

For personal use only



**ASTRAL RESOURCES NL  
AND ITS CONTROLLED ENTITIES**

ABN 24 651 541 976

Interim Financial Report  
For the half year ended 31 December 2022



## CONTENTS

DIRECTOR'S REPORT .....	3
AUDITOR'S INDEPENDENCE DECLARATION .....	23
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME .....	24
CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	25
CONSOLIDATED STATEMENT OF CASH FLOWS .....	26
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....	27
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS .....	28
DIRECTOR'S DECLARATION .....	38
INDEPENDENT AUDITOR'S REVIEW REPORT .....	39

For personal use only

## DIRECTOR'S REPORT

Your Directors present their half yearly report on the consolidated entity consisting of Astral Resources NL ("Astral" or "the Company") and the entities it controlled at the end of, or during, the period 1 July 2022 to 31 December 2022 ("the Group").

## DIRECTORS

The persons who were Directors of the Company during the interim reporting period and up to the date of this report are:

Mr Leigh Warnick	Non-Executive Chairman (appointed on 23 December 2019)
Mr Marc Ducler	Managing Director (appointed on 23 December 2019)
Mr Justin Osborne	Non-Executive Director (appointed on 18 November 2021)
Mr Peter Stern	Non-Executive Director (appointed on 28 November 2011)
Mr David Varcoe	Non-Executive Director (appointed on 28 November 2019)

## REVIEW OF OPERATIONS

The Company's principal activities during the half year were progressing exploration and development activities at its flagship 100% owned Mandilla Gold Project (Mandilla) and re-commencement of exploration activities at the Feysville Gold Project (Feysville).

The Group's loss after tax for the period ended 31 December 2022 was \$2,065,634 (31 December 2021: loss of \$1,281,150).

### Summary and Highlights

During the half year ended 31 December 2022, Astral made significant progress in the advancement of Mandilla, including the following:

- On 6 December 2022, the Company reported an updated JORC 2012 Mineral Resource Estimate (MRE) for Mandilla of **30Mt at 1.1g/t Au for 1.03Moz of contained gold**. This represented a 32% increase in contained ounces compared to the previous MRE (reported January 2022). This latest MRE is discussed in detail below.
- The ongoing successful delineation of a large gold mineralised footprint provides encouragement that Astral has potential to continue to grow its Mineral Resource inventory as it progresses its strategy to develop a long-term gold business in the Kalgoorlie region based on its Mandilla and Feysville Projects (see Figure 1).
- A total of 4,730 metres of drilling was completed during the half year at Mandilla, comprising 3,784 metres of diamond drilling (DD) and 946 metres of reverse circulation (RC) drilling.
- Assay results were released during the half year for a total of 29,177 metres of drilling at Mandilla. This included 15,869 metres of aircore (AC) drilling, 9,283 metres of RC drilling and 4,025 metres of DD.

During the half year, Astral re-commenced exploration activities at its Feysville Gold Project (Feysville) which is located 14km south of the KCGM Super Pit in Kalgoorlie. Feysville hosts a MRE of **3Mt at 1.3 g/t Au for 116koz** of contained gold. Activities included:

- A diamond drill rig mobilising to Feysville during December to complete four holes for an aggregate of 946 metres of DD prior to the Christmas shutdown.
- Feysville Gold Pty Ltd, a wholly owned subsidiary of Astral, consolidated the Feysville Gold Project by acquiring 100% ownership of tenements P26/4351-4353 and 100% ownership of tenements P26/4538-4541 and P26/4632-4634.
- Subsequent to the end of the reporting period:
  - The diamond drill rig remobilised to Feysville and completed a further five diamond drill holes for an aggregate of 480 metres of DD during January; and
  - A RC drill rig mobilised to Feysville and completed a total of 26 holes for an aggregate of 2,554 metres of RC drilling during January.

For personal use only

## MANDILLA GOLD PROJECT - WA

The Mandilla Gold Project (Mandilla) is situated in the northern Widgiemooltha greenstone belt, 70 kilometres south of the significant mining centre of Kalgoorlie, Western Australia (Figure 1). Mandilla is covered by existing Mining Leases which are not subject to any third-party royalties other than the standard WA Government gold royalty.



Figure 1 – Project Location Map

### Mineral Resource Estimate – December 2022

On 6 December 2022, the Company announced an updated JORC 2012 MRE of 30Mt at 1.1g/t Au for 1.03Moz of contained gold (December 2022 MRE), encompassing the cornerstone Theia deposit, the Iris and Eos deposits, and an inaugural MRE at the Hestia discovery. The MRE was prepared by independent consultant Cube Consulting in accordance with the JORC Code (2012 Edition).

This represented the fourth MRE published for Mandilla within eighteen months, with this latest resource update cementing Astral’s position as one of the largest independently owned resource inventories in the Tier-1 Eastern Goldfields district.

The MRE was estimated using a 0.39 g/t Au lower cut-off and is constrained within pit shells derived using a gold price of AUD\$2,500 per ounce (consistent with previous MREs).

The MRE is summarised in Table 1 below, a detailed breakdown by deposit is provided in Table 2 and a grade and tonnage sensitivity by cut-off grade is provided in Table 3.

For personal use only

Table 1 – Mandilla Mineral Resource Estimate (December 2022)

Mineral Resource Estimate for the Mandilla Gold Project (Cut-Off Grade >0.39g/t Au)			
Classification	Tonnes (Mt)	Grade	Ounces (koz)
Indicated	12	1.1	410
Inferred	18	1.1	624
<b>Total</b>	<b>30</b>	<b>1.1</b>	<b>1034</b>

*The preceding statement of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.*

Table 2 – MRE (December 2022) grade and tonnage by source

Deposit	Classification	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Theia	Indicated	11	1.1	374
	Inferred	13	1.2	504
	<b>Total</b>	<b>24</b>	<b>1.1</b>	<b>878</b>
Iris	Indicated	0.4	0.8	11
	Inferred	3.9	0.8	100
	<b>Total</b>	<b>4.3</b>	<b>0.8</b>	<b>111</b>
Eos	Indicated	0.5	1.6	25
	Inferred	0.1	1.6	7
	<b>Total</b>	<b>0.6</b>	<b>1.6</b>	<b>32</b>
Hestia	Indicated	-	-	-
	Inferred	0.5	0.8	12
	<b>Total</b>	<b>0.5</b>	<b>0.8</b>	<b>12</b>
<b>Total</b>		<b>30</b>	<b>1.1</b>	<b>1,034</b>

*All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.*

Table 3 – MRE (December 2022) grade and tonnage by cut-off grade

Cut-off grade (g/t Au)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
0.3	35	1	1,093
0.35	32	1	1,065
<b>0.39</b>	<b>30</b>	<b>1.1</b>	<b>1,034</b>
0.4	30	1.1	1,030
0.45	27	1.2	993
0.5	24	1.2	954

*All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.*

The locations of the optimised pit shells based on a gold price of AUD\$2,500 per ounce are set out in plan view in Figure 2 below.

The sections referenced in this report are also annotated on this plan.

A summary of information material to the understanding of the MRE was provided in the ASX announcement dated 6 December 2022, in compliance with the requirements of ASX Listing Rule 5.8.1.

For personal use only

For personal use only

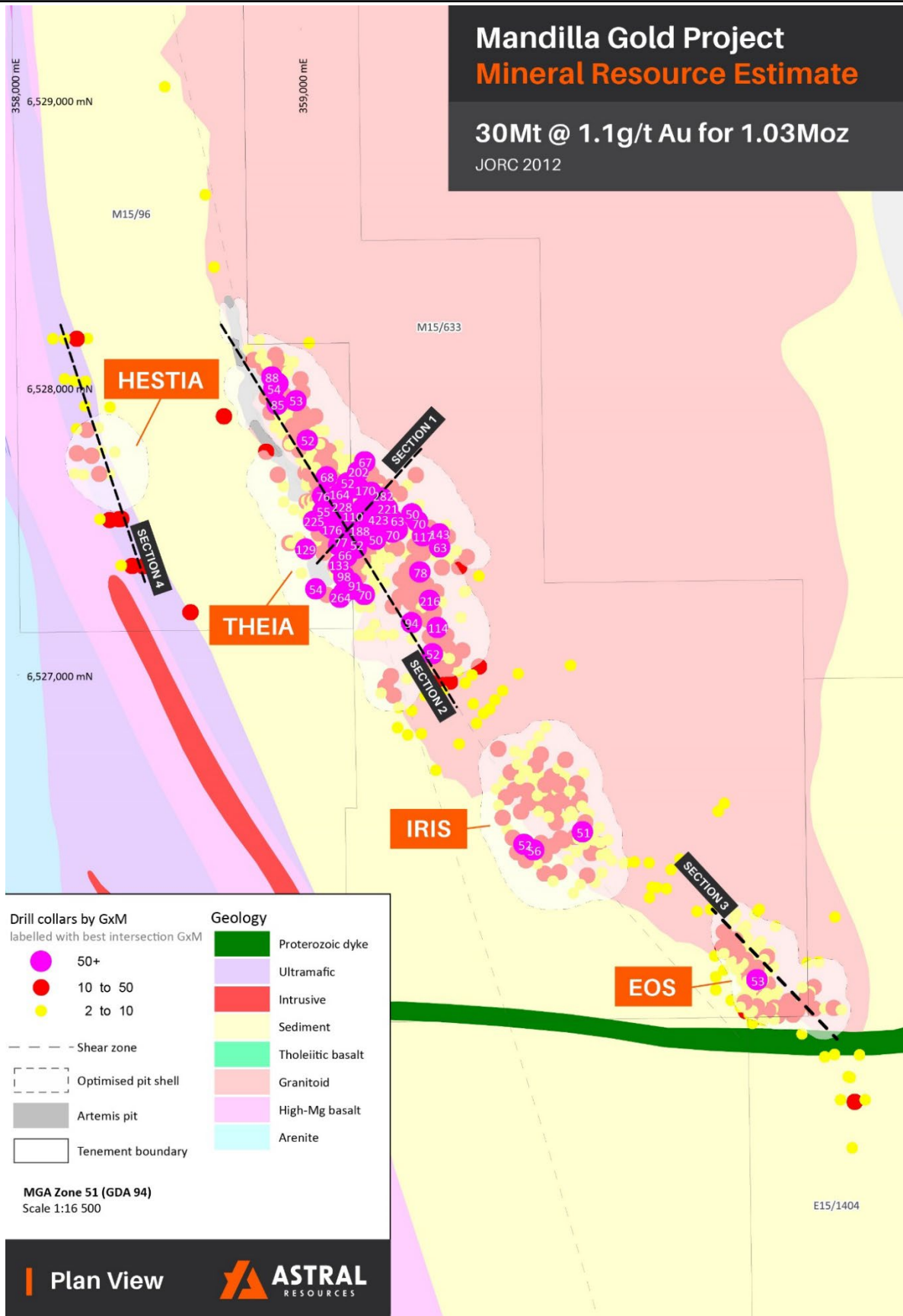


Figure 2 – December 2022 MRE optimised pit shell and section locations on local area geology.



