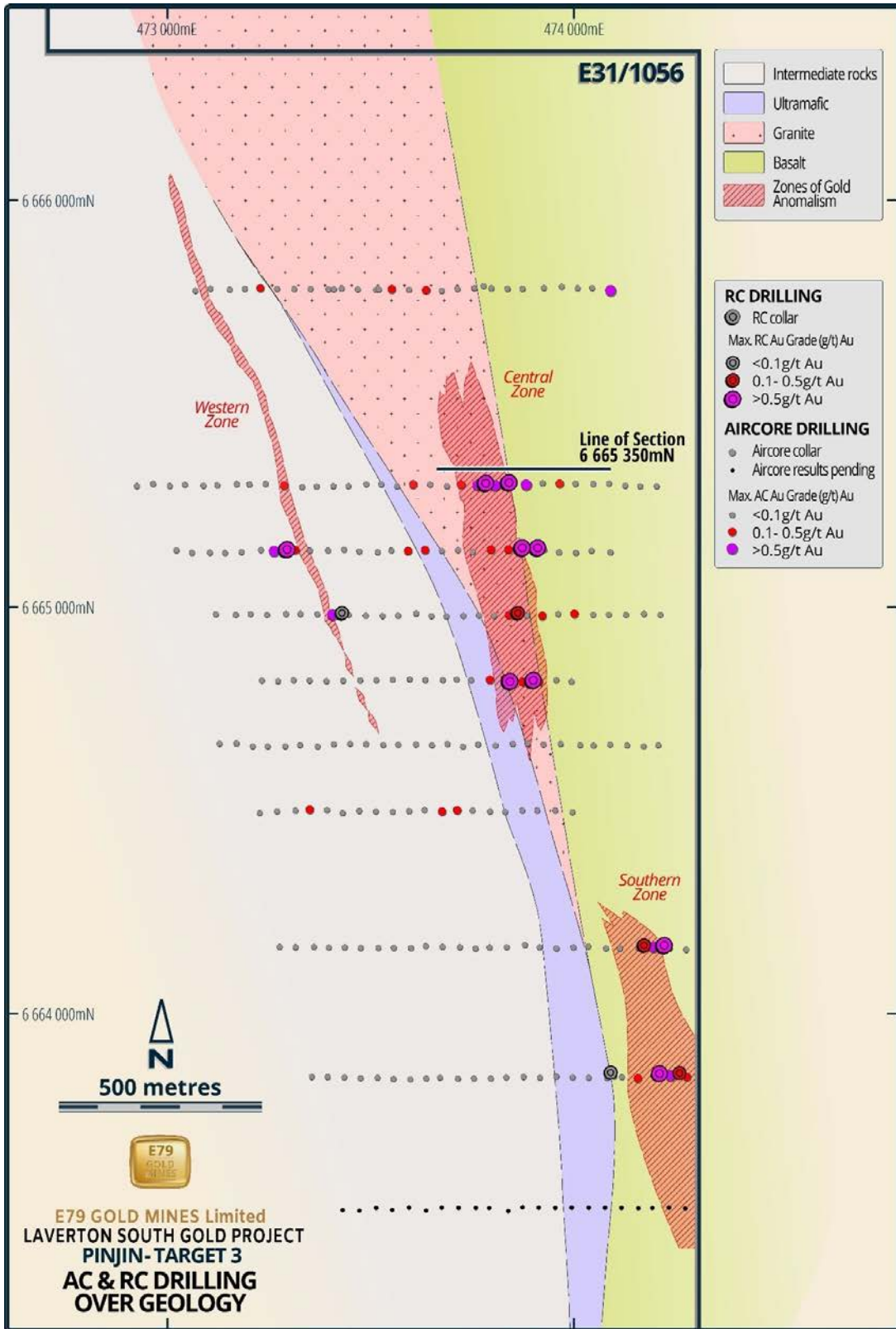


Figure 2: Plan map of drill results at Target 3

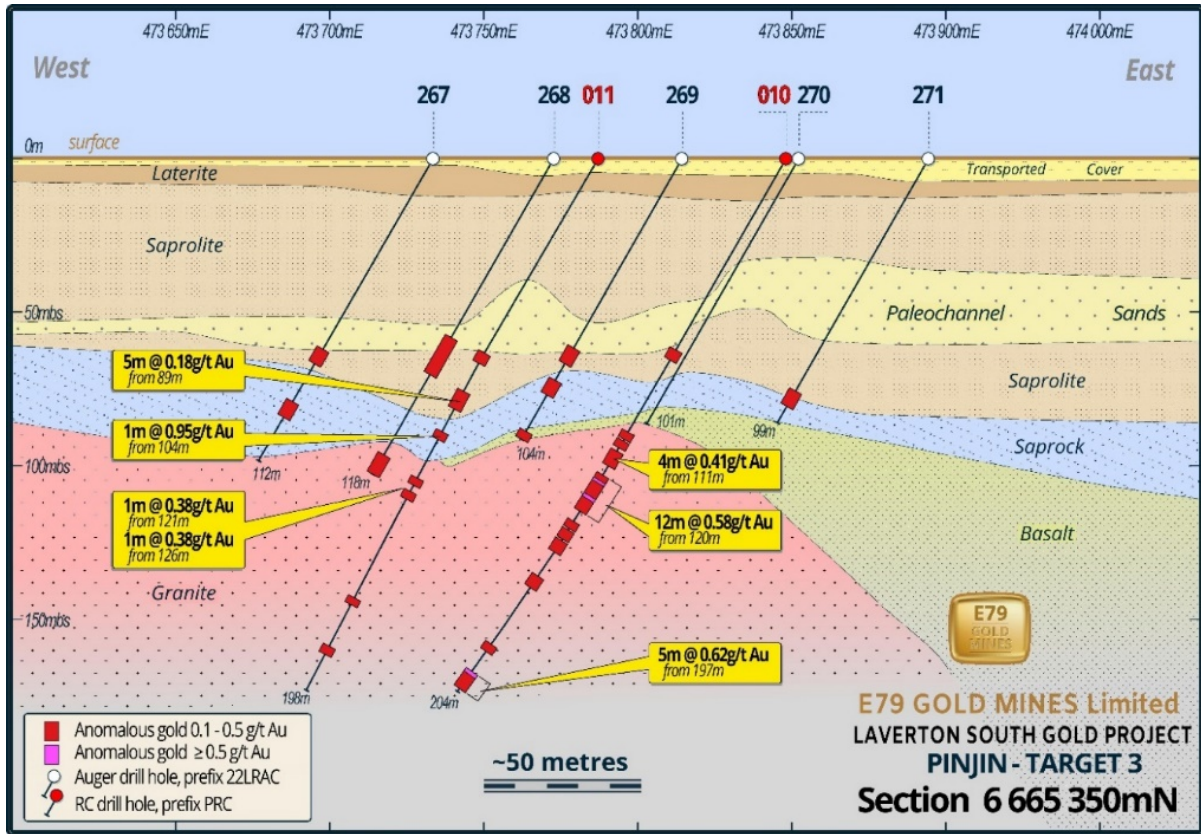


Figure 3: Cross section of RC drill results at Target 3

At the Southern Zone, gold anomalism sits to the east of a magnetic ultramafic unit which appears to be a focus for the gold mineralisation. Unlike the Central Zone, no granite was intersected in the drilling, with the mineralisation within basaltic units.

