

For personal use only



OZZ RESOURCES LIMITED

ABN 98 643 844 544

INTERIM FINANCIAL REPORT

31 December 2022

Corporate directory**Current Directors**David Wheeler *Non-Executive Director*Joe Graziano *Non-Executive Director*Tim Slate *Non-Executive Director***Company Secretary**

Stuart Usher

Registered Office*Street:* C/ - Geneva Partners Pty Ltd
Level 1, 247 Oxford Street*Postal:* PO Box 52
West Perth WA 6872*Telephone:* +61 499 900 044*Facsimile:* +61 8 6141 3599*Email:* admin@ozzresources.com.au*Website:* www.ozzresources.com.au**Share Registry**

Advanced Share Registry Limited

Street + Postal: 110 Stirling Highway
Nedlands WA 6009*Telephone:* 1300 113 258 (within Australia)
+61 8 9389 8033 (International)*Facsimile:* +61 8 6370 4203*Email:* admin@advancedshare.com.au*Website:* www.advancedshare.com.au**Principal Place of Business***Street:* Suite 9, 186 Hay Street
Subiaco WA 6008*Postal:* PO Box 8014
Subiaco East WA 6008**Auditors**

Hall Chadwick WA Audit Pty Ltd

Street: 283 Rokeby Road
Subiaco WA 6008*Telephone:* +61 8 9426 0666**Solicitors**

Nova Legal Corporate Lawyers

Street: Level 2/50 Kings Park Rd
West Perth WA 6005*Telephone:* +61 8 9466 3177**Securities Exchange**












Australian Securities Exchange

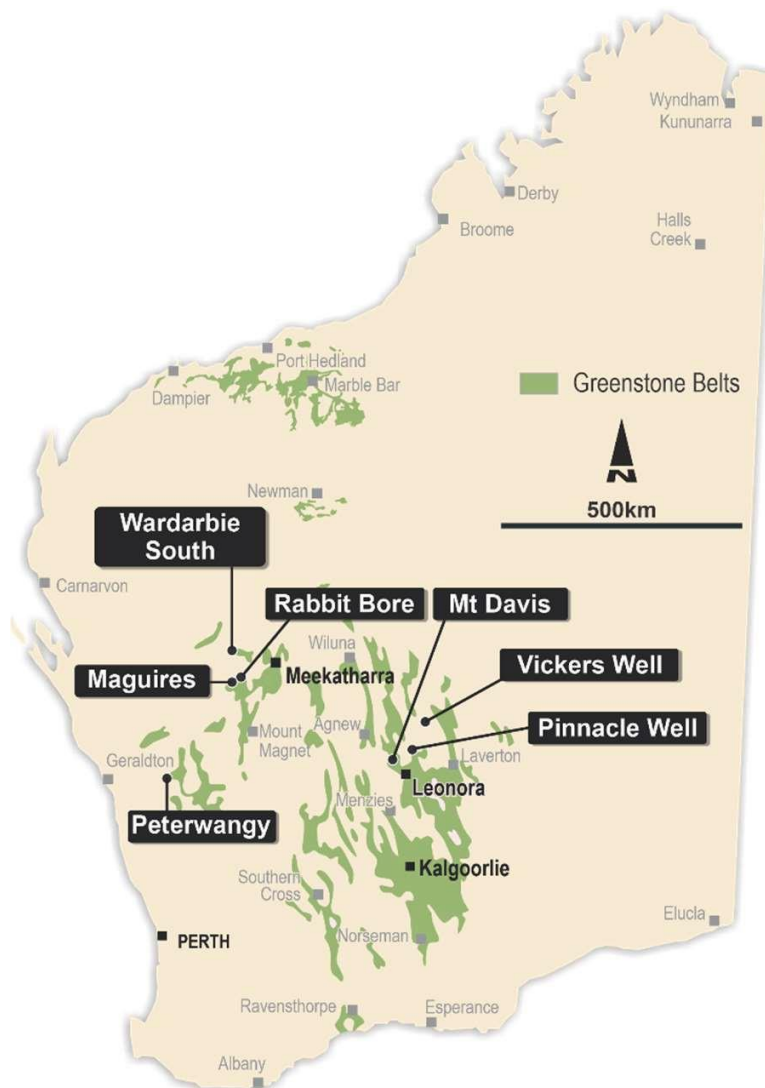
Street: Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000*Telephone:* 131 ASX (131 279) (within Australia)
+61 2 9338 0000*Facsimile:* +61 2 9227 0885*Website:* www.asx.com.au*ASX Codes:* OZZ
OZZO**Tenement Manager**

Austwide Mining Title Management Pty Ltd

Street: 6/42 Dellamarta Rd
Wangara WA 6947*Postal:* PO Box 1434
Wangara WA 6947

Contents

-  Operations review1
-  Directors' report14
-  Auditor's independence declaration16
-  Condensed statement of profit or loss and other comprehensive income17
-  Condensed statement of financial position18
-  Condensed statement of changes in equity19
-  Condensed statement of cash flows20
-  Notes to the condensed financial statements21
-  Directors' declaration32
-  Independent auditor's review report33
-  Tenement report35



Ozz Resources Project Locations

For personal use only



Operations review

1. Exploration summary

1.1. Project overview – Leonora projects: Mt Davis and Pinnacle Well

a. Tenure

The Mt Davis project is comprised of seven granted prospecting licences (P37/8633, P37/8634, P37/8635, P37/8636, P37/8637, P37/8638, and P37/9349) and two contiguous prospecting licence applications P37/9552 and P37/9553). The total area covered by the tenure is 1,415Ha and the project is located approximately 20km north of Leonora adjacent to the Goldfields Highway.

The Pinnacle Well project is comprised of 5 exploration licenses (E37/1246, E37/1287, E37/1355, E37/1234 and E37/1235) and 2 prospecting licenses (P37/8573 and P37/9139) covering 158km². The project is approximately 10km east of Mt Davis, about 25km north of Leonora and adjacent to the Great Northern Highway, (see Figure 1).

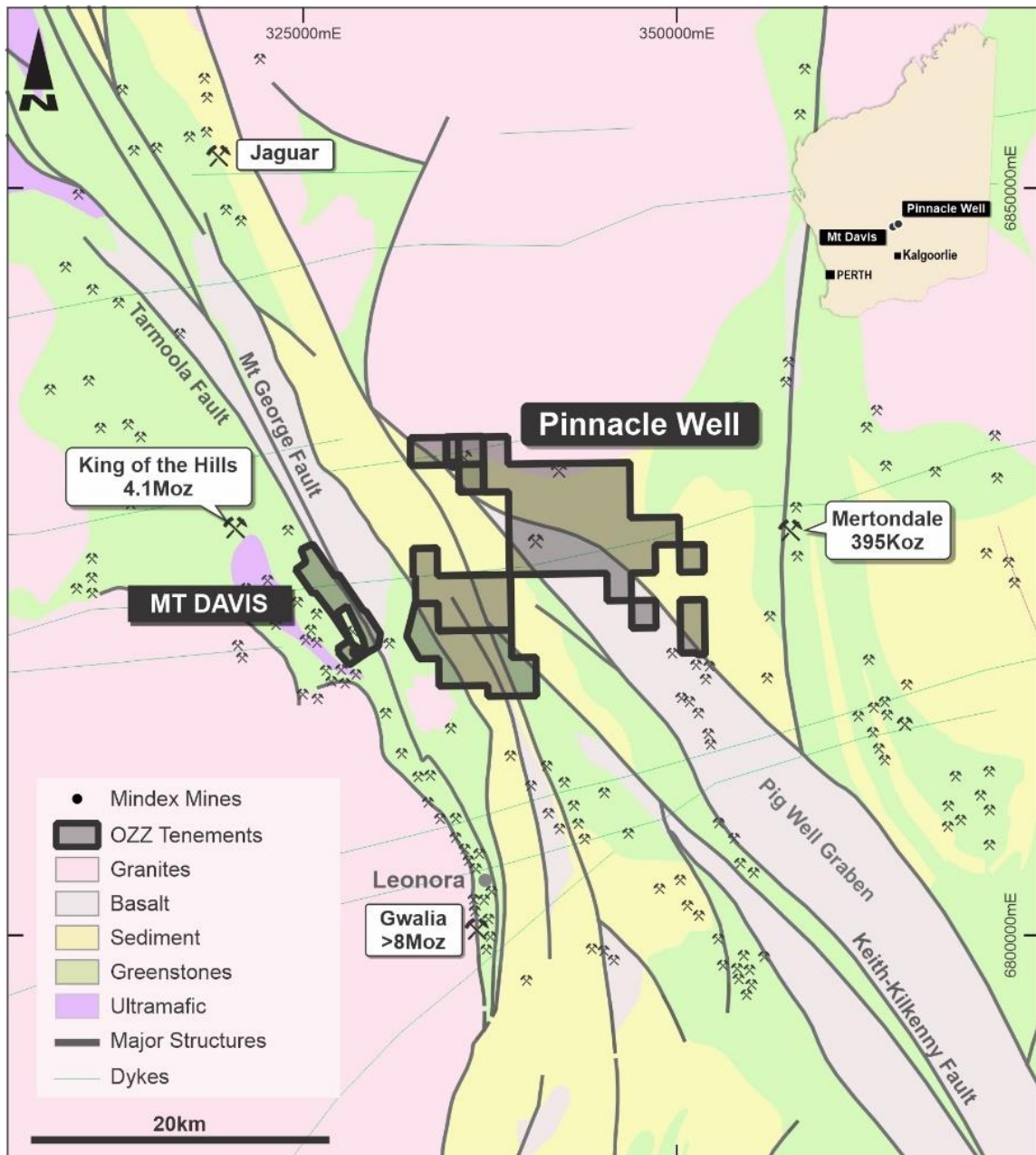


Figure 1 Mt Davis and Pinnacle Well Tenure and Geology Plan

For personal use only



Operations review

b. Geological Setting

The Leonora project lies adjacent to the highly prospective Kalgoorlie-Kurnalpi terrane boundary in the Eastern Goldfields Superterrane of the Yilgarn Craton. Regional shearing and splays associated with the craton scale Keith - Kilkenny Fault are known to be the focus of major mineralisation in the district. Two significant (+4M oz) gold deposits situated respectively 5km to the north-west (King of the Hills) and 25km to the south (Sons of Gwalia) which are within the regional structures that pass through the Mt Davis project tenements.

At Mt Davis a major shear zone, known as the Mt George Shear Zone, separates the Mount Clifford Greenstone Belt and the Malcolm Greenstones in the eastern part of the tenements. The Mt George Shear is characterised by quartz sulphide veining associated brittle shearing that forms the Trig deposit.

At Pinnacle Well, the bedrock greenstone and granite lithologies are poorly exposed and present largely as areas of moderate to intensely weathered sub crop and associated Quaternary colluvial and alluvial cover ranging from a few metres deep to tens of metres deep.

c. Previous Exploration

Several phases of exploration have been completed since the 1980s' at both projects.

At Mt Davis, most were focused on finding large standalone orebodies and wide spaced soil sampling and RAB drilling were completed following mapping and geophysical surveys.

