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**ABN: 75 633 936 526**

**AUSTRALIAN GOLD AND COPPER LIMITED  
HALF-YEAR FINANCIAL REPORT**

**31 DECEMBER 2022**

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**CORPORATE DIRECTORY**

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**DIRECTORS**

Mr Glen Diemar	Managing Director
Mr David Richardson	Non-Executive Chairman
Dr Adam McKinnon	Non-Executive Director

**COMPANY SECRETARY**

Mrs Andrea Betti

**REGISTERED OFFICE & CONTACTS**

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Securities Exchange Listing - ASX Code: AGC

ABN: 75 633 936 526

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## DIRECTORS' REPORT

Your directors present their report, together with the half-year financial report on the Company, Australian Gold and Copper Limited at the end of, or during the half-year ended 31 December 2022.

### DIRECTORS

The names of directors in office at any time during or since the end of the half-year are listed below. Directors have been in office during the whole of the half-year and up to the date of this report unless otherwise stated.

NAME OF PERSON	POSITION
Mr Glen Diemar	Managing Director
Mr David Richardson	Non-Executive Chairman
Dr Adam McKinnon	Non-Executive Director (appointed 12 August 2022)
Mr Ranko Matic	Non-Executive Director (resigned 12 August 2022)

### PRINCIPAL ACTIVITIES

During the half-year, the principal activities of the Company consisted of mineral exploration.

### REVIEW OF OPERATIONS

#### Operating result

The loss from continuing operations for the half-year ended 31 December 2022 after providing for tax amounted to \$1,272,214 (31 December 2021: \$333,440).

#### Exploration

During the half year, the Company's three projects were explored and significantly advanced.

#### Moorefield - Ootha Project

The Moorefield-Ootha project comprises exploration licences covering 610km<sup>2</sup> (EL7675 'Moorefield' and new applications ELA6549 and 6563 'Ootha'). The project includes the Ootha 10km copper trend and the 15km long Boxdale - Carlisle Reefs orogenic gold trend defined by strong surface geochemical anomalism and significant drill results.

During the reporting period, an application was lodged for two new exploration licences (ELA6549 and ELA6563) called 'Ootha' (AGC ASX 16 Nov 2022) and these will be grouped into one licence upon granting. Ootha replaces the Derriwong licence which was relinquished, as Derriwong did not cover the area of elevated copper.

A review of historic data led AGC's geologists to the recognition of an extensive, multipoint, +10km long, copper in rock chip anomaly. The original sampling was done between 1977 and 1979 by Mines Exploration Pty Ltd (AGC ASX 16 Nov 2022 and references therein).

The historic sampling returned 44 samples out of 481 exceeding 0.10% Cu with a maximum of 0.36% copper. The rock chip sampling is confined to low level hilly outcrops that trend northeast. The primary source of copper is currently unknown (AGC ASX 16 Nov 2022 and references therein).

The copper anomaly strikes northwest - the same direction as AGC's 15km Boxdale to Carlisle Reefs gold trend 20km to the north (ASX AGC 5 July 2022). This may imply the mineralisation event is controlled by a similar structure pattern, which subsequently leads to increased mineral prospectivity of both prospects.

The copper at Ootha is hosted within a Siluro-devonian aged volcano-sedimentary basin, with deformed mudstones and volcanoclastic rocks. A series of northwest trending structures associated with anticline/synclines are believed to control the anomalous trend. The world-class CSA Mine near Cobar is an example of a basin hosted, structurally controlled copper deposit.

Copper is typically chemically scavenged by oxidised iron and manganese in the regolith, which is likely at the Ootha target, and with such consistent high concentrations (>0.10%) and spread across great distances demonstrates a strong potential for a substantial primary copper source waiting to be found.

Roadside sampling was undertaken to confirm the presence of the copper anomaly and validate the historic sampling data.

Once the licence is granted, widespread geochemistry sampling will be completed in the coming months to focus in on the most prospective areas within the 10km copper trend.

In the previous reporting 6 month period at the 15km long Boxdale - Carlisle Reefs orogenic gold trend, significant RC drilling was undertaken and defined encouraging drill targets.

The style of gold deposits being explored are Orogenic gold deposits whereby gold has a strong correlation with arsenic and the gold mineralisation is hosted in brittle fractures in the rock. The fractures are cemented with quartz/carbonate and sulphides such as pyrite and arsenopyrite. This cementing process creates mineralised veins which host gold.

DIRECTORS' REPORT

Both these areas are being advanced over the next reporting period.

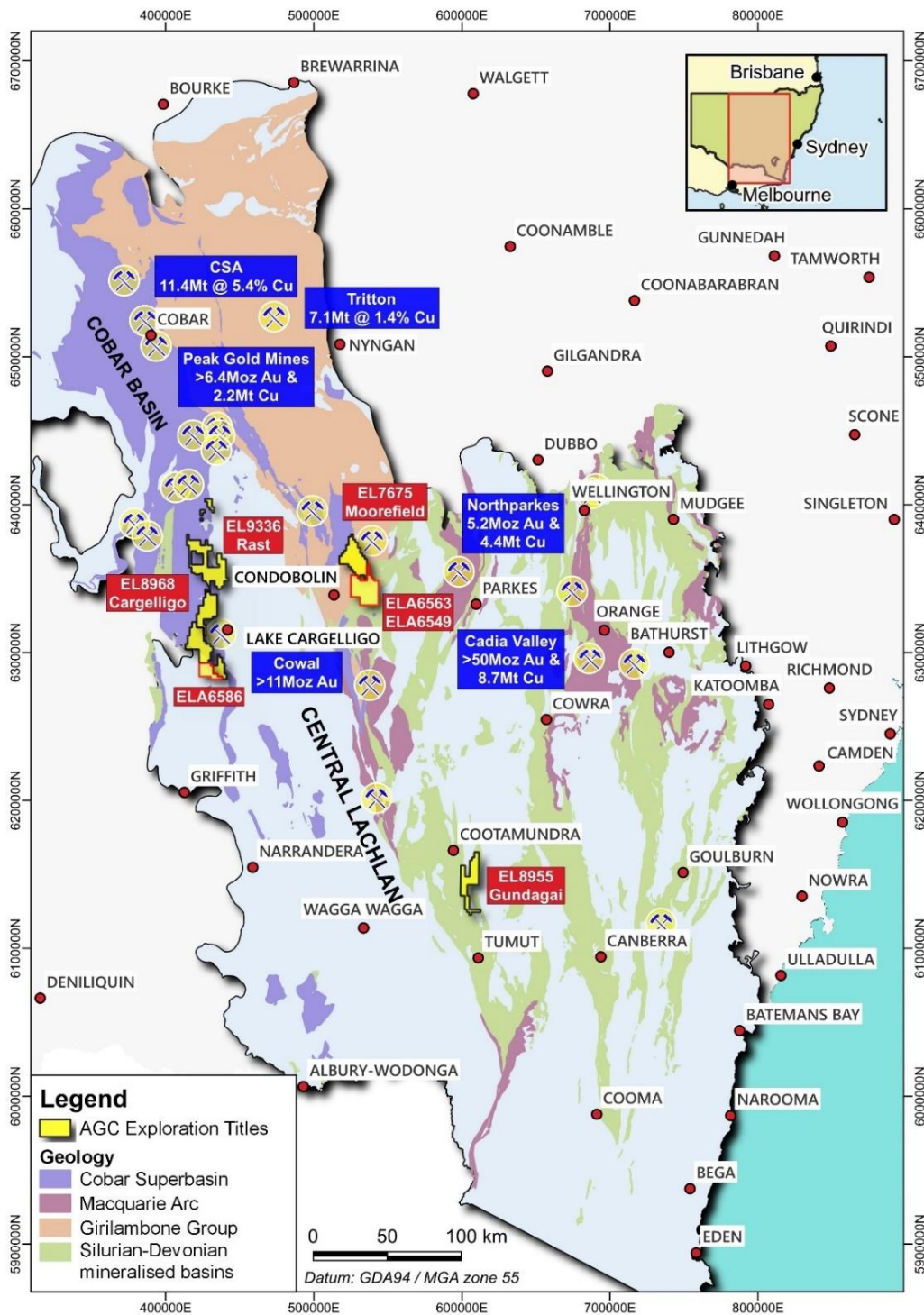


Figure 1: Location of the AGC's Projects in relation to major mines and deposits within the Lachlan Fold Belt, see p100 AGC ASX prospectus lodged 18<sup>th</sup> November 2020.