Best results include⁴:

- **3m @ 1.55 g/t Au** from 92m (22LRAC369) including;
 - 1m @ 3.88 g/t Au from 94m to end-of-hole
- **4m @ 3.20 g/t Au** from 92m (22LRAC394)

Elsewhere on the tenements regional aircore drilling at Target 4, with 96 holes for 4,046m, identified a number of zones of anomalous gold, with a regionally significant, 30km long gold bearing structure. This structure, the Pinjin Fault, separates the Edjulina geological domain from the Linden geological domain and hosts historic workings and open pits over 30km in length. Approximately 2.5km strike of the structure was tested during the aircore drilling with anomalous gold assays in fresh rock. Best results include⁵:

- 8m @ 0.41 g/t Au from 24m (22LRAC443);
- 4m @ 0.47 g/t Au from 64m (22LRAC428); and
- 2m @ 0.26 g/t Au from 38m (22LRAC479) (EOH)

There were two main areas of interest that arose from the drilling; an area in the north which tested a zone of structural complexity with positive results, and an area in the south where gold was found focused on the end of a drill line in wide spaced drill lines.

⁴ Refer to E79 ASX Announcement 23/11/2022

⁵ Refer to E79 ASX Announcement 27/02/2023

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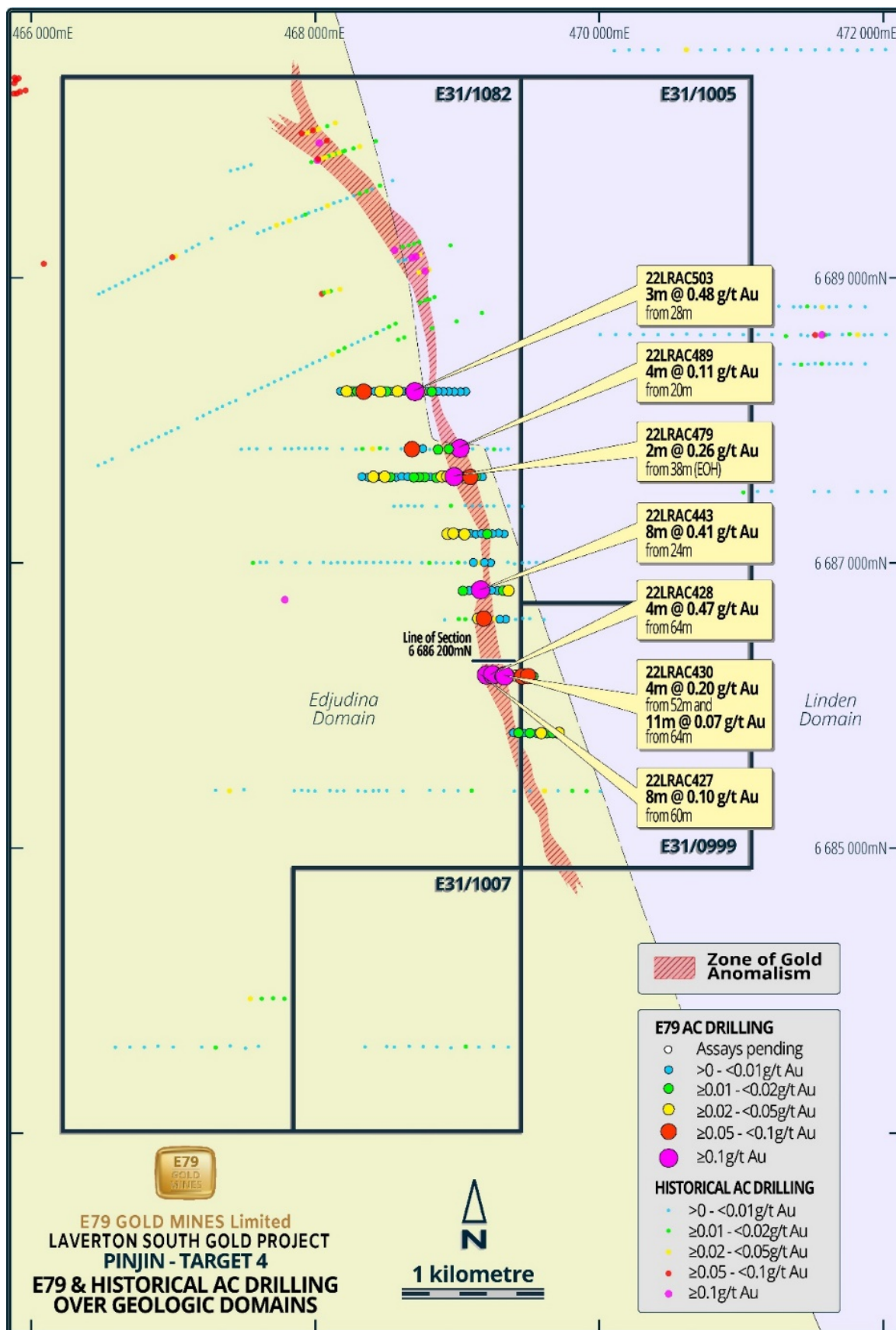