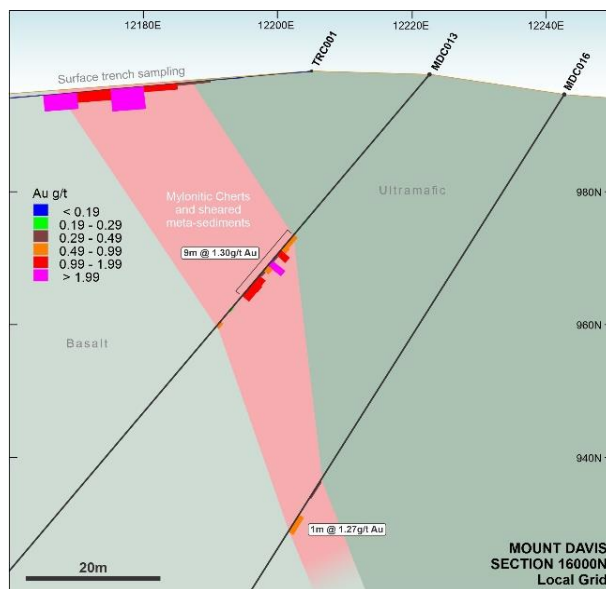


Figure 2 Trig Deposit - Cross Section

RC drilling at the Trig deposit in the 1990's by Sons of Gwalia comprised 28 holes with significant intercepts greater than 1.00g/t Au being obtained from 18 of the 28 RC holes, e.g., 10m at 3.37g/t, 6m at 2.91g/t and 9m at 1.30g/t (see Figure 2 and Figure 3).

Following this, the only significant exploration was by Jupiter Mines (2006-2010) who drilled 29 RAB holes at four localised remote sensing defined alteration targets with no significant results. No further work was recorded at the Trig prospect or along strike to the south.

These results are historical in nature and may not have been reported in accordance with the JORC Code 2012 Edition or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

A 649-geochemical soil sampling program was completed at Mt Davis in December 2021 by Ozz. This soil sampling program defined three significant targets supporting drilling evaluation (see Figure 3). Target 1 is the most significant being approximately 1,000m long and defined by gold assays to a maximum of 254ppb. This target and Target 2 (~600m long and approximately 1.5km north) are located on or adjacent to the Clifford Fault. Target 3, located on the western side of the licenses, is potentially 1,500m long and is likely associated with a lithological contact between gabbro and basalt.

For personal use only



Operations review

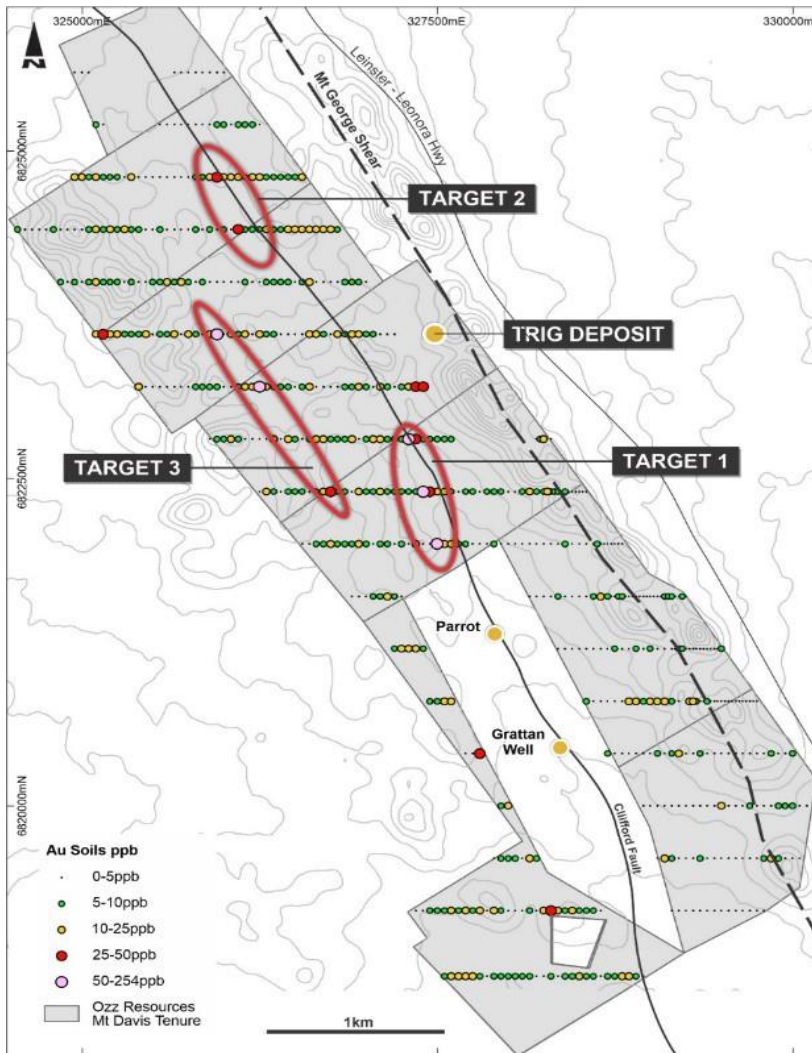


Figure 3 Mt Davis soil geochemistry – Gold results

At Pinnacle Well, limited gold and base metal exploration has been completed periodically since the 1970s'. Wide spaced aircore drilling was completed targeting gold bearing sheared lithological contacts and in the past decade the focus has largely been on potential repetitions of the Jaguar copper-zinc mineralisation further north. Electromagnetic surveying was completed associated with 4 core drill holes. In all cases further work was recommended.

Geochemical soil sampling was undertaken in three phases at Pinnacle Well from December 2021 to April 2022 by Ozz Resources.

For personal use only



Operations review

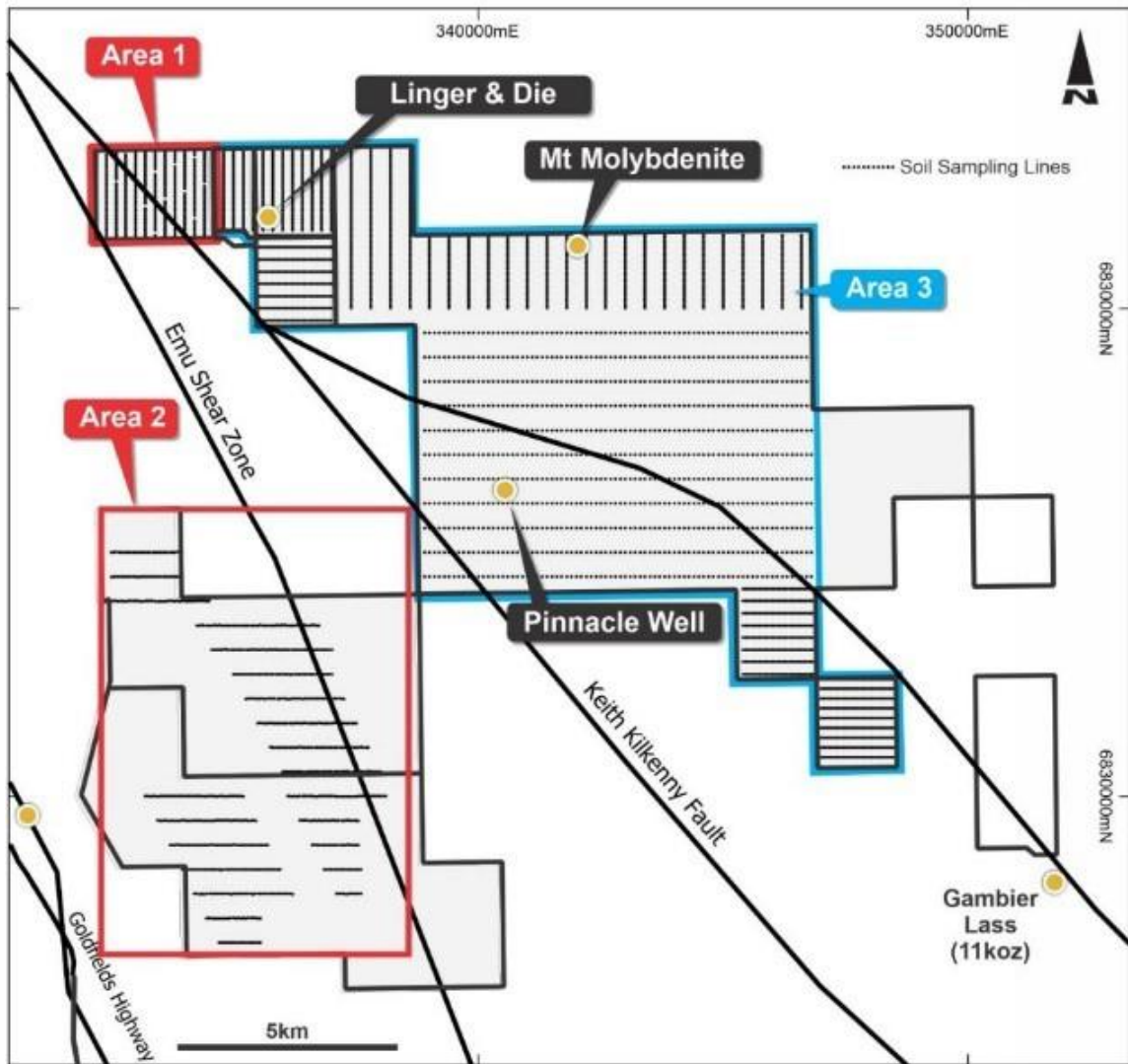


Figure 4 Soil sample coverage Leonora projects

The geology of Area 2 is predominantly shrouded by Quaternary surface sediments that overly the Archaean bedrock geology. The geochemistry results show subtle gold anomalies (see Figure 5) that coincides with the structural corridor associated with the regional Emu shear zone and over a sub-parallel structure 2km to the west. The extensive cover clearly suppresses the gold response; however, the lower-level magnitude of the anomalism is not considered discouraging. Of potential greater significance is the base metal anomalism (see Figure 6 and Figure 7) with elevated copper and nickel values near the Emu Fault trend.

