



ICENI GOLD

LIMITED

A.C.N. 639 626 949

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

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Corporate directory

Directors

| | |
|-----------------|--|
| Brian Rodan | Executive Chairman and Managing Director |
| David Nixon | Technical Director |
| Keith Murray | Non-executive Director |
| Hayley McNamara | Non-executive Director |

Company Secretary

Sebastian Andre

Registered Office

| | |
|-----------|---|
| Address | Level 2, 41-43 Ord Street West Perth WA 6005 |
| Telephone | +61 (0)8 6458 4200 |
| Email | admin@icenigold.com.au |
| Website | www.icenigold.com.au |

Share Registry

| | |
|-----------|---|
| | Automic Registry Services |
| Address | Level 5, 191 St George's Terrace Perth WA 6000 Australia |
| Telephone | 1300 288 664 (within Australia) +61 (0)2 9698 5414 (outside Australia) |
| Facsimile | +61 (0)2 8583 3040 |

Auditors

| | |
|-----------|--|
| Address | Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco WA 6008 |
| Telephone | +61 (0)8 9226 4500 |

Solicitors to the Company

| | |
|---------|--|
| | Steinepreis Paganin |
| Address | Level 4 The Read Buildings 16 Milligan Street Perth WA 6000 |

Table of contents

| | |
|--|----|
| Directors' Report..... | 4 |
| Auditor's Independence Declaration | 16 |
| Consolidated Statement of profit or loss and other comprehensive income..... | 17 |
| Consolidated Statement of financial position..... | 18 |
| Consolidated Statement of changes in equity | 19 |
| Consolidated Statement of cash flows | 20 |
| Notes to the consolidated financial statements..... | 21 |
| Directors' Declaration | 33 |
| Independent Auditor's Report | 34 |

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Directors' Report

Your Directors present the financial report of Icen Gold Limited (Icen Gold or the Company) and the consolidated financial statements of the Company and its controlled entities (the Group) for the half-year ended 31 December 2022.

Directors

The names of Directors in office at any time during or since the end of the financial period are:

| Name | Title |
|-----------------------------|--|
| • Brian Bernard Rodan | Executive Chairman and Managing Director |
| • Keith Charles Murray | Non-Executive Director |
| • Hayley Catherine McNamara | Non-Executive Director |
| • David Glyn Nixon | Technical Director |

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

Company secretary

The following person held the position of Company Secretary during the half-year ended 31 December 2022:

- Sebastian Andre

Dividends paid or recommended

There were no dividends paid or recommended during the half-year ended 31 December 2022.

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 as disclosed elsewhere in this Interim Financial Report.

Operations and Financial Review

Nature of Operations and Principal Activities

The Group's main business undertaking is the exploration for and development of mineral resources. The Group's key projects are the 14 Mile Well and Guyer Well Projects, located in the Laverton region of Western Australia (Projects).

Icen Gold Limited (ASX: ICL) is pleased to report on its activities during the 6-month period ended 31 December 2022. Key highlights for the half year were:

- New target area known as Goose Well has been defined.
- Discovery of gold nugget anomalies at Guyer, Everleigh and Goose Well.
- UFF+ gold soil anomalies 14UF008 (Everleigh), 14UF015 (Crossroads), 14UF016 (Burgess Bore) and 14UF017 (Hages Bore) defined.
- All gold assays received from Everleigh Well DD program, including FMDD0032, FMDD0034 and FMDD0036, with gold mineralisation intersected in granite and magnetic dolerite.
- All assay results received from Danjo NE Air Core (AC) drilling program; with gold anomalies identified.

Directors' Report

Operations and Financial Review (continued)

- Gold assays received from Guyer AC program (Guyer North and Guyer Central), associated with UFF+ and gold nugget anomalies, BIF unit and granite-greenstone contact.
- Diamond drilling (DD) completed at Recon1 discrete magnetic target within the North1 target area; sulphide mineralisation and porphyries intersected in all three DD holes.



Figure 1: Selection of gold nuggets from a parcel of >150 nuggets discovered within the new target area at Goose Well.

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Directors' Report

Operations and Financial Review (continued)