Figure 4: Plan of aircore drill results at Target 4

Murchison (Jungar Flats) Project

The Jungar Flats Project, in the North Murchison region, is located 70km west of Meekatharra and 45km north-northeast of the 2.8Moz Big Bell gold deposit. The Project tenure covers an area of 517km², contains approximately 60km of strike of the highly prospective Big Bell Shear and straddles a narrow north-south trending greenstone belt. Work on the tenement consisted of a 2,768 auger sample program. This program covered over 30km of prospective greenstone rocks, which were delineated by the company from a previous gravity survey. The samples are undergoing Ultrafine™ analysis, developed by the CSIRO, which has the ability to identify the geology-related geochemistry under the hard cap – an impermeable indurated layer beneath the surface that renders traditional soil sample geochemistry ineffective. This technique was trialed in the previous reporting period and gold anomalism was detected in three of the four areas tested⁶. Assays from the auger program are not yet available and will be reported in due course.

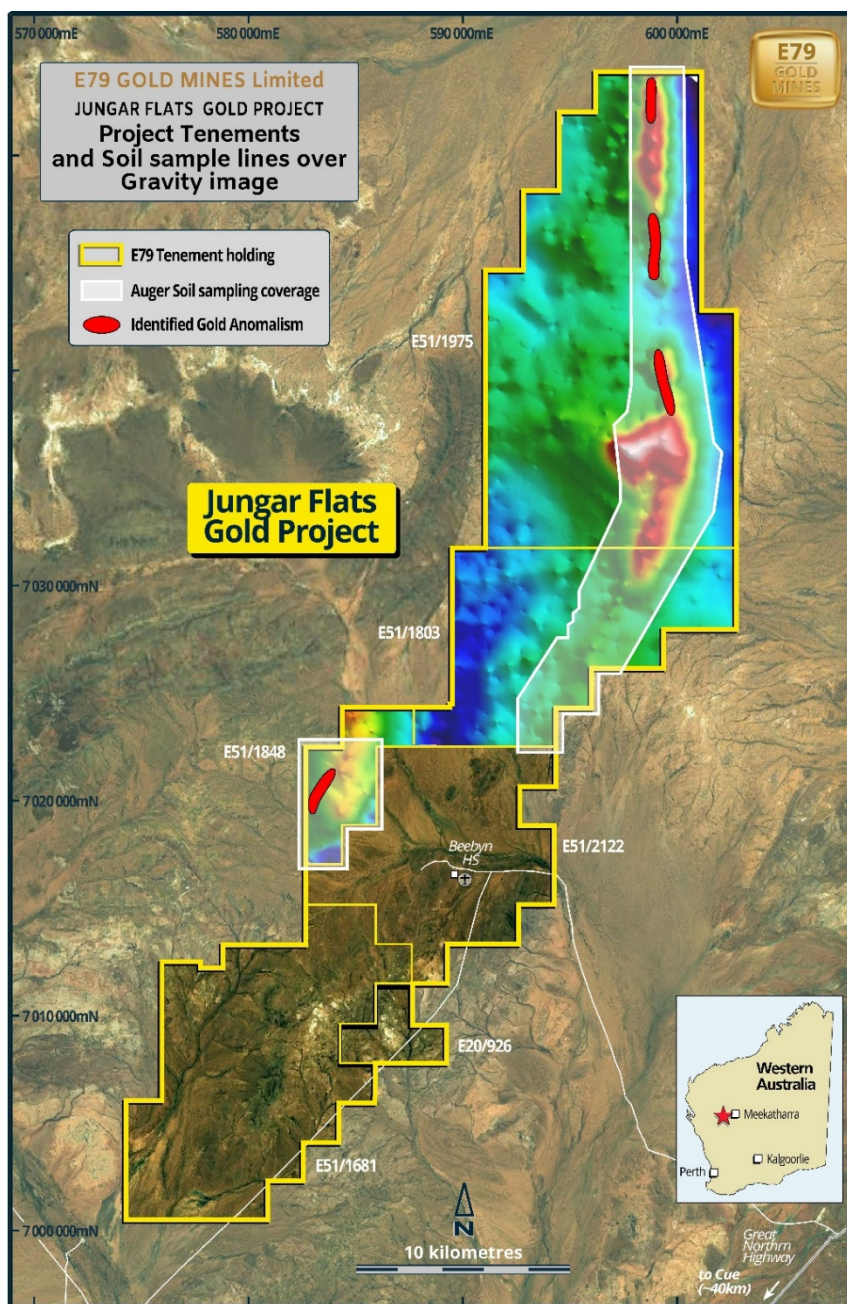


Figure 5: Map of Jungar Flats tenement with area of auger sampling

⁶ Refer to E79 ASX Announcement 28/07/2022

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SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2022 that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declarations as required under section 307C of the Corporations Act 2001 is included in this report and can be found on the page following this report.

Signed in accordance with a resolution of the Directors.



Christopher Cairns
Non-Executive Chair

Perth, Western Australia

9 March 2023

