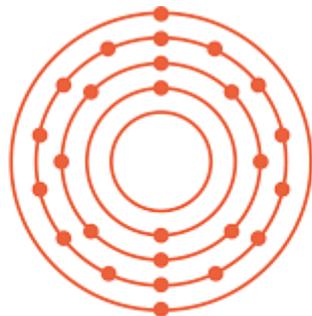


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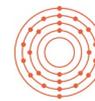


PEARL GULL IRON

**PEARL GULL IRON LIMITED**

ABN 62 621 103 535

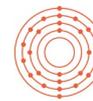
**CONDENSED FINANCIAL REPORT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**



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## Corporate Directory

### Directors:

Mr Russell Clark  
*Non-Executive Chairman*

Mr Jonathan Fisher  
*Non-Executive Director*

Mr Alex Passmore  
*Non-Executive Director*

### Company Secretary:

Mr Chris Hunt

### Bank:

Westpac Banking Corporation  
40 St George's Terrace  
Perth WA 6000

### Auditor:

KPMG  
235 St Georges Terrace  
Perth WA 6000

Telephone: (08) 9322 2022  
Facsimile: (08) 9322 1262

### Solicitors:

Thomson Geer  
Level 27, Exchange Tower  
2 The Esplanade  
Perth WA 6000

Telephone: (08) 9404 9100  
Facsimile: (08) 9300 1338

### For shareholder information contact:

#### Share registry:

Automic Group  
Level 2, 267 St Georges Terrace  
Perth, WA 6000  
Email: [hello@automic.com.au](mailto:hello@automic.com.au)  
Website: [www.automic.com.au](http://www.automic.com.au)

#### Stock exchange:

ASX Limited  
ASX: PLG

#### Capital structure:

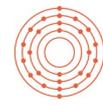
156,416,238 Fully paid ordinary shares  
48,125,552 Fully paid ordinary shares (escrow until 20 September 2023)  
4,425,550 Unlisted options exercisable at \$0.30, expiring on or before 13 September 2024 (escrow until 20 September 2023), 9 holders  
6,469,998 Unlisted incentive options, nil exercise price, expiring on or before 1 June 2026 (escrow until 20 September 2023), 7 holders  
32,352,307 Unlisted options exercisable at \$0.30, expiring on or before 13 September 2024, 152 holders  
20,000,000 Unlisted options exercisable at \$0.30, expiring on 13 September 2024, 304 holders  
20,000,000 Unlisted options exercisable at \$0.05, expiring 6 February 2026, 2 holders

### For information on the Company contact:

#### Principal & Registered Office:

Level 2, 87 Colin Street  
West Perth WA 6005

Telephone: (08) 6383 7988  
Facsimile: (08) 9322 6254  
Email: [admin@pearlgulliron.com.au](mailto:admin@pearlgulliron.com.au)  
Web: [www.pearlgulliron.com.au](http://www.pearlgulliron.com.au)



## Directors' Report

Your Directors present the half-yearly report of Pearl Gull Iron Limited ("Pearl Gull" or "the Company") for the period 1 July 2022 to 31 December 2022.

### Directors

The persons who were Directors of Pearl Gull Iron Limited during the interim reporting period and up to the date of this report are:

- |                         |   |
|-------------------------|---|
| - Mr Russell Clark      | Non-Executive Chairman (appointed on 1 July 2021) |
| - Mr Alexander Passmore | Director (appointed on 15 August 2017)            |
| - Mr Jonathan Fisher    | Director (appointed on 1 February 2021)           |

### Review of Operations

The net loss after tax for the half-year ended 31 December 2022 was \$0.6 million (2021: \$4.8 million). This loss is predominantly attributable to expenditure on exploration and evaluation activities \$0.2 million (2021: \$2.7 million) and corporate expenses \$0.2 million (2021: \$0.8 million) during the period.