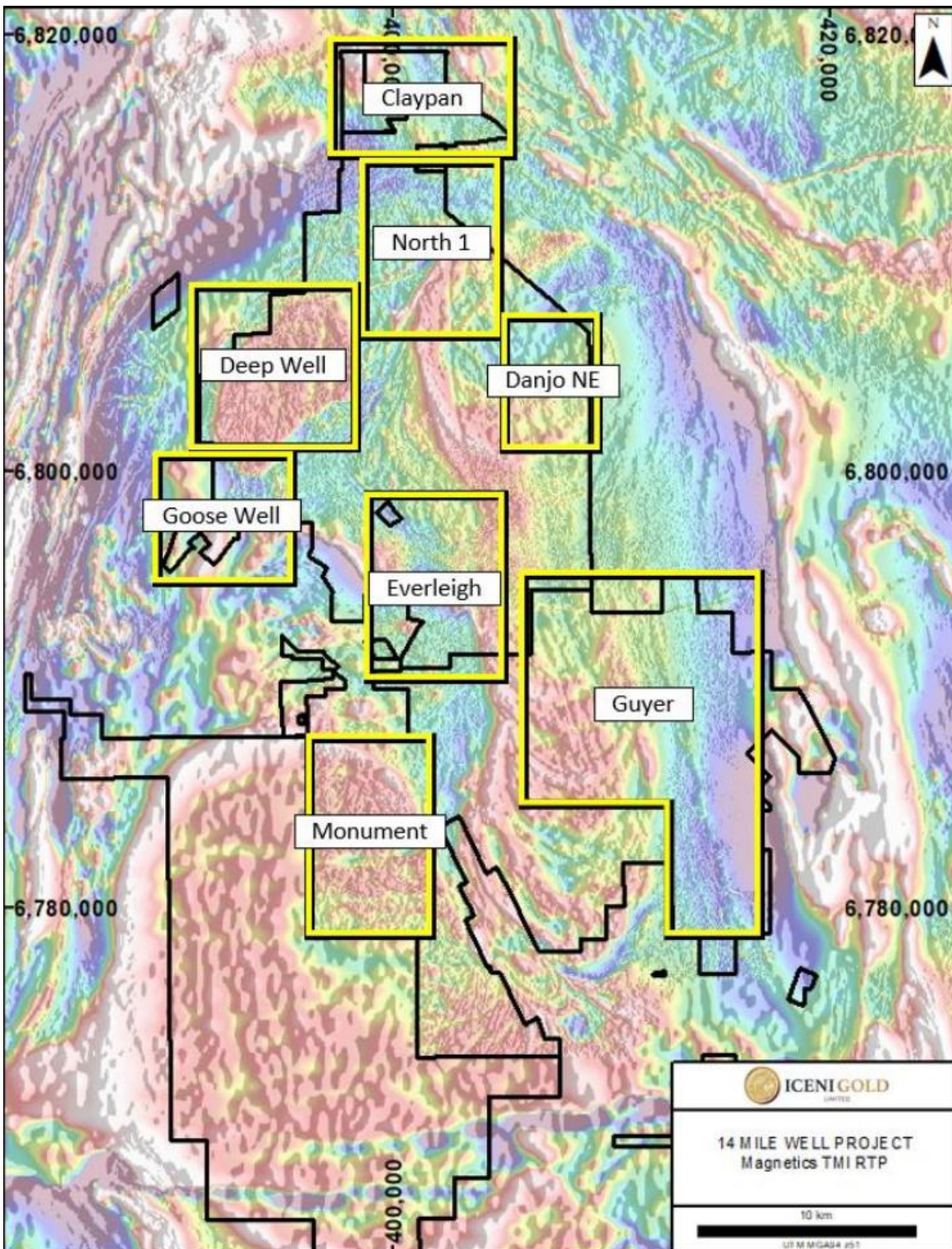


Figure 2: Target areas within the 14 Mile Well Project. Includes the seven existing target areas and the recently defined **Goose Well** target area. Background image is TMI RTP magnetics.

Directors' Report

Operations and Financial Review (continued)

Everleigh Well

All gold assay results have now been received from the DD holes at **Everleigh Well**. Three DD holes were completed in the program (FMDD0032, 34 & 36), for a total of 1,783m. Hole FMDD0032 was re-entered and extended due to the intensity of alteration/veining that was observed downhole and to acquire petrophysical measurements to constrain geophysical models within the area.

The majority of anomalous gold assay results in FMDD0032 and FMDD0034 ranged between 0.1-0.3g/t Au, with the highest results from each hole being 1.80g/t Au and 1.82g/t Au respectively. These assay results are highly encouraging because they demonstrate gold mineralisation is present. It is associated with the Castlemaine Fault and gold has been deposited within the granite.

Immediately west of the Castlemaine Fault hole FMDD0036 intersected a magnetic dolerite. Gold mineralisation is associated with the development of the sulphides pyrite, pyrrhotite and chalcopyrite within the magnetic dolerite.

The clustering of anomalous UFF+ gold samples associated with the magnetic dolerite unit has now been established at 14UF008, where underlying gold mineralisation in magnetic dolerite has been intersected by FMDD0036. Further along strike to the west-northwest clustering of UFF+ gold results continues to be associated with the magnetic dolerite, forming a broader zone of anomalism.

An integrated geophysical program is underway to support ongoing exploration within the Everleigh Well target area. The program includes the acquisition of data by a number of geophysical methods and the integration and modelling of this data in conjunction with existing geophysical data in the area.

Follow-up on-ground exploration work continues within the Everleigh Well target area, along the magnetic dolerite and along the Castlemaine Fault.



Figure 3: Specimen stone EV-1 (L) and 11.2g gold nugget (R).

Gold nuggets and gold specimen stone have been recovered from the Everleigh Well target area near the existing DD holes FMDD0032 and FMDD0034.

The nuggets/specimens from Everleigh were found in the transported surface alluvium. The direction of transport from the primary bedrock source is interpreted to be from the northwest. The specimens are large and are interpreted to be close to source.

Directors' Report

Operations and Financial Review (continued)

Guyer Well

The Guyer Well target area lies in the southeastern part of Icení's tenure. It lies over a north-northwest striking mafic greenstone sequence, bounded to the west by the Danjo Batholith and to the east by felsic volcanics.

Interpretation of the UFF+ results identified a number of coherent gold and multielement anomalies, dividing the Guyer into the North Guyer, Central Guyer and South Guyer prospects. Significant anomalies have also been identified at the adjacent East Well, Burges Bore and Hage prospects.

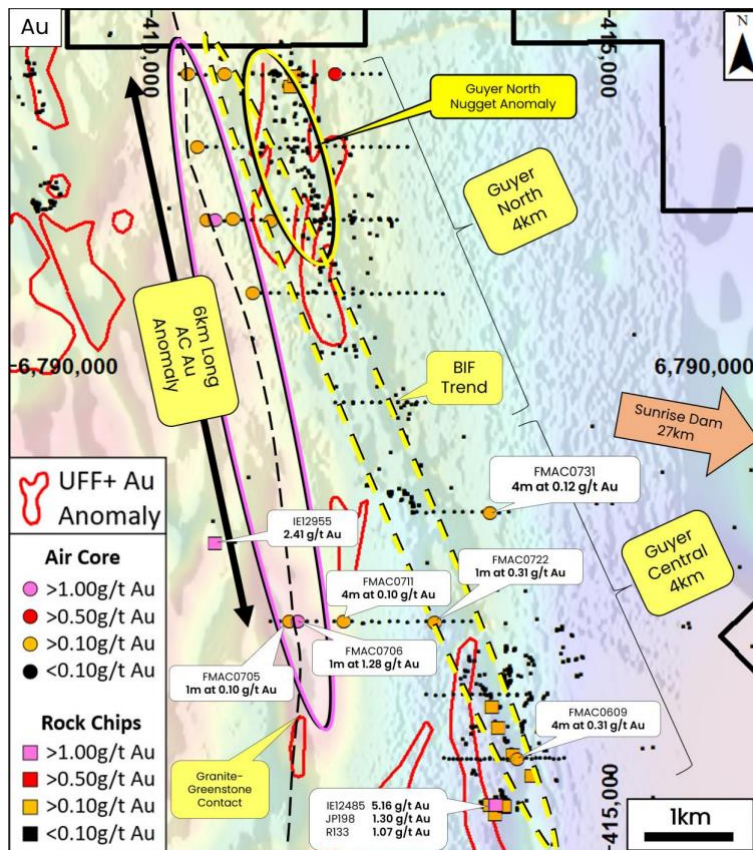


Figure 4: Gold results from rock chip and AC drilling at Guyer North and Guyer Central. Gold anomalism has been identified along the Granite-Greenstone contact in broad spaced drilling over a length of 6kms. Gold anomalism is associated with a BIF unit adjacent to the Granite-Greenstone contact.