### Theia Deposit

Theia is Mandilla’s cornerstone deposit, representing approximately 85% of the reported MRE. The total MRE at Theia is **24Mt at 1.1g/t Au for 878koz of contained gold**.

It is noted that the December 2022 MRE does not include recently identified mineralisation at Theia the subject of Astral’s 30 November 2022 announcement which includes drill hole MDRCD652:

- **5.08m at 5.92g/t Au** from 182.85m, including **0.3m at 19.94g/t Au** from 182.85m and **0.3m at 76.87g/t Au** from 186.97m.

Section 1, as illustrated in Figure 3 below, shows the Mineral Resource within the \$2,500 AUD optimised pit shell on a section previously reported on 13 October 2022.

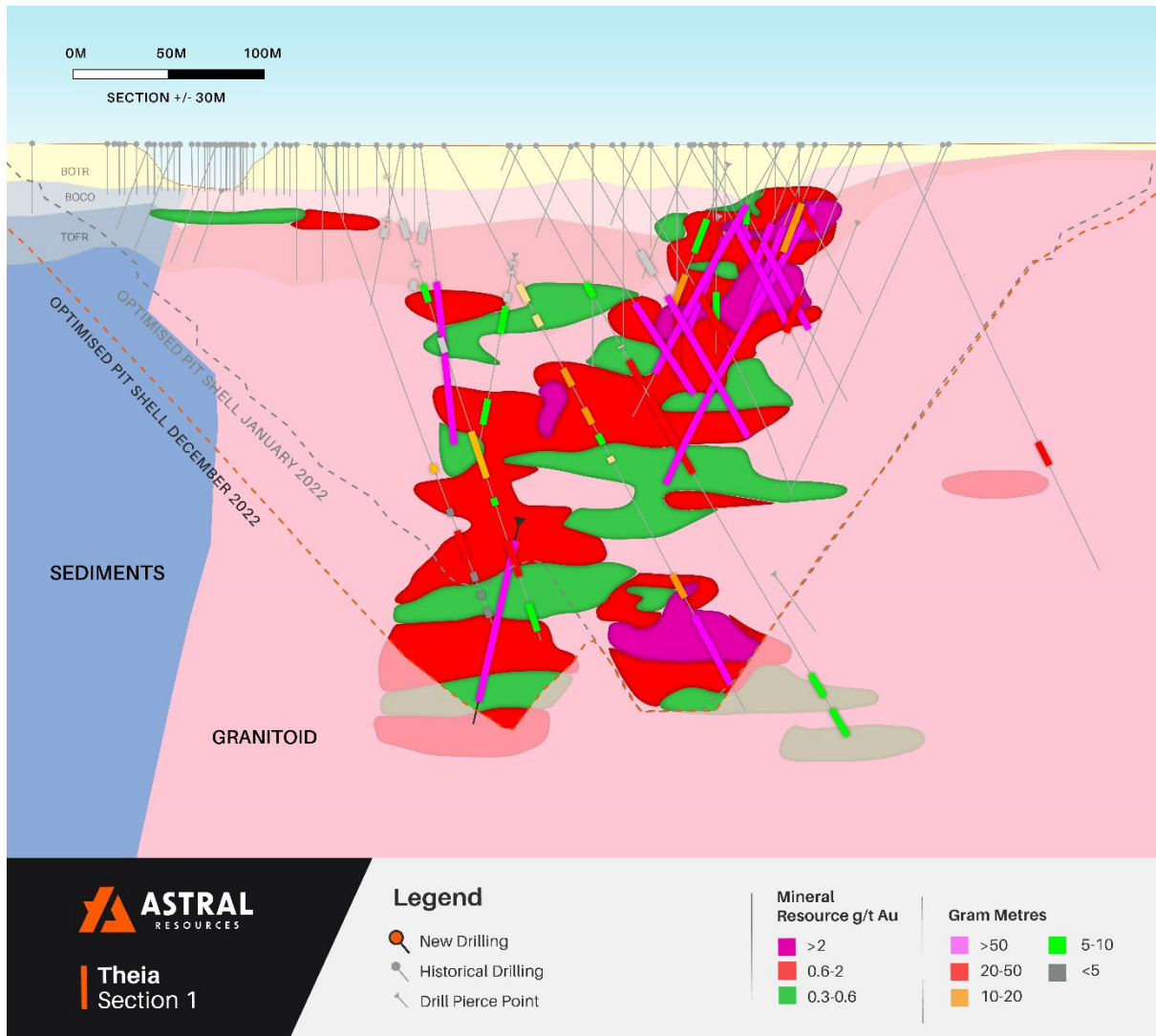


Figure 3 – Theia cross-section view (refer Figure 2 for section location).

Note that the cross-section illustrates the presence of mineralisation at depth that is not currently included in the optimised pit shell.

Section 2, as illustrated in Figure 4 below, shows a long-projection of Theia as previously reported on 3 November 2022.

For personal use only



For personal use only

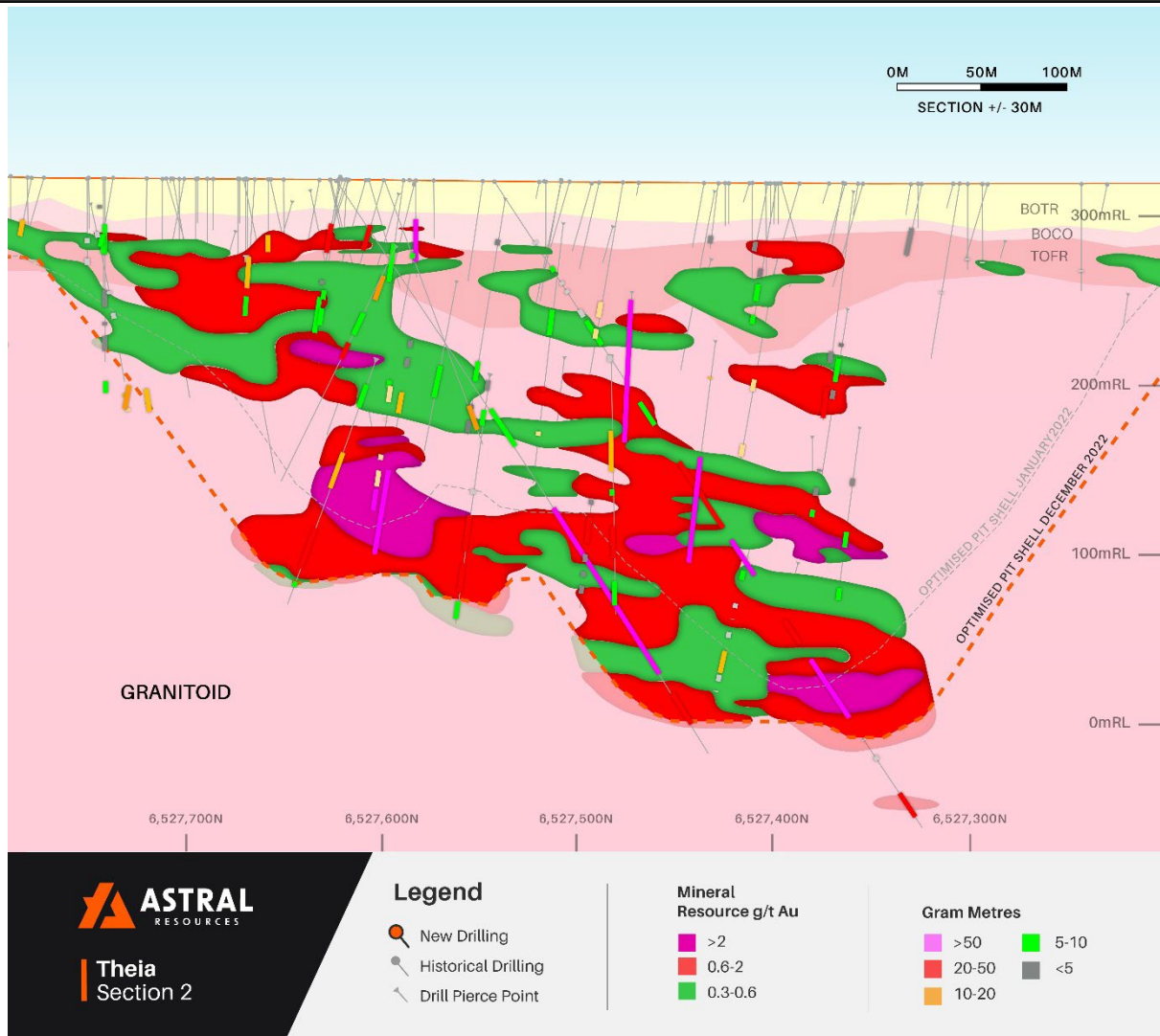


Figure 4 – Theia long-projection view (refer Figure 2 for section location).

Theia remains open at depth and with further extensions on the flanks has the potential to form the basis for a larger open pit.

#### *Iris Deposit*

The MRE at Iris is largely unchanged from that reported previously at **4.3Mt at 0.8g/t Au for 111koz of contained gold**.

#### *Eos Deposit*

The total MRE at EOS increased by a significant 191% to **0.6Mt at 1.6g/t Au for 32koz of contained gold**. With increased drilling density 78% of the updated MRE is also declared in the higher confidence 'Indicated' category.

Section 3, as illustrated in Figure 5 below, shows the same long projection as previously reported on 23 August 2022.