### Project

Pearl Gull Iron Limited ("Pearl Gull", the "Company") is a focussed iron ore exploration and development company with mining title over a significant portion of Cockatoo Island. Cockatoo Island is situated off the coast of Northwest Australia and has a rich history of high-grade iron ore mining since the 1950's. Pearl Gull holds a significant tenure position as well as critical infrastructure on Cockatoo Island. Pearl Gull's experienced Board and Management has the skills and track record to have the Company move forward with a number of commercial opportunities that exist at this world class iron ore project location.

### Key work streams

The Company progressed a number of work streams during the half-year ended 31 December 2022 In line with the Company's stated strategy, to develop a maiden resource for its Cockatoo Island project. These work streams include, resource modelling at Switch Pit and the Magazine Pit, ore loading (transhipping) and preliminary metallurgical test works.

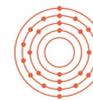
#### Resource Modelling

Resource modelling was progressed with the aim of improving the geological understanding of the Magazine and Switch Pit mineralisation on M04/235-I.

#### Barge Loading and Transhipping Options

Transshipment Services Australia finalised its works program for the preliminary design of a barging and ship loading operation based on an indicative 1 – 1.5 million tonnes per annum production rate into Ultramax class, 61,000 dwt capacity bulk cargo carriers. The marine transshipment fleet requirements were finalised and detailed engineering drawings were developed. Capital and operating costs are being developed from the detailed engineering drawings and experience in transshipment operations. Transshipping is a well understood and practiced industry model for the bulk loading of commodities around the world. The close proximity of Cockatoo Island to direct shipping routes to the markets of South-East Asia offers Pearl Gull a key strategic advantage.

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## Directors' Report

### Metallurgical Test Work

Metallurgical test work completed on the North Bay drilling and the Magazine Pit in 2022 has been reviewed in parallel with 2007 historical test work from the Magazine Pit. Whilst further test work is required, the Company is encouraged by the previous Wet High Intensity Magnetic Separation ("WHIMS") test work from 2022 and 2007 whereby it is reasonable to assume that improvement in concentrate grades and recovery can be achieved to produce a saleable product for the Magazine Pit.

### Innovative Seawall Concept

In addition to the barge and transshipping design work currently being undertaken, the Company has progressed discussions with Foreshore Marine Queensland and Civil Marine, a marine, civil and foreshore engineer, to develop a conceptual design and cost for its Combiloc system. Combiloc is an innovative seawall concept that has the potential to offer significant time and capital cost benefits over the traditional seawall construction methodology.

### **Significant Change in State of Affairs**

During the half-year ended 31 December 2022 the Company launched a fully underwritten \$1.0 million Placement and \$1.0 million Entitlements Issue at \$0.02 per share. The Entitlements Issue was on the basis of 1 new share for every 2 existing shares held.

There were no other significant changes in the state of affairs of the Company during the period.

### **Matters Subsequent to Reporting Date**

The Company successfully completed its \$1.0 million Placement and \$1.0 million Entitlements issue on 7 February 2023.

No other matters or circumstances have arisen since the half-year ended 31 December 2022 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 periods.

### **Rounding of Amounts**

The Company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

### **Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, KPMG, to provide the Directors of Pearl Gull Iron Limited with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is attached to the Independent Review Report to Members.

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

**Russell Clark**

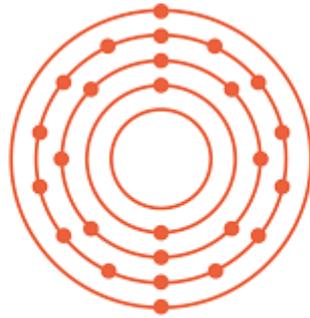
Non-Executive Chairman

Perth, Western Australia

13 March 2023

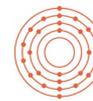
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PEARL GULL IRON

**Condensed Interim  
Financial Statements  
Half-Year 2023**



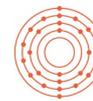
# Condensed Statement of Financial Position