For personal use only



Operations review

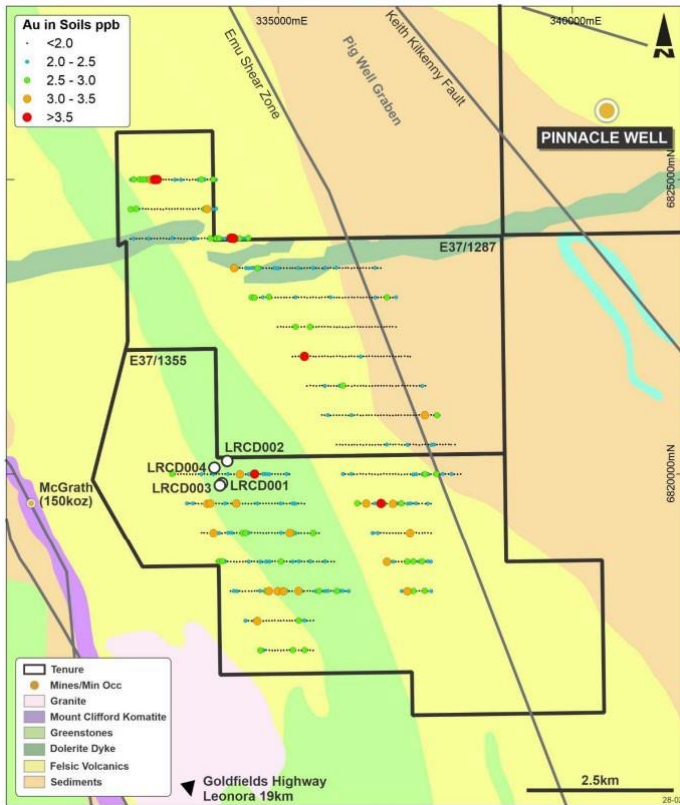


Figure 5 Area 2, Pinnacle Well Soil Geochemistry; Gold results

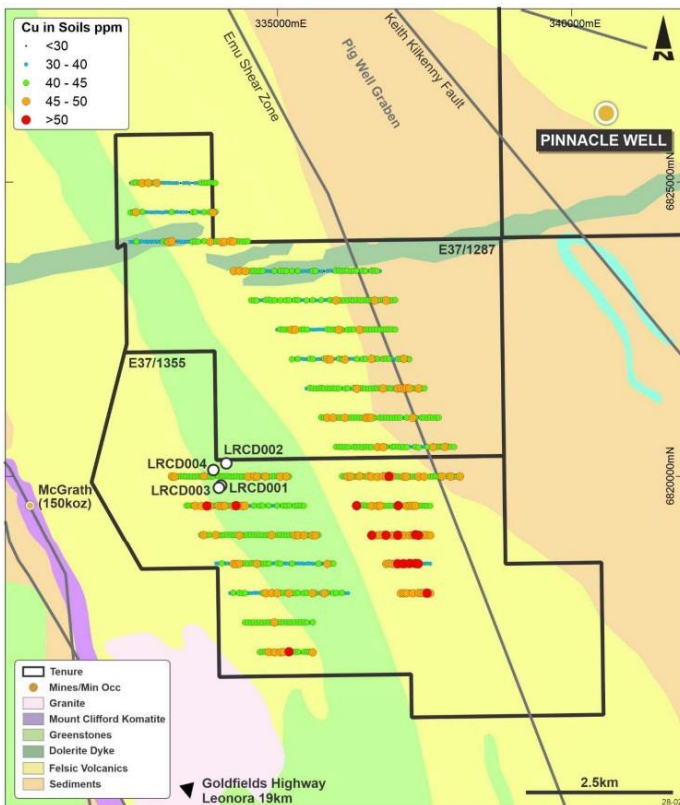


Figure 6 Area 2, Pinnacle Well Soil Geochemistry; Copper Results

For personal use only



Operations review

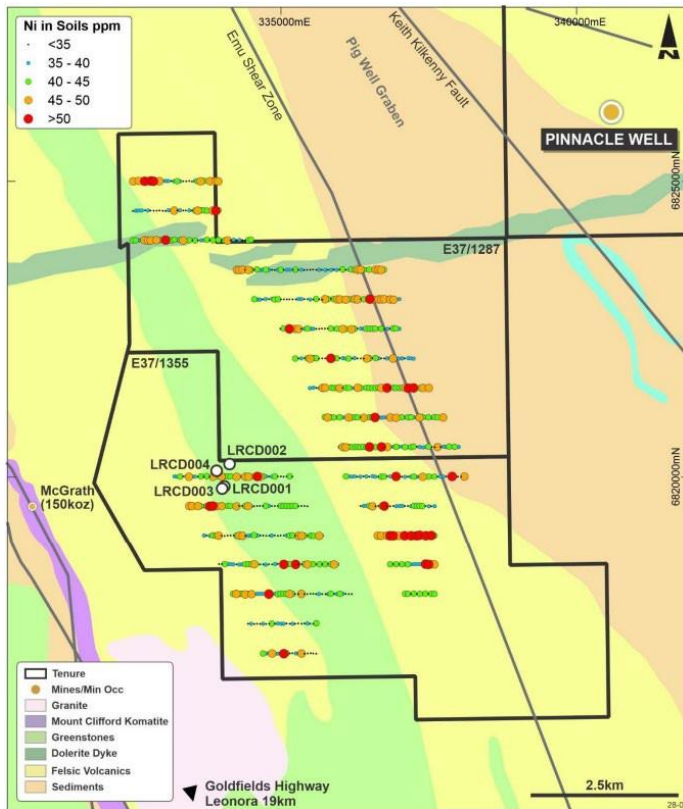


Figure 7 Area 2, Pinnacle Well Soil Geochemistry; Nickel Results

The geochemistry results from Area 3 show significant gold anomalism, with four key areas identified for follow-up Reverse Circulation (RC) and air-core drilling (see Figure 8 & 9). The lower tenor of results on the southern half of the tenement holding are potentially reflective of the increasing depth of cover. Gold-bearing quartz veining, base metals anomalism, and traces of intense alteration (e.g., around Pinnacle Well) have been identified in this area and hence further targeting is required (e.g., through detailed mapping, geophysics and/or selective air-core drilling).

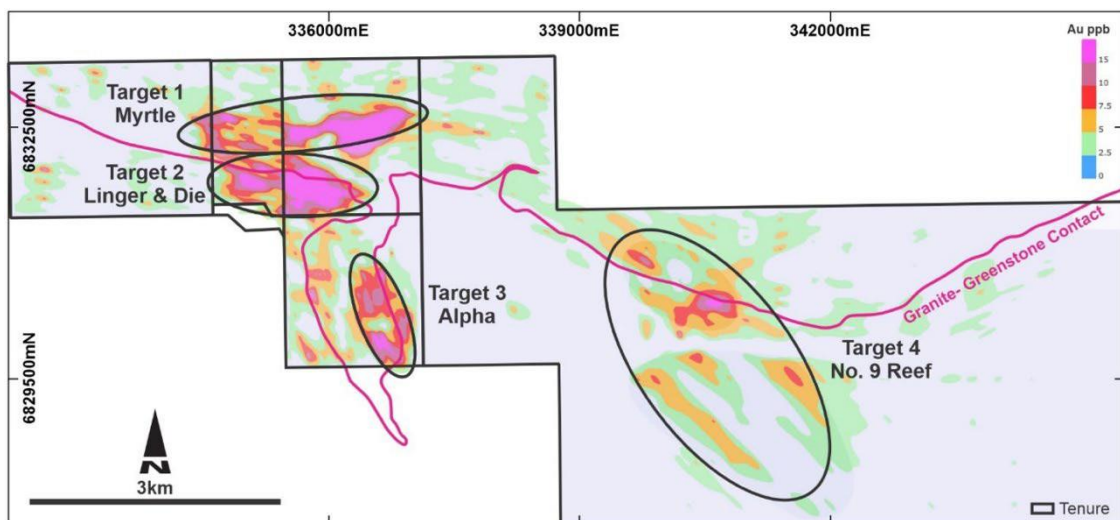


Figure 8 Area 3, Pinnacle Well Soil Geochemistry; Gold Results

Overall, the Pinnacle Well Project is considered to be highly prospective for gold and base metal mineralisation. Further work will be scheduled aimed at the four targets reported here, as well as those identified in previous ASX releases. Pinnacle Well is a key exploration focus for Ozz given the excellent potential for significant discovery.

For personal use only



Operations review

d. **Current Exploration Program**

The Company’s exploration strategy for the Leonora area is aimed at:

- Identifying potential extensions to the Trig deposit (Mt Davis) and defining repetitions of mineralisation along the Mt George Shear and sub parallel structures.
- Assessing the mineralisation potential at both projects in the areas extensively covered by alluvium for both gold and base metal mineralisation.
- A first pass of exploration has defined several targets and the plan is to test these.

The Company is currently in the process of recapitalising to fund further exploration on the identified targets.

1.2. **Project overview – Maguires Reward project**

a. **Tenure**

The Maguires Reward project is comprised of a single prospecting licence (P20/2318) covering an area of 200Ha (see Figure 10). The project is in the Central Murchison area, approximately 50km northwest of the major mining centre of Cue. Access is via the Great Northern Highway and well-developed secondary roads.

b. **Geological Setting**

The Maguires Reward project is situated within the Archaean Murchison Province, a granite-greenstone terrane in the northwest of the Yilgarn Craton. A major structural feature through the Maguires Reward project area is a NE-trending regional shear zone and is an extension of the Big Bell Fault, which splays into several discrete faults to the southwest of the project area and represent prospective gold bearing fluid pathways and trap sites for gold mineralisation.

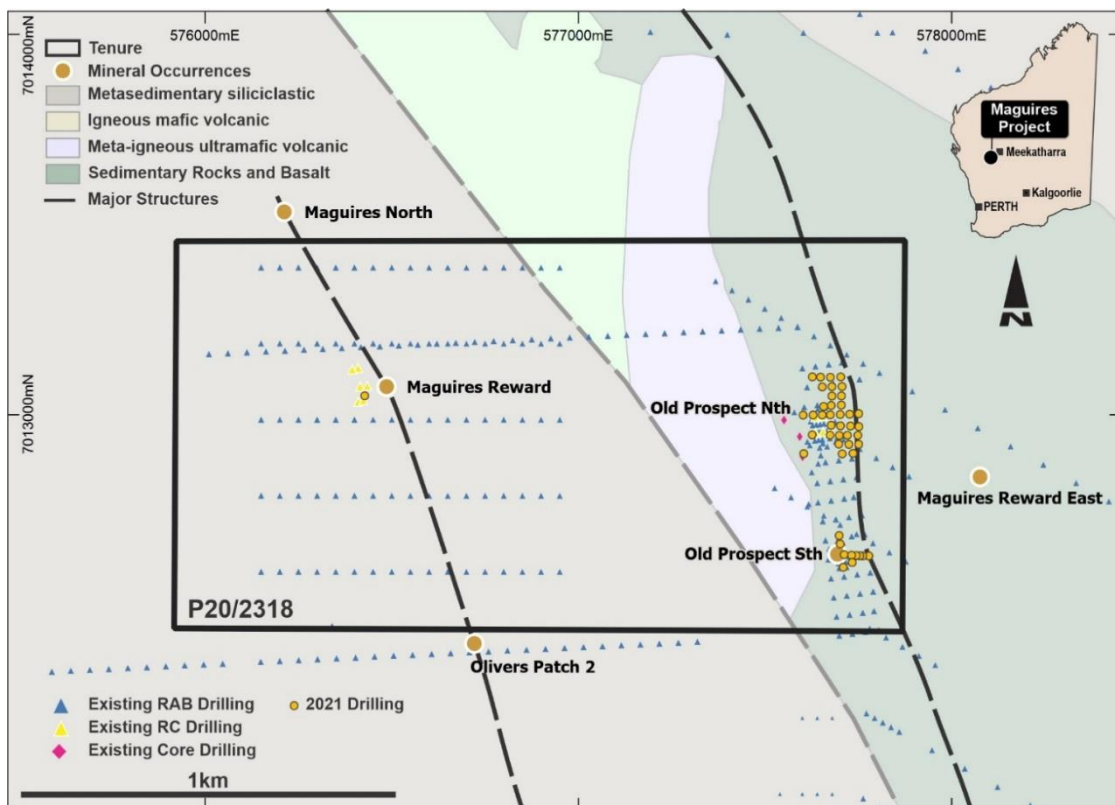


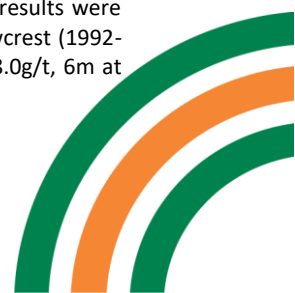
Figure 9 Maguires Reward – Tenure, Geology and Drilling Plan

c. **Previous Exploration**

The area has been explored both for base metals and gold since the 1980’s. Wide spaced soil sampling and RAB drilling led to more detailed RC and diamond drilling at the Old Prospect and Maguires Reward.