The long projection illustrates the flat-lying geometry of the mineralisation, characteristic of a palaeochannel deposit.



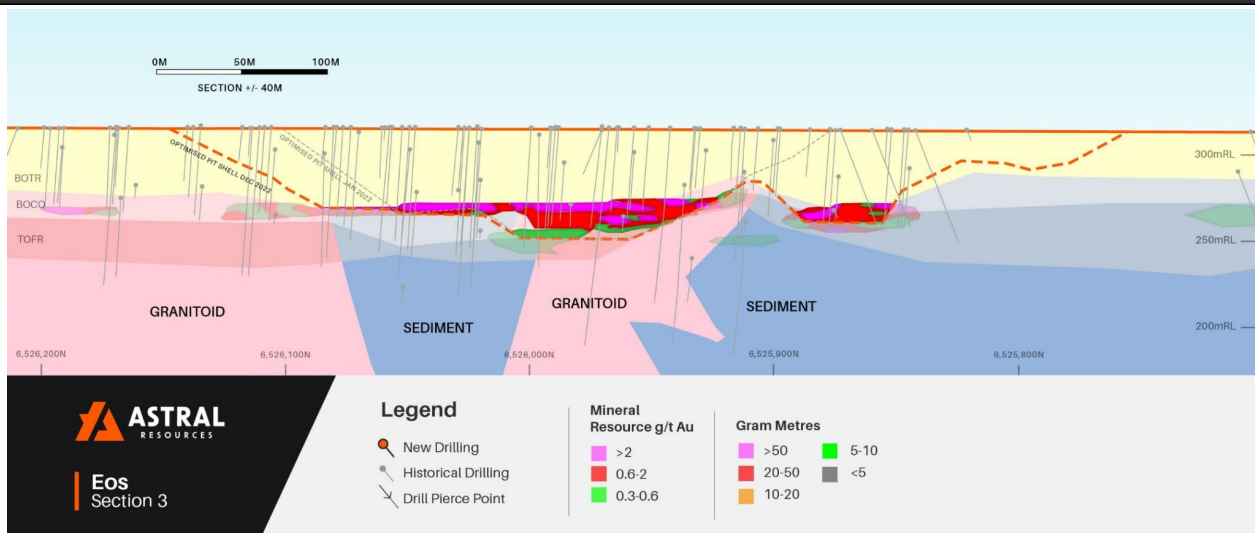


Figure 5 – Eos long-projection view (refer Figure 2 for section location)

Further opportunities to add to the MRE at Eos include:

- Infill AC drilling in the northern and north-eastern portions to define the palaeochannel limits;
- Exploration drilling to the south of the current AC lines to determine the southerly extent of the mineralisation; and
- Infill lines in the south to allow potential resource classification.

It is noted that previous drilling, both RC and AC, has intersected mineralisation in the bedrock immediately below the palaeochannel. This indicates potential for a primary source of mineralisation in this area. As a direct analogue the 878,000 ounce bedrock Theia deposit, located approximately two kilometres to the north, is situated immediately beneath paleochannel deposits that were mined by open pit by Astral in 2006/2007.

This bedrock target will be the subject of further evaluation in forthcoming drilling programs.

### Hestia Deposit

The December 2022 MRE includes a maiden Mineral Resource of **0.5Mt at 0.8g/t Au for 12koz of contained gold** within the central portion of Hestia.

Occurring over a strike length of at least one kilometre, mineralisation is associated with a shear zone adjacent to a mafic/sediment contact interpreted to be part of the major north-south trending group of thrust faults known as the Spargoville shear corridor.

It is noted that the December 2022 MRE does not include recent results to the south of the declared MRE at Hestia the subject of Astral's 30 November 2022 announcement which includes:

- **20.70m at 1.13g/t Au** from 80.3m, including **0.7m at 21.91g/t Au** from 81.7m and, further down-hole, **13.2m at 0.81g/t Au** from 111.0m in MDRCD653; and
- **12.85m at 1.24g/t Au** from 87.0m, including **0.3m at 28.8g/t Au** from 90.3m and **0.3m at 10.93g/t Au** from 99.55m and, further down-hole, **11.35m at 1.42g/t Au** from 118.90m in MDRCD654.

The long projection in Figure 6 illustrates drilling completed, the centrally located Resource model and the optimised pit outline.

For personal use only

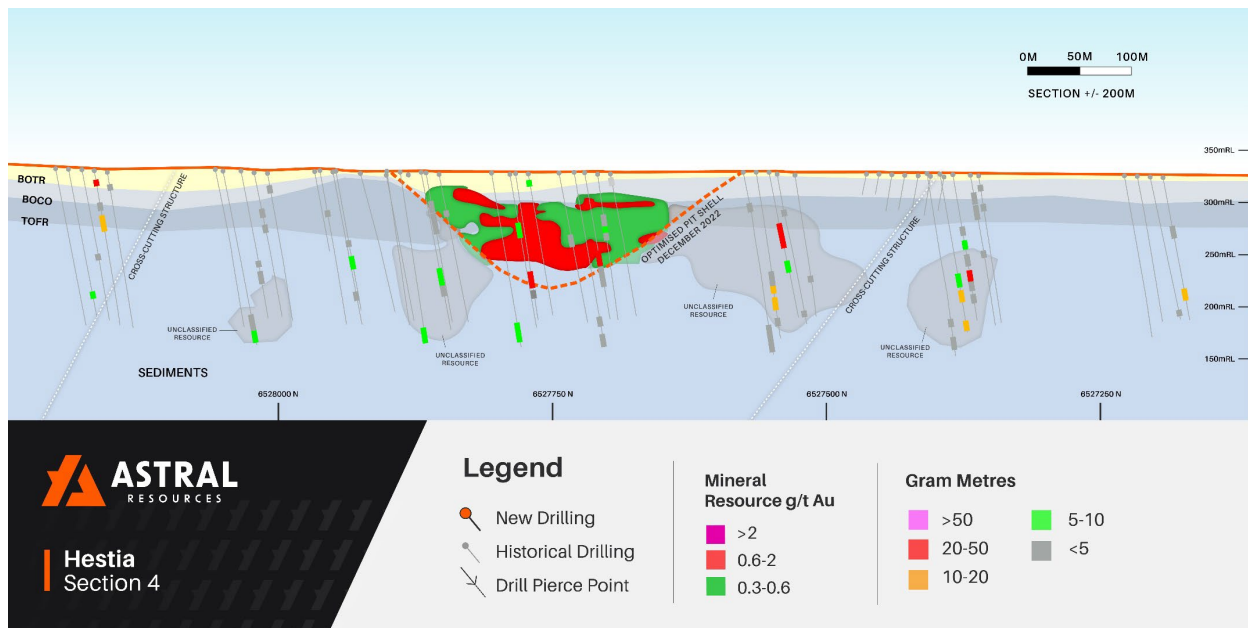


Figure 6 – Hestia long projection view (refer Figure 2 for section location).

Whilst the reported MRE at Hestia is currently modest, it should be noted that holes drilled to date have been located on section at typically 40 metres spacing with lines spaced at 80 metres in the central (320 metre strike) portion and 160 metres beyond that. Mineralisation identified with line spacing of greater than 80 metres is excluded from the reported MRE.

The reported MRE, located in the central portion of the deposit where drill spacing is at 80 metres, is also an area where the average grade of intersections is actually lower in grade compared to those recorded to the immediate south. This suggests significant potential to increase the scale and grade of the Hestia resource.

RC drilling commenced at Mandilla during January 2023, which will include drilling over the southern portion of Hestia.

## Exploration

During the half year, Astral completed a total of 4,730 metres of drilling at Mandilla, comprising 3,784 metres of diamond drilling and 946 metres of AC drilling.

Assay results were released during the half year for a total of 29,177 metres of drilling at Mandilla. This included 15,869 metres of AC drilling (14,923 metres were completed prior to the half year), 9,283 metres of RC drilling (100% of drilling was completed prior to the half year) and 4,025 metres of diamond drilling (241 metres were completed during June 2022).

## Air-Core Program

### Phase 1 AC Drilling – Eos/Regional

The Phase 1 AC drilling program designed to test for extensions to the deposit and in-fill to better define the higher-grade palaeochannel mineralisation commenced prior to the half year. A total of 196 AC holes were completed for 10,621 metres. Assay results were received and reported during the half year.

At Eos, 76 AC drill-holes over six lines were completed for 4,540 metres. The regional AC drill program comprised 120 drill holes for 6,081 metres. The program was designed to test for gold mineralisation east of Eos.

The program was highly successful, with drilling consistently intersecting high-grade zones of flat-lying palaeochannel mineralisation. Approximately 71% of holes intersected mineralisation above 0.1g/t Au, the consistency of mineralisation indicative of palaeochannel-style gold. Best results included:

- 2m at 13.38g/t Au from 51m in MDAC501;
- 1m at 11.93g/t Au from 49m MDAC444;
- 2m at 8.09g/t Au from 48m in MDAC429;
- 2m at 7.11g/t Au from 51m in MDAC443;
- 3m at 6.79g/t Au from 52m in MDAC457;
- 4m at 6.31g/t Au from 54m MDAC442; and
- 2m at 6.05g/t Au from 51m in MDAC483.

For personal use only

### Phase 2 AC Drilling – Eos

The Phase 2 AC drilling program was completed at Eos during July 2022. The program was focussed on in-fill and extensional drilling at the Eos palaeochannel deposit.

The Phase 2 AC drill program returned best assay results of:

- **3m at 11.85g/t Au** from 52m in MDAC540;
- **1m at 17.20g/t Au** from 52m in MDAC513;
- **1m at 12.17g/t Au** from 51m in MDAC551;
- **1m at 8.69g/t Au** from 51m in MDAC587; and
- **1m at 5.58g/t Au** from 47m in MDAC550.

Several holes, particularly in the north-east of the Phase 2 drilling area, did not reach design depth due to drilling conditions and coarse cobbles in the palaeochannel and, as a result, did not reach the interpreted target. With mineralisation remaining open to the north-east, these holes will be followed up in a subsequent drilling campaign. In due course, Eos will also be tested for the presence of bed-rock mineralisation.