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DIRECTORS' REPORT

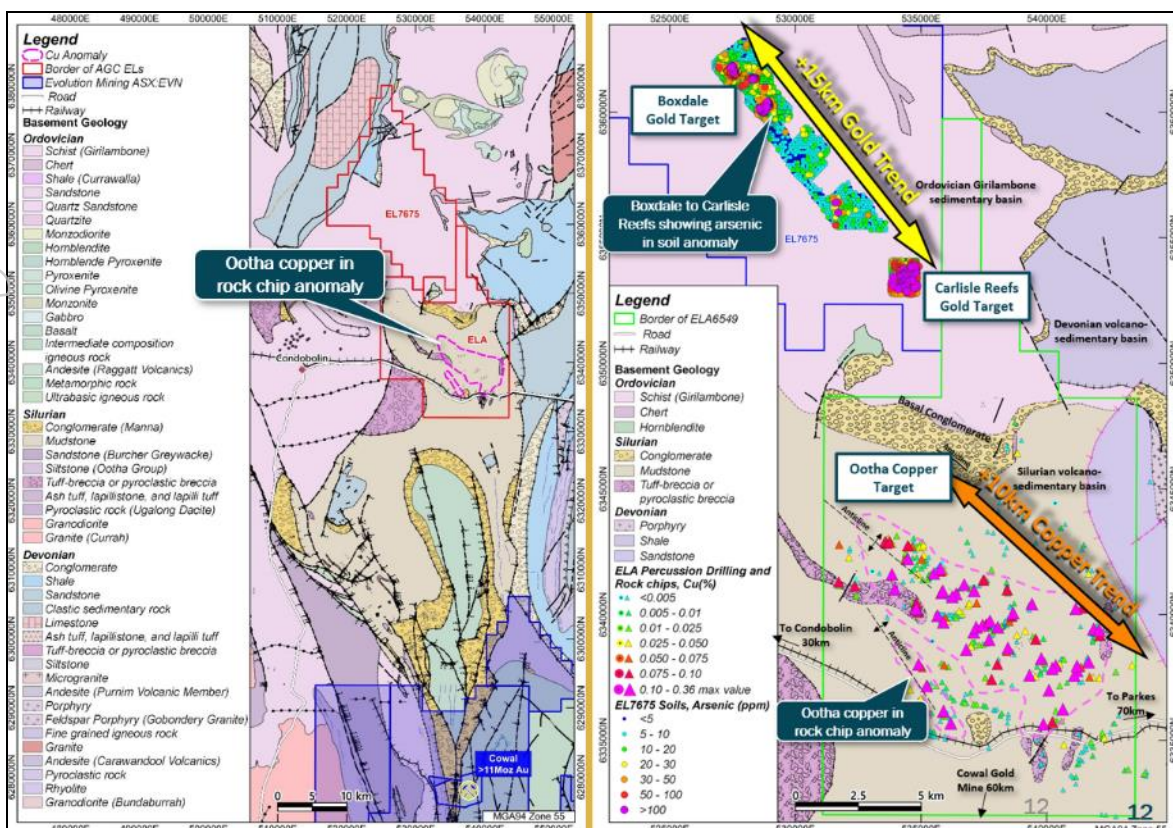


Figure 2: Regional map (left) and plan view map (right) of the Ootha Copper Target relative to the Cowlal Gold Mine (ASX:EVN) 50km to the south along strike and the Company's 15km Boxdale to Carlisle Reefs trend with basement geology by the NSW Geological Survey (AGC ASX 16 Nov 2022 and references therein).

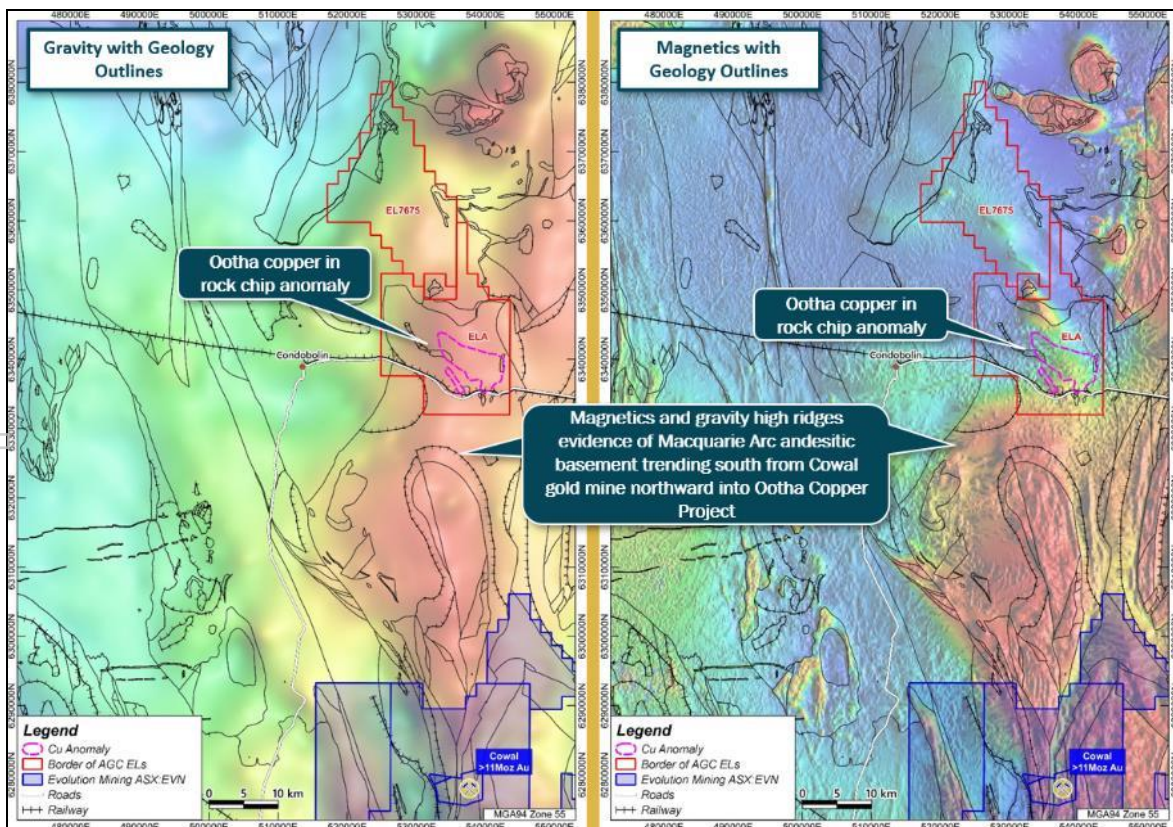


Figure 3: Regional map (left) and plan view map (right) of the Ootha Copper Target relative to the Cowlal Gold Mine (ASX:EVN) 50km to the south along strike on gravity high ridge (left) and magnetics (right) by the NSW Geological Survey.

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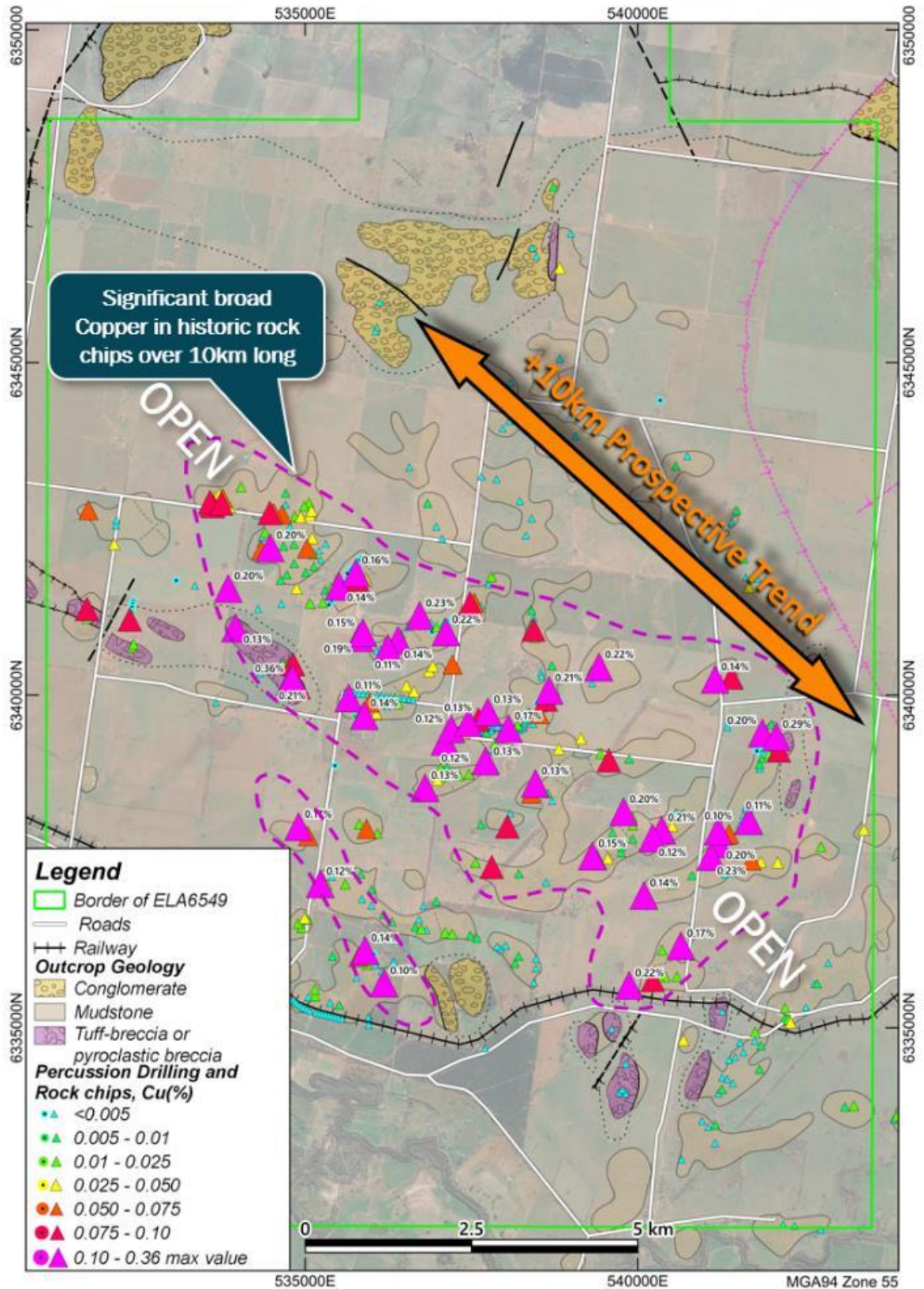


Figure 4: Plan view map of the Ootha Copper Target in ELA6549 showing the >0.1 % Cu in rock chips trending NW with geology by the NSW Geological Survey (AGC ASX 16 Nov 2022 and references therein).

