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Great Northern Minerals

ABN 22 000 002 111

**Consolidated Financial Statements**

**For the Half Year Ended 31 December 2022**

# Great Northern Minerals Limited

ABN 22 000 002 111

Consolidated Financial Statements  
For the Half Year Ended 31 December 2022

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# Great Northern Minerals Limited

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Consolidated Financial Statements  
For the Half Year Ended 31 December 2022

## CORPORATE DIRECTORY

### DIRECTORS

Mr Kim Robinson (Non-Executive Chairman)  
Mr Cameron McLean (CEO & Managing Director)  
Mr Simon Coxhell (Non-Executive Director)  
Mr Donald Garner (Non-Executive Director)

### COMPANY SECRETARY

Ms Aida Tabakovic

### REGISTERED OFFICE

Level 1, 33 Colin Street  
WEST PERTH WA 6005  
AUSTRALIA

Website: [www.greatnorthernminerals.com.au](http://www.greatnorthernminerals.com.au)

### SHARE REGISTRY

Computershare Investor Services Pty Ltd  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Telephone: 1300 787 272

### AUDITORS

William Buck Audit (WA) Pty Ltd  
Level 3, 15 Labouchere Road  
South Perth WA 6151

### LEGAL ADVISORS

Nova Legal  
Level 2, 50 Kings Park Road  
West Perth WA 6005

### STOCK EXCHANGE

Australian Securities Exchange Limited  
ASX Code: GNM, GNMOB

# Great Northern Minerals Limited

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Consolidated Financial Statements  
For the Half Year Ended 31 December 2022

## Directors' Report

Your Directors present their Report on Great Northern Minerals Limited ("the Company" or "GNM") and its subsidiaries ("the Group") for the half year ended 31 December 2022.

### Directors

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

Mr Kim Robinson	Non-Executive Chairman
Mr Cameron McLean	CEO & Managing Director
Mr Simon Coxhell	Non-Executive Director
Mr Donald Garner	Non-Executive Director (appointed on 1 November 2022)
Mr Simon Peters	Non-Executive Director (resigned on 30 September 2022)

### Company Secretary

Ms Aida Tabakovic

## Review of Operations

The principal activities of the Group during the six months to 31 December 2022 was the ongoing exploration and evaluation of GNM's Golden Ant Project located in Northern Queensland.