The Phase 1 and Phase 2 programs were successful and consistently intersected zones of high-grade flat-lying palaeochannel mineralisation. Approximately 65% of holes that reached target depth intersected mineralisation above 0.1g/t Au.

### Reverse Circulation (RC) Program

Prior to the commencement of the half year, the Company completed an RC program consisting of 58 holes for an aggregate of 9,295 metres at the Theia, Iris and Hestia deposits. Assay results were released during the half year and are discussed below.

#### RC Drilling - Theia

A total of nine RC drill holes for an aggregate of 1,153 metres were drilled at Theia, with the program involving:

- 4-holes/710m drilled for in-fill and extensional purposes.
- 5-holes/443m drilled as pre-collars to the diamond drilling program (discussed below).

Best assay results included:

- **4m at 24.57g/t Au** from 126m and **21m at 0.76g/t Au** from 184m in MDRC640 (extensional)
- **27m at 2.00g/t Au** from 45m MDRC639 (in-fill)
- **12m at 1.57g/t Au** from 75m and 26m at 1.18g/t Au from 190m in MDRC638 (in-fill)
- **19m at 0.65g/t Au** from 82m in MDRC636 (in-fill)
- **10m at 0.99g/t Au** from 76m in MDRC642 (RC pre-collar)

#### RC Drilling – Iris

In total ten RC drill holes for 1,708 metres were drilled at Iris to both test for mineralisation and confirm the stratigraphy immediately to the north-west of the Iris deposit. Hole MDRC624 returned a best result of **20 metres at 1.42g/t Au** from 174 metres.

#### RC Drilling – Hestia

RC drilling at the Hestia deposit completed 38 RC drill holes for 6,421 metres.

For personal use only





For personal use only



Image 1 – RC drilling at Hestia

Best assay results included:

- 4m at 1.19g/t Au from 60m and 4m at 1.43 g/t Au from 75m and 6m at 7.07g/t Au from 107m in MDRC616;
- 1m at 26.15g/t Au from 13m and 12m at 1.07g/t Au from 52m in MDRC587;
- 11m at 2.00g/t Au from 90m in MDRC606;
- 2m at 5.69g/t Au from 128m and 8m at 1.37g/t Au from 140m in MDRC612;
- 7m at 1.64g/t Au from 131m and 5m at 2.76g/t Au from 163m in MDRC617;
- 7m at 2.25g/t Au from 126m in MDRC619;
- 22m at 0.96g/t Au from 60m and 7m at 1.00g/t Au from 102m in MDRC611;
- 2m at 3.03g/t Au from 138m in MDRC589; and
- 3m at 1.93g/t Au from 61m in MDRC605.

### Diamond Drilling (DD) Program

During the half year, the Company completed a 16-hole DD program for an aggregate of 4,205 metres at the Theia and Hestia deposits.



Image 2 – DD rig at Theia

### DD Program - Theia

The DD program at Theia primarily targeted the western flank of the Theia deposit, and testing of two inferred high-grade conjugate gold trends. Thirteen DD holes for an aggregate of 3,759 metres of DD were drilled.

Significant assay results included:

- MDRCD644 returned a cumulative 283 gram x metres of gold across several intersections, with best assay results including:
  - **16.01m at 2.12g/t Au** from 157.29m;
  - **47.91m at 0.74g/t Au** from 199.09m;
  - **25.18m at 2.02g/t Au** from 254.62m;
  - **16.66m at 1.38g/t Au** from 311.34m;
  - **41.2m at 1.71g/t Au** from 339.3m; and
  - **16.76m at 2.64g/t Au** from 434.1m.
- **19m at 1.54g/t Au** from 246.5m, including **0.35m at 15.76g/t Au** from 222.55m and **0.3m at 67.38g/t Au** from 251.3m in MDRCD483;
- **19.6m at 1.08g/t Au** from 216.4m, including **0.3m at 10.75g/t Au** from 224.7m and **0.3m at 13.15g/t Au** from 234.0m MDRCD642;
- **10.0m at 2.56g/t Au** from 115.0m, including **0.8m at 22.57g/t Au** from 119.9m in MDRCD649;
- **16.01m at 2.12g/t Au** from 157.29m, **25.18m at 2.02g/t Au** from 254.62m, **16.66m at 1.38g/t Au** from 311.34m, **41.2m at 1.71g/t Au** from 339.3m and **16.76m at 2.64g/t Au** from 434.1m in MDRCD644;
- **26.0m at 1.83g/t Au** from 233.0m, including **0.3m at 94.55g/t Au** from 239.1m in MDRCD650; and
- **41.6m at 1.53g/t Au** from 52.2m, including **0.8m at 11.75g/t Au** from 59.2m and **0.3m at 56.72g/t Au** from 69.1m in MDRCD651

### DD Program - Hestia

The DD program at Hestia targeted the shear zone adjacent to the contact between the mafics and sediments of the Spargoville shear corridor. Three DD holes for an aggregate of 446 metres were drilled to improve the understanding of the stratigraphic sequence of the shear hosted deposit and to identify additional mineralisation.

Significant assay results included:

- **20.70m at 1.13g/t Au** from 80.3m, including **0.7m at 21.91g/t Au** from 81.7m and, further down-hole, **13.2m at 0.81g/t Au** from 111.0m in MDRCD653; and
- **12.85m at 1.24g/t Au** from 87.0m, including **0.3m at 28.8g/t Au** from 90.3m and **0.3m at 10.93g/t Au** from 99.55m and, further down-hole, **11.35m at 1.42g/t Au** from 118.90m in MDRCD654.

The December 2022 MRE did not include the results of MDRCD653 and MDRCD654.

### Current and Forward Plan

A nine-hole (2,000m) DD program commenced at Mandilla on 26 January 2023. This program is targeting further extensions on the western flank of Theia.

A 25,000 metre RC program also commenced at Mandilla on 25 January 2023. This RC program initially targeted the Hestia deposit, where a maiden Mineral Resource Estimate was declared in December 2022. The drilling will in-fill the sectional spacing from 160 metres to 40 metres, aiming to convert unclassified mineral inventory to reportable Mineral Resources.

On completion of the Hestia drill program, the RC rig will target the eastern flank of Theia, testing for the continuation of the high-grade mineralised trends in a sparsely drilled portion of the deposit. Additional extensional and in-fill drilling will also be undertaken in the southern portion of the Theia deposit.

Eos will be tested at depth to delineate the potential bedrock source of the currently defined paleochannel deposit, noting that previous drilling into the upper metre or so of bedrock has resulted in the identification of what appears to be primary mineralisation.

### FEYSVILLE GOLD PROJECT – WA

The Feysville Gold Project (Feysville) is located within the north, north-west trending Norseman – Wiluna Greenstone Belt, within the Kambalda Domain of the Archean Yilgarn Craton. Significant gold and nickel mineralisation occurs throughout the belt including deposits such as the Golden Mile (Northern Star's Superpit) in Kalgoorlie and the St Ives Gold Mine south of Kambalda.

For personal use only

Locally, Feysville has been interpreted to contain upthrust ultramafics, emplaced within a sequence of volcanic sediments (the Black Flag sediment group), granitic intrusions, mafic basalts, gabbro and andesite (Figure 7). Feysville hosts a MRE of **3Mt at 1.3 g/t Au for 116koz of contained gold**.

Feysville hosts a number of attractive prospects where significant zones of supergene and primary mineralisation have previously been recorded including, for example:

Think Big Deposit:

- **10m at 10.0g/t Au** from 23m in FRC185;
- **10m at 8.2g/t Au** from 36m in FRC001;
- **17m at 4.86g/t Au** from 38m in FRC081; and
- **54m at 1.75g/t Au** from 28m in FRCD002.

Saintly Prospect (including Saintly South)

- **4m at 49.70g/t Au** from 68m in FRC059;
- **3m at 47.55g/t Au** from 19m in FRC100; and
- **21m at 2.74g/t Au** from 20m in FRC051.

Rogan Josh Prospect

- **6m at 8.24g/t Au** from 43m in FEC746;
- **4m at 5.42g/t Au** from 69m in FEC747; and
- **2m at 14.34g/t Au** from 33m and 1m at 12.09g/t Au from 45m in FEC749.

Ethereal Prospect

- **9m at 9.98g/t Au** from 109m in FEC413; and
- **6m at 3.98g/t Au** from 60m in FER274.

Kamperman Prospect

- **13m at 9.06g/t Au** from 24m to bottom-of-hole in FVA067.

Dalray Prospect

- **6m at 10.03g/t Au** from 60m in FEC766.

Hyperno Prospect

- **10m at 2.93g/t Au** from 56m in FRC169

## Exploration

### Diamond Drilling

A 1,500m, nine-hole DD program commenced at Feysville on 25 November 2022. Four holes were completed prior to the Christmas break, two at Ethereal, one at Hyperno and one at Rogan Josh, for a total of 645 metres. A further five holes for 781 metres were completed during January 2023 (subsequent to the end of the half year) before the rig was relocated to Mandilla. Assay results from this program are pending as at the date of this report.

### RC Drilling

A planned 25-hole/2,500 metre RC drill program commenced at Feysville on 10 January 2023 (subsequent to the end of the half year) targeting the Ethereal, Hyperno, Michelangelo, Rogan Josh, Rosina, Think Big and Montevesuveo Prospects. The drill rig completed 26 holes for an aggregate of 2,554 metres during January before relocating to Mandilla. Assay results from this program are pending as at the date of this report.