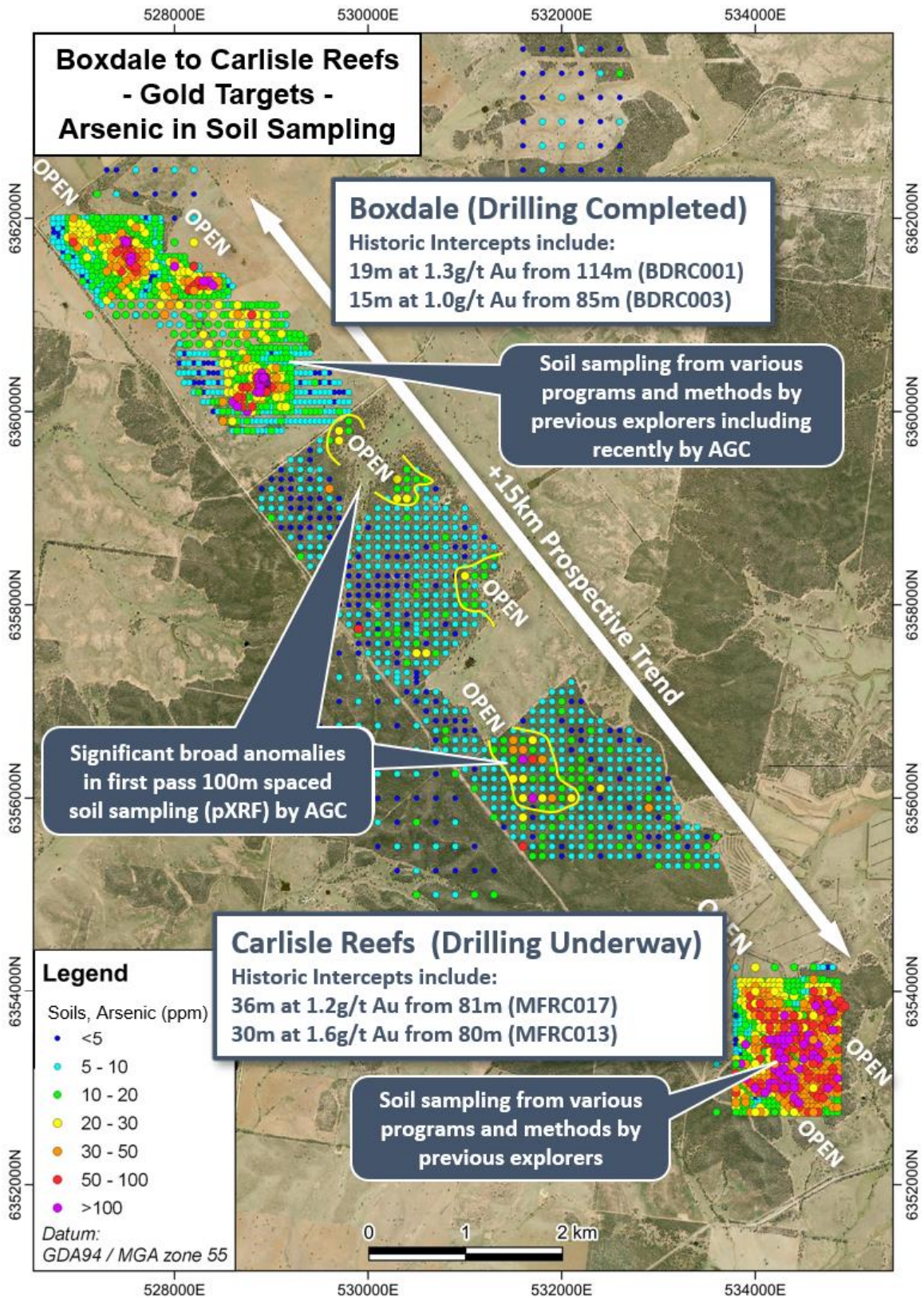


Figure 5: The +15km prospective trend from Boxdale to Carlisle Reefs (AGC IPO Prospectus 18 Nov 2020).

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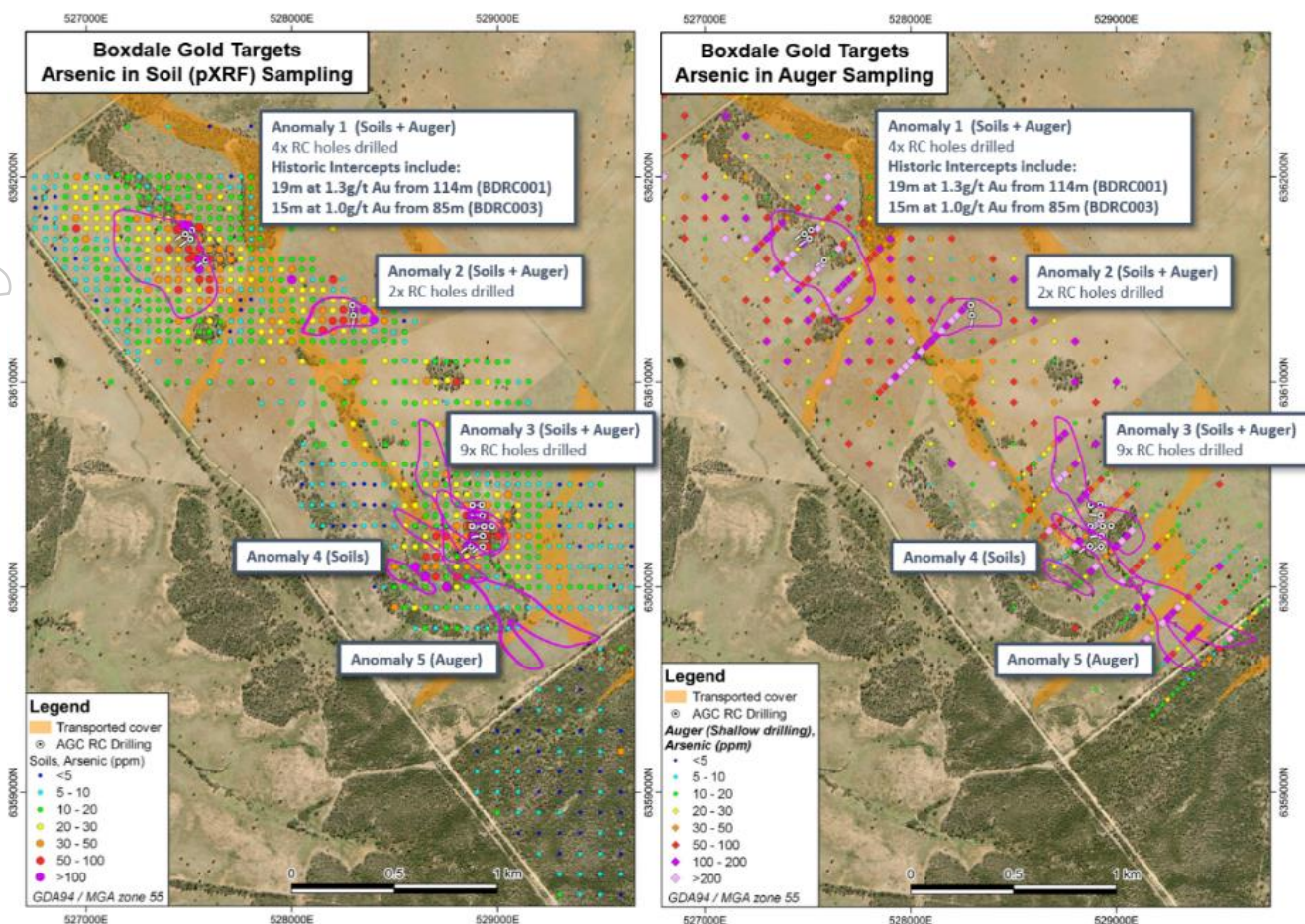


Figure 6: The Boxdale area showing prospective areas over soil sampling (left) and auger sampling (right) and the recently completed RC drill holes, assays pending.

**South Cobar Project**

The South Cobar project consists of three exploration licences (EL) covering 1,179km<sup>2</sup> (EL8968 'Cargelligo', EL9336 'Rast') and a new licence application (ELA6586 'Nyora'), spanning 120km length north to south and centred 15km west of the town of Lake Cargelligo in NSW.

At South Cobar, AGC is searching for large, high-grade Cobar-style copper-gold and base-metals deposits. The Hera gold/base-metals mine and recent Federation discovery are examples of modern Cobar style deposits discovered using lead pathfinders in pre discovery holes under lead in soils, (Cooper, 2017; McKinnon and Munroe 2019).

During the period, a significant regional exploration program got underway but was hampered by extensive flooding, hence, attention was drawn to defining regionally significant prospective areas using a large-scale mineral systems approach.