As at 31 December 2022

	Notes	31 Dec 2022 (\$'000's)	30 Jun 2022 (\$'000's)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		733	911
Trade and other receivables	5	3	22
<b>Total current assets</b>		<b>736</b>	<b>933</b>
<b>Non-current assets</b>			
Property, plant and equipment		22	45
Capitalised exploration and evaluation expenditure	6	9,596	9,183
<b>Total non-current assets</b>		<b>9,618</b>	<b>9,228</b>
<b>Total assets</b>		<b>10,354</b>	<b>10,161</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	180	164
Provision	8	698	698
<b>Total current liabilities</b>		<b>878</b>	<b>862</b>
<b>Non-current liabilities</b>			
Provisions	8	6,817	6,286
<b>Total non-current liabilities</b>		<b>6,817</b>	<b>6,286</b>
<b>Total liabilities</b>		<b>7,695</b>	<b>7,148</b>
<b>Net assets</b>		<b>2,659</b>	<b>3,013</b>
<b>Equity</b>			
Issued capital	9	13,224	13,243
Other contributed equity	10	(1,696)	(2,005)
Reserves		631	631
Accumulated losses		(9,500)	(8,856)
<b>Total equity attributable to shareholders</b>		<b>2,659</b>	<b>3,013</b>

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

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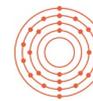
# Condensed Statement of Comprehensive Income

For the half year ended 31 December 2022

Notes	31 Dec 2022 (\$000's)	31 Dec 2021 (\$000's)
<b>Income</b>		
Other income	2	-
<b>Expenses</b>		
Corporate expenses	(221)	(757)
Salaries, wages and superannuation	(110)	(166)
Exploration expenditure	(190)	(2,686)
Share based payments	-	(631)
Finance expense	(118)	(965)
Depreciation and amortisation	(7)	(4)
<b>Loss before income tax</b>	<b>(644)</b>	<b>(5,209)</b>
Income tax benefit	-	368
<b>Net loss after income tax</b>	<b>(644)</b>	<b>(4,841)</b>
<b>Other comprehensive income</b>		
Other comprehensive income net of tax	-	-
<b>Total comprehensive loss for the year</b>	<b>(644)</b>	<b>(4,841)</b>
<b>Loss per share for the year attributable to shareholders</b>		
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	(0.0063)	(0.0524)
Diluted loss per share	(0.0063)	(0.0524)

The above Condensed Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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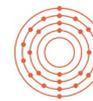
## Condensed Statement of Cash Flows

For the half year ended 31 December 2022

Notes	31 Dec 2022 (\$000's)	31 Dec 2021 (\$000's)
<b>Cash flows from operating activities</b>		
Interest received	2	-
Payments to suppliers and employees	(304)	(775)
Expenditure on mineral interests	(201)	(3,223)
<b>Net cash used in operating activities</b>	<b>(503)</b>	<b>(3,998)</b>
<b>Cash flows from investing activities</b>		
Proceeds on disposal of property, plant and equipment	16	-
<b>Net cash used in investing activities</b>	<b>16</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares	-	4,000
Advance proceeds from entitlement offer	309	-
Share issue costs	-	(375)
Proceeds from issue of convertible notes	-	25
Interest paid on convertible notes	-	(349)
<b>Net cash provided by financing activities</b>	<b>309</b>	<b>3,301</b>
Net decrease in cash and cash equivalents	(178)	(697)
Cash and cash equivalents at the beginning of the year	911	2,159
<b>Cash and cash equivalents at the end of the year</b>	<b>733</b>	<b>1,462</b>

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

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## Condensed Statement of Changes in Equity

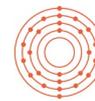
For the half year ended 31 December 2022

	Issued Capital (\$000's)	Contributed equity (\$000's)	Reserves (\$000's)	Accumulated losses (\$000's)	Total (\$000's)
<b>Balance as at 1 July 2021</b>	2,058	(1,463)	-	(3,836)	(3,241)
Loss for the period	-	-	-	(4,841)	(4,841)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(4,841)	(4,841)
<b>Transactions with shareholders</b>					
Issue of share capital	11,185	-	-	-	11,185
Derecognition of current tax assets <sup>1</sup>	-	(368)	-	-	(368)
Share-based payments	-	-	631	-	631
<b>Balance as at 31 December 2021</b>	<b>13,243</b>	<b>(1,831)</b>	<b>631</b>	<b>(8,677)</b>	<b>3,366</b>
<b>Balance as at 1 July 2022</b>	<b>13,243</b>	<b>(2,005)</b>	<b>631</b>	<b>(8,856)</b>	<b>3,013</b>
Loss for the period	-	-	-	(644)	(644)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(644)	(644)
<b>Transactions with shareholders</b>					
Issue of share capital	-	309	-	-	309
Share issue costs	(19)	-	-	-	(19)
<b>Balance as at 31 December 2022</b>	<b>13,224</b>	<b>(1,696)</b>	<b>631</b>	<b>(9,500)</b>	<b>2,659</b>