Icení recently completed AC drilling at Guyer North and Guyer Central. The drilling was designed to test across the interpreted position of the Guyer Shear along the eastern side of the Danjo Granite. The drilling tested an area previously identified as a UFF+ gold soil anomaly with an associated gold nugget anomaly.

The assay results from this drilling have been received. A number of gold anomalous holes have been identified. These gold anomalous AC holes form clusters that correlate with the eastern contact of the Danjo Granite and an adjacent BIF unit. The Granite-Greenstone contact within the Guyer target area remains largely untested and is an opportunity to be tested by future exploration programs.

Directors' Report

Operations and Financial Review (continued)

Metal detecting along the Guyer Shear has discovered over 500 gold nuggets in the surface alluvium. The distribution of the nuggets forms a defined trend that corresponded with the North Guyer UFF+ gold soil anomaly. The nugget trend provides tangible support for the gold soil anomaly.

The nugget assemblage includes angular nuggets that show little signs of rounding due to transport. The angular nuggets are interpreted to be close to the primary source.

Fieldwork is ongoing in the Guyer target area.



Figure 5: Gold nuggets discovered at North Guyer, where over 500 gold nuggets have been recovered.

Goose Well

Evidence of historic gold workings can be found within the Goose Well intrusion and in the surrounding reaction halo. The Company is prospecting the area using metal detectors, and systematic searching has recovered +150 gold nuggets adjacent to the Goose Well intrusion.

Directors' Report

Operations and Financial Review (continued)

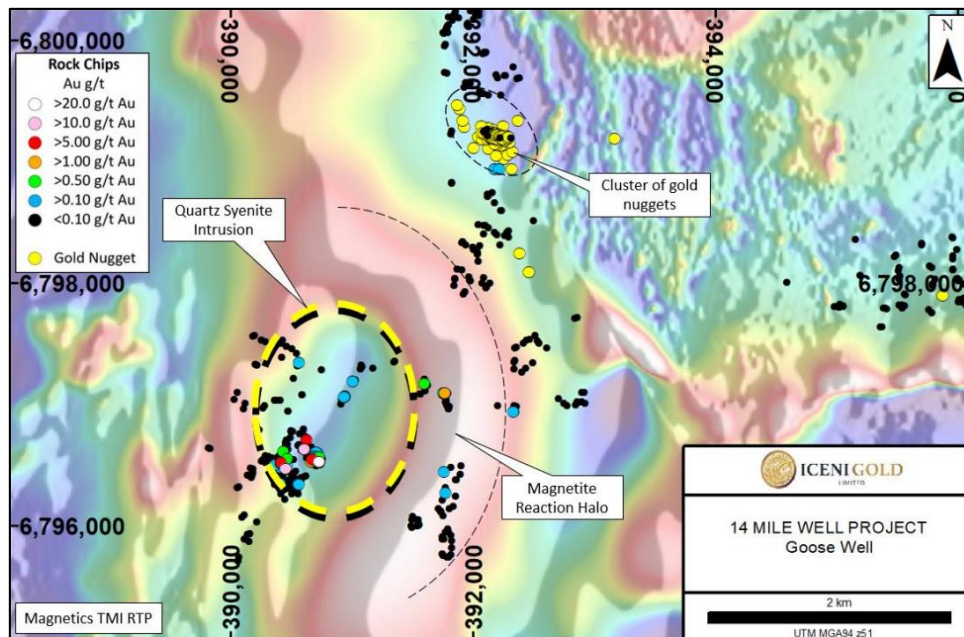


Figure 6: Gold anomalism in surface rock chip sampling at Goose Well, where the high-grade gold is associated with sulphide bearing quartz veins. Background image is TMI RTP magnetics.

The nuggets display an assemblage of textures that indicate some surface transport, supergene enrichment and the preservation of primary textures. The presence of angular gold fragments, crystalline gold and attached pieces of the quartz vein host suggest the gold nuggets have not travelled far from source.

The interpretation that the gold nuggets have not travelled far is supported by nearby high-grade gold results in surface rock chip sampling. Peak gold values exceed 20g/t Au and have strong coincident silver, bismuth and tellurium anomalism. These samples were associated with quartz veins hosting fresh sulphides or boxworks after sulphides.

The gold nugget anomaly is coincident with multi-element geochemical anomalies and significant physical/geophysical anomalies related to the syenite intrusion.

Danjo NE

The Company has received the assay results from the 121-hole AC drilling program at Danjo NE, totalling 4,524m surrounding the initial DD program. The DD program was following up gold anomalism identified in surface rock chips and was designed to test down dip and along strike.

The DD intersected sulphide bearing quartz-tourmaline veins within a broader alteration zone in the Danjo Granite.

All AC assay results have now been received and reviewed by the Company's geological team. These results will be integrated with the CSIRO UFF+ ML outputs.

Directors' Report

Operations and Financial Review (continued)

The gold results display clustering (where elevated results group together spatially). The results in AC holes FMAC0261 and FMAC0262 are located adjacent to each other on the northern edge of the drilling pattern. Clustered results tend to indicate a more robust anomaly, particularly where there are higher grade values or with multi-element support.

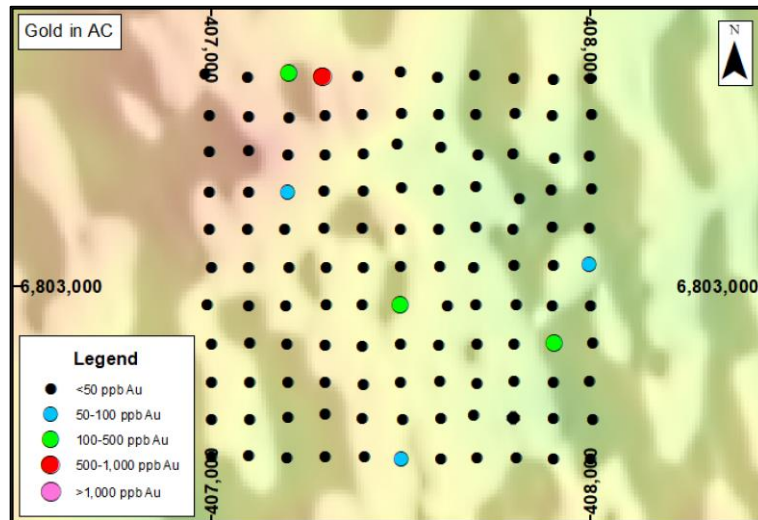


Figure 7: AC geochemistry results at Danjo NE. Gold anomalism is clustering on the northern edge of the AC drilling grid.