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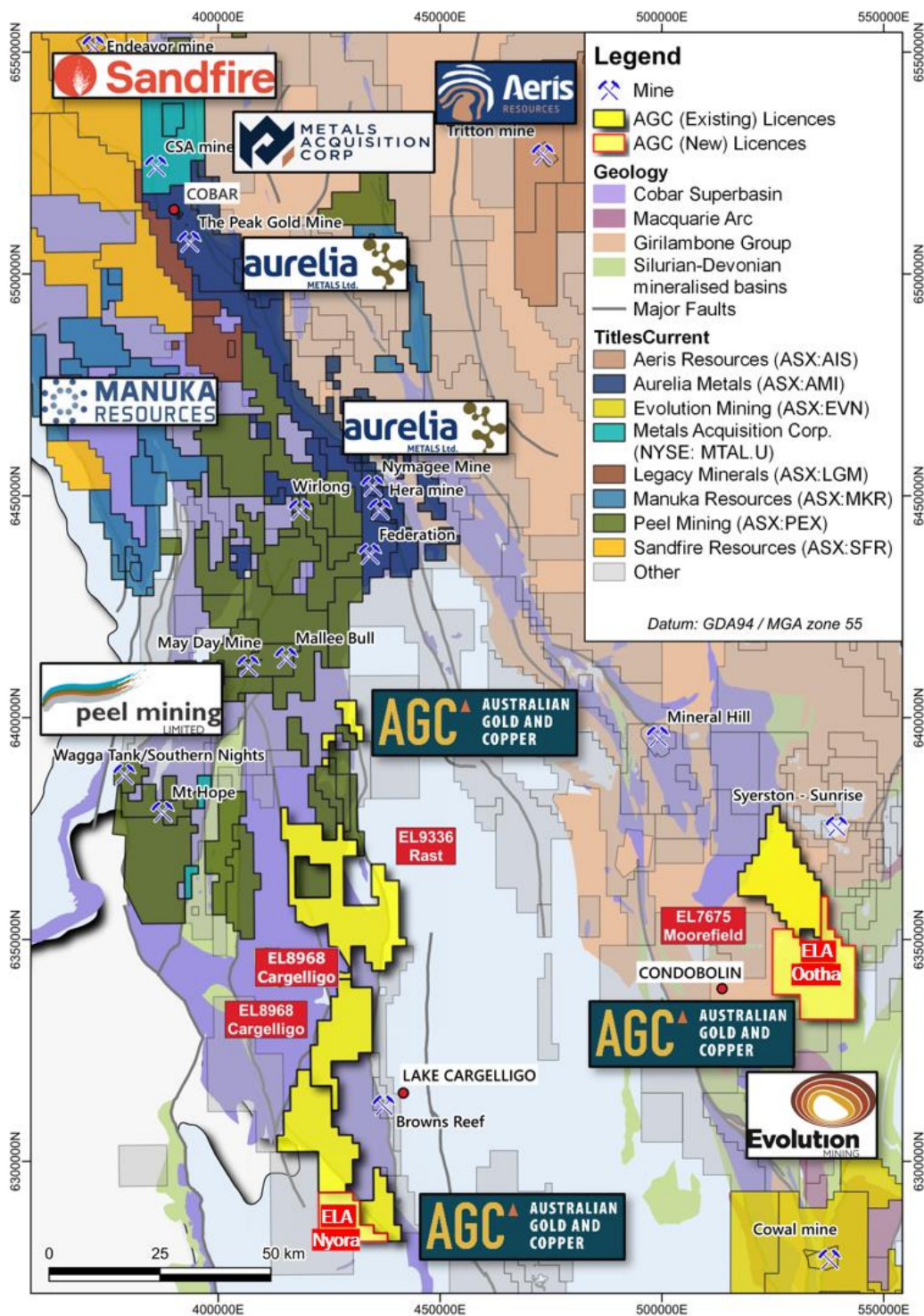
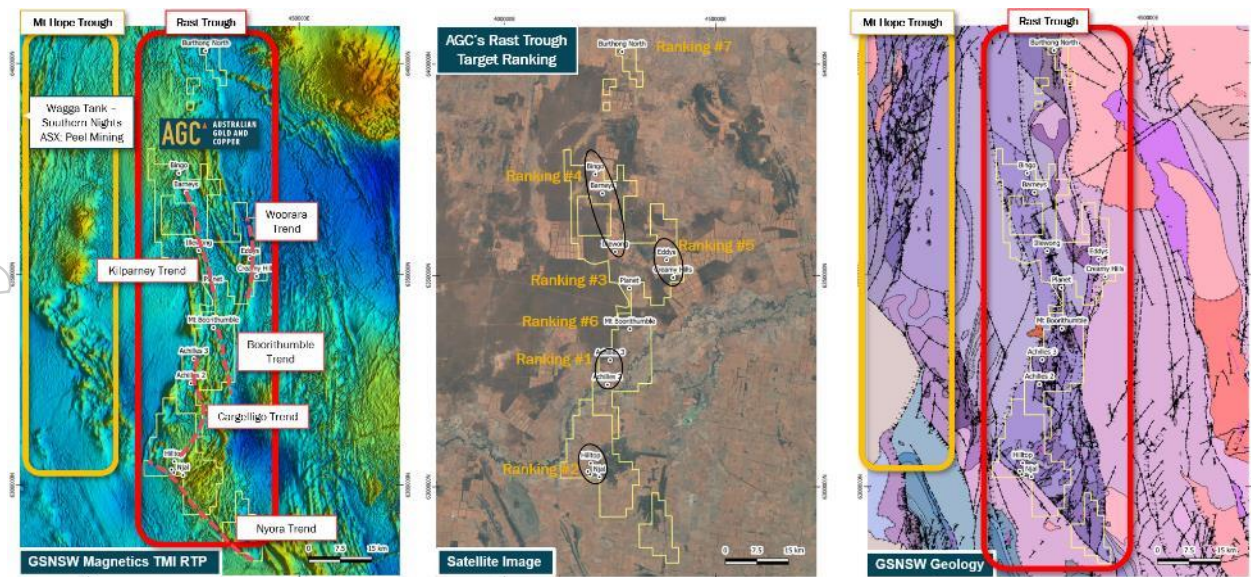


Figure 7: Map of the Cobar Basin showing the Company's South Cobar and Moorefield-Ootha Projects in yellow and the new licence applications.

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## DIRECTORS' REPORT



**Figure 8:** NSW Geological Survey open file images of the 120km long Cargelligo – Rast Project area tenements in the Southern Cobar basin. Left is TMI RTP magnetics with the red dashed lines highlighting the fertile trends being explored; middle image is AGC's EL boundaries and main target locations and ranking; right, NSW Geological Survey mapping highlighting similarities between AGC's Ural volcanic trend and the Mount Hope volcanic trend.

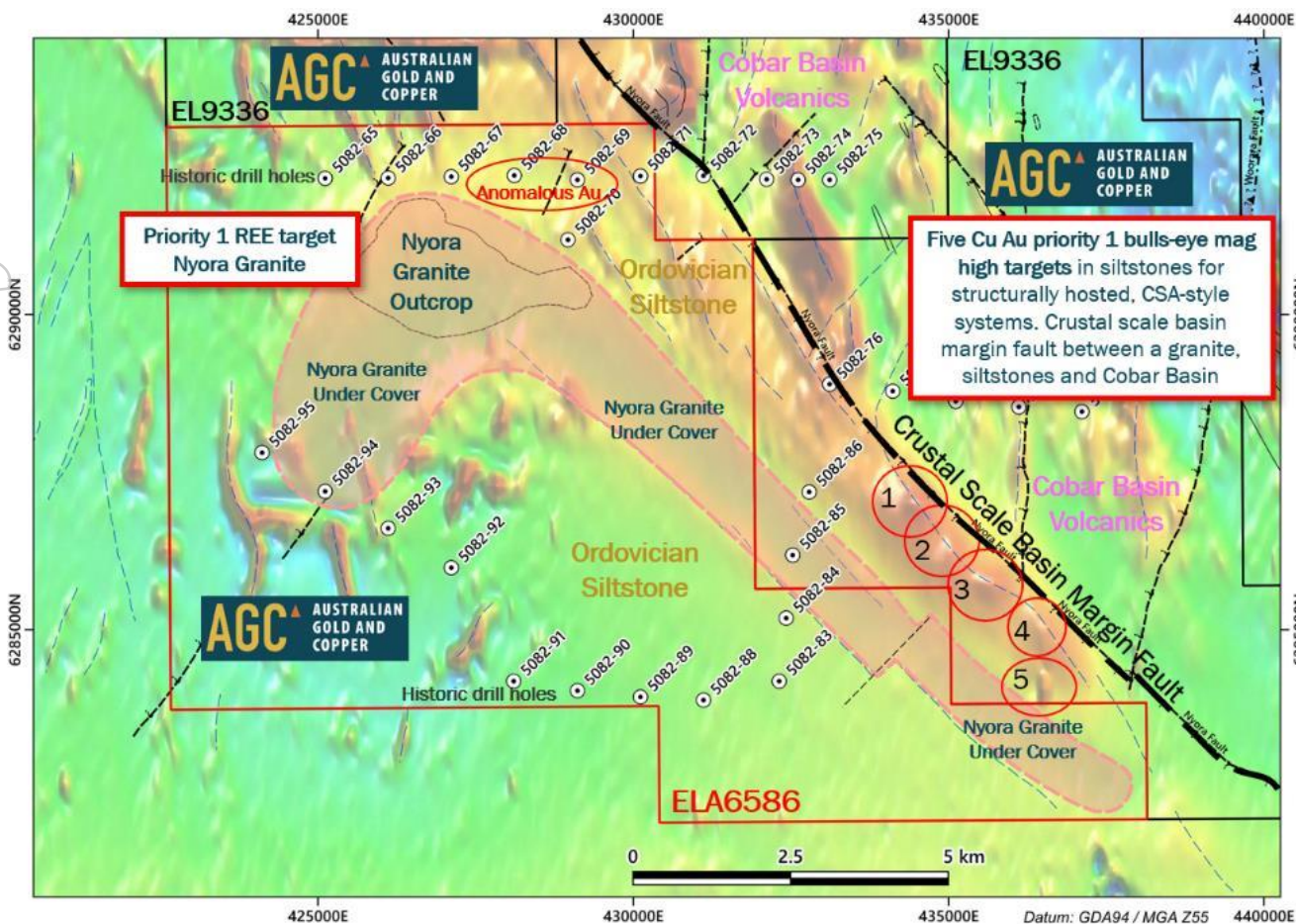
This work led an application been made for a new 118 km<sup>2</sup> exploration licence called 'Nyora' (ELA6586, the "ELA"), which adjoins the Company's South Cobar Project in the Central Lachlan Fold Belt, NSW (AGC ASX 15 Dec 2022).

Fourteen samples have been submitted by AGC for rare earth element ("REE") analysis. These were sampled from historic drill core (AGC ASX 15 Dec 2022 and references therein) at the NSW Government core library in western Sydney.

The licence encompasses the Nyora Granite, a 14km long by 1.5km wide A-type, porphyritic granite (Colquhoun et al., 2005, p92-93). It has seen only limited previous sampling by the Geological Survey of NSW confirming elevated REEs and a possible genetic link to the fertile Cobar A-type volcanics (AGC ASX 15 Dec 2022 and references therein). Variable crystallisation zonation that is encouraging for REE potential is mapped in the outcropping parts of the granite however systematic sampling has never been undertaken (AGC ASX 15 Dec 2022 and references therein). Outcropping areas are flagged for follow up sampling once the licence is granted.

The licence is also highly prospective for Cu-Au as it encompasses one of the Cobar Basin margin's crustal scale faults, which is analogous to the Rookery Fault that hosts the high-grade CSA copper mine and the Federation orebody on the eastern edge of the Cobar Basin. The five magnetic bullseyes seen in Figure 9 are typical of alteration signatures surrounding such deposits.

Planning is also advanced for a 50-line kilometre induced polarisation (IP) geophysics survey at the South Cobar Project. The IP survey is targeting metal sulphide rich deposits adjacent to major fault structures at the Achilles, Hilltop, and Planet prospects the survey is expected to start in late March.