The information in this report that relates to Exploration Results is based on information compiled by Mr Ned Summerhayes, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Summerhayes is a full-time employee, a shareholder and an option holder of the Company. Mr Summerhayes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Summerhayes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Previously Reported Information: *The information in this report that references previously reported exploration results is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears. The previous market announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*



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Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF E79 GOLD MINES LIMITED

As lead auditor for the review of E79 Gold Mines Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of E79 Gold Mines Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read "Dean Just".

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 9 March 2023

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		Consolidated	
		Six months ended 31 December 2022	Six months ended 31 December 2021
Note		\$	\$
Revenue and Income			
	Interest revenue	25,245	2,241
	Total revenue and income	<u>25,245</u>	<u>2,241</u>
Expenses			
	Administration and corporate expenses	2(a) (348,835)	(229,431)
	Initial establishment costs not capitalised	2(b) -	(141,606)
	Equity based payments	7(b) (221,730)	(345,788)
	Exploration expensed	2(d) (1,460,829)	(335,901)
	Total expenses	<u>(2,031,394)</u>	<u>(1,052,726)</u>
Other Gains/(Losses)			
	Gain/(loss) on foreign exchange	-	2,805
	Total other gains/(losses)	<u>-</u>	<u>2,805</u>
	Loss before income tax	(2,006,149)	(1,047,680)
	Income tax expense	-	-
	Loss after income tax attributable to members of E79 Gold Mines Limited	(2,006,149)	(1,047,680)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
	Other	-	-
	Other comprehensive income/(loss) for the period, net of tax	<u>-</u>	<u>-</u>
	Total comprehensive loss for the period	(2,006,149)	(1,047,680)
Loss per share for the half-year attributable to the members of E79 Gold Mines Limited			
	Loss per share	3 (3.06)	(2.61)