Notes:

1. Tax assets assumed by the parent entity.

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



# Notes to the Condensed Financial Statements

For the half year ended 31 December 2022

## Note 1 – Corporate information

Pearl Gull Iron Limited is a for profit company incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange (ASX). The financial statements of the Company for the half-year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Directors on 13 March 2023.

## Note 2 – Significant accounting policies

### Basis of preparation

The interim condensed financial statements of the Company for the half-year ended 31 December 2022 are condensed general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half-year financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

The interim condensed financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

It is recommended that the half-year financial statements be read in conjunction with the annual financial statements for the year ended 30 June 2022 and considered together with any public announcements made by Pearl Gull Iron Limited during the half-year ended 31 December 2022 in accordance with the continuous disclosure obligations of the ASX listing rules.

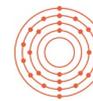
The Company's principal accounting policies adopted are consistent with the policies for the financial year ended 30 June 2022 unless otherwise stated.

### Comparatives

Certain prior half-year amounts have been reclassified for consistency with the current half-year presentation.

### Rounding of Amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.



# Notes to the Condensed Financial Statements

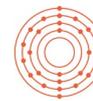
For the half year ended 31 December 2022

## Note 2 – Significant accounting policies (continued)

### Accounting standards issued but not yet effective

Title of standard	Nature of change	Impact	Mandatory application date/ Date adopted by company
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments require the full gain or loss to be recognised when the assets transferred meet the definition of a ‘business’ under AASB 3 <i>Business Combinations</i> (whether housed in a subsidiary or not).	When these amendments are first adopted for the year ending 31 December 2025, there will be no material impact on the financial statements.	Annual reporting periods beginning on or after 1 January 2025
AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128	AASB 2017-5 defers the mandatory effective date of amendments to AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018.		
AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections	AASB 2021-7(a-c) further defers the mandatory effective date to periods beginning on or after 1 January 2025.		
AASB 2021-7(a-c) Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.			
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	AASB 2020-1 amends AASB 101 <i>Presentation of Financial Statements</i> to require a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period.	When these amendments are first adopted for the year ending 31 December 2024, there will be no material impact on the financial statements.	Annual reporting periods beginning on or after 1 January 2024
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022.		
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	AASB 2021-2 amendments provide a definition of and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies.	When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.	Annual reporting periods beginning on or after 1 January 2023

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# Notes to the Condensed Financial Statements

For the half year ended 31 December 2022

## Note 2 – Significant accounting policies (continued)

### Accounting standards issued but not yet effective (continued)

Title of standard	Nature of change	Impact	Mandatory application date/ Date adopted by company
AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards.	AASB 2022-7 makes editorial corrections to AASB 7 Financial Instruments Disclosures, AASB 116 Property, Plant and Equipment, AASB 124 Related Party Disclosures, AASB 128 Investments in Associates and Joint Ventures, AASB 134 Interim Financial Reporting, AASB 1054 Australian Additional Disclosures and AASB Practice Statement 2 Making Materiality Judgements.  The amendments do not change the requirements of Australian Accounting Standards.	When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.	Annual reporting periods beginning on or after 1 January 2023
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations.	When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.	Annual reporting periods beginning on or after 1 January 2023

### Going Concern

The interim condensed financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

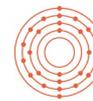
The Company has incurred a net loss after tax for the half-year ended 31 December 2022 of \$0.6 million (2021: \$4.8 million) and experienced net cash outflows used in operating activities of \$0.5 million (2021: \$4.0 million). As at 31 December 2022, the Company had net current liabilities of \$0.1 million (30 June 2022: net current assets of \$0.1 million) and cash and cash equivalents of \$0.7 million (30 June 2022: \$0.9 million).