**Figure 9:** Plan view map of ELA6586 with basic geology over magnetics TMI RTP (NSW geological survey), historic drill holes (Jones and Seeley, 1997) and AGC's priority 1 REE and Cu-Au targets. (AGC ASX 15 Dec 2022 and references therein).

**Gundagai Project**

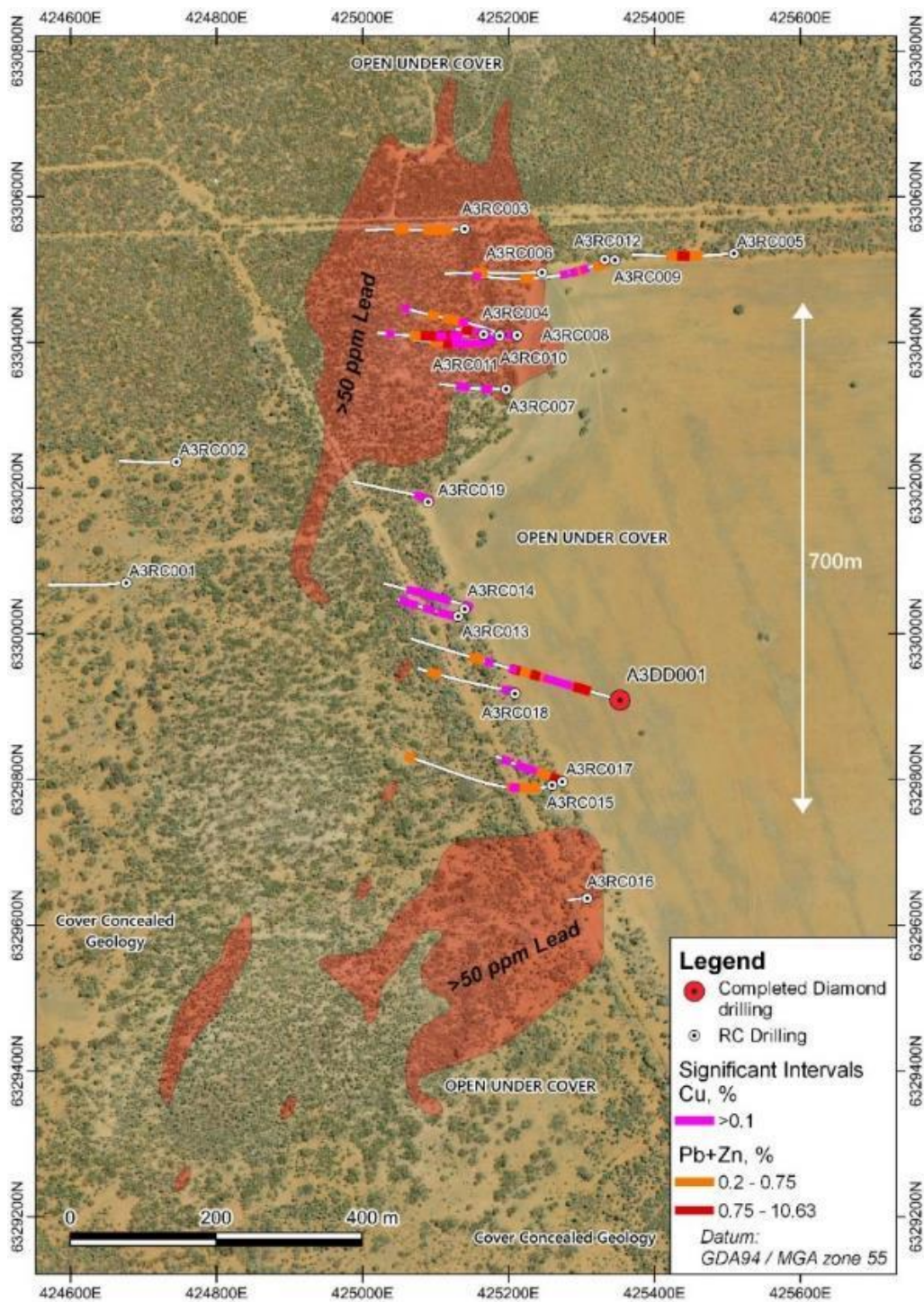
The Gundagai project consists of an exploration licence covering 265km<sup>2</sup> (EL8955 'Gundagai') and comprises multiple targets considered prospective for McPhillamys-style gold (e.g. Grandview), epithermal gold-copper (e.g. Rosehill) and large-tonnage zinc-lead-silver prospects (e.g. Bongongalong).

The Grandview gold target show similarities to the Late Silurian hosted McPhillamys 2.3Moz Gold Deposit (ASX:RRL). Grandview is characterised by a 1.2km zone of outcropping sheared quartz-sericite-carbonate-pyrite altered volcanoclastics returning up to 35g/t Au in composite rockchips and represents a near term high-grade gold discovery opportunity.

During the reporting period, a maiden RC drill program at the Gundagai gold project NSW was completed safely and returned strong gold intersections with 936m drilled across six holes along 350m strike length.

All holes intersected gold mineralisation confirming Grandview as a significant gold system with strong potential for extensions and higher grades in future drilling programs.

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**Figure 10:** Achilles map showing drill collars and traces drilling underneath a >50ppm lead in soil anomaly) which continues south along the hills and fades underneath the transported cover to the east.

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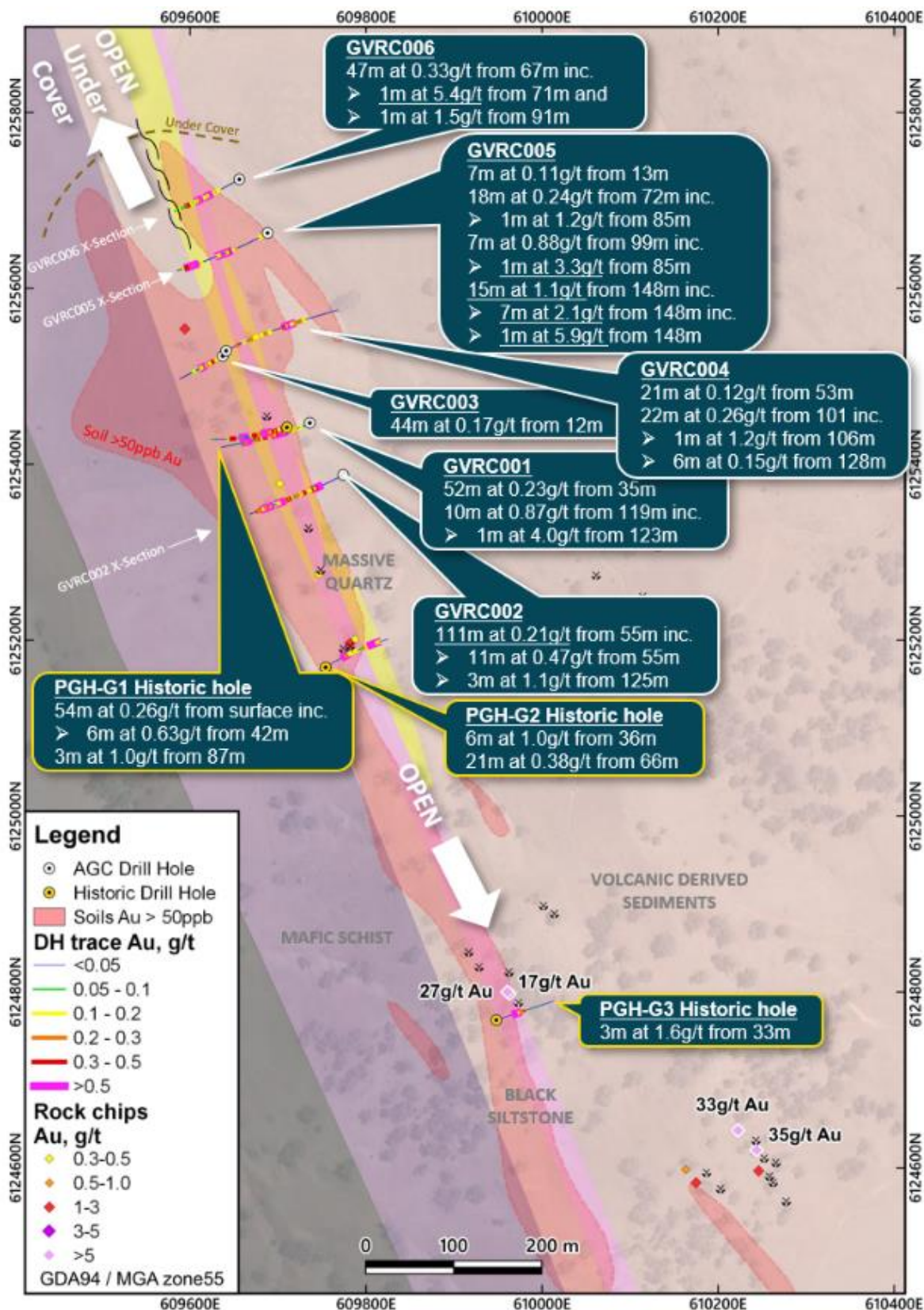


Figure 11: Plan view map of drill results, the gold in soil anomaly and geology over a satellite map.