For personal use only





For personal use only



Image 3 – RC drilling at Ethereal Prospect

For personal use only

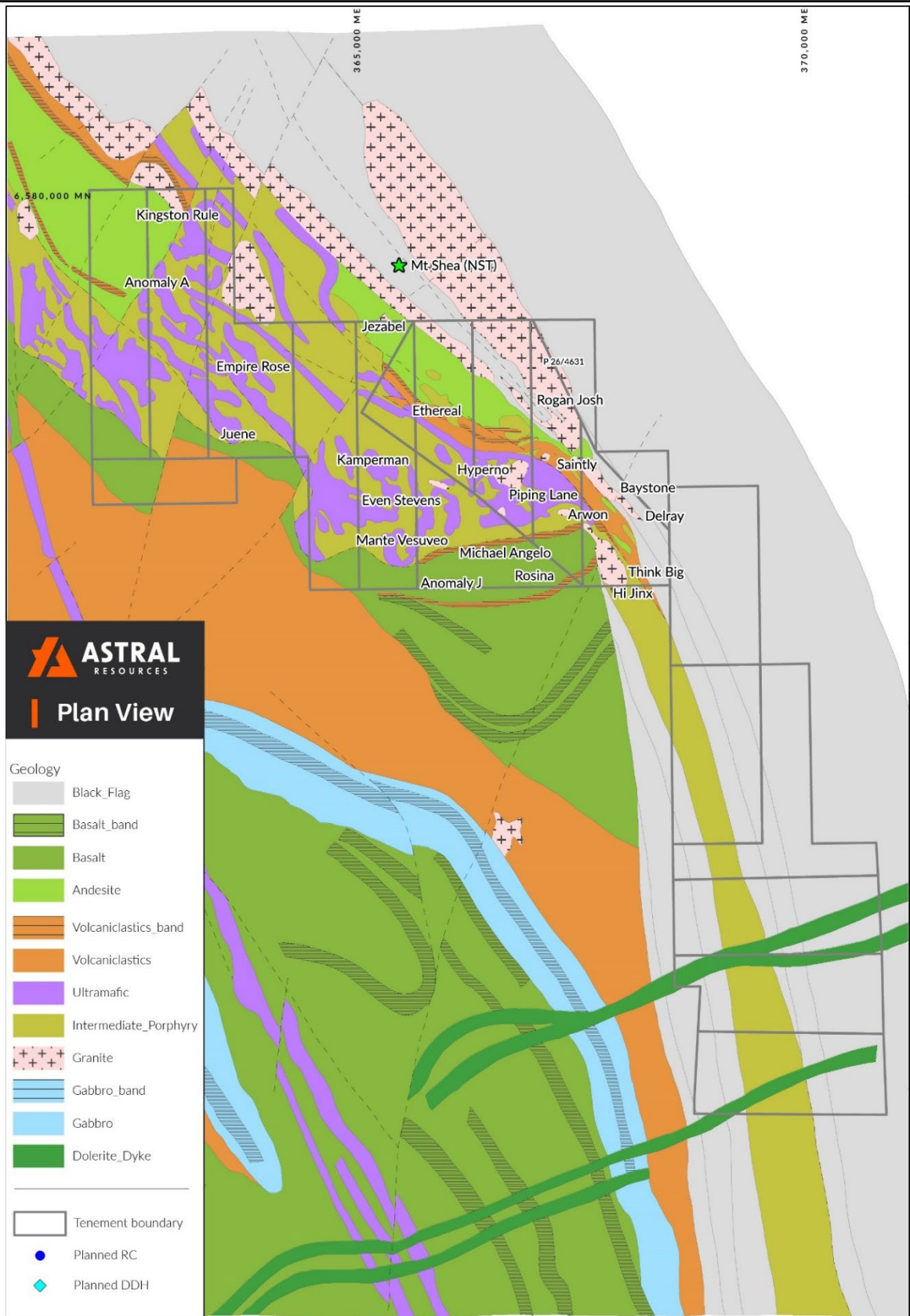


Figure 7 – Feysville local area geology (including prospective targets and Astral tenements).





The location of the nine DD holes and the 26 RC holes recently completed are shown in Figure 8 below.

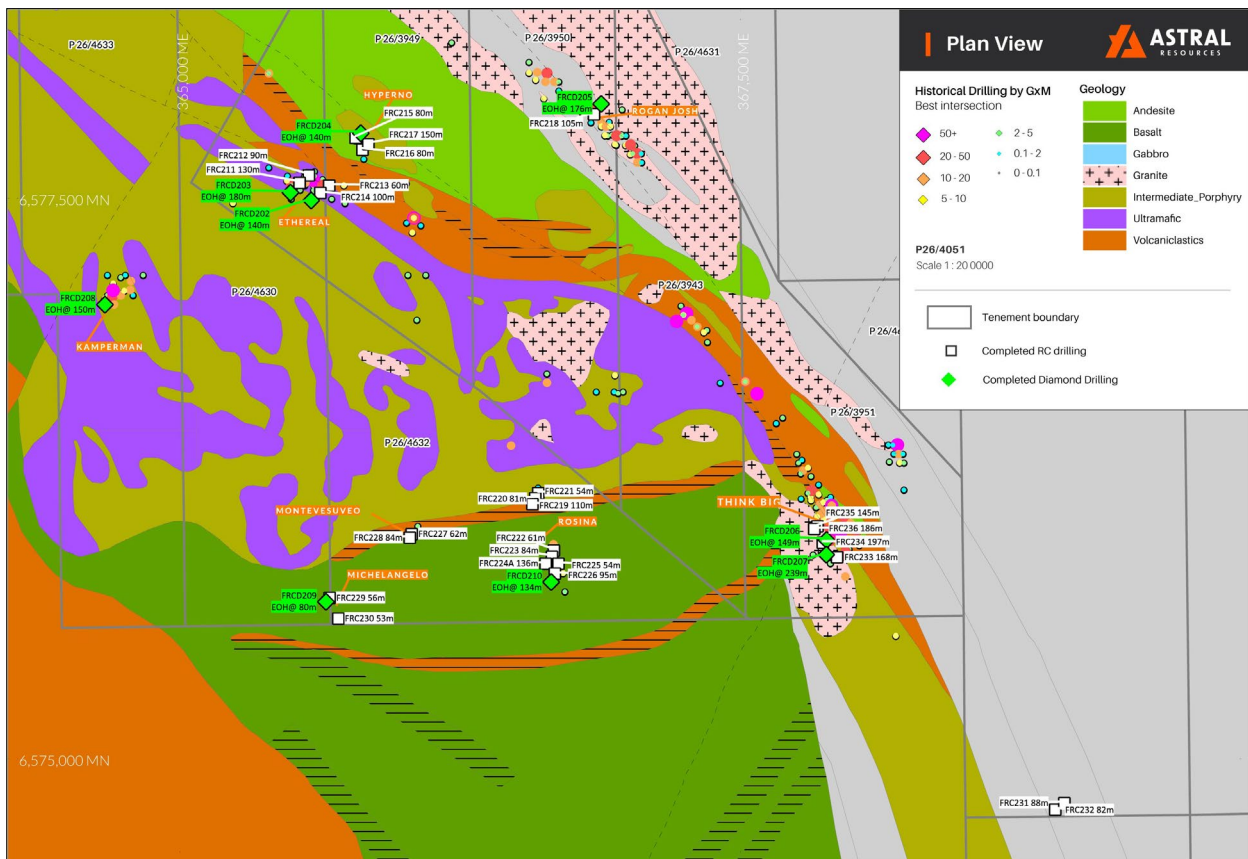


Figure 8 – Drill collar locations and hole depths for recently completed drill programs on Feysville local area geology.

### Tenement Consolidation

During the half year, Feysville Gold Pty Ltd, a wholly owned subsidiary of Astral, acquired 100% ownership of tenements P26/4351-4353, P26/4538-4541 and P26/4632-4634 for total consideration of \$20,000.

### Current and Forward Plan

The Company is currently awaiting assay results from the RC drilling and DD drilling programs completed during January 2023. A total of nine holes for 1,426 metres of DD drilling and 26 holes for 2,554 metres of RC drilling.

### KOONGIE PARK PROJECT – WA

#### Joint Venture Agreement (ASTRAL – 20% participating interest)

On 8 February 2021, the Company entered into an earn-in and joint venture agreement (JVA) with AuKing Mining Limited (AKN) having the opportunity to earn up to a 75% interest in the Koongie Park Joint Venture (Joint Venture) by funding exploration and project development study expenditure of \$3 million over a three-year period, via two earn-in milestones.

AKN met the first earn-in milestone on 22 November 2021 and met the second earn-in milestone on 17 January 2022, taking its total Joint Venture interest to 75%. With effect from 1 July 2022, Astral's participating interest reduced to 20%, as a result of Astral's decision not to contribute to expenditure incurred by AKN to 30 June 2022.

In order for Astral to preserve its 20% participating interest with effect from 31 December 2022, Astral would be required to contribute 20% of expenditure incurred by AKN at Koongie Park for the period 1 July 2022 to 31 December 2022. A decision on whether to contribute must be made during the current quarter. In making the decision the Board will need to assess the amount required and consider the competing priorities of exploration activities at Mandilla and Feysville.

For personal use only

During the half year, AKN announced a maiden MRE for the Emull deposit<sup>1</sup>.

## Gold and Precious Metals Rights

Astral retains the right to explore for and develop gold and other precious metals deposits within the Koongie Park project area, including platinum group elements (PGE's). Astral is currently reviewing opportunities to create value for shareholders from the Koongie Park gold and precious metals rights, noting that the Company's ground position abuts the landholding of Pantoro Limited (ASX: PNR) where the discovery of significant platinum group mineralisation has recently been reported.

## CORPORATE

### Capital Raising

On 26 September 2022, the Company announced a renounceable entitlement offer of one (1) New Share for every ten (10) Shares held by eligible shareholders at the record date at an issue price of \$0.065 per New Share together with one (1) free-attaching new option exercisable at \$0.14, with an expiry date of 24 October 2025 (Option) for every two (2) new shares issued, to raise approximately \$3.9 million (before costs) (Entitlement Offer).

The Entitlement Offer closed on 17 October 2022, with the Shortfall Offer oversubscribed. To accommodate the excess demand, the Company announced it would undertake an Additional Offer to raise an additional \$0.6 million on the same terms as the Entitlement Offer.

Following completion of the Additional Offer, the total amount raised was \$4.5 million (before costs). On 24 October 2022, the Company issued a total of 69,230,740 new Shares and 34,615,385 Options. The Options will be quoted under the ASX code AARO.

### Issued Capital

Pursuant to the Entitlement Offer and Additional Offer, on 24 October 2022, the Company issued a total of 69,230,740 new Shares and 34,615,385 listed Options (ASX: AARO).

On 16 December 2022, the Company issued 7,170,854 fully paid ordinary shares following the vesting and exercise of 7,170,854 2020A and 2020B performance rights.

There were no other changes to issued capital during the reporting period.