### Projects

#### Golden Ant Project

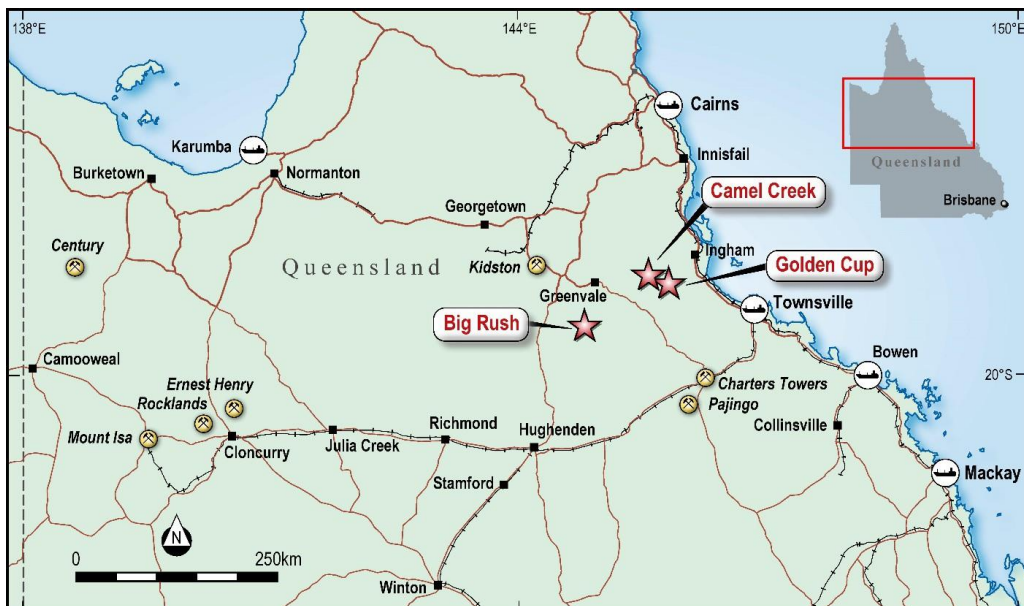


Figure 1 Golden Ant Project Location

The Project consists of the Amanda Bell Goldfield (Camel Creek and Golden Cup) which were mined from 1989 to 1998 producing over 95,000 oz AU. The Golden Ant Project also includes the Douglas Creek prospect.

The Amanda Bell Goldfield was named in 1989 and covers an area of approx. 1,000 km<sup>2</sup> and the major mining centres were Camel Creek and Golden Cup. Gold bearing oxide ore has been mined from open pits on eight

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deposits and these plus others all have material primary mineralisation remaining, many of them with significant antimony mineralisation in addition to the gold.

Total gold production from the Amanda Bell Goldfield was approximately 95,000 oz Au (57,000 oz from Camel Creek and 14,000 oz from Camel Creek satellite deposits plus 18,000 oz from Golden Cup and 6,000 oz from Golden Cup satellite deposits). Mining activities commenced in 1989 and ceased in 1995 with the depletion of oxide gold mineralisation.

### Exploration and Evaluation Activities

During the period, GNM completed a 1,707m RC drill program at the Golden Cup deposit and extensive mapping and sampling activities at the Douglas Creek Intrusion-Related Gold System (IRGS) discovery. GNM also commenced an initial RC drilling program at Douglas Creek.

As part of GNM's ongoing exploration and development activities, an application targeting Rare Earth Elements (REE) was lodged over an area in New South Wales covering a number of Mesozoic alkali peralkaline intrusions identical in age and potentially similar to Australian Strategic Metals (ASM) peralkaline Toongi intrusion (Dubbo Project). GNM's new REE project signals a strategic diversification into critical minerals and metals.

### Golden Cup Drilling Program

The initial Golden Cup program comprised 11 RC drill holes (1,202m drilled) and was designed to target extensions to known high grade mineralisation, and to extend the high grade gold mineralisation at depth and along strike. The initial program of 11 drill holes was extended by 7 RC drill holes (additional 685m drilled for a total of 18 RC holes and 1,707m drilled) to test extensions of the newly drilled mineralisation.

High-grade gold mineralisation was intercepted in a number of drill holes, notably:

- GCRC093 (7.0m @ 4.6 g/t Au from 61m down-hole inc. 2.0m @ 14.3 g/t from 61m down-hole);
- GCRC094 (6.0m @ 7.4 g/t Au from 67m down-hole inc. 3.0m @ 11.3 g/t Au from 68m down-hole); and
- GCRC084 (10.0m @ 2.1 g/t Au from 45m down-hole inc. 2.0m @ 5.4 g/t Au 48m down-hole).