**GVR0001** was drilled beneath historic hole PGH-G-1, drilled in 1984, which returned 54m at 0.26g/t from surface including 6m at 0.63g/t from 42m (AGC ASX prospectus Nov 2020). This gold zone correlates with the location of gold anomalism in the upper section of GVR0001:

- 52m at 0.23g/t Au from 35m, and
- 10m at 0.87g/t Au from 119m inc. 2m at 3.3g/t Au from 122m inc. 1m at 4.0g/t Au from 123m

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**GVRC002** was drilled south of GVRC001 and intercepted the broadest zone of anomalous gold (see Figure 11 to 13). This hole is encouraging given it is 180m north of the mine adit and numerous shafts. A hole was planned to be drilled underneath the mine adit before heavy rain cut the program short. GVRC002 returned:

- 111m at 0.21g/t Au from 55m inc. 1m at 2.0g/t Au from 127m

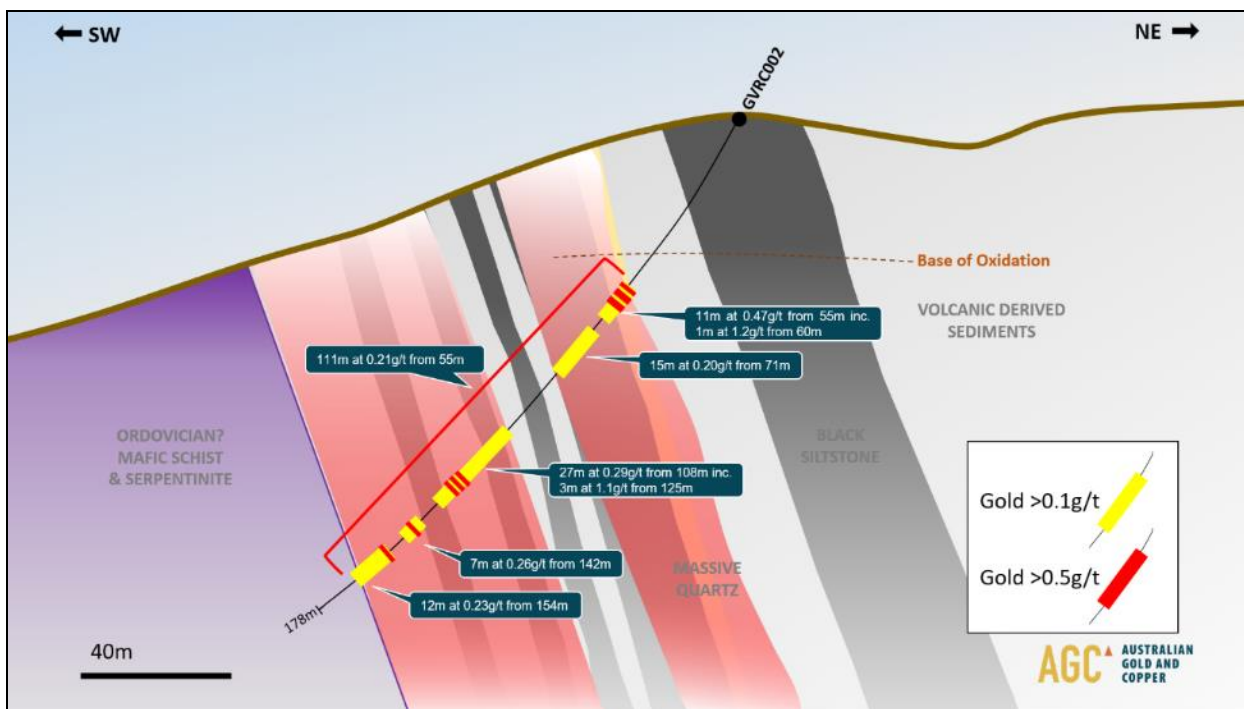


Figure 12: Schematic cross section through GVRC002 showing interpreted gold zones in faded red.

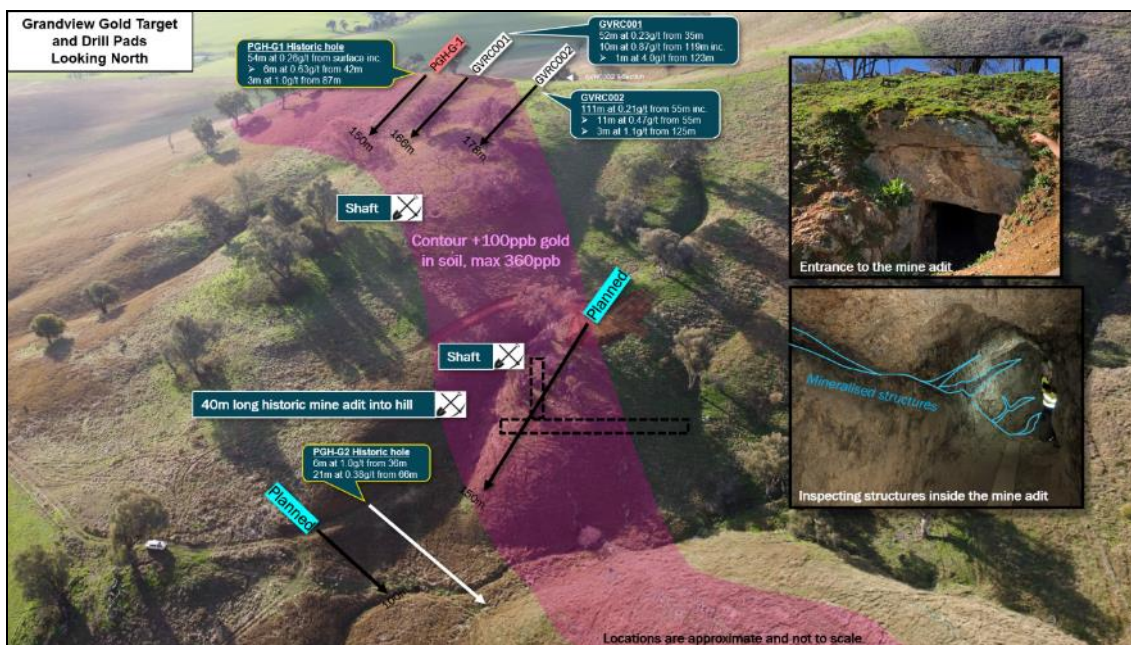


Figure 13: Schematic, looking north on a recent drone photo showing the drill results and hole locations, gold in soil target and locations of historic mine infrastructure.

**GVRC003** and **GVRC004** were drilled as a scissor from the same drill pad, on the spur of the hill. Both returned broad but low-grade mineralisation up to 1.2g/t, with weaker developed stockwork veining than seen in other holes. These two holes are typical of grade variances within gold systems.

**GVRC005** targeted mineralisation at depth under a broad gold in soil anomaly. The massive quartz zone increases in thickness towards the north along with the gold tenor. GVRC005 returned the best grades of the program (see Figure 14 & 16), including:

## DIRECTORS' REPORT

- 18m at 0.24g/t Au from 72m inc. 1m at 1.2g/t Au from 85m
- 7m at 0.88g/t Au from 99m inc. 2m at 2.3g/t Au from 101m inc. 1m at 3.3g/t Au from 102m
- 15m at 1.1g/t Au from 148m inc. 7m at 2.1g/t Au from 148m inc. 1m at 5.9g/t Au from 148m

**GVRC006** stepped another 80m north of GVRC005 and exhibited the best developed alteration, stockwork veining and pyrite mineralisation. This hole was the most northerly drilled to date and suggests mineralisation continues northward under shallow cover (see Figure 15 & 16).

- 47m at 0.33g/t Au from 67m inc. 2m at 3.7g/t Au from 71m inc. 1m at 5.4g/t Au from 71m and 2m at 1.3g/t Au from 90m

GVRC006 was terminated at 136m, some 40m earlier than planned due to a fault zone, potentially missing the highest-grade position defined in GVRC005 (refer to Figures 15 & 16).

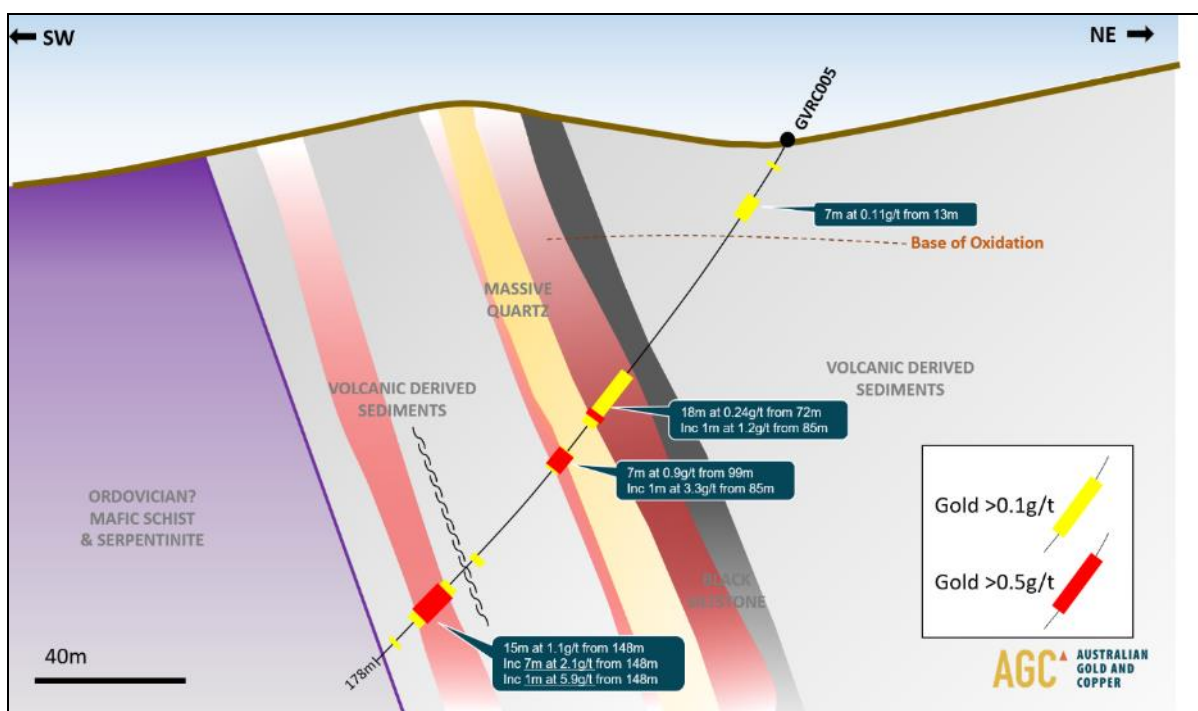


Figure 14: Schematic cross section through GVRC005 showing interpreted gold zones in faded red.