The gold anomalies identified in the AC drilling at Danjo NE further reinforce the significant potential for the discovery of gold mineralisation within the 14 Mile Well Project, particularly where gold anomalism is clustering, supported by multi-element geochemistry and associated with a geophysical feature.

North 1

The initial three-hole DD program was completed for 1,552m at Recon-1.

Sulphides were observed in all three holes, associated with zones of increased brecciation and veining. The sulphides occur as disseminations throughout the volcanic pile, as stringers along fractures, within quartz/carbonate veining and as infill between the andesitic pillows.

Directors' Report

Operations and Financial Review (continued)

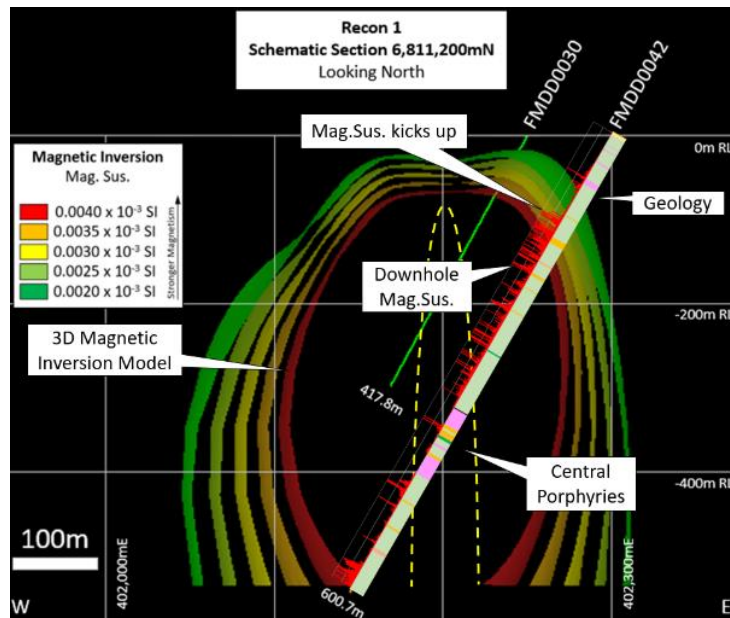


Figure 8: Schematic section 6,811,200mN showing the 3D magnetic inversion model intersected by FMDD0042.

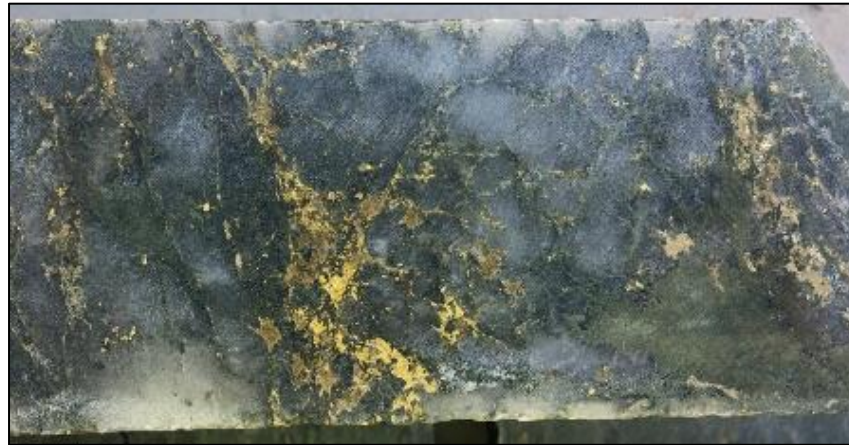


Figure 9: FMDD0042 ~135m, sulphide bearing quartz vein with the sulphides pyrrhotite, pyrite and chalcopyrite hosted within altered andesite volcanics.

The DD has intersected the modelled magnetic body at Recon-1. It is interpreted that magnetic minerals form the alteration shell as a result of the fluids and heat being driven out from the central porphyries.

The presence of the sulphide assemblage (pyrrhotite, pyrite, chalcopyrite and arsenopyrite) associated with the porphyry intrusions and the potassic alteration (biotite) all hosted within the magnetic altered andesite sequence is encouraging. Visual estimates of sulphides observed in the drilling are provided in the tables of visual estimates of mineralisation.

Directors' Report

Operations and Financial Review (continued)

UFF+ Soil Anomalies

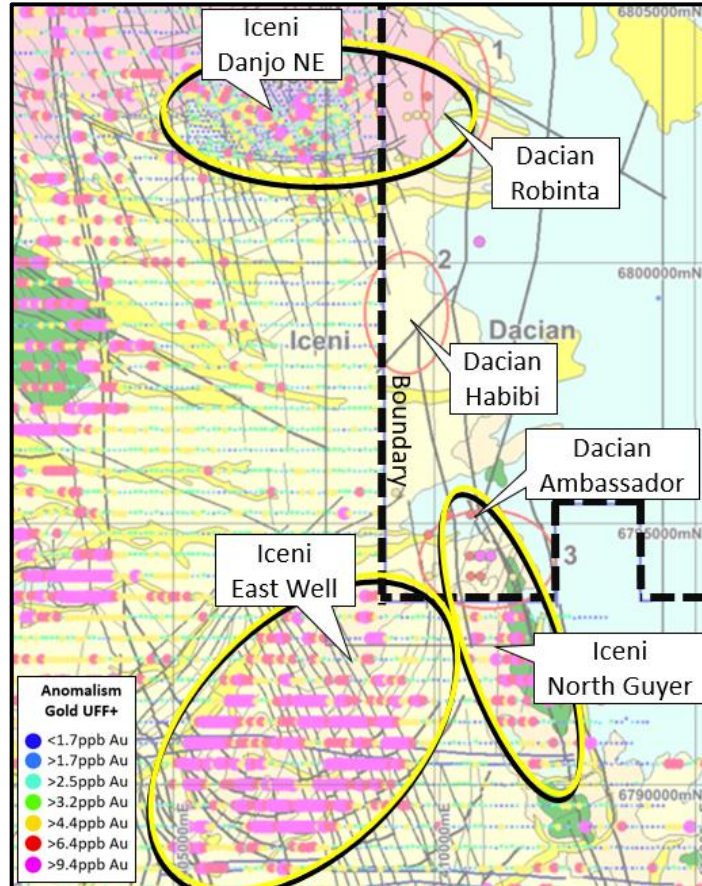


Figure 10: Gold anomalies identified in UFF+ results extend over the Icení 14 Mile Well Project boundary into the neighbouring Mt Morgans project, operated by Dacian Gold Ltd.