### Unissued Capital

The following unlisted options expired unexercised during the half year:

- 2,000,000 options exercisable at \$0.213 expired 7 October 2022;
- 3,000,000 options exercisable at \$0.135 expired 27 November 2022;
- 1,250,000 options exercisable at \$0.15 expired 31 December 2022; and
- 6,000,000 options exercisable at \$0.34, expired 31 December 2022.

---

<sup>1</sup> Refer to AKN ASX Announcement dated 1 December 2022.

For personal use only

## CONSOLIDATED MINERAL RESOURCE ESTIMATE

The Group's consolidated JORC 2012 Mineral Resource Estimate as at the date of this report is detailed in the table below.

Project	Indicated			Inferred			Total		
	Tonnes (Mt)	Grade (Au g/t)	Metal (koz Au)	Tonnes (Mt)	Grade (Au g/t)	Metal (koz Au)	Tonnes (Mt)	Grade (Au g/t)	Metal (koz Au)
Mandilla <sup>2</sup>	12.0	1.1	410	18.0	1.1	624	30.0	1.1	1,034
Feysville <sup>3</sup>	2.3	1.3	96	0.6	1.1	20	2.9	1.3	116
<b>Total</b>	<b>14.3</b>	<b>1.1</b>	<b>506</b>	<b>20.3</b>	<b>1.1</b>	<b>644</b>	<b>32.9</b>	<b>1.1</b>	<b>1,150</b>

### Cut-off grades

The Mineral Resources for Mandilla are reported at a cut-off grade of 0.39 g/t and Feysville is reported at a cut-off grade of 0.50 g/t Au.

### Significant Change in State of Affairs

Other than stated above, there were no significant changes in the state of affairs of the Group during the half year.

### Matters Subsequent to Reporting Date

On 12 January 2023, the Company issued the following unquoted performance rights pursuant to the Company's Employee Incentive Plan:

- 2,870,250 2023A performance rights
- 3,771,250 2023B performance rights
- 1,044,750 2023C performance rights
- 1,881,250 2023D performance rights

The following performance rights were issued to key management personnel:

Key Management Personnel	2023A Performance Rights #	2023B Performance Rights #	2023C Performance Rights #	2023D Performance Rights #	Total #
Marc Ducler	1,031,250	2,406,250	-	-	3,437,500
Jed Whitford	247,500	-	577,500	-	825,000
Brendon Morton	585,000	1,365,000	-	-	1,950,000
Julie Reid	528,750	-	-	1,233,750	1,762,500
<b>Total</b>	<b>2,392,500</b>	<b>3,771,250</b>	<b>577,500</b>	<b>1,233,750</b>	<b>7,975,000</b>

No other matters or circumstances have arisen since the end of the financial period which 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 future financial periods.

2 - Refer to ASX Announcement dated 6 December 2022 – Mandilla Achieves One Million Ounces Resource Milestone

3 - Refer to ASX Announcement dated 8 April 2019 – Maiden Mineral Resource at Feysville & Met Testwork Results.

For personal use only

## SCHEDULE OF MINING TENEMENTS

Mining tenements held at the end of the half year and their location.

Project (Location)	Tenement Number	Beneficial Percentage Interest	Status	Title Registered to
Mandilla (Western Australia)	M15/96 M15/633 E15/1404	100% gold rights only 100% gold rights only 100%	Granted	Widgie Nickel Limited Astral Resources NL Astral Resources NL
Koongie Park (Western Australia)	M80/276, 277 E80/4389,4766, 4957, 4960 E80/5076, 5087 E80/5127 E80/5263	20%	Granted	Koongie Park Pty Ltd
Feysville (Western Australia)	P26/3943-3944 P26/3947-3951 P26/4051-4052 P26/4390 P26/4351-4353 P26/4538-4541 P26/4632-4634	100%	Granted	Feysville Gold Pty Ltd
	M26/846	-	Pending	Feysville Gold Pty Ltd
Carnilya Hill (Western Australia)	M26/47 - 49 M26/453	100% gold rights only	Granted	Mincor Resources NL

For personal use only



## Compliance Statement

The information in this Report that relates to Estimation and Reporting of Mineral Resources for the Mandilla Gold Project is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Job consents to the inclusion in this Report of the matters based on the information in the form and context in which it appears.

The information in this Report that relates to exploration targets and exploration results is based on, and fairly represents, information and supporting documentation compiled by Ms Julie Reid, who is a full-time employee of Astral Resources NL. Ms Reid is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. Ms Reid 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'. Ms Reid consents to the inclusion in this Report of the material based on this information, in the form and context in which it appears.

The information in this Report that relates to metallurgical test work for the Mandilla Gold Project is based on, and fairly represents, information and supporting documentation compiled by Mr Marc Ducler, who is a full-time employee of Astral Resources NL. Mr Ducler is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. The information that relates to processing and metallurgy is based on work conducted by ALS Metallurgy Pty Ltd (ALS Metallurgy) on diamond drilling samples collected under the direction of Mr Ducler and fairly represents the information compiled by him from the completed ALS Metallurgy testwork. Mr Ducler 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 Ducler consents to the inclusion in this Report of the material based on this information, in the form and context in which it appears.

The information in this Report that relates to Estimation and Reporting of Mineral Resources for the Feysville Gold Project is based on information compiled by Mr Richard Maddocks, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Maddocks is an independent consultant to the Company. Mr Maddocks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Maddocks consents to the inclusion in this Report of the matters based on the information in the form and context in which it appears.

The information in this Report that relates to Mineral Resources for the Feysville Gold Project was first reported in accordance with JORC 2012 on 8 Apr 2019. The Company confirms that it is not in possession of any new information or data relating to these historical Mineral Resource estimates that materially impacts on the accuracy or reliability of these historical estimates. The Company also confirms that all material assumptions and technical parameters underpinning the Resource estimate continue to apply and have not materially changed.



## AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 is included within this financial report.

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



**Marc Ducler**  
Managing Director

Perth, Western Australia, 10 March 2023

For personal use only

## DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF ASTRAL RESOURCES NL

As lead auditor for the review of Astral Resources NL 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 Astral Resources NL and the entities it controlled during the period.



**Dean Just**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth

10 March 2023

For personal use only

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2022

	Note	Half year ended	
		31-Dec-2022 \$	31-Dec-2021 \$
<b>Revenue from continuing operations</b>			
Other income	3	6,794	16,068
Consultants and advisors	4	(42,608)	(25,293)
Corporate costs	4	(180,935)	(212,753)
Depreciation and amortisation expense		(49,423)	(41,281)
Employee benefit expense	4	(547,638)	(494,099)
Exploration expenditure not capitalised		(16,824)	(17,935)
General and administrative expenses		(68,506)	(70,371)
Impairment expense	10	(25,425)	(2,154)
Interest expense		(3,649)	(1,631)
Investor relations		(87,973)	(58,220)
Occupancy costs		(19,588)	(7,300)
Share based payment expense	9	(1,029,859)	(366,181)
<b>Loss before income tax expense</b>		<b>(2,065,634)</b>	(1,281,150)
Income tax expense		-	-
<b>Loss after income tax for the period</b>		<b>(2,065,634)</b>	(1,281,150)
<b>Other Comprehensive Loss</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Loss on revaluation of equity instruments at fair value through other comprehensive income, net of tax		(32,500)	-
<b>Other comprehensive loss for the period, net of tax</b>		<b>(2,098,134)</b>	(1,281,150)
<b>Total comprehensive loss for the period</b>		<b>(2,098,134)</b>	(1,281,150)
<b>Total comprehensive loss attributable to equity holders of the Company</b>		<b>(2,098,134)</b>	(1,281,150)
<b>Loss per share attributable to ordinary equity holders</b>			
Basic and diluted loss per share (cents)		(0.34)	(0.21)

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

For personal use only

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	31-Dec-2022 \$	30-Jun-2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	3,493,661	3,177,142
Trade and other receivables	6	174,375	149,306
<b>Total current assets</b>		<b>3,668,036</b>	<b>3,326,448</b>
<b>Non-current assets</b>			
Property, plant and equipment		69,725	75,994
Exploration and evaluation expenditure	10	20,913,157	19,212,143
Right of use assets	11	70,626	113,781
Investments at fair value through other comprehensive income	12	57,500	90,000
<b>Total non-current assets</b>		<b>21,111,008</b>	<b>19,491,917</b>
<b>TOTAL ASSETS</b>		<b>24,779,044</b>	<b>22,818,366</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	497,434	1,623,794
Employee benefits	14	213,354	171,788
Lease liabilities	15	63,838	77,111
<b>Total current liabilities</b>		<b>774,626</b>	<b>1,872,694</b>
<b>Non-current liabilities</b>			
Lease liabilities	15	11,137	39,956
Provisions		86,907	86,907
<b>Total non-current liabilities</b>		<b>98,044</b>	<b>126,863</b>
<b>TOTAL LIABILITIES</b>		<b>872,670</b>	<b>1,999,557</b>
<b>NET ASSETS</b>		<b>23,906,374</b>	<b>20,818,809</b>
<b>EQUITY</b>			
Issued capital	7	62,494,305	57,438,927
Reserves	8	2,676,911	2,579,090
Accumulated losses		(41,264,842)	(39,199,208)
<b>TOTAL EQUITY</b>		<b>23,906,374</b>	<b>20,818,809</b>

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

For personal use only

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 31 December 2022

	Note	31-Dec-2022 \$	31-Dec-2021 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,198,999)	(889,303)
<b>Net cash outflow from operating activities</b>		<b>(1,198,999)</b>	<b>(889,303)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		-	(28,072)
Exploration and evaluation expenditure		(2,601,379)	(2,747,735)
Interest received		6,794	16,068
<b>Net cash outflow from investing activities</b>		<b>(2,594,585)</b>	<b>(2,759,739)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issue, net of share issue costs		4,155,840	-
Repayment of principal portion of lease liabilities		(45,737)	(38,914)
Interest paid		-	(1,631)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>4,110,103</b>	<b>(40,545)</b>
Net increase/(decrease) in cash and cash equivalents		316,519	(3,689,587)
Cash and cash equivalents at beginning of the financial period		3,177,142	9,807,468
<b>Cash and cash equivalents at end of the period</b>	5	<b>3,493,661</b>	<b>6,117,881</b>

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

For personal use only



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2022

	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2021	56,409,068	2,994,375	(36,845,796)	22,557,647
Loss for the period	-	-	(1,281,150)	(1,281,150)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the period	-	-	(1,281,150)	(1,281,150)
<i>Transactions with owners, directly recorded in equity:</i>				
Issue of ordinary shares ( <i>net of costs</i> )	-	-	-	-
Conversion of vested performance rights	1,029,859	(1,029,859)	-	-
Issue/vesting of performance rights	-	283,393	-	283,393
Issue/vesting of options	-	82,788	-	82,788
Balance at 31 December 2021	57,438,927	2,330,697	(38,126,946)	21,642,678

	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2022	57,438,927	2,579,090	(39,199,208)	20,818,809
Loss for the period	-	-	(2,065,634)	(2,065,634)
Other comprehensive income/(loss)	-	(32,500)	-	(32,500)
Total comprehensive loss for the period	-	(32,500)	(2,065,634)	(2,098,134)
<i>Transactions with owners, directly recorded in equity:</i>				
Issue of ordinary shares ( <i>net of costs</i> )	4,025,519	-	-	4,025,519
Conversion of vested performance rights	1,029,859	-	-	1,029,859
Issue of listed options	-	130,321	-	130,321
<b>Balance at 31 December 2022</b>	<b>62,494,305</b>	<b>2,676,911</b>	<b>(41,264,842)</b>	<b>23,906,374</b>

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

For personal use only

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2022

### 1. Summary of significant accounting policies

#### Basis of preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Astral Resources NL during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

These consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2022.