BHP Gold drill tested the Old Prospect and Maguire’s Reward (1985-1989) as part of their programme to test interpreted extensions of the Big Bell Shear to the north of the Big Bell Mine. Numerous encouraging results were returned including 6m at 18.6g/t, 4m at 5.1g/t and 6m at 4.2g/t at the Old Prospect. Subsequently Newcrest (1992-1995) completed further RC and diamond drilling at both prospects with the best results being 6m at 8.0g/t, 6m at 11.6g/t and 7m at 8.7g/t. Only limited exploration was completed at the project following this period.

For personal use only



Operations review

These results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

Drilling of the Old Prospect zone by Ozz was undertaken in July/August 2021 after Ozz listed on the ASX. A 4,300m RC drilling programme was completed. The results were released to the ASX in October and a JORC compliant mineral resource estimated for Old Prospect was released to the ASX in November 2021.

Best results from the drilling were:

- 🌿 14m @ 2.66/t Au from 45m (21MRRC003)
- 🌿 6m @ 3.23g/t Au from 31m and 7m @ 9.10 g/t Au from 81m (21MRRC011)
- 🌿 7m @ 4.50g/t Au from 46m (21MRRC032)
- 🌿 4m @ 4.48g/t Au from 16m (21MRRC016)
- 🌿 10m @ 2.48g/t Au from 100m (21MRRC039)

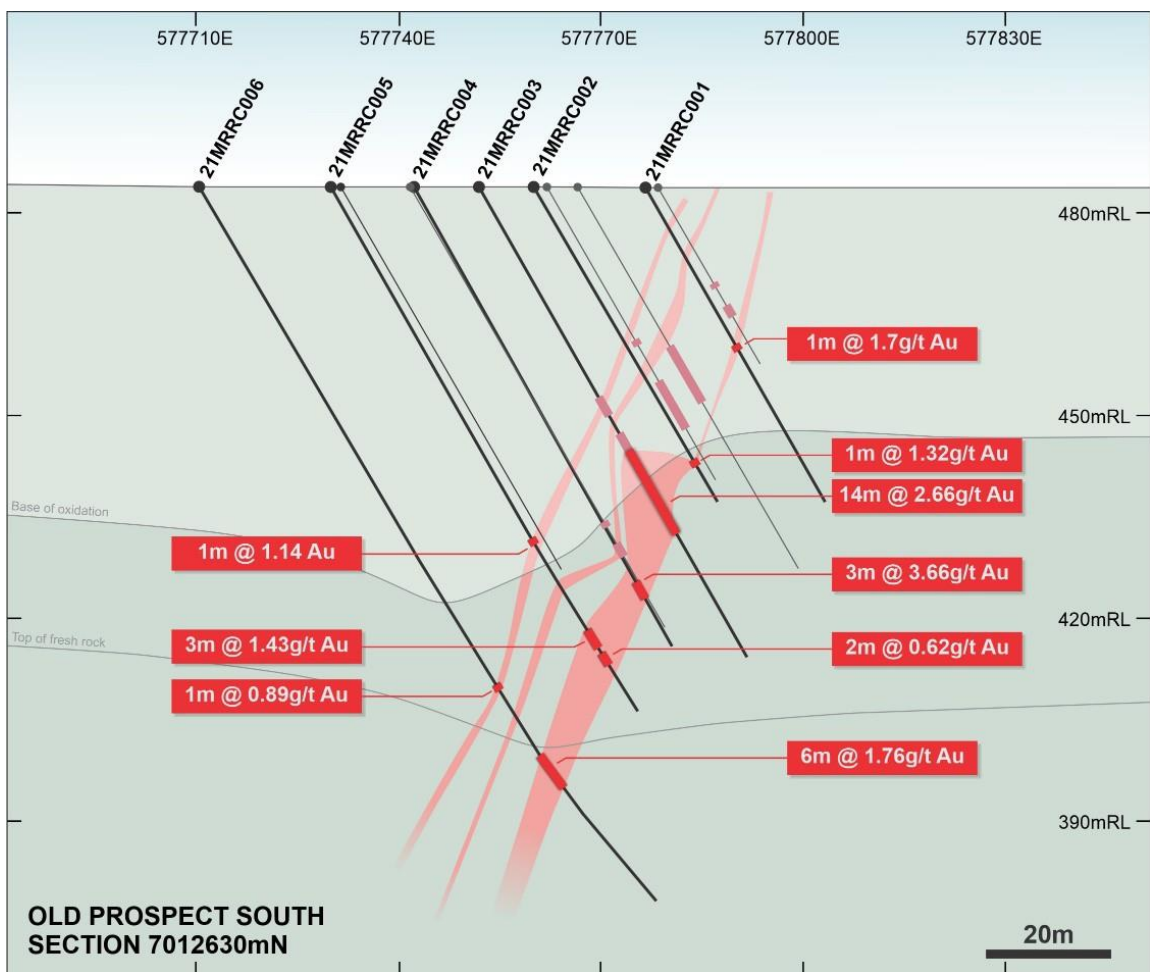


Figure 10 Old Prospect - Cross Section

The Mineral Resource Estimate for Old Prospect, based on an initial 4,300m RC drilling program, is 312 kt @ 2.15 g/t for 22 koz of contained gold. A partner is being sought to advance the project.

For personal use only



Operations review

1.3. Project overview – Peterwangy project

a. *Tenure*

The Peterwangy project comprises two granted exploration licenses (E70/5124 and E70/5691) covering 13 blocks for a total area of 4440 Ha, located in the Mid-West region of Western Australia (refer to Figure 11). Tenement E70/5124 is held by Provident Mining Pty Ltd (Provident). E70/5691 is owned totally by the Company. The project is located approximately 100km east of the port of Geraldton and 40km southeast of the town of Mullewa, 350km north of Perth, Western Australia. Access from the west is via the Mullewa-Mingenew Road and from the east via the Mullewa-Wubin Road and then by several unsealed farm tracks.

b. *Geological Setting*

The property lies within the Yilgarn Craton, a stable craton of Archaean rocks that occupies much of the southern half of Western Australia. The Yilgarn Craton has been subdivided into geological terranes. The licence straddles the boundary of the Southwest and Youanmi Terranes.

c. *Local Geology*

A 3km long irregularly shaped greenstone belt enclosed by granitoids is located at Peterwangy. The greenstone is comprised of amphibolite and schists.

Gold was discovered at Peterwangy in 1868 and was the focus of Western Australia’s first recorded gold rush. Small scale mining operations comprising several collapsed shafts and shallow workings can still be found within a few hundred metres of Peterwangy Hill.

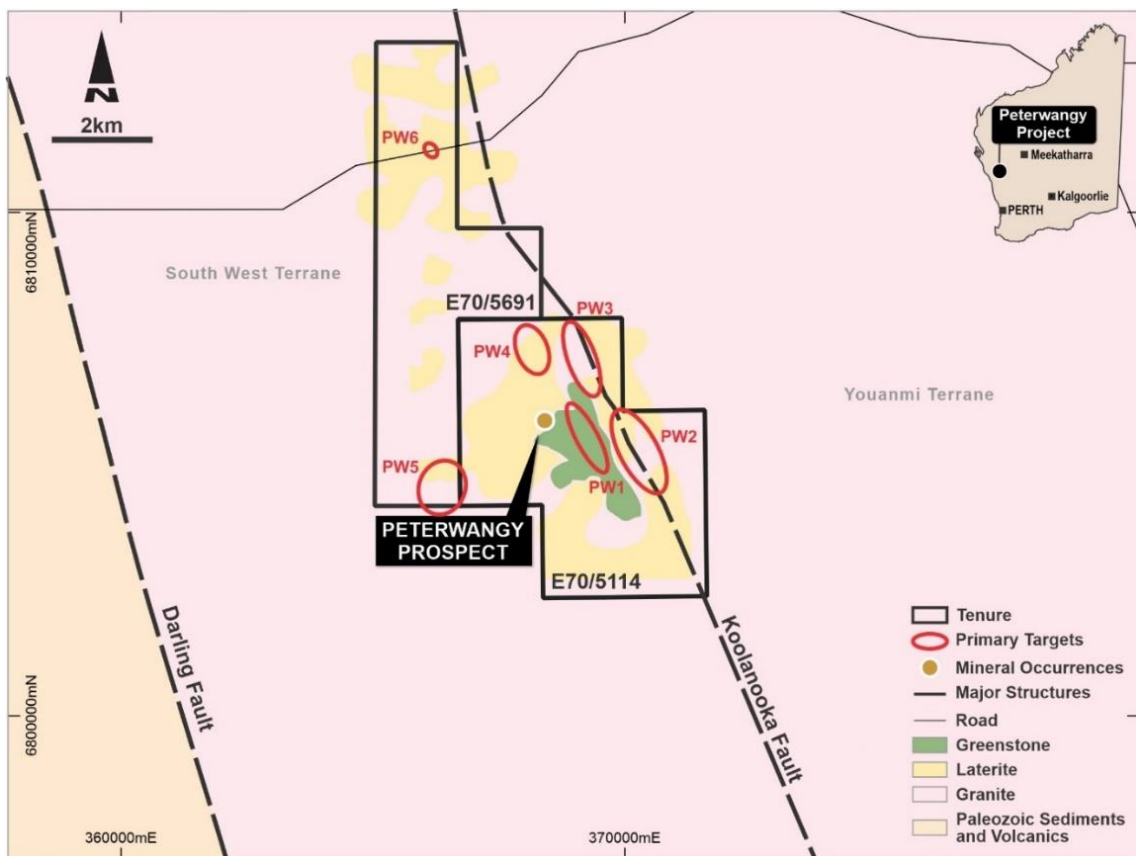


Figure 11 Peterwangy – Tenure, Geology and Geophysics Targets

For personal use only



Operations review

d. *Historical Exploration*

Modern exploration commenced in the 1970’s with regional sampling programmes aimed largely at base metals (e.g., Cu and Ni) rather than gold. The ground was also held for periods from 1980 to 2000 by companies interested in the nearby coal deposits. They did not assess the gold potential. No drilling has ever been completed at Peterwangy.

An aero-magnetic survey was completed over the tenements in August 2021 with several targets being defined for further analysis (see Figure 12). The survey also produced a better definition of the extent of the prospective greenstone sequence.

A soil sampling programme (689 samples) was completed in January 2022 by Ozz aimed at testing the areas defined as being anomalous by the magnetic survey. Several low order anomalies were reported from within the greenstone lithologies. Only five samples reported assays above 20ppb Au with a maximum of 48ppb. Anomalies are defined by the 5ppb threshold and have a strong association with topographic highs and areas of laterite development. No clear correlations are evident between gold and the other elements assayed to provide any meaningful assistance in defining the trend or extent of any gold mineralisation.