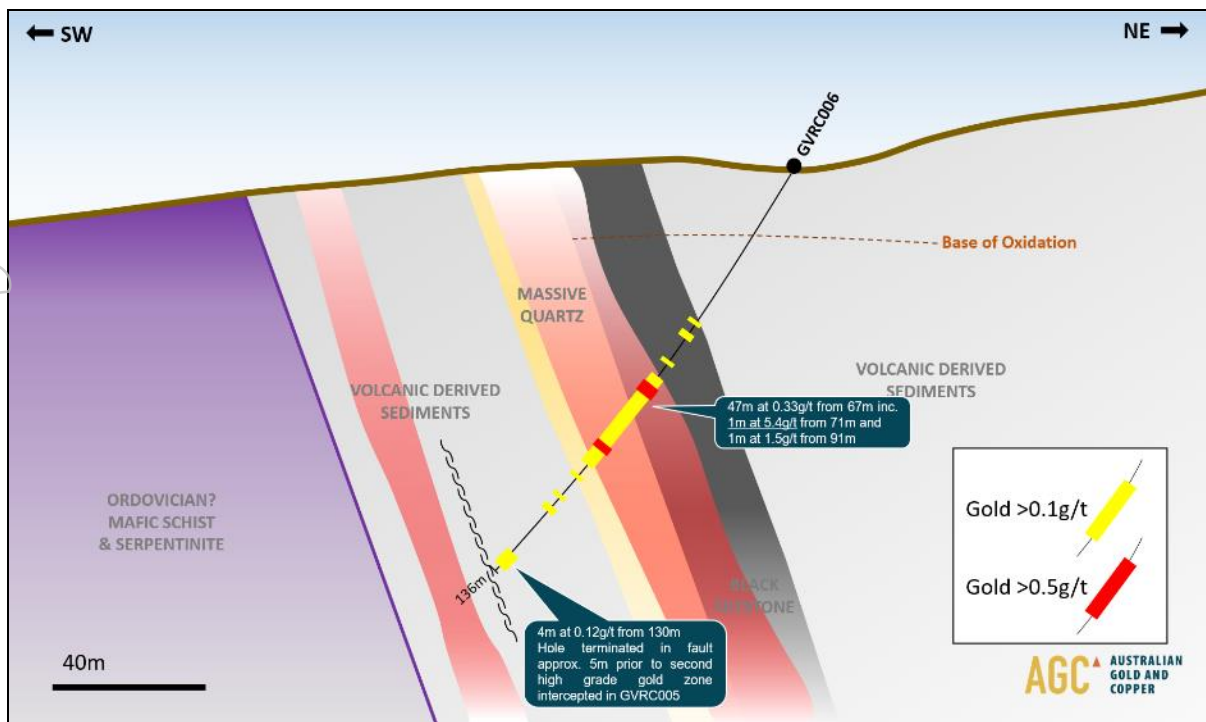


Figure 15: Schematic cross section through GVRC006 showing interpreted gold zones in faded red.

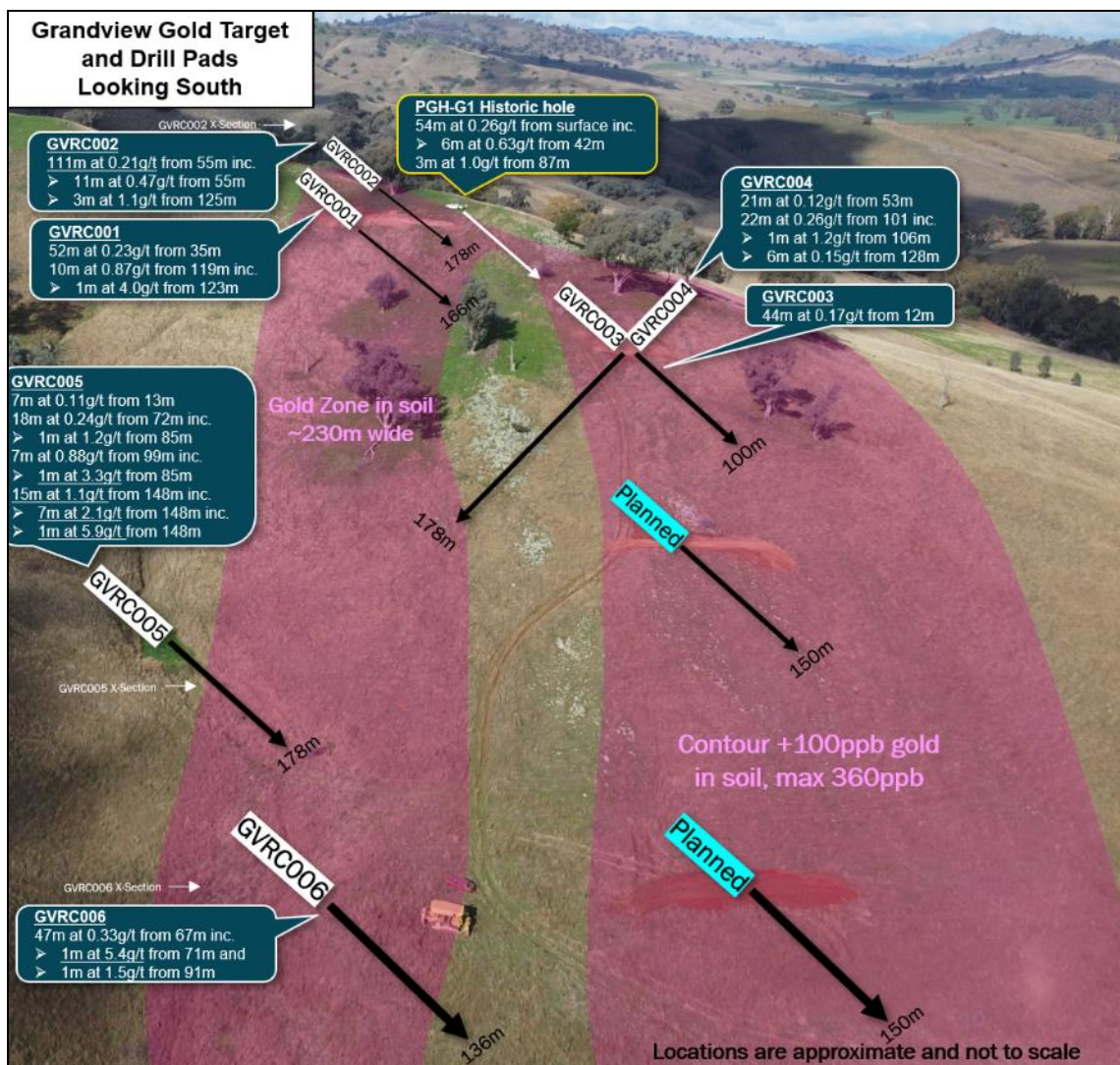


Figure 16: Schematic looking south, drawn onto a recent drone photo, showing the northern hill drill results targeting the gold-in-soil targets (AGC ASX prospectus Nov 2020). D6 bulldozer in foreground for scale.

## DIRECTORS' REPORT

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### EVENTS AFTER THE REPORTING DATE

On 12 January 2023 it was announced that in accordance with ASX Listing Rule 3.10A, 32,272,716 fully paid ordinary shares will be released from escrow on 20 January 2023.

The directors are not aware of any 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 future financial years.

### AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' Independence declaration as required under section 307C of the *Corporations Act 2001* is included within this half-year financial report.

This directors' report is signed in accordance with a resolution of the Board of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.



**Glen Diemar**  
**Managing Director**

Date: 10 March 2023  
Perth

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	Notes	31 December 2022 \$	31 December 2021 \$
Interest income		44,990	5,654
Other income		-	27,010
<b>Total income</b>		<b>44,990</b>	<b>32,664</b>
Accounting and company secretary fees		(74,167)	(71,083)
Audit fees		(5,170)	(9,056)
Depreciation		(12,498)	(12,063)
Directors' fees		(107,444)	(96,874)
Exploration and project assessments		(38,165)	(24,330)
Exploration expenditure written off	4	(720,103)	-
Share based payments expense	7	(250,525)	(5,640)
Employee benefits expense		(20,946)	(25,104)
Regulatory fees		(35,037)	(37,986)
Other expenses		(53,149)	(83,968)
<b>Loss before income tax</b>		<b>(1,272,214)</b>	<b>(333,440)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(1,272,214)</b>	<b>(333,440)</b>
Other comprehensive income		-	-
Total comprehensive loss for the period		<b>(1,272,214)</b>	<b>(333,440)</b>
<b>Loss per share</b>			
Basic and diluted loss per share (cents)	11	(1.27)	(0.33)

The accompanying notes form part of this interim financial report.

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**



	Notes	31 December 2022 \$	30 June 2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	3,276,106	4,231,650
Trade and other receivables		-	4,801
Other assets	3(a)	43,915	48,335
<b>Total current assets</b>		<b>3,320,021</b>	<b>4,284,786</b>
<b>Non-current assets</b>			
Property, plant and equipment		78,800	88,550
Exploration and evaluation	4	13,336,043	13,460,372
Other assets	3(b)	47,000	57,500
<b>Total non-current assets</b>		<b>13,461,843</b>	<b>13,606,422</b>
<b>Total assets</b>		<b>16,781,864</b>	<b>17,891,208</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	5	68,909	147,557
Provisions		44,290	53,297
<b>Total current liabilities</b>		<b>113,199</b>	<b>200,854</b>
<b>Total liabilities</b>		<b>113,199</b>	<b>200,854</b>
<b>Net assets</b>		<b>16,668,665</b>	<b>17,690,354</b>
<b>EQUITY</b>			
Issued capital	6	18,720,731	18,720,731
Reserves	8	1,820,618	1,570,093
Accumulated losses		(3,872,684)	(2,600,470)
<b>Total equity</b>		<b>16,668,665</b>	<b>17,690,354</b>

The accompanying notes form part of this interim financial report.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	Issued capital \$	Share based payment reserve \$	Accumulated losses \$	Total \$
<b>Balance at 1 July 2021</b>	18,720,731	1,558,907	(2,021,298)	18,258,340
Loss for the period	-	-	(333,440)	(333,440)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(333,440)	(333,440)
<b>Transactions with owners in their capacity as owners</b>				
Share based payments	-	5,640	-	5,640
<b>Balance at 31 December 2021</b>	<b>18,720,731</b>	<b>1,564,547</b>	<b>(2,354,738)</b>	<b>17,930,540</b>

	Issued capital \$	Share based payment reserve \$	Accumulated losses \$	Total \$
<b>Balance at 1 July 2022</b>	18,720,731	1,570,093	(2,600,470)	17,690,354
Loss for the period	-	-	(1,272,214)	(1,272,214)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(1,272,214)	(1,272,214)
<b>Transactions with owners in their capacity as owners</b>				
Share based payments	-	250,525	-	250,525
<b>Balance at 31 December 2022</b>	<b>18,720,731</b>	<b>1,820,618</b>	<b>(3,872,684)</b>	<b>16,668,665</b>

The accompanying notes form part of this interim financial report.