#### Statement of Compliance

The interim financial statements were authorised for issue on 10 March 2023.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

#### Going Concern

As at 31 December 2022, the Group had cash and cash equivalents of \$3,493,661 and had net working capital of \$2,893,410. The Group incurred a loss for the half year ended 31 December 2022 of \$2,065,634 (31 December 2021: loss of \$1,281,150) and net cash outflows used in operating activities and investing activities totalling \$3,793,585 (31 December 2021: cash outflows of \$3,649,042).

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising capital from equity markets and managing cash flows in line with available funds.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group has the ability to issue additional equity securities under the *Corporations Act 2001* to raise further working capital; and
- The Group has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

The ability of the Group to continue as a going concern and to fund its operational activities is dependent on the above.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

### 2. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Group has determined that it has one operating segment, being mineral exploration and development.

For personal use only

### 3. Other income

	31 December 2022	31 December 2021
	\$	\$
Bank interest	6,794	16,068
	<b>6,794</b>	<b>16,068</b>

### 4. Expenses

Loss before income tax for the half year includes the following specific items:

	31 December 2022	31 December 2021
	\$	\$
<b>Consultants and advisors</b>		
Accounting and secretarial	11,238	16,540
Legal	6,370	8,753
Other	25,000	-
	<b>42,608</b>	<b>25,293</b>

#### Corporate costs

Compliance costs	31,578	46,305
Directors' fees	132,624	132,316
Due diligence costs	-	13,606
Share registry costs	16,733	20,526
	<b>180,935</b>	<b>212,753</b>

	31 December 2022	31 December 2021
	\$	\$
<b>Employee benefit expense</b>		
Employee expenses (including employment related expenses)	758,179	705,540
Payroll tax	71,992	52,280
Superannuation	78,897	69,728
	<b>909,068</b>	<b>827,548</b>
Capitalised as exploration and evaluation expenditure	(361,430)	(333,449)
	<b>547,638</b>	<b>494,099</b>

### 5. Cash and cash equivalents

	31 December 2022	30 June 2022
	\$	\$
Cash at bank and in hand	3,493,661	3,177,142

Cash at bank and in hand earns interest at both floating rates based on daily bank rates and fixed rate term deposits. The Company notes that \$21,414 (included in the Cash at bank and in hand amount) is held as a guarantee with National Australia Bank subject to the following lease agreement:

- \$21,414 held as a bank guarantee for the Company's sub-lease agreement at its premises at Suite 2, 6 Lyall Street, South Perth.

For personal use only

## 6. Trade and other receivables

	31 December 2022	30 June 2022
	\$	\$
<b>Current</b>		
Sundry debtors	2,654	560
Rental deposits	11,544	11,544
GST receivable	102,148	127,929
Prepayments	58,029	9,273
	174,375	149,306

## 7. Contributed equity

### (a) Issued and fully paid

	31 December 2022		30 June 2022	
	No.	\$	No.	\$
Ordinary shares	672,580,833	62,494,305	596,179,239	57,438,927

### (b) Movement reconciliation

Ordinary Shares	No. of Shares	\$
Opening Balance at 1 July 2022	596,179,239	57,438,927
Entitlement Offer (including Additional Offer)	69,230,740	4,499,998
Exercise and conversion of performance rights	7,170,854	1,029,859
Share issue costs	-	(474,479)
<b>Closing Balance at 31 December 2022</b>	672,580,833	62,494,305

## 8. Reserves

	31 December 2022	30 June 2022
	\$	\$
Options reserve (i)	1,750,657	1,620,336
Performance rights reserve (ii)	993,754	993,754
Financial assets at fair value through other comprehensive income (iii)	(67,500)	(35,000)
	2,676,911	2,579,090

### (i) Options reserve

The option reserve recognises options issued as share-based payments. Movements in the reserve during the half year are set out below:

Options	Number	\$
Opening Balance at 1 July 2022	15,250,000	1,620,336
Expiry of options	(12,250,000)	-
Issue of free attaching listed options pursuant to Entitlement Offer (including Additional Offer)	34,615,317	-
Issue of listed options to Lead Manager	9,000,000	130,321
<b>Closing Balance at 31 December 2022</b>	46,615,317	1,750,657

For personal use only

The following unquoted options expired during the half year to 31 December 2022:

- 2,000,000 options exercisable at \$0.213 expired 7 October 2022.
- 3,000,000 options exercisable at \$0.135 expired 27 November 2022.
- 1,250,000 options exercisable at \$0.15 expired 31 December 2022.
- 6,000,000 options exercisable at \$0.34, expired 31 December 2022.

(ii) Performance rights reserve

The share-based payment reserve recognises performance rights issued as share-based payments. Movements in the reserve during the half year are set out below:

Performance rights	Number	\$
Opening Balance at 1 July 2022	7,170,854	993,754
Conversion of vested performance rights	(7,170,854)	-
<b>Closing Balance at 31 December 2022</b>	<b>-</b>	<b>993,754</b>

(iii) Financial assets at fair value through other comprehensive income

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Movements in each class of reserve during the half year are set out below:

Asset revaluation reserve	\$
Opening Balance at 1 July 2022	(35,000)
Change in fair value	(32,500)
<b>Closing Balance at 31 December 2022</b>	<b>(67,500)</b>

On 10 January 2022, Astral executed an agreement with Ozz Resources Limited (ASX:OZZ) to dispose of its Leonora Base Metals Project, comprising two exploration licences (E37/1287 and E37/1355). Astral received upfront consideration of \$30,000 in cash and 500,000 OZZ shares. The OZZ shares have been revalued at period end, based on the closing share price of OZZ shares as at 31 December 2022.

## 9. Share based payments

(a) Employee Incentive Plan

The establishment of the Company's Employee Incentive Plan (the Plan) was approved by shareholders at a general meeting held on 16 June 2020. The Plan is intended to assist the Company to attract and retain key staff, including employees or contractors. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy.

Under the Plan, eligible Directors, employees and contractors may be invited to subscribe for Options and Performance Rights, in order to increase the range of potential incentives available for eligible Directors, employees and contractors. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Incentive securities (performance rights and options) issued under the Plan are subject to vesting and performance conditions imposed by the Board. Incentive securities granted under the plan carry no dividend or voting rights. Only upon satisfaction of vesting and performance conditions and conversion to ordinary shares, will these incentive securities rank equally with all other shares.

(b) Listed options

On 26 September 2022, the Company announced a renounceable entitlement offer of one (1) New Share for every ten (10) Shares held by eligible shareholders at the record date at an issue price of \$0.065 per New Share together with one (1) free-attaching new option exercisable at \$0.14, with an expiry date of 24 October 2025 (Option) for every two (2) new shares issued, to raise approximately \$3.9 million (before costs) (Entitlement Offer). The Entitlement Offer closed on 17 October 2022, with the Shortfall Offer oversubscribed. To accommodate the excess demand, the Company announced it would undertake an Additional Offer to raise an additional \$0.6 million on the same terms as the Entitlement Offer.

Following completion of the Additional Offer, the total amount raised was \$4.5 million (before costs). On 24 October 2022, the Company issued a total of 69,230,740 new Shares and 34,615,385 Options. The Options will be quoted under the ASX code AARO.



For personal use only

Under the terms of the Underwriting Agreement, the Lead Manager for the Entitlement Offer was issued 9,000,000 AARO listed options. The terms and conditions of the AARO listed options on issue at 31 December 2022 are as follows:

Tranche	Number	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date	Vesting Date
AARO	34,615,317	24-Oct-22	24-Oct-25	\$0.14	-	24-Oct-22
AARO <sup>1</sup>	9,000,000	24-Oct-22	24-Oct-25	\$0.14	\$130,321	24-Oct-22
<b>Total</b>	<b>43,615,317</b>					

<sup>1</sup> - The fair value of the 9,000,000 AARO listed options granted to the Lead Manager are estimated as at the date of the grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted.

**(c) Unlisted options**

Options over ordinary shares have been issued for nil cash consideration. The options cannot be transferred and will not be quoted on the ASX. Therefore, no voting rights are attached to the options unless converted into ordinary shares. All options are granted at the discretion of the Board. The terms and conditions of options on issue at 31 December 2022 are as follows:

Tranche	Number	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date	Vesting Date
L	3,000,000	19-Nov-21	19-Nov-23	11.9	\$0.025	19-Nov-21
<b>Total</b>	<b>3,000,000</b>					

There have been no alterations of the terms and conditions of the above share-based payment arrangement since grant date.

The fair values of the equity settled share options granted are estimated as at the date of the grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted.

No unquoted options were granted during the half year.

**(d) Performance Rights**

No performance rights were granted during the half year.