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

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	Note	Consolidated	
		31 December 2022	30 June 2022
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	4,956,266	6,890,876
Other receivables		150,329	135,504
Total Current Assets		5,106,595	7,026,380
Non-Current Assets			
Other receivables		135,000	234,750
Property, plant and equipment		297,606	98,826
Deferred exploration expenditure acquisition costs	5	3,246,479	3,096,479
Total Non-Current Assets		3,679,085	3,430,055
Total Assets		8,785,680	10,456,435
LIABILITIES			
Current Liabilities			
Trade and other payables		369,796	355,990
Provisions		21,676	21,818
Total Current Liabilities		391,472	377,808
Total Liabilities		391,472	377,808
Net Assets		8,394,208	10,078,627
Equity			
Issued capital	6	19,457,014	19,357,014
Reserves		719,194	497,464
Accumulated losses		(11,782,000)	(9,775,851)
Total Equity		8,394,208	10,078,627

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



	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Cash flows from operating activities		
Receipts in the ordinary course of operations	65,367	50,435
Payments in the ordinary course of operations	(1,815,470)	(664,939)
Interest received	38,430	2,241
Net cash flows used in operating activities	(1,711,673)	(612,263)
Cash flows from investing activities		
Payments for plant and equipment	(172,937)	(122,450)
Prepayments for plant and equipment	-	(117,375)
Payments for bonds	-	(30,000)
Payments to acquire mineral rights	(50,000)	-
Cash acquired upon acquisition of subsidiary	-	36,929
Net cash flows used in investing activities	(222,937)	(232,896)
Cash flows from financing activities		
Proceeds from issue of shares	-	7,000,000
Payment of share issue costs	-	(631,896)
Borrowings repaid	-	(75,000)
Net cash flows from financing activities	-	6,293,104
Net increase/(decrease) in cash and cash equivalents held	(1,934,610)	5,447,945
Add opening cash and cash equivalents	6,890,876	2,673,644
Foreign exchange on cash	-	2,805
Closing cash and cash equivalents	4,956,266	8,124,394

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

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	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
At 1 July 2021	10,122,974	176	(7,447,819)	2,675,331
Loss for the half-year	-	-	(1,047,680)	(1,047,680)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the half-year, net of tax	-	-	(1,047,680)	(1,047,680)
Transactions with owners in their capacity as owners:				
Issue of share capital	10,015,000	-	-	10,015,000
Cost of issue of share capital	(767,957)	-	-	(767,957)
Share based payments - options	-	497,288	-	497,288
	9,247,043	497,288	-	9,744,331
As at 31 December 2021	19,370,017	497,464	(8,495,499)	11,371,982
At 1 July 2022	19,357,014	497,464	(9,775,851)	10,078,627
Loss for the half-year	-	-	(2,006,149)	(2,006,149)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the half-year, net of tax	-	-	(2,006,149)	(2,006,149)
Transactions with owners in their capacity as owners:				
Issue of share capital	100,000	-	-	100,000
Share based payments - options	-	221,730	-	221,730
	100,000	221,730	-	321,730
As at 31 December 2022	19,457,014	719,194	(11,782,000)	8,394,208

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

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

This half-year financial report for the six months ended 31 December 2022 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001 and was authorised for issue in accordance with a resolution of the directors on 9 March 2023.

These half-year financial reports do not include all the notes of the type normally included in annual financial reports and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial reports.

The half-year financial reports should be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by E79 Gold Mines Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. For the purpose of preparing the half-year financial statements, the half-year has been treated as a discrete reporting period.

The financial report has been prepared on a historical cost basis and is presented in Australian dollars (\$). Amounts in the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

E79 Gold Mines Limited is a for-profit entity for the purpose of preparing the half-year financial statements.

(b) Statement of Compliance

These half-year financial statements comply with Australian Accounting Standards and International Financial Reporting Standards ('IFRS').

(c) Adoption of New and Revised Standards

Accounting policies

The accounting policies applied and methods of computation for the half-year ended 31 December 2022 are consistent with those of the annual financial report for the year ended 30 June 2022.

New and amended standards adopted by the Company

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Significant accounting estimates and assumptions

The significant accounting judgements, estimates and assumptions adopted in the half-year financial report are consistent with those applied in the preparation of the Company's annual report for the year ended 30 June 2022.