Dacian Gold Ltd (Dacian) operates the neighbouring Mt Morgans Project, situated to the east of Icení's 14 Mile Well Project. Dacian has conducted UFF+ sampling within the Mt Morgans Project up to the companies' shared boundary and the results were available in ASX releases (Dacian ASX announcement dated 17 June 2022 and Genesis Minerals Ltd ASX announcement dated 5 July 2022).

Dacian has three target areas (Robinta, Habibi and Ambassador) along the eastern boundary of Icení's 14 Mile Well Project. Some of these targets form the natural extensions of existing UFF+ gold anomalies within the 14 Mile Well Project, specifically the North Guyer gold anomaly, the Danjo NE gold anomaly and potentially the East Well gold anomaly. The higher grade and more coherent portions of these anomalies are located within Icení's 14 Mile Well Project area.

Analysis of results from the CSIRO UFF+ soil program has identified four new gold soil anomalies; 14UF008-Everleigh, 14UF015-Crossroads, 14UF016-Burges Bore and 14UF017-Hage's Bore.

Directors' Report

Operations and Financial Review (continued)

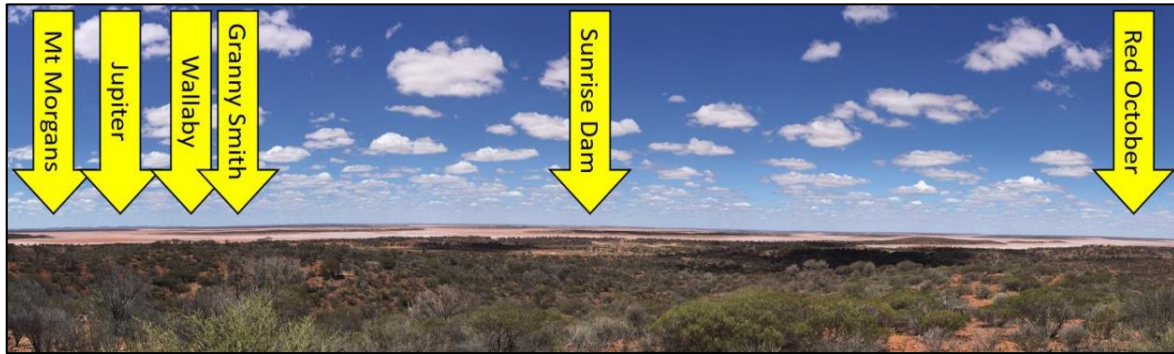


Figure 11: View from a hill adjacent to the Hage's Bore UFF+ anomaly, showing the locations of the nearby gold mines in the Laverton District.

Financial Review

Operating Results

For the half-year ended 31 December 2022, the Group reported a Total Comprehensive Loss of \$658,996. (31 December 2021: loss \$737,294).

Financial Position

The net assets of the Group as at 31 December 2022 were \$24,259,043 (30 June 2022: \$24,918,039). As at 31 December 2022, the Group's cash and cash equivalents were \$3,696,830 and it had working capital of \$2,713,316.

Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations 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 Group.

Environmental Regulations

The Group's operations are not currently subject to any significant environmental regulations in the jurisdiction it operates in, namely Australia. At the date of this report, the Audit, Nomination, Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

Competent Person Statement

The information contained in this announcement relating to Exploration Results has been previously reported by the Company as set out in the respective references above (Announcements). The Company confirms that it is not aware of any new information or data that would materially affect the information included in the Announcements.

Directors' Report

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Auditor's independence declaration

The 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. This Report of the Directors is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001 (Cth).



BRIAN RODAN

Managing Director

Dated this 15th day of March 2023

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 Icen Gold 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 Delaurenits

MARK DELAURENITS CA
Director

Dated 15th day of March 2023
Perth, Western Australia

Consolidated Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2022

| | 31 December 2022 | 31 December 2021 |
|--|------------------|------------------|
| | \$ | \$ |
| Interest income | 24,543 | 7,357 |
| Total income | 24,543 | 7,357 |
| Compliance costs | (44,413) | (68,782) |
| Depreciation | (2,530) | (1,984) |
| Employment costs | (107,969) | (111,789) |
| Financing costs | (33,489) | (39,677) |
| Information technology costs | (8,413) | (9,777) |
| Insurance | (26,601) | (15,864) |
| Legal fees | (1,251) | (5,428) |
| Professional fees | (180,430) | (229,549) |
| Public relations marketing and advertising | (150,673) | (114,350) |
| Rental costs | (60,000) | (120,000) |
| Other expenses | (41,069) | (26,980) |
| Travel and accommodation costs | (26,701) | (471) |
| Total expenses | (683,539) | (744,651) |
| Loss before income tax | (658,996) | (737,294) |
| Income tax benefit | - | - |
| Net loss for the period from continuing operations | (658,996) | (737,294) |
| Other comprehensive income for the period, net of tax | - | - |
| Total comprehensive loss for the period | (658,996) | (737,294) |

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

Consolidated Statement of financial position

As at 31 December 2022

| | Note | 31 December 2022 \$ | 30 June 2022 \$ |
|--|------|------------------------|--------------------|
| Current assets | | | |
| Cash and cash equivalents | 2 | 3,696,830 | 7,798,471 |
| Trade and other receivables | 3 | 141,833 | 225,896 |
| Financial assets | 4 | 150,000 | 150,000 |
| Other assets | 5 | 56,058 | 93,113 |
| Total Current Assets | | 4,044,721 | 8,267,480 |
| Non-current assets | | | |
| Capitalised exploration and evaluation expenditure | 6 | 19,639,035 | 16,558,633 |
| Property plant and equipment | 7 | 2,210,114 | 2,398,062 |
| Other assets | 5 | 83,131 | 93,115 |
| Intangible asset | 8 | 8,084 | 9,172 |
| Inventory | 9 | 28,996 | - |
| Total Non-Current Assets | | 21,969,360 | 19,058,982 |
| Total Assets | | 26,014,081 | 27,326,462 |
| Current liabilities | | | |
| Trade and other payables | 10 | 609,717 | 820,389 |
| Current borrowings | 12 | 646,012 | 1,034,562 |
| Current provisions | 11 | 75,674 | 78,230 |
| Total Current Liabilities | | 1,331,403 | 1,933,181 |
| Non-current liabilities | | | |
| Non-current borrowings | 12 | 419,837 | 473,658 |
| Non-current provisions | 11 | 3,798 | 1,584 |
| Total Non-Current Liabilities | | 423,635 | 475,242 |
| Total Liabilities | | 1,755,038 | 2,408,423 |
| Net Assets | | 24,259,043 | 24,918,039 |
| Equity | | | |
| Issued capital | 13 | 26,825,539 | 26,825,539 |
| Reserves | 14 | 1,794,528 | 1,794,528 |
| Accumulated losses | | (4,361,024) | (3,702,028) |
| | | 24,259,043 | 24,918,039 |