**(e) Expenses arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised during the year as part of share-based expense were as follows:

	31 December 2022	31 December 2021
	\$	\$
Performance rights issued to eligible employees under the Plan <sup>1</sup>	1,029,859	283,393
Options issued to director(s)	-	82,788
	<b>1,029,859</b>	<b>366,181</b>

<sup>1</sup> - On 16 December 2022, following the announcement of a >1Moz JORC 2012 Mineral Resource, 1,830,780 2020A and 5,340,074 2020B performance rights vested and were exercised resulting in the Company issuing 7,170,854 fully paid ordinary shares.

A valuation of the 2020A and 2020B performance rights was completed with respect to the 30 June 2020 financial year. At the point in time when the valuation was undertaken, the Company assessed the probability of performance rights vesting as 0% and as such no share based payment expense has previously been recognised. In accordance with AASB 2, the total share-based payment expense relating to these performance rights has been recognised in the half year to 31 December 2022.

The performance rights were subject to non-market vesting conditions and were valued based upon the share price at the deemed grant date. The table below outlines the valuation at grant date as compared to the value of the ordinary shares issued upon exercise of the performance rights.

For personal use only



Tranche	Grant Date	Number of instruments	Valuation at grant date	Share based payment expenditure recognised	Share price at date of exercise <sup>1</sup>	Market value at date of exercise
2020A	16-Jun-20	1,830,780	\$0.125	\$228,848	\$0.065	\$119,001
2020B	23-Jun-20	5,340,074	\$0.15	\$801,011	\$0.065	\$347,105
<b>Total</b>		<b>7,170,854</b>		<b>\$1,029,859</b>		<b>\$466,106</b>

## 10. Exploration & evaluation expenditure

	31 December 2022	30 June 2022
	\$	\$
<b>Non-current</b>		
Exploration and evaluation – at cost	20,913,157	19,212,143

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	31 December 2022	30 June 2022
	\$	\$
<b>Movement</b>		
Opening balance	19,212,143	13,227,016
Exploration expenditure incurred during the period	2,168,270	5,723,680
Koongie Park Joint Venture contribution <sup>1</sup>	(441,831)	441,831
Impairment expense	(25,425)	(168,271)
Revaluation of rehabilitation provision	-	(12,113)
<b>Total exploration &amp; evaluation expenditure</b>	<b>20,913,157</b>	<b>19,212,143</b>
<b>Comprised of:</b>		
Mandilla Gold Project	16,399,146	14,661,177
Feysville Gold Project	3,849,952	3,465,083
Koongie Park Project	664,059	1,085,883
Leonora Project	-	-
Carnilya Hill Project	-	-
	<b>20,913,157</b>	<b>19,212,143</b>
<b>Impairment:</b>		
Mandilla Project	(4,568)	(4,578)
Feysville Project	(14,315)	(129,944)
Koongie Park Project	(775)	(10,456)
Leonora Project	(172)	(9,766)
Carnilya Hill Project	(5,595)	(13,527)
	<b>(25,425)</b>	<b>(168,271)</b>

<sup>1</sup> - AKN incurred expenditure of \$1,767,324 at Koongie Park during the period 17 January 2022 to 30 June 2022. Based on Astral's participating interest of 25%, Astral has recognised a J/V contribution liability of \$441,831 at 30 June 2022. On 2 September 2022, subsequent to the end of the reporting period, Astral confirmed (by way of a board resolution) that, in lieu of settling the J/V contribution liability in cash, Astral would elect to dilute its participating interest down to 20%, effective from 1 July 2022.

In relation to the half year, the Company assessed the carrying amount versus the recoverable amount of the areas of interest above. On the basis that a number of tenements had been relinquished and/or there is no substantive expenditure budgeted or planned, the Company recorded an impairment charge of \$25,425 (30 June 2022: \$168,271).

The Group's exploration properties may be subject to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

### 11. Non-current assets – right-of-use assets

The Group leases land and buildings for its offices and regional operating bases, with lease agreements between one to five years with, in some cases, options to extend.

	31 December 2022	30 June 2022
	\$	\$
<b>Land and buildings</b>		
Opening balance	113,781	58,321
Additions to right-of-use assets	-	132,222
Depreciation charge	(43,155)	(76,762)
Closing balance	<u>70,626</u>	<u>113,781</u>

### 12. Investments at fair value through Other Comprehensive Income

	31 December 2022	30 June 2022
	\$	\$
<b>Non-current</b>		
Listed investments <sup>1</sup>	57,500	90,000
	<u>57,500</u>	<u>90,000</u>

<sup>1</sup> - On 10 January 2022, Astral executed an agreement with Ozz Resources Limited (ASX:OZZ) to dispose of its Leonora Base Metals Project, comprising two exploration licences (E37/1287 and E37/1355). Astral received upfront consideration of \$30,000 in cash and 500,000 OZZ shares. A further 1 million OZZ shares will be issued to Astral in the event that OZZ announces a JORC compliant gold resource of greater than 50,000 ounces or when commercial mining commences.

### 13. Trade and other payables

	31 December 2022	30 June 2022
	\$	\$
<b>Current</b>		
Trade payables	386,062	716,390
Accrued directors' fees	30,000	26,000
Other payables and accruals	81,372	435,033
Joint venture contribution liability – Koongie Park <sup>1</sup>	-	441,831
<b>Total trade and other payables</b>	<u>497,434</u>	<u>1,623,794</u>

<sup>1</sup> - AKN incurred expenditure of \$1,767,324 at Koongie Park during the period 17 January 2022 to 30 June 2022. Based on Astral's participating interest of 25%, Astral has recognised a J/V contribution liability of \$441,831 at 30 June 2022. On 2 September 2022, subsequent to the end of the reporting period, Astral confirmed (by way of a board resolution) that, in lieu of settling the J/V contribution liability in cash, Astral would elect to dilute its participating interest down to 20%, effective from 1 July 2022.

All amounts are expected to be settled within 12 months.

For personal use only

## 14. Employee benefits

	31 December 2022	30 June 2022
	\$	\$
<b>Current</b>		
Provision for annual leave	128,013	119,326
PAYG withholding	43,140	40,678
Superannuation payable	42,201	11,784
<b>Total employee benefits</b>	<b>213,354</b>	<b>171,788</b>

## 15. Leases

	31 December 2022	30 June 2022
	\$	\$
<b>Current</b>		
Lease liability	63,838	77,111
<b>Non-current</b>		
Lease liability	11,137	39,956
	<b>74,975</b>	<b>117,067</b>

## 16. Related parties

### (a) Parent entity

Astral Resources NL is the ultimate Australian parent entity.

### (b) Subsidiaries

The consolidated financial statements include the financial statements of Astral Resources NL and the subsidiaries listed in the following table.

	31 December 2022		30 June 2022		Principal Activity
	Country of Incorporation	% Equity Interest	Country of Incorporation	% Equity Interest	
Mandilla Gold Pty Ltd	Australia	100	Australia	100	Operating subsidiary
Feysville Gold Pty Ltd	Australia	100	Australia	100	Operating subsidiary
Koongie Park Gold Pty Ltd	Australia	100	Australia	100	Operating subsidiary
Koongie Park Pty Ltd	Australia	100	Australia	100	Operating subsidiary

### (c) Key management personnel covered in this report are listed below in Figure 9 and Figure 10

Figure 9: Directors (executive and non-executive)

Name	Position
Mr Leigh Warnick	Chairman
Mr Marc Ducler	Managing Director
Mr Justin Osborne	Non-Executive Director
Mr Peter Stern	Non-Executive Director
Mr David Varcoe	Non-Executive Director

For personal use only

Figure 10: Other key management personnel

Name	Position
Jed Whitford	General Manager Projects & Business Development
Brendon Morton	Chief Financial Officer & Company Secretary
Julie Reid	Geology Manager

#### Compensation

Remuneration arrangements of key management personnel are disclosed in the annual financial report. Other than as presented below, there were no material changes to key management personnel to that disclosed in the 2022 Annual Report.

#### Issue of Options

No unquoted options were granted to key management personnel during the half year to 31 December 2022.

### 17. Dividends

No dividends have been paid or declared since the start of the half year, and none are recommended.

### 18. Fair value measurement of financial instruments

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

#### Recurring fair value measurements

The Group does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

#### Fair values of financial instruments not measured at fair value

Due to their short-term nature, the carrying amount of current receivables, current trade and other payables and current interest bearing liabilities is assumed to approximate their fair value.

### 19. Commitments

There are no new commitments that the Group has entered into during the period under review.

### 20. Events subsequent to reporting date

On 12 January 2023, the Company issued the following unquoted performance rights pursuant to the Company's Employee Incentive Plan:

- 2,870,250 2023A performance rights
- 3,771,250 2023B performance rights
- 1,044,750 2023C performance rights
- 1,881,250 2023D performance rights

For personal use only

The following performance rights were issued to key management personnel:

Key Management Personnel	2023A Performance Rights #	2023B Performance Rights #	2023C Performance Rights #	2023D Performance Rights #	Total #
Marc Ducler	1,031,250	2,406,250	-	-	3,437,500
Jed Whitford	247,500	-	577,500	-	825,000
Brendon Morton	585,000	1,365,000	-	-	1,950,000
Julie Reid	528,750	-	-	1,233,750	1,762,500
<b>Total</b>	<b>2,392,500</b>	<b>3,771,250</b>	<b>577,500</b>	<b>1,233,750</b>	<b>7,975,000</b>

No other matters or circumstances have arisen since the end of the financial period which 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 future financial periods.

For personal use only

## DIRECTOR'S DECLARATION

The directors of the Company declare that:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the financial position as at 31 December 2022 and the performance for the half year ended 31 December 2022.
- (b) At the date of this statement, in the directors' opinion there are reasonable grounds to believe that Astral Resources NL will be able to pay its debts as and when they become due and payable.

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

A handwritten signature in black ink, appearing to read 'MD', written over a light grey background.

**Marc Ducler**  
Managing Director

Perth, Western Australia, 10 March 2023

For personal use only

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Astral Resources NL

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Astral Resources NL (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.

#### Material uncertainty relating to going concern

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

For personal use only

### **Responsibility of the directors for the financial report**

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

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

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

**BDO Audit (WA) Pty Ltd**



**Dean Just**

**Director**

Perth

10 March 2023