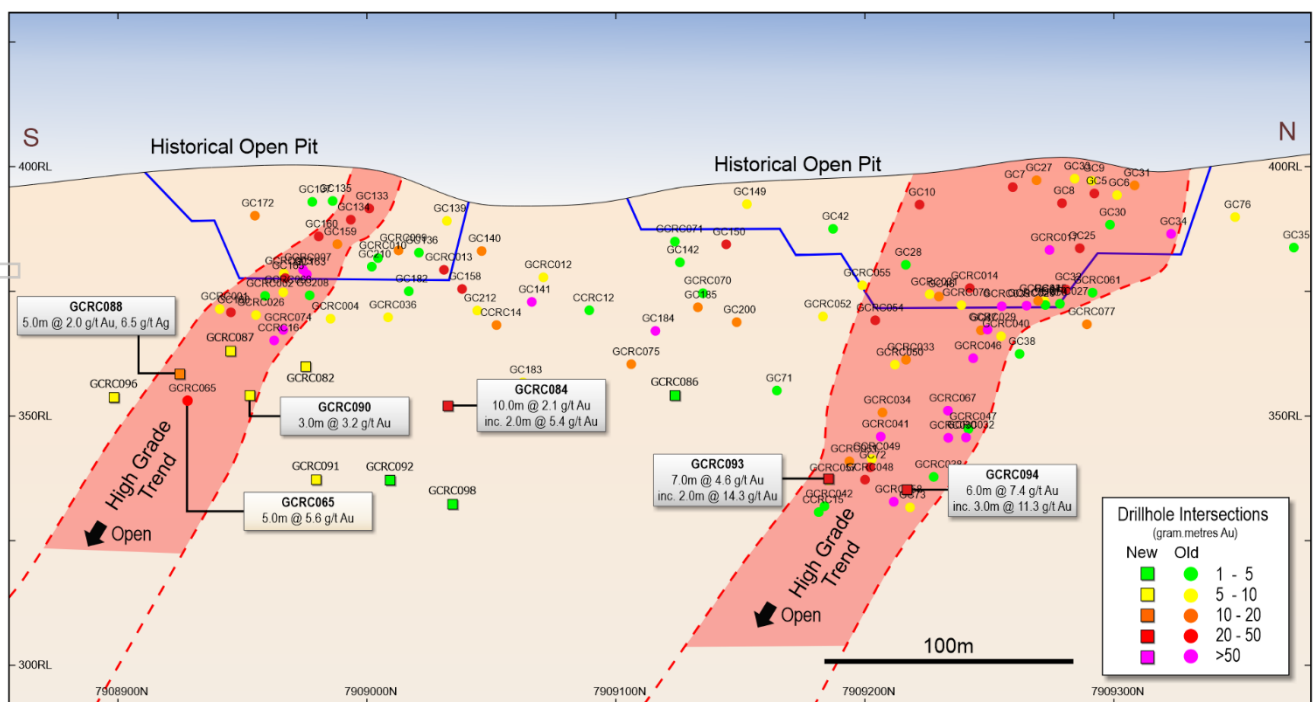


Figure 2 Golden Cup Long Section

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## Consolidated Financial Statements For the Half Year Ended 31 December 2022

For further information on the Golden Cup drilling program, please refer to the following ASX releases during the period: 'Golden Cup Drilling Defines New Mineralisation' (11 August 2022) and 'High grade intersects from Golden Cup assays' (26 October 2022).

### Douglas Creek Intrusion-Related Gold System (IRGS) Discovery

During the period, GNM's exploration team conducted extensive mapping and sampling at the Douglas Creek target. Results from 574 geochemical soil samples confirmed the presence of extensive mineralised zones at the Douglas Creek Intrusion-Related Gold System (IRGS) discovery (refer to Figure 3). The sampling returned highly anomalous results with gold up to 38.1 ppb Au, silver to 4.0 g/t Ag, copper to 1,023 ppm Cu in soils. The anomalous soil results coincide with previous high grade rock chip results, bolstering these areas as potential drill targets.

GNM commenced an initial RC drill program of approximately 1,100m at Douglas Creek in November 2022 and the program was designed to test Target Areas One, Two and Four.