On completion of the \$1.0 million Placement and \$1.0 million Entitlement issue on 7 February 2023, the Directors believe that there are sufficient funds to meet the Company's committed minimum expenditure requirements and as at the date of this report the Directors believe they can meet all liabilities as and when they fall due. The Directors have reviewed the business outlook and the assets and liabilities of the Company and are of the opinion that the use of the going concern basis of accounting is appropriate.

### Note 3 – Significant accounting judgements, estimates and assumptions

The Company's significant accounting judgements, estimates and assumptions are consistent with the financial year ended 30 June 2022.

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# Notes to the Condensed Financial Statements

For the half year ended 31 December 2022

## Note 4 – Operating segments

### Identification of reportable segments

Operating segments that meet the quantitative criteria of AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to the users of the financial statements.

The Company operates within the mineral exploration industry within Western Australia.

The Company determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Board of Directors currently receive Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards.

The Statement of Financial Position and Statement of Comprehensive Income information received by the Board of Directors does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information. Based on this criterion, the Company has only one operating segment, being exploration, and the segment operations and results are the same as the Company results.

## Note 5 – Trade and other receivables

	31 Dec 2022 (\$000's)	30 Jun 2022 (\$000's)
Other receivables (i)	3	22
<b>Total</b>	<b>3</b>	<b>22</b>

(i) Receivables generally have 30-day terms and are unsecured.

## Note 6 – Capitalised exploration and evaluation expenditure

	31 Dec 2022 (\$000's)	30 Jun 2022 (\$000's)
<b>Areas of interest in exploration and evaluation phases:</b>		
Balance at the beginning of the year	9,183	10,544
Movement in rehabilitation asset (see Note 8)	413	(1,361)
<b>Total</b>	<b>9,596</b>	<b>9,183</b>

## Note 7 – Trade and other payables

	31 Dec 2022 (\$000's)	30 June 2022 (\$000's)
Trade payables (i)	81	137
Accruals	99	27
<b>Total</b>	<b>180</b>	<b>164</b>

(i) Creditors are non-interest bearing and generally on 30 day terms



# Notes to the Condensed Financial Statements

For the half year ended 31 December 2022

## Note 8 – Provisions

	31 Dec 2022 (\$000's)	30 June 2022 (\$000's)
<b>Current</b>		
Rehabilitation provision	698	698
<b>Total</b>	<b>698</b>	<b>698</b>
<b>Non-current</b>		
<b>Rehabilitation provision</b>		
Carrying amount at the beginning of the year	6,286	7,528
Unwind of discount	118	119
Changes in rehabilitation estimate (see Note 6)	413	(1,361)
<b>Carrying amount at the end of the year</b>	<b>6,817</b>	<b>6,286</b>

The rehabilitation provision represents a provision for site rehabilitation of the area previously disturbed.

## Note 9 – Issued capital

	31 Dec 2022 (\$000's)	30 Jun 2022 (\$000's)
<b>Issued and paid-up capital</b>		
Ordinary shares fully paid	13,224	13,243

Movement in ordinary shares on issue	Date	31 Dec 2022 (Number)	31 Dec 2022 (\$000's)	31 Dec 2021 (Number)	31 Dec 2021 (\$000's)
<b>Ordinary shares</b>					
Balance at beginning of year		100,027,858	13,243	43,250,001	2,058
Initial public offering (net of costs)	14 Sep 2021	-	-	20,000,000	3,650
Conversion of notes (net of costs)	14 Sep 2021	-	-	36,777,857	7,535
Exercise of incentive options	28 Sep 2022	3,000,002	-	-	-
Accrual of capital raise fee <sup>1</sup>	31 Dec 2022	-	(19)	-	-
Balance at end of year		<b>103,027,860</b>	<b>13,224</b>	100,027,858	13,243

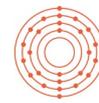
<sup>1</sup>6% fee accrued on \$309,000 received prior to closure of non-renounceable entitlement offer announced on 20 December 2022.