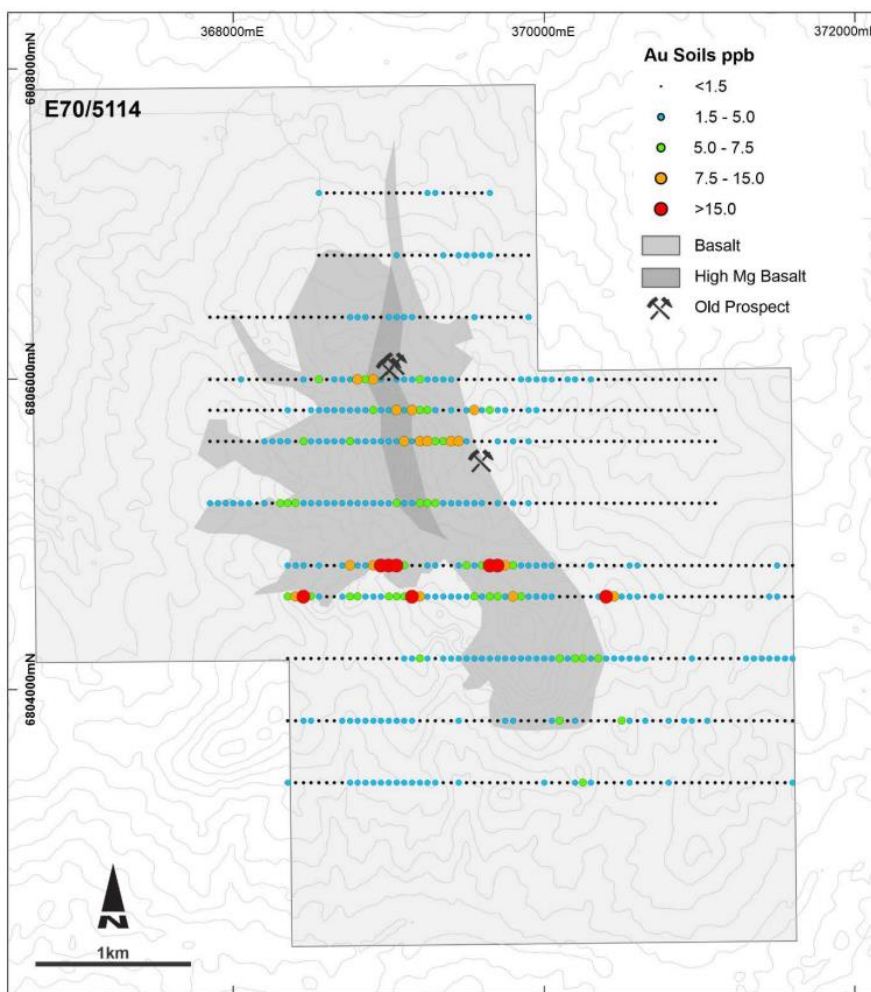


Figure 12 Peterwangy – Geochemistry gold results

1.4. Project overview – Wardarbie South project

a. *Tenure*

The Wardarbie South project is comprised of three prospecting licences (P 51/3025, P 51/3026, and P 51/3027) covering an area of 600Ha. The project is in the Central Murchison area, approximately 75km northwest of the major mining centre of Meekatharra. Access is via the Gascoyne Junction Road and station tracks.

b. *Geological Setting*

The region is underlain by the 5-10km wide Mingah Range Greenstone Belt that is bound to the NE and SW by granite and granite gneiss

For personal use only



Operations review

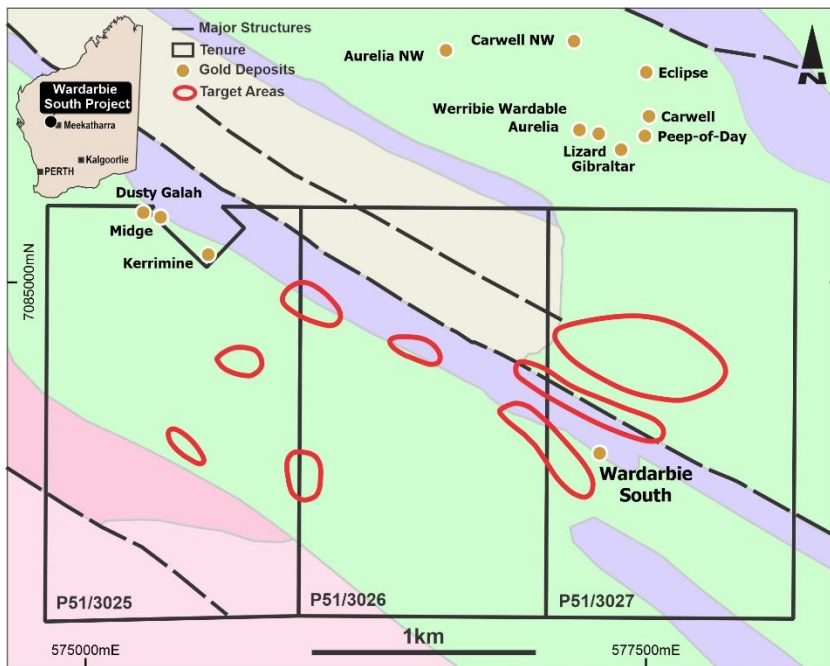


Figure 13 Wardarbie South - Tenure and Geology Plan

The Wardarbie South prospect is a cluster of shafts to the east of the project area – there are no production records documented. Numerous quartz veins outcropping around the shaft suggest a larger system associated with cross-cutting shears as also observed at other nearby historic gold workings.

c. **Previous Exploration**

The region has been explored both for gold and nickel since the 1960’s. Most work was focused on finding large open-pit gold resources and hence broad spaced sampling methods were utilised. Regional wide-spaced aircore and RAB drilling by several explorers was completed before the year 2000. Since then, several explorers have identified the potential for gold mineralisation, but no systematic work was completed on the leases. There is no drilling specifically targeting the Wardarbie South workings or the prospective NW trending structural corridor.

A drone supported aero-magnetic survey was completed over the project by Ozz in November 2021. Analysis of the results produced several targets (see Figure 13) and refined the knowledge of the geology. Results from both the magnetics and geochemical sampling will be used to define future drill targets.

1.5. **Project overview – Rabbit Bore project**

a. **Tenure**

The Rabbit Bore project is comprised of a single exploration licence (E51/1671) covering an area of 2,390Ha. The project is in the Central Murchison area approximately 55km north of the major mining centre at Cue. The Great Northern Highway is located 25km to the east linked by a major secondary road.

b. **Geological Setting**

The Rabbit Bore project lies at the northern end of the Mt Weld greenstone belt in the Archaean Youanmi Terrane. The greenstone belt is approximately 5.5km long and strikes NNE through the tenements and is composed of sheared mafics, ultramafics and deeply weathered felsic volcanics. The tenement contains a major NNE trending shear zone that is interpreted as an extension of the Big Bell Fault, that splays into several discrete structures south of the project area. This structure contains gold prospects at many locations along its entire length. The sequence typically dips moderately steeply to the west.

For personal use only



Operations review

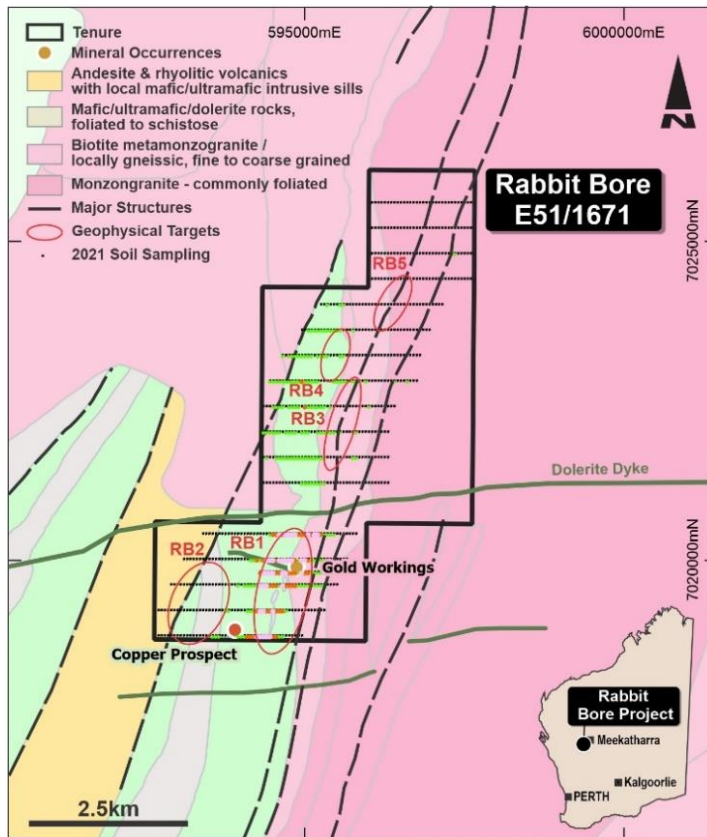


Figure 14 Tenure, Geology and Soil sampling coverage

Potential exists for both gold and base metal mineralisation at Rabbit Bore. Historic gold mining occurred at the Rabbit Bore prospect where a small vertical shaft, four pits and a dry blowing area exist. There are no records of the quantity of gold produced from the workings.

c. Previous Exploration

Exploration in or around the current E51/1761 has been only carried out since the 1970’s, commencing with the nickel boom and more recently for base metals, gold and iron ore. There was no drilling recorded on the licence area.

Regional work including geophysical surveys, and mapping were completed in the late 1990’s. Two widely spaced soil sampling programmes were completed over the greenstone belt by different explorers (2001 and 2011) resulting in low level gold, nickel, cobalt, platinum and lead anomalies. A closer spaced sampling programme was completed in 2011 around the Rabbit Bore workings with a maximum result of 2.18 g/t Au. Recent rock-chip sampling around the historic workings returned a maximum grade of 4.24g/t Au.

An aeromagnetic survey was completed in July 2021 by Ozz that better defined lithology, structural controls and revealed five anomalies. A 750-geochemical soil sampling programme was completed at Rabbit Bore in November 2021. Soil samples were taken on a nominal 400m (NS) by 50m (EW) grid that was reduced to a 200m (NS) by 50m (EW) spacing over the known gold workings. Assaying was completed using the Ultra-fine assay technique developed by the CSIRO to better detect subtle anomalies under transported cover. Samples were assayed for 52 elements including gold and base metals. The results released in February 2022 indicated two significant anomalies. These were drill tested in June 2022 with a thirty-nine RC hole program for 3,423m. No economic mineralisation was intersected. The soil anomalies are associated with weakly mineralised structures within the bedrock.

For personal use only







Operations review

1.6. Competent Person statement and Historical Estimate Results cautionary statement

The information contained in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Robert Seed, who is an employee and security holder of the Company. Mr Seed is a member of the AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is 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 Seed has given consent to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to previously reported exploration results is extracted from either OZZ Resources Prospectus, lodged with ASIC on May 7, 2021 and the First and Second Supplementary Prospectus' lodged on May 25 and June 15 respectfully and available on OZZ's website www.ozzresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information with regard to reporting of previously reported exploration results, or historical estimates contained in the Prospectus and the form and context of the release have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original public release.

This announcement refers to exploration results which have been previously released to the ASX in prior OZZ announcements. A list of those announcements is set out below and available on OZZ's website www.ozzresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information previously reported.