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

Consolidated Statement of changes in equity

For the half-year ended 31 December 2022

| | Note | Issued Capital | Accumulated Losses | Reserves | Total |
|---|------|-------------------|--------------------|------------------|-------------------|
| | | \$ | \$ | \$ | \$ |
| Balance at 1 July 2021 | | 24,800,539 | (2,385,413) | 1,794,528 | 24,209,654 |
| Loss for the period | | | (737,294) | - | (737,294) |
| Other comprehensive income for the half-year | | - | - | - | - |
| Total comprehensive loss for the half-year | | - | (737,294) | - | (737,294) |
| Transactions with owners, directly in equity | | - | - | - | - |
| Shares issued | 13 | 2,025,000 | - | - | 2,025,000 |
| Balance at 31 December 2021 | | 26,825,539 | (3,122,707) | 1,794,528 | 25,497,360 |
| Balance at 1 July 2022 | | 26,825,539 | (3,702,028) | 1,794,528 | 24,918,039 |
| Loss for the period | | | (658,996) | - | (658,996) |
| Other comprehensive income for the half-year | | - | - | - | - |
| Total comprehensive loss for the half-year | | - | (658,996) | - | (658,996) |
| Transactions with owners, directly in equity | | - | - | - | - |
| Balance at 31 December 2022 | | 26,825,539 | (4,361,024) | 1,794,528 | 24,259,043 |

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

Consolidated Statement of cash flows

For the half-year ended 31 December 2022

| | Note | 31 December 2022 | 31 December 2021 |
|---|----------|--------------------|---------------------|
| | | \$ | \$ |
| Cash flow from operating activities | | | |
| Payments to suppliers and employees | | (511,961) | (778,711) |
| Receipts from customers | | 1,444 | - |
| Interest paid | | (33,489) | (39,677) |
| Interest received | | 21,781 | - |
| Net cash used in operating activities | | (522,225) | (818,388) |
| Cash flow from investing activities | | | |
| Payments for exploration and evaluation | | (3,079,908) | (4,997,681) |
| Payments for property plant and equipment | | (28,142) | (2,275,690) |
| Payments for intangible assets | | - | (10,800) |
| Payments for investments | | (28,996) | (5,000,000) |
| Net cash used in investing activities | | (3,137,046) | (12,284,171) |
| Cash flow from financing activities | | | |
| Proceeds from issue of shares | | - | 2,025,000 |
| Proceeds from borrowings | | - | 2,028,774 |
| Repayment of borrowings | | (442,370) | (485,407) |
| Net cash (used in) / provided by financing activities | | (442,370) | 3,568,367 |
| Net decrease in cash and cash equivalents | | (4,101,641) | (9,534,192) |
| Cash and cash equivalents at the beginning of the period | | 7,798,471 | 17,367,903 |
| Cash and cash equivalents at the end of the period | 2 | 3,696,830 | 7,833,711 |

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

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 1. Statement of significant accounting policies

These are the consolidated financial statements and notes thereto of Icen Gold Limited (the Company) and controlled entities (collectively the Group or Consolidated Group). Icen Gold Limited is a Company limited by shares, domiciled and incorporated in Australia. The Company was incorporated on 13 July 2020 with a 30 June year end, as resolved by the directors. The Company is a for-profit entity for the purpose of preparing consolidated financial statements under Australian Accounting Standards.

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This interim financial report is intended to provide users with an update on the most recent annual financial statements of the Company and its controlled entities. As such, it does not contain all the information and disclosures required in the annual financial statements or information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that the interim financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the following half-year.

The interim financial report was authorised for issue on the 15th March 2023 by the Directors of the Company.

1.1 Basis of preparation

i. Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards of the Australian Accounting Standards Board (**AASB**) 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 AASB 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.

ii. Going Concern

The interim 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 Group incurred a loss for the half year ended 31 December 2022 of \$658,996 (31 December 2021 loss: \$737,294) and net cash outflows from operating activities of \$522,225 (2021: \$818,388 outflows). As at 31 December 2022 the Group's cash and cash equivalents were \$3,696,830 (30 June 2022: \$7,798,471) and it had working capital of \$2,713,316 (30 June 2022: \$6,334,299).

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:

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 1. Statement of significant accounting policies (continued)

- the Directors have an appropriate plan to raise additional funds as and when they are required; and
- the Group 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, in particular given the Company's history of raising capital to date. The Directors are confident of the Company's ability to raise funds as and when required.

Should the Group not be able to fund its operations in accordance with the factors set out above, there is material uncertainty whether it would be able to continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Group not be able to continue as a going concern.

iii. Use of estimates and judgements

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 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 year in which the estimate is revised and in any future years affected.

Judgements made by management in the application of AASBs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 1.2b.

1.2 Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards and determined that, except for inventory, their application to the financial statements is either not relevant or not material.

a. Principles of Consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed, when necessary, to align them with the policies adopted by the Group.

ii. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

iii. Functional and presentation currency

The functional currency of the Group is the currency of the primary economic environment in which that entity operates.

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

b. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. There are presently no estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

c. Exploration and Development Expenditure

Costs incurred with respect to the acquisition of rights to explore for each identifiable area of interest are capitalised in the statement of financial position.

Capitalised costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Capitalised costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the capitalised costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

d. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 2. Cash and cash equivalents

Reconciliation of cash

| | 31 December 2022 | 30 June 2022 |
|--------------|------------------|------------------|
| | \$ | \$ |
| Cash at bank | 3,696,830 | 7,798,471 |
| | 3,696,830 | 7,798,471 |

Note 3. Trade and other receivables

| | 31 December 2022 | 30 June 2022 |
|------------------|------------------|----------------|
| | \$ | \$ |
| Current | | |
| <i>Unsecured</i> | | |
| Deposits | 12,000 | 12,000 |
| Sundry debtors | 4,045 | 1,799 |
| GST receivable | 125,788 | 212,097 |
| | 141,833 | 225,896 |

Note 4. Financial assets

| | 31 December 2022 | 30 June 2022 |
|----------------|------------------|----------------|
| | \$ | \$ |
| Current | | |
| Term deposits | 150,000 | 150,000 |
| | 150,000 | 150,000 |

A \$150,000 term deposit was entered into for a 12-month term with an initial maturity date of 31 May 2022. During the half-year this term deposit was rolled into another term deposit with a 6-month term with a current maturity date of 7 June 2023. The term deposit provides a secure cash bank guarantee in favour of Toyota Finance Australia. See Note 18 for further details.