## Note 10 – Other contributed equity

	31 Dec 2022 (\$000's)	30 Jun 2022 (\$000's)
Balance at the beginning of the year	(2,005)	(1,463)
Current tax losses derecognised	-	(647)
Capital raising costs – tax effect	-	105
Entitlement offer proceeds received prior to issuance of ordinary shares <sup>(i)</sup>	309	-
<b>Balance at the end of the year</b>	<b>(1,696)</b>	<b>(2,005)</b>

The Company does not have a tax funding arrangement in place with Cockatoo Iron during the year ended 30 June 2022. During the financial year ended 30 June 2022, the Company transferred tax losses of \$647,162 @30% to Cockatoo Iron NL, its previous parent entity, under tax consolidation. This was recorded in equity as there is no compensation from Cockatoo Iron NL for these tax losses. The Company deconsolidated from Cockatoo Iron NL on 14 September 2021, when the Company was listed on the ASX.

(i) Comprised of 15,450,000 unissued ordinary shares at \$0.02 per share.



## Notes to the Condensed Financial Statements

For the half year ended 31 December 2022

### Note 11 – Commitments and contingencies

There are no material changes to the commitments and contingencies disclosed in the most recent Annual Financial Report.

### Note 12 – Events occurring after the report date

The Company successfully completed its \$1.0 million Placement and \$1.0 million Entitlements issue on 7 February 2023.

No other matters or circumstances have arisen since the half-year ended 31 December 2022 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 periods.

### Note 13 – Related party transactions

The Company is a party to two agreements with Rox Resources Limited ("Rox") whereby Rox will provide Company Secretarial and Finance Services for \$8,000 per month (amended as mutually agreed) and to sub-lease office space to the Company at \$2,000 per month (amended as mutually agreed).

Mr Alex Passmore resigned as the Chief Executive Officer and Managing Director of Rox Resources Limited ("Rox") on 24 October 2022. Mr Chris Hunt is the Chief Financial Officer and Company Secretary of Rox. Mr Hunt does not receive any remuneration from Pearl Gull. Pearl Gull engaged in arms-length transactions with Rox during the period. The amounts quoted below are for the period 1 July 2022 through 31 December 2022 and are GST exclusive unless otherwise stated:

- An amount of \$77,000 (31 December 2021: \$10,000) was invoiced to Pearl Gull for Company Secretarial and Financial services provided by Rox and for the sub-lease of office space during the period. A balance of \$29,000 was outstanding as at 31 December 2022 (31 December 2021: \$2,000). Mr Passmore received director fees from Rox during the period for his role as Managing Director.
- An amount of \$15,833 was invoiced to Rox by Pearl Gull for the purchase of a light vehicle. No amounts were payable as at 31 December 2022.

## Directors' Declaration

### For the half year ended 31 December 2022

In accordance with a resolution of the Directors of Peral Gull Iron Limited, I state that:

In the opinion of the Directors':

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

On behalf of the Board



**Russell Clark**

Non-Executive Chairman

Perth, Western Australia

13 March 2023

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# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Pearl Gull Iron Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Pearl Gull Iron Limited for the half-year ended 31 December 2022 there have been:

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

KPMG

Matthew Hingeley  
Partner  
Perth  
13 March 2023



# Independent Auditor's Review Report

To the shareholders of Pearl Gull Iron Limited

## Report on the Interim Financial Report

### Conclusion

We have reviewed the accompanying **Interim Financial Report** of Pearl Gull Iron Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Pearl Gull Iron Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Statement of financial position as at 31 December 2022
- Statement of profit or loss and other comprehensive income, Statement of changes in equity and Statement of cash flows for the Interim Period ended on that date
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Interim Period** is the 6 months ended on 31 December 2022.

### 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 these requirements.



## Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply 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 Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.

KPMG

Matthew Hingeley

*Partner*

Perth

13 March 2023

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