-  19 July 2021 *Maiden Drill Program Underway at Maguires*
-  18 August 2021 *Aeromagnetic Survey Identifies Multiple Prospective Copper Gold and Nickel Targets*
-  6 October 2021 *Excellent Results from Maiden Drill Program at Maguires*
-  19 November 2021 *Maiden Gold Resource at Maguires sets Strong Foundation for Growth in Tier-1 Mining District*
-  25 November 2021 *Highly Prospective Leonora Project Acquired*
-  13 January 2022 *Ozz Increases Leonora Tenement Holding*
-  14 February 2022 *Outstanding New Copper Gold and Nickel Targets to be fast-tracked for Drilling at RabbitBore*
-  4 March 2022 *Ozz Acquires High-Grade Leonora Goldfield*
-  11 April 2022 *Ozz Acquires Highly Prospective WA Rare Earths Project*
-  21 April 2022 *High Impact Drill Program to Commence in May*
-  27 April 2022 *Soil geochemistry results provide encouragement at Peterwangy and Pinnacle Well*
-  16 May 2022 *Drilling Commences at Rabbit Bore*
-  4 August 2022 *Geochemical sampling identifies 4 new drill targets*

1.7. Forward-Looking Statements

This announcement might contain forward-looking statements with known and unknown risks and uncertainties. Factors outside of Ozz's control, may cause the actual results, performance and achievements of Ozz to differ materially from those expressed or implied in this presentation. To the maximum extent permitted by law, Ozz does not warrant the accuracy, currency or completeness of the information in this announcement, nor the future performance of Ozz, and will not be responsible for any loss or damage arising from the use of the information. The information contained in this presentation is not a substitute for detailed investigation or analysis of any particular issue. Current and potential investors and shareholders should seek independent advice before making any investment decision in regard to Ozz or its activities.



For personal use only





Directors' report

Your directors present their report on the Company, Ozz Resources Limited (**Ozz Resources** or **the Company**) for the half-year ended 31 December 2022.

Ozz Resources is listed on the Australian Securities Exchange (ASX:OZZ).

1. Directors

The names of Directors in office at any time during or since the end of the half-year are:

 David Wheeler	Non-Executive Director	
 Joe Graziano	Non-Executive Director	
 Tim Slate	Non-Executive Director	(Appointed 12 October 2022)
 Brian McNab	Non-Executive Director	(Resigned 12 October 2022)

(collectively **the Directors** or **the Board**)

Directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

2. Dividends paid or recommended

There were no dividends paid or recommended during the half-year ended 31 December 2022 (30 June 2022: \$nil).

3. Significant Changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the half-year ended 31 December 2022 other than disclosed elsewhere in this Interim Financial Report.

4. Operating and financial review

4.1. Nature of Operations Principal Activities

The Company is an early-stage mining exploration company with a focus on mining tenements in Western Australia prospective for gold.

Being an early-stage exploration company, the Company does not expect to make money or generate income in the short term. Our proposed business objectives and strategies include:

- a. conducting exploration on the Company's projects to identify economic gold deposits for development by:
 - (1) conducting drill testing of key targets at Mt Davis and Pinnacle Well to potentially define JORC 2012 compliant Mineral Resources;
 - (2) accessing and compiling all existing drilling and other geological information, including structural, geochemical and geophysical data;
 - (3) conducting further geological reconnaissance, geochemical and geophysical programmes to identify the location of favourable structures and associated indicators of mineralisation in order to create a pipeline of potential drill targets;
 - (4) progressively collecting additional information such as metallurgical or geotechnical data to assist further Ore Reserve estimation; and
 - (5) conducting optimisation studies including financial models to assess potential mineable ore reserves;
- b. focusing on areas with existing infrastructure that provide the opportunity for toll treatment of ores; and
- c. identifying and acquiring new gold exploration tenements with a focus in Western Australia if the Directors consider that they will add additional value to the Company at the time.

4.2. Operations Review

Refer to the detailed *Operations review* on page 1 of the Interim Financial Report.

4.3. Financial Review

a. Operating results

For the half-year ended 31 December 2022 the Company delivered a loss before tax of \$665,656 (31 December 2021: \$1,934,466 loss) and a net operating cash out-flow of \$560,221 (31 December 2021: \$1,832,960 out-flow).

For personal use only



Directors' report

b. *Financial position*

The net assets of the Company have decreased from incorporation to \$(38,349) deficiency at 31 December 2022 (30 June 2022: \$480,853).

As at 31 December 2022, the Company's cash and cash equivalents decreased to \$200,762 (30 June 2022: \$784,480), and it had a working capital deficit position of \$78,231 (30 June 2022: \$428,454 working capital).

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors are satisfied that the going concern basis of preparation is appropriate based upon the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

4.4. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements as disclosed in note 6 *Events subsequent to reporting date* on page 26.

4.5. Future Developments, Prospects and Business Strategies

Other likely developments, future prospects, and business strategies of the operations of the Company and the expected results of those operations, not otherwise disclosed in this report, have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

4.6. Environmental Regulations

The Company's exploration assets and operations have not yet been established and are therefore not subject to any significant environmental regulations in the jurisdiction it operates in.

5. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2022 has been received and can be found on page 16 of the Interim Financial Report.

This Report of the Directors is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the *Corporations Act 2001* (Cth).



JOE GRAZIANO
Director

Dated this Tuesday, 14 March 2023



For personal use only

HALL CHADWICK 

To the Board of Directors

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

As lead audit Director for the review of the financial statements of Ozz Resources Limited for the half year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark DeLaurentis

MARK DELAURENTIS CA
Director

Dated 14th day of March 2023
Perth, Western Australia

For personal use only

Condensed statement of profit or loss and other comprehensive income

for the half-year ended 31 December 2022

	Note	6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$
<i>Continuing operations</i>			
Administration expenses	1.1	(14,665)	(21,893)
Compliance costs		(61,912)	(58,066)
Employment costs	1.2	(62,199)	(54,272)
Interest and finance income / (costs) (net)		87	(4,235)
Mineral exploration and evaluation costs	1.4	(317,232)	(1,401,417)
Professional and consulting costs	1.3	(209,735)	(394,583)
Loss before tax		(665,656)	(1,934,466)
Income tax expense		-	-
Net loss for the half-year		(665,656)	(1,934,466)
<i>Other comprehensive income, net of income tax</i>			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income attributable to members of the parent entity		(665,656)	(1,934,466)
<i>Earnings per share:</i>			
Basic and diluted loss per share (cents per share)	9.4	¢ (1.317)	¢ (4.241)

The condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.



For personal use only

Condensed statement of financial position

as at 31 December 2022

	Note	31 Dec 2022 \$	30 Jun 2022 \$
<i>Current assets</i>			
Cash and cash equivalents	2.1	200,762	784,480
Trade and other receivables	2.2.1	57,426	132,291
Total current assets		258,188	916,771
<i>Non-current assets</i>			
Property, plant, and equipment	3.1	39,882	52,399
Total non-current assets		39,882	52,399
Total assets		298,070	969,170
<i>Current liabilities</i>			
Trade and other payables	2.3.1	318,415	464,303
Borrowings	2.4.1	8,004	24,014
Provisions	3.2	10,000	-
Total current liabilities		336,419	488,317
Total liabilities		336,419	488,317
Net assets		(38,349)	480,853
<i>Equity</i>			
Issued capital	4.1.1	6,919,389	6,772,935
Reserves	4.4	1,213,412	1,213,412
Accumulated losses		(8,171,150)	(7,505,494)
Total equity		(38,349)	480,853

The condensed statement of financial position is to be read in conjunction with the accompanying notes.

For personal use only



Condensed statement of changes in equity

for the half-year ended 31 December 2022

	Note	Issued capital \$	Accumulated Losses \$	Share-based Payment Reserve \$	Total equity \$
<i>Balance at 1 July 2021</i>					
Balance at 1 July 2021		6,463,320	(3,126,920)	1,032,529	4,368,929
Loss attributable to owners of the parent		-	(1,934,466)	-	(1,934,466)
Other comprehensive income attributable to the owners of the parent		-	-	-	-
Total comprehensive income attributable to the owners of the parent		-	(1,934,466)	-	(1,934,466)
<i>Transaction with owners, directly in equity</i>					
Equity issued during the half-year	4.1.1,4.2	283,500	-	75,259	358,759
Options granted during the half-year	11.1	-	-	39,971	39,971
Equity issue costs		(252,267)	-	-	(252,267)
Balance at 31 December 2021		6,494,553	(5,061,386)	1,147,759	2,580,926
<i>Balance at 1 July 2022</i>					
Balance at 1 July 2022		6,772,935	(7,505,494)	1,213,412	480,853
Loss attributable to owners of the parent		-	(665,656)	-	(665,656)
Other comprehensive income attributable to the owners of the parent		-	-	-	-
Total comprehensive income attributable to the owners of the parent		-	(665,656)	-	(665,656)
<i>Transaction with owners, directly in equity</i>					
Equity issued	4.1.1	150,000	-	-	150,000
Equity issue costs	4.1.1	(3,546)	-	-	(3,546)
Balance at 31 December 2022		6,919,389	(8,171,150)	1,213,412	(38,349)

The condensed statement of changes in equity is to be read in conjunction with the accompanying notes.



Condensed statement of cash flows

for the half-year ended 31 December 2022

Note	6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$
<i>Cash flows from operating activities</i>		
Payments to suppliers and employees	(92,415)	(433,048)
Payments for exploration and evaluation	(467,038)	(1,395,677)
Interest and borrowing cost (net)	(768)	(4,235)
Net cash used in operating activities	(560,221)	(1,832,960)
<i>Cash flows from investing activities</i>		
Purchase of property, plant and equipment	-	(70,173)
Net cash used in investing activities	-	(70,173)
<i>Cash flows from financing activities</i>		
Proceeds from issue of equity	-	75,259
Share issue costs	(7,488)	(502,124)
(Repayment of) / Proceeds from borrowings	(16,009)	(127,877)
Net cash provided by financing activities	(23,497)	(554,742)
Net increase in cash and cash equivalents held	(583,718)	(2,457,875)
Cash and cash equivalents at the beginning of the period	784,480	5,013,272
Cash and cash equivalents at the end of the period	200,762	2,555,397

The condensed statement of cash flows is to be read in conjunction with the accompanying notes.

For personal use only



Notes to the condensed financial statements

for the half-year ended 31 December 2022

In preparing the 31 December 2022 financial statements, Ozz Resources Limited has grouped notes into sections under three key categories:

 Section A: How the numbers are calculated.....	22
 Section B: Unrecognised items	26
 Section C: Other Information.....	27

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The presentation is supported by the IASB's Disclosure Initiative. As part of this project, the AASB made amendments to AASB 101 *Presentation of Financial Statements* which have provided preparers with more flexibility in presenting the information in their financial reports.

The financial statements are presented in Australian dollars, except where otherwise stated.

The registered office of the Company is:

Street: C/ - Geneva Partners Pty Ltd
Level 1, 247 Oxford Street

Postal: PO Box 52
West Perth WA 6872

The principal place of business of the Company is:

Street: Suite 9, 186 Hay Street
SUBIACO WA 6008

Postal: PO Box 8014
Subiaco East WA 6008

For personal use only



Notes to the condensed financial statements

for the half-year ended 31 December 2022

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

- (a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction.
- (b) analysis and sub-totals.
- (c) information about estimates and judgements made in relation to particular items.