Six months ended 31 December 2022	Six months ended 31 December 2021
\$	\$

NOTE 2 – EXPENSES

(a) Administration and Corporate Expenses

Administration and corporate expenses include:

Depreciation – administration	3,702	1,523
Office premises expenses	17,535	13,385
Personnel costs	153,474	61,054
Other administration and corporate expenses	174,124	153,469
	<hr/>	<hr/>
	348,835	229,431

(b) Initial Establishment Costs Not Capitalised

Initial establishment expenses include:

ASX initial listing fees	-	80,154
Recruitment costs	-	43,964
Other expenses	-	17,488
	<hr/>	<hr/>
	-	141,606

(c) Equity Based Payments Expensed

Equity based payments - note 7

221,730	345,788
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(d) Exploration Costs Expensed

Exploration costs expensed include:

Depreciation – exploration	20,329	7,238
Other exploration costs expensed	1,440,500	328,663
	<hr/>	<hr/>
	1,460,829	335,901

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	Six months ended 31 December 2022	Six months ended 31 December 2021
NOTE 3 - EARNINGS PER SHARE		
	Cents	Cents
Basic profit/(loss) per share	(3.06)	(2.61)
Diluted profit/(loss) per share	N/A	N/A
	\$	\$
Loss attributable to ordinary equity holders of the Company used in calculating:		
- basic profit/(loss) per share	(2,006,149)	(1,047,680)
Weighted average number of ordinary shares outstanding during the half-year used in the calculation of basic earnings per share	65,457,271	40,118,846
Diluted earnings per share for the period to 31 December 2022 is not disclosed because potential ordinary shares, being options granted, are not dilutive and their conversion to ordinary shares would not demonstrate an inferior view of the earnings performance of the Company.		
	31 December 2022	30 June 2022
	\$	\$

NOTE 4 – CASH AND CASH EQUIVALENTS

Cash at bank	4,956,266	6,890,876
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The following non-cash financing and investing activities were undertaken:

Six months to 31 December 2022:

- On 27 September 2022 a Mineral Rights Deed and a Sale and Purchase Agreement of Mineral Rights were both executed with Gascoyne (Ops Management) Pty Ltd in relation to mineral rights (excluding iron) for tenement E51/1681, named Beebyn. The total consideration was \$150,000 plus GST, consisting of \$50,000 cash and 925,925 fully paid ordinary shares in E79 Gold (\$100,000).

Six months to 31 December 2021:

- During the six months to 31 December 2021, the Company acquired the E79 Exploration Group for 15,000,000 ordinary shares (\$3,000,000).

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31 December 2022
\$

30 June 2022
\$

NOTE 5 - DEFERRED EXPLORATION EXPENDITURE ACQUISITION COSTS

Deferred exploration acquisition costs brought forward	3,096,479	-
Fair Value of E79 Exploration Group capitalised as exploration acquisition costs	-	3,056,489
Capitalised exploration acquisition costs held by E79 Exploration Group at date of acquisition	-	39,990
Acquisition of mineral rights (excluding iron) in E51/1681 – note 4	150,000	-
Deferred exploration acquisition costs carried forward	3,246,479	3,096,479

Exploration expenditure is expensed to the statement of profit or loss and other comprehensive income as and when it is incurred and included as part of cash flows from operating activities. Exploration costs are only capitalised to the statement of financial position if they result from an acquisition. Costs carried forward in respect of an area of interest which is abandoned are written off in the year in which the abandonment decision is made.