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 5. Other assets

| | 31 December 2022 | 30 June 2022 |
|--------------------|------------------|----------------|
| | \$ | \$ |
| Current | | |
| Prepayments | 56,056 | 93,113 |
| Non-current | | |
| Prepayments | 83,131 | 93,115 |
| | 139,187 | 186,228 |

Note 6. Capitalised exploration and evaluation expenditure

Movement in the capitalised exploration and evaluation expenditure between the beginning and the end of the current financial period:

| | 31 December 2022 | 30 June 2022 |
|-------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Balance at the beginning of period | 16,558,633 | 6,765,404 |
| Acquisitions | | |
| - Acquisition from prospectors | 40,000 | 248,487 |
| - Tenement application fees | 290 | 4,826 |
| - Transaction fees | - | 188,824 |
| Total acquisitions | 40,290 | 442,137 |
| Capitalised exploration expenditure | 3,040,112 | 9,351,092 |
| Closing Balance | 19,639,035 | 16,558,633 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 7. Property, plant and equipment

| | 31 December 2022 | 30 June 2022 |
|--|------------------|------------------|
| | \$ | \$ |
| Motor vehicles – cost | 582,394 | 582,394 |
| Less: Accumulated depreciation | (189,753) | (133,170) |
| | 392,641 | 449,224 |
| Heavy equipment – cost | 465,443 | 465,443 |
| Less: Accumulated depreciation | (58,531) | (35,068) |
| | 406,912 | 430,375 |
| Plant & equipment – cost | 1,711,186 | 1,691,105 |
| Less: Accumulated depreciation | (382,946) | (265,206) |
| | 1,328,240 | 1,425,899 |
| Office equipment – cost | 59,568 | 58,271 |
| Less: Accumulated depreciation | (38,478) | (26,698) |
| | 21,090 | 31,573 |
| Exploration equipment – cost | 59,749 | 52,984 |
| Less: Accumulated depreciation | (20,500) | (14,263) |
| | 39,249 | 38,721 |
| Leasehold improvements – cost | 22,851 | 22,851 |
| Less: Accumulated depreciation | (869) | (581) |
| | 21,982 | 22,270 |
| Total property, plant and equipment | 2,210,114 | 2,398,062 |

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period:

| | Motor vehicles | Heavy equipment | Plant and equipment | Office equipment | Exploration equipment | Leasehold improvements | Total |
|--|----------------|-----------------|---------------------|------------------|-----------------------|------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at beginning of period | 449,224 | 430,375 | 1,425,899 | 31,573 | 38,721 | 22,270 | 2,398,062 |
| Additions | - | - | 20,081 | 1,297 | 6,765 | - | 28,143 |
| Depreciation expense | (56,583) | (23,463) | (117,740) | (11,780) | (6,237) | (288) | (216,091) |
| Closing Balance at 31 December 2022 | 392,641 | 406,912 | 1,328,240 | 21,090 | 39,249 | 21,982 | 2,210,114 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 8. Intangible asset

| | 31 December 2022 | 30 June 2022 |
|--------------------------------|------------------|--------------|
| | \$ | \$ |
| Other intangible asset – cost | 10,800 | 10,800 |
| Less: Accumulated amortisation | (2,716) | (1,628) |
| | 8,084 | 9,172 |

Internal-use computer software was acquired in a prior period and is expected to have a finite useful life. The amortisation method used for computer software is straight line over 5 years (20%). The amortisation expense is included within the 'Depreciation and amortisation' line on the 'Statement of comprehensive income'.

Note 9. Inventory

| | 31 December 2022 | 30 June 2022 |
|--------------------|------------------|--------------|
| | \$ | \$ |
| Non-current | | |
| Gold | 28,996 | - |
| | 28,996 | - |

The Group acquired gold nuggets during the half-year, totaling 306.2 grams. The gold nuggets have been recorded at cost and are assessed at the period end to ensure they are held at the lower of cost and net realisable value.

Note 10. Trade and other payables

| | 31 December 2022 | 30 June 2022 |
|----------------|------------------|----------------|
| | \$ | \$ |
| Current | | |
| Trade payables | 609,717 | 820,389 |
| | 609,717 | 820,389 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 11. Provisions

| | 31 December 2022 | 30 June 2022 |
|--------------------|------------------|---------------|
| | \$ | \$ |
| Current | | |
| Employee benefits | 75,674 | 78,230 |
| Non-current | | |
| Employee benefits | 3,798 | 1,584 |
| | 79,472 | 79,814 |

Provision for employee benefits represents amounts accrued for annual leave and long service leave where leave may be carried year to year.

The current portion for this provision includes the total amount accrued for annual leave entitlements that have vested due to employees having completed the required period of service. The Group does not expect the full amount of annual leave balances classified as current liabilities to be settled within the next 12 months, however, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Note 12. Borrowings

| | 31 December 2022 | 30 June 2022 |
|---------------------------------|------------------|------------------|
| | \$ | \$ |
| Current | | |
| Chattel mortgages | 660,034 | 1,004,938 |
| Less: unexpired interest | (37,998) | (50,295) |
| | 622,036 | 954,643 |
| Insurance premium funding | 24,875 | 82,916 |
| Less: Unexpired interest | (899) | (2,997) |
| | 23,976 | 79,919 |
| Total current borrowings | 646,012 | 1,034,562 |
| Non-current | | |
| Chattel mortgages | 428,541 | 488,499 |
| Less: unexpired interest | (8,704) | (14,841) |
| | 419,837 | 473,658 |
| Total borrowings | 1,065,849 | 1,508,220 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 13. Issued capital

| | 31 December 2022 | | 30 June 2022 | |
|----------------------------|--------------------|-------------------|--------------------|-------------------|
| | No. | Amount | No. | Amount |
| | \$ | \$ | \$ | \$ |
| Fully paid Ordinary Shares | 208,571,428 | 26,820,114 | 208,571,428 | 26,820,114 |
| Options | 19,706,857 | 5,425 | 19,706,857 | 5,425 |
| Total Share Capital | 228,278,285 | 26,825,539 | 228,278,285 | 26,825,539 |