Note	1	Loss before income tax	Note	6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$
The following significant revenue and expense items are relevant in explaining the financial performance:					
1.1		Administration expenses			
		Computers and communications		1,174	6,658
		Travel expenses		5,816	2,188
		Other		7,675	13,047
				14,665	21,893
1.2		Employment costs (excluding mineral exploration and evaluation, note 1.4)			
		Salaries and wages		-	-
		Superannuation		1,260	4,881
		Directors' fees		60,939	48,694
		Share-based payments	11.1	-	-
		Other		-	697
				62,199	54,272
1.3		Professional and consulting costs			
		Accounting and company secretary fees		61,100	61,501
		Legal fees and corporate advisory		100,098	246,691
		Other consultants		48,537	86,391
				209,735	394,583
1.4		Mineral exploration and evaluation costs			
		Cumulative spending at the beginning of the period		5,663,321	2,309,420
		<i>Recognised in profit and loss for the period:</i>			
		Acquisition costs: <i>Cash-based</i>		-	161,016
		<i>Share-based</i>	11.1	-	181,500
		Contractors and consultants		15,888	179,433
		Field expenses		79,405	58,446
		Geological consulting		1,625	22,840
		Heritage and native title		-	25,620
		Mineral surveys		1,967	16,956
		Rates and rent		33,471	349,005
		Staff costs		168,440	393,981
		Other		16,436	12,620
		Mineral exploration and evaluation costs expense during the period		317,232	1,401,417
		<i>Cumulative Mineral exploration and evaluation costs to date</i>		5,980,553	3,710,837






For personal use only



Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 2 Financial assets and financial liabilities

2.1 Cash and cash equivalents		31 Dec 2022	30 Jun 2022
		\$	\$
	Cash at bank	200,762	283,234
	Term deposits	-	501,246
		200,762	784,480
2.1.1 Cash Flow Information		6 months to 31 Dec 2022	6 months to 31 Dec 2021
		\$	\$
a.	<i>Reconciliation of cash flow from operations to loss after income tax</i>		
	Loss after income tax	(665,656)	(1,934,466)
	<i>Cash flows excluded from loss attributable to operating activities:</i>	-	-
	<i>Non-cash flows in loss from ordinary activities:</i>		
	 Depreciation and amortisation	12,518	9,256
	 Net share-based payments recognised in profit and loss	150,000	309,000
	<i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:</i>		
	 Decrease in trade and other receivables	74,864	9,499
	 (Decrease) in trade and other payables	(141,947)	(226,249)
	 Increase in provisions	10,000	
	Cash flow used in operations	(560,221)	(1,832,960)
2.2 Trade and other receivables		31 Dec 2022	30 Jun 2022
		\$	\$
2.2.1	Current		
	Goods and Services Tax receivable	48,042	101,589
	Other receivables	9,384	30,702
		57,426	132,291
2.3 Trade and other payables		31 Dec 2022	30 Jun 2022
		\$	\$
2.3.1	Current		
	<i>Unsecured</i>		
	Trade payables	239,002	301,811
	Sundry payables and accrued expenses	29,623	106,174
	Employee related	49,790	56,318
		318,415	464,303
2.4 Borrowings		31 Dec 2022	30 Jun 2022
		\$	\$
2.4.1	Current		
	Premium funding	8,004	24,014
		8,004	24,014

Note

For personal use only












Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 3 Non-financial assets and financial liabilities

3.1 Property, plant, and equipment		31 Dec 2022	30 Jun 2022
		\$	\$
Plant and equipment – at cost		6,298	6,298
Accumulated depreciation		(2,671)	(1,621)
		3,627	4,677
Motor vehicles at cost		68,807	68,807
Accumulated depreciation		(32,552)	(21,085)
		36,255	47,722
Total plant and equipment		39,882	52,399
3.2 Provisions		31 December	30 June
		2022	2022
		\$	\$
3.2.1 Current			
Employee entitlements		10,000	-
		10,000	-

Note 4 Equity

4.1 Issued capital		Note	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
			No.	No.	\$	\$
Fully paid ordinary shares at no par value			50,956,325	49,486,877	6,919,389	6,772,935
			6 months to 31 Dec 2022	12 months to 30 Jun 2022	6 months to 31 Dec 2022	12 months to 30 Jun 2022
4.1.1 Ordinary shares			No.	No.	\$	\$
At the beginning of the period			49,486,877	45,136,877	6,772,935	6,463,320
Shares issued during the period:						
 14.10.21 Corporate adviser shares	11.2.2a		-	750,000	-	127,500
 24.11.21 Vendor shares	11.2.2b.i		-	800,000	-	104,000
 14.01.22 Vendor shares	11.3.1a		-	1,000,000	-	125,000
<i>(granted 10.01.22)</i>						
 04.03.22 Vendor Shares	11.3.1b		-	960,000	-	82,560
<i>(granted 3.03.22)</i>						
 26.05.22 Conversion of vendor performance equity	4.3		-	840,000	-	72,240
 Unissued deferred consideration shares	11.2.2b.i			-	-	52,000
 29.07.22 Issued of deferred consideration shares	11.2.2b.i		400,000	-	-	-
 29.07.22 Advisory services	11.2.1a		500,000	-	100,000	-
 23.09.22 Exploration services	11.2.1b		569,448	-	50,000	-
Transaction costs related to shares issued			-	-	(3,546)	(253,685)
At reporting date			50,956,325	49,486,877	6,919,389	6,772,935



Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 4 Equity (cont.)

4.2 Options	Note	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
		No.	No.	\$	\$
Options		41,982,726	41,982,726	1,213,412	1,213,412
		6 months to 31 Dec 2022	12 months to 30 Jun 2022	6 months to 31 Dec 2022	12 months to 30 Jun 2022
		No.	No.	\$	\$
At the beginning of the period		41,982,726	21,436,875	1,213,412	1,032,529
Options movement during the period:					
25.10.21 Listed options (ASX: OZZO)	4.2.1	-	15,045,851	-	75,259
25.10.21 Underwriter options	11.2.2c	-	2,900,000	-	14,471
24.11.21 Consultants options	11.2.2b.ii	-	850,000	-	25,500
18.03.22 Employee options	11.3.2	-	1,750,000	-	65,653
At reporting date		41,982,726	41,982,726	1,213,412	1,213,412

4.2.1 Listed options are exercisable on or before 25 October 2024 at an exercise price of \$0.25.

4.3 Performance equity	Note	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
		No.	No.	\$	\$
Performance equity		500,000	500,000	-	-
		6 months to 31 Dec 2022	12 months to 30 Jun 2022	6 months to 31 Dec 2022	12 months to 30 Jun 2022
		No.	No.	\$	\$
4.3.1 Performance equity movement					
At the beginning of the period		500,000	-	-	-
Performance equity changes during the period:					
14.01.22 Vendor consideration	11.3.3a	-	500,000	-	-
04.03.22 Vendor consideration	11.3.3b	-	840,000	-	72,240
26.05.22 Conversion of vendor performance equity	4.3.2	-	(840,000)	-	(72,240)
At reporting date		500,000	500,000	-	-

4.3.2 The performance shares were converted following the completion of rehabilitation obligations from the small-scale mining activities that were completed by United Mines over the past few years. Now that the rehabilitation has been satisfied, the established camp will be vacated in June. The camp will form the base from which the substantial exploration plans for gold and base metal mineralisation will be conducted in 2022 and beyond.

4.3.3 Performance shares will vest and convert into ordinary shares on a one for one basis on achievement of the milestones described at note 11.3.3. If a milestone is not achieved by the applicable date, the relevant performance shares will automatically lapse

4.4 Reserves	Note	31 Dec 2022	30 Jun 2022
		\$	\$
Share-based payment reserve:			
Performance shares	4.3	-	-
Options	4.2	1,213,412	1,213,412
		1,213,412	1,213,412

Notes to the condensed financial statements

for the half-year ended 31 December 2022

SECTION B. UNRECOGNISED ITEMS

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 5 Contingent liabilities

The Company has no contingent liabilities as at 31 December 2022

Note 6 Events subsequent to reporting date

6.1 Share Placements

On 20 January 2023, the Company completed a placement of 4,000,000 shares to raise \$200,000 (before costs), at \$0.05 and has issued 4,000,000 Shares.

On 21 February 2023, the Company completed a further placement to raise \$350,000 (before costs) at \$0.05 and has issued 7,000,000 shares.

6.2 Entitlement Issue and Shortfall

On 20 January 2023 the Company closed an entitlement offer of up to 30,573,794 Ordinary Shares at an issue price of \$0.05 per new Share. The Company received acceptances for a total of 8,048,965 new Shares raising \$402,448 (before costs). The shortfall under the Offer is 22,524,829, was completed on 21 February 2023, raising additional funds of \$1,126,241 (before costs).

CPS Capital Group Pty Ltd was the lead manager and broker to the Company for the offer and completed the placement of the shortfall shares and the placement.

There has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Note 7 Commitments

	31 Dec 2022	30 Jun 2022
	\$	\$
7.1 Exploration expenditure commitments payable:		
Within one year	323,280	375,948
After one year but not more than five years	1,293,120	755,366
After five years	-	-
Total Exploration tenement minimum expenditure requirements	1,616,400	1,131,314

The Company will continue to assess each tenement annually and has the option to relinquish, sell, or divest a tenement should it not meet the expectations of the Company. The Company may apply for exemptions from expenditure if necessary.

For personal use only



Notes to the condensed financial statements

for the half-year ended 31 December 2022

SECTION C. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 8 Related party transactions

Details of transactions between the Company and other related parties are disclosed below.

Entity	Nature of transactions	KMP	Total Transactions		Payable Balance	
			6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$	31 Dec 2022 \$	30 Jun 2022 \$
Kazal Pty Ltd	Consulting	Alan Lockett	-	25,000	-	5,000
Lea Consulting	Consulting Fees	Jonathan Lea	-	12,440	-	5,278
Alan Lockett	Remuneration	Alan Lockett	-	33,475	-	-
Jonathan Lea	Remuneration	Jonathan Lea	12,617	131,784	-	-
Brian McNab	Remuneration	Brian McNab	13,260	20,100	-	-
Pathways Corporate Pty Ltd	Director Fees	David Wheeler	20,000	-	10,000	-
Pathways Corporate Pty Ltd	Director Fees	Joe Graziano	20,000	-	10,000	-
Catalyst Corporate Pty Ltd	Director Fees	Tim Slate	8,940	-	8,940	-

Note 9 Earnings per share (EPS)**9.1 Reconciliation of earnings to profit or loss**

	Note	6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$
Loss for the period		(665,656)	(1,934,466)
Loss used in the calculation of basic and diluted EPS		(665,656)	(1,934,466)

9.2 Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS

	Note	6 months to 31 Dec 2022 No.	6 months to 31 Dec 2021 No.
Weighted average number of ordinary shares outstanding		50,551,417	45,611,606
Weighted average number of dilutive equity instruments outstanding	9.5	N/A	N/A

9.3 Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS

	50,551,417	45,611,606
--	------------	------------

9.4 Earnings per share

	Note	6 months to 31 Dec 2022 ¢	6 months to 31 Dec 2021 ¢
Basic EPS (cents per share)	9.5	(1.317)	(4.241)
Diluted EPS (cents per share)	9.5	N/A	N/A

9.5 As at 31 December 2022, the Group has 41,982,726 unissued shares under options (31 December 2021: 40,232,726) and 500,000 performance shares on issue (31 December 2021: 1,147,759). No performance rights have vested. Unvested options and performance rights are not considered to be dilutive. In addition, the Group does not report diluted EPS on losses. During the 2022 year, the Group's unissued shares under option and performance shares were anti-dilutive.

Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 10 Operating segments

10.1 Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of business category and geographical areas. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics. The Company considers that it has only operated in one segment, being the exploration business, located wholly in Western Australia.

Note	11	Share-based payments	Note	6 months to 31 Dec 2022 \$	6 months to 31 Dec 2021 \$
11.1		Share-based payments:			
		■ Recognised in profit and loss:			
		□ Professional and consulting costs	11.2.1a	100,000	127,500
		□ Mineral exploration and evaluation costs:			
		▪ Vendor and Exploration service provider shares	11.2.1b	50,000	156,000
		▪ Vendor options		-	25,500
				150,000	309,000
		■ Recognised in equity – Transaction costs		-	14,471
		Gross share-based payments		150,000	323,471

11.2 Share-based payment arrangements in effect during the period

11.2.1 Issued during the period

a. Advisory services share issue

On 29 July 2022, in lieu of cash payment the Company issued shares in full settlement of advisory services as follows:

Consultant	Shares No.	Value per Share \$	Total \$
Exchange Capital Advisory Pty Ltd	500,000	0.20	100,000

b. Exploration services share issue

On 23 September 2022, the Company issued shares for drilling services provided in lieu of cash payment as follows:

Consultant	Shares No.	Value per Share \$	Total \$
K-Drill Pty Ltd	569,448	0.09	50,000

11.2.2 Issued in prior year, remaining in effect

a. Professional and consulting costs: CPS Capital Group Pty Ltd (CPS)

In accordance with a Short Form Prospectus lodged on 22 September 2021 (the **Prospectus**), CPS agreed to provide ad hoc corporate advisory services to the Company for a period of 12 months. The Company has agreed, pursuant to the Lead Manager Mandate, to issue CPS 750,000 Shares in lieu of corporate advisory fees payable to CPS for these services. These Shares were issued under the Prospectus on 15 October 2021.


Consultant	Shares No.	Value per Share \$	Total \$
CPS Capital Group Pty Ltd	750,000	0.17	127,500


Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 11 Share-based payments (cont.)**b. Vendor equity issues****i. Vendor shares**

A. During the period, as part of the acquisition of the Pinnacle Well project, the Company issued two tranches of shares as consideration for the project as follows:

 350,000 quoted fully paid ordinary shares

 400,000 quoted fully paid ordinary shares to be issued on 4 July 2022 (deferred consideration). On 29 July 2022, the Company issued 400,000 shares as the second tranche.

B. In addition, 250,000 fully paid ordinary shares were issued to Cadmon Advisory Services for providing corporate advice and services to facilitate the agreement. The Company also acquired an additional tenement in the Mt Davis project. As part consideration the Company issued 200,000 quoted fully paid ordinary shares.

Vendor	Project	Shares No.	Market Value per Share \$	Total \$
Alan Pellegrini	Pinnacle Well	350,000	0.130	45,500
Alan Pellegrini	Pinnacle Well	<i>Deferred</i>	0.130	52,000
Tanvanth Singh Sandhu	Mt Davis	200,000	0.130	26,000
Cadmon Advisory Services	Pinnacle Well	250,000	0.130	32,500
		800,000		156,000

ii. Vendor options

In addition, 850,000 quoted options were issued to Cadmon Advisory Services for providing corporate advice and services to facilitate the agreement in accordance with note 11.5:

Vendor	Project	Option No.	Expiry Date	Consideration \$	Exercise Price \$	Vesting Terms
Cadmon Advisory Services	Pinnacle Well	850,000	25 Oct 2024	nil	\$0.25	Immediately upon issue

c. Equity-settled transaction costs

In accordance with a *Short Form Prospectus* lodged on 22 September 2021 (the **Prospectus**), CPS agreed to underwrite the offer. Under the underwriting agreement the Company agreed to pay CPS an underwriting fee of 6% (plus any applicable GST) of the total gross proceeds raised under Prospectus and to issue to CPS 2,900,000 options on the same terms as the options to be issued under the Prospectus for providing these services.

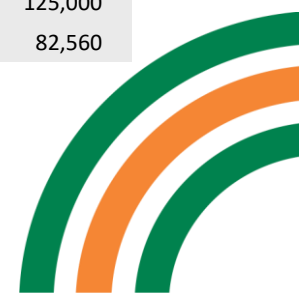
Lead Manager	Number under Option	Date of Expiry	Consideration	Exercise Price	Vesting Terms
CPS Capital Group Pty Ltd	2,900,000	25 October 2024	nil	\$0.25	Immediately upon issue

11.3 Share-based payments issued subsequent to comparative half-year end**11.3.1 Vendor equity issues**

a. On 14 January 2022, as part of the expansion of the Pinnacle Well project, the Company issued Anglo Australian Resources NL 1,000,000 shares as part consideration for the project

b. On 4 March 2022, as part consideration for the Linger and Die project, the Company issued United Mines Pty Ltd 960,000 shares.

Vendor	Project	Shares No.	Market Value per Share \$	Total \$
Anglo Australian Resources NL	Pinnacle Well	1,000,000	0.125	125,000
United Mines Pty Ltd	Linger and Die	960,000	0.086	82,560



Notes to the condensed financial statements

for the half-year ended 31 December 2022

Note 11 Share-based payments (cont.)

11.3.2 Employee options

On 18 March 2022, in accordance with the Company's Employee Incentive Plan, the Company issued 1,750,000 unlisted options to employees, as detailed below, and valued at \$65,653, in accordance with note 11.5:

Number under Option	Date of Expiry	Consideration	Exercise Price \$	Vesting Terms
1,750,000	18 Mar 2025	nil	0.25	Immediately upon issue

11.3.3 Vendor performance shares

- On 14 January 2022, as part of the expansion of the Pinnacle Well project, the Company issued Anglo Australian Resources NL 500,000 performance shares as part consideration for the project. These performance rights were valued at \$nil.
- As part consideration for the Linger and Die project, the Company issued United Mines Pty Ltd 840,000 performance shares. These performance rights were valued at \$72,240 and subsequently converted into ordinary shares.

Vendor	Performance Condition	Performance rights No.	Milestone Date	Expiry Date	Probability of milestones met %	Performance Condition Satisfied
Anglo Australian Resources NL	A JORC compliant gold resource of greater than 50,000 ounces at a minimum grade of 0.5g/t gold is defined or when commercial mining commences within 5 years	500,000	10 Jan 2027	10 Jan 2027	0	No
United Mines Pty Ltd	All rehabilitation obligations, to normal industry standards, of any areas disturbed by mining.	840,000	30 Nov 2022	30 Nov 2022	100	Yes

11.4 Movement in share-based payment arrangements during the period

A summary of the movements of all Company options issued as share-based payments is as follows:

	6 months to 31 Dec 2022		6 months to 31 Dec 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the period	16,400,000	\$0.25	10,900,000	\$0.25
Options movement during the period:				
Granted	-	\$0.25	3,750,000	\$0.25
Exercised or expired	-	-	-	-
Outstanding at period-end	16,400,000	\$0.25	14,650,000	\$0.25
Exercisable at period-end	16,400,000	\$0.25	14,650,000	\$0.25
Reconciliation to total Company options				
Non share-based payment options outstanding at the beginning of the period	10,536,875		10,536,875	
Options issued to shareholders	15,045,851		15,045,851	
Total Company options on issue	41,982,726		40,232,726	

- No options were exercised during the period.
- The weighted average remaining contractual life of options outstanding at year end was 1.953 years (2021: 2.357 years).
- The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

11.5 Fair value of options granted during the half-year

No options were granted during the half year

For personal use only

Notes to the financial statements

for the half-year ended 31 December 2022

Note 12 Statement of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the periods presented, unless otherwise stated.

12.1 Basis of preparation**12.1.1 Reporting Entity**

Ozz Resources Limited (**Ozz Resources** or the **Company**) is a listed public company limited by shares, domiciled and incorporated in Australia. This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Company for the half-year ended 31 December 2022, together with any public announcements made during the half-year.

12.1.2 Basis of accounting

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.



The financial statements were authorised for issue on 14 March 2023 by the Directors of the Company.

12.1.3 Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the half-year of \$665,656 (31 December 2021: \$1,934,466 loss) and a net cash out-flow from operating activities of \$560,221 (31 December 2021: \$1,832,960 out-flow).

The Directors have prepared a cash flow forecast which indicates that the consolidated entity will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis because of the following factors:

-  The Company raised funds of almost \$2.08 million before costs, subsequent to balance date (before costs), as disclosed in note 6.
-  The Company has the ability to scale down its operations in order to curtail expenditure, in the event that any capital raisings are delayed or insufficient cash is available to meet projected expenditure.

Based on the cashflow forecast and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate.

12.1.4 New and Amended Standards Adopted by the Company

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

12.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.



Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 17 to 31, are in accordance with the *Corporations Act 2001* (Cth) and:
 - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the financial position as at 31 December 2022 and of the performance for the half-year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company 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 pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the directors by:



JOE GRAZIANO

Director

Dated this Tuesday, 14 March 2023

For personal use only





INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF OZZ RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Ozz Resources Limited ("the Company") which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

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

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

Basis for Conclusion

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

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

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 control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 14th day of March 2023
Perth, Western Australia

Tenement report

for the half-year ended 31 December 2022

Tenement ID	Holder	Date Granted	Expiry Date	Project Area (Ha)	% Ownership
Maguires Reward					
P20/2318	Ozz Resources Limited	29/03/2018	28/03/2026	200	100%
Rabbit Bore					
E51/1671	Diversified Asset Holding Pty Ltd	7/04/2016	6/04/2026	2390	100%
Wardarbie South					
P51/3025	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
P51/3026	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
P51/3027	Gelignite Resources Pty Ltd	3/07/2019	2/07/2023	200	100%
Mt Davis					
P37/8633	Tanvanth Singh Sandhu 20% OZZ 80%	15/08/2016	14/08/2024	189	80%
P37/8634	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	195	100%
P37/8635	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	200	100%
P37/8636	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	181	100%
P37/8637	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	200	100%
P37/8638	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	90	100%
P37/9349	Tanvanth Singh Sandhu	8/04/2021	7/04/2025	181	100%
P37/9552	Ozz Resources Limited	18/03/2022	17/03/2026	169	100%
P37/9553	Ozz Resources Limited	18/03/2022	17/03/2026	180	100%
Peterwangy					
E70/5114	Provident Mining Pty Ltd	14/12/2018	13/12/2023	2390	100%
E70/5691	Ozz Resources Limited	24/02/2021	23/02/2026	2050	100%
Pinnacle Well					
E37/1246	Pellegrini, Alan Archibald	5/07/2016	4/07/2026	9,562	100%
E37/1287	Astral Resources NL	6/04/2017	5/04/2022	2,731	100%
E37/1355	Astral Resources NL	8/02/2019	7/02/2024	4,439	100%
E37/1234	United Mines Pty Ltd	13/01/2016	12/01/2026	341	100%
E37/1235	United Mines Pty Ltd	13/01/2016	12/01/2026	341	100%
P37/8523	United Mines Pty Ltd	5/11/2015	4/11/2023	149	100%
Vickers Well					
E38/3732	Ozz Resources Ltd	20/12/22	19/12/27	9,219	100%
E38/3733	Ozz Resources Ltd	20/12/22	19/12/27	19,120	100%



For personal use only