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

31 December 2022
\$

30 June 2022
\$

NOTE 6 – ISSUED CAPITAL

(a) Issued Capital

66,000,749 ordinary shares fully paid (June 2022: 65,074,824 shares)	19,457,014	19,357,014
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(b) Movements in Ordinary Share Capital

Summary of Movements	Six months ended 31 December 2022		Year ended 30 June 2022	
	Number of Shares	\$	Number of Shares	\$
Opening balance	65,074,824	19,357,014	64,550,000	10,122,974
Share consolidation	-	-	(49,550,176)	-
	65,074,824	19,357,014	14,999,824	10,122,974
Issued – acquisition of E79 Exploration Pty Ltd	-	-	15,000,000	3,000,000
Issued – final acquisition of E79 subsidiary, Hottub Pty Ltd	-	-	75,000	15,000
Issued – IPO	-	-	35,000,000	7,000,000
Issued – Gascoyne – note 4	925,925	100,000	-	-
Costs of issues	-	-	-	(780,960)
Closing Balance	66,000,749	19,457,014	65,074,824	19,357,014



NOTE 6 – ISSUED CAPITAL – continued

(c) Options on issue at 31 December 2022

	Number	Exercise Price	Exercise Date
Unlisted Options	2,250,000	27 cents	30/09/2023. Escrowed to 7/10/2023
Unlisted Options	2,750,000	30 cents	30/09/2025. Escrowed to 7/10/2023
Unlisted Options	120,000	32 cents	15/11/2023
Unlisted Options	3,700,000	20 cents	25/11/2025
	8,820,000		

During the half-year ended 31 December 2022:

- (i) 3,700,000 unlisted options were granted as share-based payments (six months to 31 December 2021: 5,120,000);
- (ii) No unlisted options expired (six months to 31 December 2021: nil); and
- (iii) No unlisted options were exercised (six months to 31 December 2021: nil).

Six months ended	Six months ended
31 December	31 December
2022	2021
\$	\$

NOTE 7 – EQUITY-BASED PAYMENTS

(a) Value of equity based payments in the financial statements

Expensed in the profit and loss:

Equity-based payments- options	221,730	345,788
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Expensed as cost of share issues:

Equity-based payments- options to brokers	-	151,500
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Total Equity-based payments	221,730	497,288
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(b) Summary of equity-based payments - options - granted during the half-year:

On 10 November 2022, the following unlisted options were granted:

Name	Options exercisable at \$0.20 each on or before 30/11/2025
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Directors

Christopher Cairns	500,000
Peter Ironside	500,000
Deborah Lord	500,000

Total Options	1,500,000
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NOTE 7 – EQUITY-BASED PAYMENTS - continued

(b) Summary of equity-based payments - options - granted during the half-year - continued:

On 22 December 2022, the following unlisted options were granted:

Name	Options exercisable at \$0.20 each on or before 30/11/2025
Company Secretary	
Amanda Sparks	500,000
CEO	
Edward Summerhayes	1,000,000
Other Employees	
	700,000
Total Options	<u><u>2,200,000</u></u>

The assessed fair values of the options were determined using a Black-Scholes option pricing model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	10/11/2022	22/12/2022
Option exercise price (\$)	0.20	0.20
Expected life of options (years)	3.06	2.94
Dividend yield (%)	-	-
Expected volatility (%)	100	100
Risk-free interest rate (%)	3.11	3.24
Underlying share price (\$)	0.115	0.115
Value of Option (\$)	0.0607	0.0594
Vesting Date	10/11/2022	22/12/2022

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Since the last annual reporting date, there has not been a material change to commitments or contingencies.

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NOTE 9 – SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its' assets and liabilities are primarily related to the mining industry and are located within Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, balance sheet and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

NOTE 10 – RELATED PARTY TRANSACTIONS

There have been no new related party transactions entered into since 30 June 2022 other than equity based payments as disclosed in note 7(b).

NOTE 11 – SUBSEQUENT EVENTS

There are no matters or circumstances that have arisen since 31 December 2022 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

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1. In the opinion of the Directors:
 - a) The financial statements and notes are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
 - ii) complying with Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. 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 for the half-year ended 31 December 2022.

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

A handwritten signature in black ink, appearing to read 'Ch. Cairns'.

Christopher Cairns
Non-Executive Chair

Perth, Western Australia

9 March 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of E79 Gold Mines Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of E79 Gold Mines Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Responsibility of the directors for the financial report

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

**Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the 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 financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Dean Just', is written over the printed name.

Dean Just**Director**

Perth, 9 March 2023

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