Ordinary Shares

| | 31 December 2022 | | 30 June 2022 | |
|------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | No. | Amount | No. | Amount |
| | \$ | \$ | \$ | \$ |
| Opening Balance | 208,571,428 | 26,820,114 | 199,571,428 | 24,795,114 |
| 20.08.2021 Placement of shares (i) | - | - | 9,000,000 | 2,025,000 |
| Balance at reporting date | 208,571,428 | 26,820,114 | 208,571,428 | 26,820,114 |

a. Shares of the Company were issued during the prior financial year on the following basis:

(i) On 20 August 2021 9,000,000 fully paid ordinary shares at an issue price of \$0.225 raising \$2,025,000.

b. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Options

| | 31 December 2022 | | 30 June 2022 | |
|----------------------------------|-------------------|--------------|-------------------|--------------|
| | No. | Amount | No. | Amount |
| | \$ | \$ | \$ | \$ |
| Opening Balance | 19,706,857 | 5,425 | 19,706,857 | 5,425 |
| Balance at reporting date | 19,706,857 | 5,425 | 19,706,857 | 5,425 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 14. Reserves

| | 31 December 2022 | 30 June 2022 |
|-----------------------------|------------------|------------------|
| | \$ | \$ |
| Share-based payment reserve | 1,794,528 | 1,794,528 |
| | 1,794,528 | 1,794,528 |

Share-based payment reserve

The share-based payment reserve records the value of options and performance rights issued by the Company to its employees or consultants.

Note 15. Interest in subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group. Investments in subsidiaries are accounted for at cost. The subsidiary's country of incorporation is also its principal place of business:

| Subsidiary | Country of incorporation | Class of shares | Percentage owned |
|---------------------------|--------------------------|-----------------|------------------|
| 14 Mile Well Gold Pty Ltd | Australia | Ordinary | 100% |
| Guyer Well Gold Pty Ltd | Australia | Ordinary | 100% |

Note 16. Commitments

Capital expenditure commitments

16.1 Capital expenditure contracted but not provided for in the financial statements:

| | 31 December 2022 | 30 June 2022 |
|----------------------------|------------------|----------------|
| | \$ | \$ |
| Within one year | - | 108,000 |
| Between one and five years | - | - |
| Due later than five years | - | - |
| | - | 108,500 |

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 16. Commitments (continued)

Tenement expenditure commitments

In order to maintain current rights of tenure to exploration tenements the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the Western Australian State Government. These obligations may be reset when application for a mining lease is made and at other times. The Group has a minimum expenditure commitment on tenures it controls. The Group can apply for exemption from compliance with minimum exploration expenditure requirements. Due to the nature and scale of the Group's exploration activities the Group is unable to estimate its likely tenement holdings and therefore minimum expenditure requirements more than 1 year ahead.

| | 31 December 2022 | 30 June 2022 |
|----------------------------|------------------|--------------|
| | \$ | \$ |
| Within one year | 1,465,040 | 1,432,200 |
| Between one and five years | - | - |
| Due later than five years | - | - |
| | 1,465,040 | 1,432,200 |

Note 17. Credit standby arrangements

| | 31 December 2022 | 30 June 2022 |
|-----------------------|------------------|--------------|
| | \$ | \$ |
| Credit facility limit | 2,700,000 | 2,700,000 |
| Amount utilised | 1,041,873 | 1,428,301 |
| | 1,658,127 | 1,271,699 |

Revolving Loan Facility

The Company has a revolving financing facility with a limit of \$2,700,000. As part of the security the Company provided a secured bank guarantee in favour of Toyota Finance Australia with a nominal value of \$150,000. The bank guarantee provided is fully secured by cash on term deposit.

Note 18. Contingent assets and liabilities

The Directors are of the opinion that the recognition of a provision is not required in respect of the following matter, as it is not probable that a future sacrifice of economic benefits will be required, or the amount is not capable of reliable measurement.

Bank guarantee

The Company has provided a secured bank guarantee in favour of Toyota Finance Australia with a nominal value of \$150,000. The bank guarantee provided is fully secured by cash on term deposit. See Note 4 for further details.

The company has no contingent assets or liabilities as 31 December 2022.

Notes to the consolidated financial statements

For the half-year ended 31 December 2022

Note 19. Events subsequent to reporting date

No matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Note 20. Related party transactions

Transactions between parties are on normal commercial terms and conditions no more favourable than those available to other parties, unless otherwise stated. Related party transactions (inclusive of GST) with the Company are listed below:

| | Transactions – 1 July 2022 to 31 December 2022 | Amounts outstanding at 31 December 2022 |
|--|---|--|
| | \$ | \$ |

MCA Nominees Pty Ltd:

MCA Nominees Pty Ltd, a business controlled by Mr Brian Rodan, provides mining administration and consulting services, and provides the head office premises.

| | | |
|-------------------------------------|--------|--------|
| - Fee expenses during the half year | 43,950 | 7,331 |
| - Rent and outgoings | 66,000 | 11,000 |

101 Consulting Pty Ltd:

101 Consulting Pty Ltd, a business controlled by Bronwyn Bergin, spouse of Mr Brian Rodan, provides administration support services.

| | | |
|--------------------------------------|--------|---|
| - Fees expensed during the half year | 16,500 | - |
|--------------------------------------|--------|---|

Mining Access Legal:

Mining Access Legal, a business controlled by Ms Hayley McNamara, provides legal services in connection with the acquisition of tenements and associated matters.

| | | |
|--------------------------------------|--------|--------|
| - Fees expensed during the half year | 34,443 | 16,086 |
|--------------------------------------|--------|--------|

| | | |
|--|----------------|---------------|
| | 160,893 | 34,417 |
|--|----------------|---------------|

Note 21. Operating Segments

AASB 8 – Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board in order to allocate resources to the segments and to assess their performance. Icen Gold Limited (and the Group) has only one operation, being the exploration for and development of mineral resources. Consequently, the Group does not report segmented operations.

Directors' Declaration

The Directors of the Company declare that:

1. The interim financial statements and notes are in accordance with the *Corporations Act 2001(Cth)* and:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting;
 - 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 Group; and
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 s.303(5) of the *Corporations Act 2001 (Cth)* and is signed for and on behalf of the Directors by:



BRIAN RODAN

Managing Director

Dated this 15th day of March 2023.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ICENI GOLD LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Icen Gold Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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 Icen Gold Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity'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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.1(ii) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$658,996 during the half year ended 31 December 2022. As stated in Note 1.1(ii), these events or conditions, along with other matters as set forth in Note 1.1(ii), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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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 Consolidated Entity'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 WA AUDIT PTY LTD



MARK DELAURENITS CA
Director

Dated 15th day of March 2023
Perth, Western Australia

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