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**STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Notes	31 December 2022	31 December 2021
	\$	\$
<b>Cash flows from operating activities</b>		
Interest received	36,872	6,422
Other income	-	27,010
Payments to suppliers and employees	(264,405)	(293,957)
Payments for exploration and evaluation	(38,166)	-
<b>Net cash outflow from operating activities</b>	<b>(265,699)</b>	<b>(260,525)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,747)	-
Purchase of bonds	-	(13,000)
Payments for exploration and evaluation	(687,098)	(1,507,404)
<b>Net cash outflow from investing activities</b>	<b>(689,845)</b>	<b>(1,520,404)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	-
Share issue costs paid	-	-
<b>Net cash inflow from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash held</b>	<b>(955,544)</b>	<b>(1,780,929)</b>
Cash at the beginning of the period	4,231,650	7,236,269
<b>Cash at the end of the period</b>	<b>3,276,106</b>	<b>5,455,340</b>

The accompanying notes form part of this interim financial report.

**1. Summary of significant accounting policies**

**Basis of preparation**

The half-year financial report is a general purpose financial report that have been prepared in accordance with *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Accounting Standard 34 *Interim Financial Reporting*.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this half-year financial report be read in conjunction with the annual financial report for the period ended 30 June 2022 and any public announcements made by Australian Gold and Copper Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New and revised accounting standards and interpretations**

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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



	31 Dec 2022 \$	30 June 2022 \$
<b>2. Cash and cash equivalents</b>		
Cash at bank	3,276,106	4,231,650

	31 Dec 2022 \$	30 June 2022 \$
<b>3. Other assets</b>		
<b>(a) Current</b>		
Prepayments	30,997	48,335
Interest receivable	12,918	-
	<u>43,915</u>	<u>48,335</u>
<b>(b) Non-current</b>		
Security bonds	47,000	57,500
	<u>47,000</u>	<u>57,500</u>

	31 Dec 2022 \$	30 June 2022 \$
<b>4. Exploration and evaluation</b>		
Opening balance	13,460,372	11,064,459
Expenditure incurred during the half-year	595,774	2,395,913
Expenditure written off during the half-year <sup>(i)</sup>	(720,103)	-
Closing balance	<u>13,336,043</u>	<u>13,460,372</u>

(i) During the half-year, the Company relinquished its tenement licence EL 8669. Costs totalling \$720,103 associated to that tenement have been written off and expensed in the Statement of Profit or Loss and Other Comprehensive Income.

	31 Dec 2022 \$	30 June 2022 \$
<b>5. Trade and other payables</b>		
Trade creditors	49,582	128,441
Accrued expenses	19,327	19,116
	<u>68,909</u>	<u>147,557</u>

	31 Dec 2022 No. of shares	30 June 2022 No. of shares	31 Dec 2022 \$	30 June 2022 \$
<b>6. Issued capital</b>				
Ordinary shares – fully paid	100,000,000	100,000,000	18,720,731	18,720,731

**Ordinary shares**

	No. of shares	Issue price \$	\$
<b>Date</b>			
At the beginning of the half-year	100,000,00		18,720,731
At the end of the half-year	<u>100,000,00</u>		<u>18,720,731</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



	31 Dec 2022	31 Dec 2021
	\$	\$
<b>7. Share based payments</b>		
Options – recognised as a share based payments expense	250,525	5,640
	250,525	5,640

Below are details of share based payments expensed during the half-year.

a) Options issued to Directors and Management as an incentive (*vesting condition attached*)

On 29 January 2021, 300,000 options were granted to an employee as an incentive for services provided and will be expensed in the Statement of Profit or Loss and Other Comprehensive Income over the vesting period. The fair value of the services could not be reliably measured and therefore, a trinomial model was used to determine the value of the options. The options will vest on 1 April 2023 if the employee remains employed.

On 12 August 2022, 2,000,000 options were granted to a Director as an incentive for services provided and will be expensed in the Statement of Profit or Loss and Other Comprehensive Income over the vesting period. The fair value of the services could not be reliably measured and therefore, a Black Scholes model was used to determine the value of the options. The options will vest on 12 August 2023 if the Director remains employed.

The expense realised in respect to the options is intended to reflect the best available estimate of the number of options expected to vest.

The inputs have been detailed below:

Input	Director Options	Management Options	Management Options	Total
Number of options	2,000,000	150,000	150,000	
Grant date	12 August 2022	29 January 2021	29 January 2021	
Expiry date (years)	3	3	3	
Underlying share price	\$0.076	\$0.18	\$0.18	
Exercise price	\$0.114	\$0.30	\$0.50	
Volatility	100%	100%	100%	
Risk free rate	3.13%	0.11%	0.11%	
Dividend yield	0.00%	0.00%	0.00%	
Value per option	\$0.0419	\$0.0904	\$0.0714	
Total fair value of options	\$83,834	\$13,560	\$10,710	<b>\$108,104</b>
Share-based payment expense recognised for the half-year ended 31 December 2022	\$32,385	\$3,150	\$2,488	<b>\$38,023</b>
Share-based payment expense recognised for the half-year ended 31 December 2021	Nil	\$3,151	\$2,489	<b>\$5,460</b>

b) Options issued to Directors and Management as an incentive (*no vesting condition attached*)

On 25 November 2022, 5,000,000 options were granted to Directors and 1,000,000 options were granted to Management as an incentive for services provided and will be expensed in the Statement of Profit or Loss and Other Comprehensive Income over the vesting period. The fair value of the services could not be reliably measured and therefore, a Black Scholes model was used to determine the value of the options. All options issued vested immediately.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



The inputs have been detailed below:

Input	Director Options	Management Options	Total
Number of options	5,000,000	1,000,000	
Grant date	25 November 2022	25 November 2022	
Expiry date (years)	3	3	
Underlying share price	\$0.066	\$0.066	
Exercise price	\$0.107	\$0.107	
Volatility	100%	100%	
Risk free rate	3.27%	3.27%	
Dividend yield	0.00%	0.00%	
Value per option	\$0.0354	\$0.0354	
Total fair value of options	\$177,085	\$35,417	<b>\$212,502</b>
Share-based payment expense recognised for the half-year ended 31 December 2022	\$177,085	\$35,417	<b>\$212,502</b>
Share-based payment expense recognised for the half-year ended 31 December 2021	Nil	Nil	<b>Nil</b>

**31 Dec 2022**      **30 June 2022**  
\$                              \$

**8. Reserves**

**Reserves**

Share based payments reserve	1,820,618	1,570,093
	<u>1,820,618</u>	<u>1,570,093</u>

**Movements**

Balance at beginning of the half-year	1,570,093	1,558,907
Share based payments expense for the half-year	250,525	11,186
<b>Balance at end of the half-year</b>	<u>1,820,618</u>	<u>1,570,093</u>

**9. Related party transactions**

During the half-year, Consilium Corporate Pty Ltd, a Company that Mr. Ranko Matic was a director up until 12 August 2022, invoiced the Company \$11,720 for CFO and Corporate Secretarial Fees (2021: \$67,083). As at 31 December 2022, the amount owing to Consilium Corporate was \$1,348 (2021: nil).

The Company has engaged Magmatic Resources Limited for the provision of Management and Administration services, a company of which Mr Richardson and Dr. McKinnon are a shareholder and director. During the half-year, Magmatic Resources Limited invoiced the Company \$26,475 (2021: \$28,063). As at 31 December 2022, the amount owing to Magmatic Resources Limited was \$9,208 (2021: \$8,098).

**10. Commitments for expenditure**

**Exploration and evaluation**

The Company is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances, these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however they are expected to be fulfilled in the normal course of operations.

**31 Dec 2022**      **30 June 2022**  
\$                              \$

The Company has tenement rental and expenditure commitments payable of:

- Not later than 12 months	-	-
- Between 12 months and 5 years	-	-
- More than 5 years	-	-
	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



	31 Dec 2022 \$	31 Dec 2021 \$
<b>11. Earnings per share</b>		
Loss after income tax	(1,272,214)	(333,440)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	100,000,000	100,000,000
Basic and diluted loss per share (cents)	(1.27)	(0.33)

**12. Events after the reporting date**

On 12 January 2023 it was announced that in accordance with ASX Listing Rule 3.10A, 32,272,716 fully paid ordinary shares will be released from escrow on 20 January 2023.

The directors are not aware of any other matters or circumstances that have arisen since the end of the financial 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 future financial years.

**13. Contingent assets and liabilities**

The Company had no contingent assets and no contingent liabilities as at 31 December 2022 (30 June 2022: Nil).

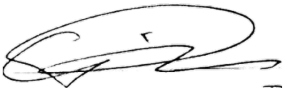
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In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- 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 directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



**Glen Diemar**  
**Managing Director**

Date: 10 March 2023

Perth

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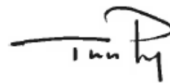
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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Australian Gold and Copper Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

  
RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 10 March 2023

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AUDIT | TAX | CONSULTING

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF AUSTRALIAN GOLD AND COPPER LIMITED**

**Report on the Half-Year Financial Report**

*Conclusion*

We have reviewed the accompanying half-year financial report of Australian Gold and Copper Limited which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *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.

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

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*Directors' Responsibility for the Half-Year Financial Report*

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

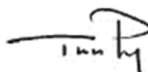
*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 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.

RSM

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to read 'Tutu Phong', written over a horizontal dotted line.

Perth, WA  
Dated: 10 March 2023

TUTU PHONG  
Partner