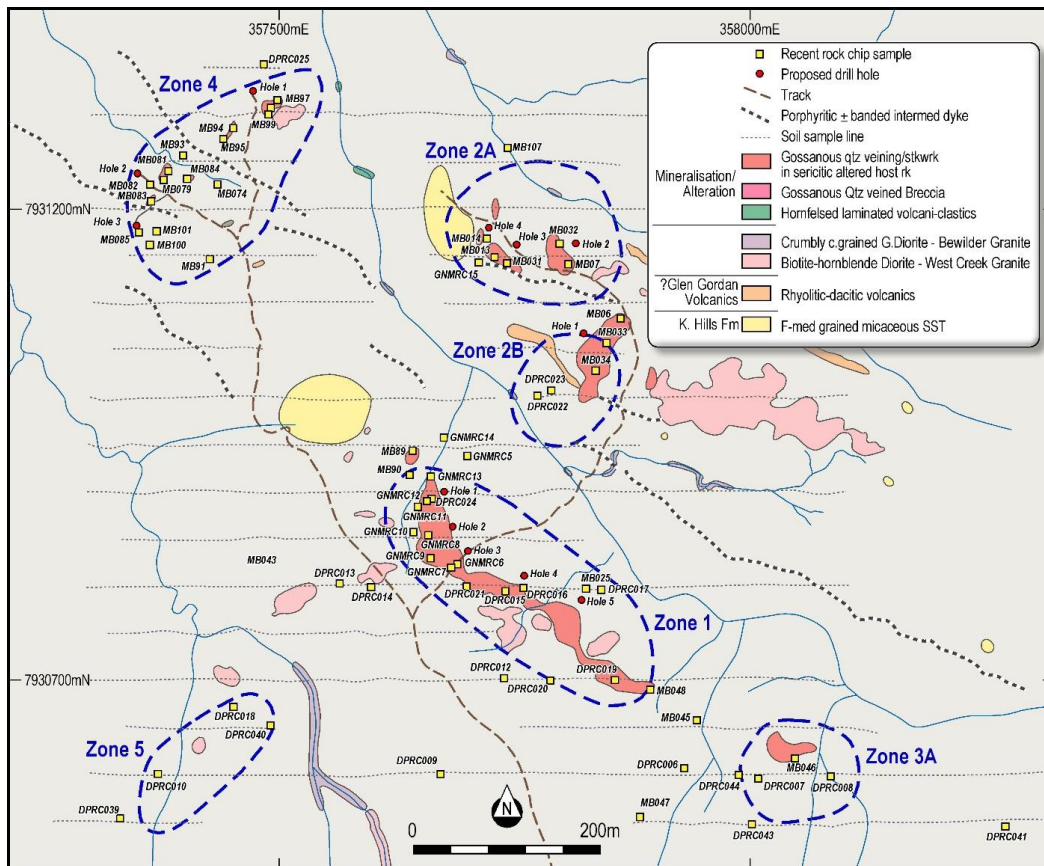


Figure 3 Douglas Creek Target

### Sale of Big Rush Gold Project

Following a project review in September 2022, GNM executed a legally binding agreement with private company Great Eastern Gold Ltd ("GEG") for the sale of the Big Rush Gold Project for a total consideration of \$250,000 in cash. The Big Rush Gold Project consists of the following four tenements:

Tenement	Tenement Name	Tenement Holder	Ownership (%)
EPM 27823	Big Rush	Northern Exploration Pty Ltd	100%
ML 10168	Big Rush I	Alphadale Pty Ltd	100%
ML 10175	Big Rush II	Alphadale Pty Ltd	100%
ML 10192	Big Rush III	Alphadale Pty Ltd	100%

Table 1 Big Rush Gold Project Tenements

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## Consolidated Financial Statements For the Half Year Ended 31 December 2022

The key Agreement terms were as follows:

- GNM agreed to sell a 100% of the issued share capital of Alphadale Pty. Limited and a 100% legal and beneficial interest in EPM 27283 held by Northern Exploration Pty Ltd; and
- Total consideration payable of \$250,000 (in cash) of which \$25,000 was a non-refundable exclusivity fee and the balance, being \$225,000 was payable on completion; and
- GEG assumed all liabilities and claims prior to and after completion including environmental claims.

On 23 December 2022, GNM announced that it had executed a variation to the Term Sheet with GEG with the parties agreeing to extend the completion date by an additional 4 weeks and incorporate a \$10,000 non-refundable extension fee, which was paid by GEG within 5 business days. The sale of the Big Rush project was completed subsequent to the end of the period. The funds received from the sale will be used to fund GNM's strategic diversification into critical minerals and metals, and for working capital purposes.

### Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled under the supervision of Simon Coxhell, the Technical Director of Great Northern Minerals Limited. Mr Coxhell is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Coxhell consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

### Previously Reported Information

This Review of Operations contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Review of Operations can be found in the following announcements lodged on the ASX:

- 11 August 2022 Golden Cup Drilling Defines New Mineralisation
- 25 October 2022 Sale of Big Rush Gold Project
- 26 October 2022 High grade intersects from Golden Cup assays
- 7 November 2022 Drilling commences at Douglas Creek
- 23 December 2022 Extension to the Sale of Big Rush Gold Project
- 1 March 2023 Big Rush Sale Completed

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## Consolidated Financial Statements For the Half Year Ended 31 December 2022

### Corporate

On 30 September 2022, Mr Simon Peters resigned as the Non-Executive Director of the Company.  
On 2 November 2022, the Company announced the appointment of Mr Donald Garner as Non-Executive Director, effective 1 November 2022.

### Share Options

On 1 November 2022, the Company's 244,528,099 listed options (ASX: GNMOF) exercisable at \$0.01 expired unexercised.

As at the date of this report, the Company has the following options on issue:

	Exercise Price	Expiry Date	No. of Options
Listed Options	\$0.022	1 July 2023	469,653,803
Unlisted Options	\$0.024	19 November 2023	22,262,414
Unlisted Options	\$0.029	19 November 2023	22,262,414
Unlisted Options	\$0.033	19 November 2023	22,262,414
<b>Total Options</b>			<b>536,441,045</b>

### Events after Reporting Date

On 20 February 2023, the Company announced the granting of EL9519, a prospective rare earths tenement in NSW.

On 1 March 2023, the Company announced the completion of the sale of the Big Rush Gold Project to Great Eastern Gold Ltd.

The key Agreement terms were as follows:

- GNM agreed to sell a 100% of the issued share capital of Alphasdale Pty. Limited and a 100% legal and beneficial interest in EPM 27283 held by Northern Exploration Pty Ltd; and
- Total consideration payable of \$250,000 (in cash) of which \$25,000 was a non-refundable exclusivity fee and the balance, being \$225,000 was payable on completion; and
- GEG assumed all liabilities and claims prior to and after completion including environmental claims.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred subsequent to the period under review not otherwise disclosed in this report or in the financial report.

### Disclosure Statement

It is recommended that this report is read in conjunction with the annual report for the year ended 30 June 2022 and considered together with any public announcements made by the Company during the half-year ended 31 December 2022 and to the date of this report in accordance with the continuous disclosure requirements of the Australian Securities Exchange ("ASX") Listing Rules.



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## **Auditors Independence Declaration**

A copy of the Auditors Independence Declaration by the lead auditor as required under section 307C of the *Corporations Act 2001* is included on page 8 to this half year report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*:



Mr Kim Robinson  
Non-Executive Chairman  
Dated this 15<sup>th</sup> day of March 2023

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GREAT NORTHERN MINERALS LIMITED AND ITS CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2022 there have been:

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

William Buck

William Buck Audit (WA) Pty Ltd  
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani  
Director

Dated this 15<sup>th</sup> day of March 2023

# Great Northern Minerals Limited

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## Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Half Year Ended 31 December 2022

	31 December 2022 \$	31 December 2021 \$
Other income	17,200	307
Proceeds from disposal of subsidiary tenements	25,000	-
Interest income	15,476	-
Administrative expenses	(527,941)	(496,872)
Depreciation and amortisation	(20,278)	(21,817)
Exploration and tenement costs	(1,111,422)	(869,633)
<b>Net loss before tax</b>	<b>(1,601,965)</b>	<b>(1,388,015)</b>
Income tax (expense)/benefit	-	-
<b>Net loss for the half year after tax</b>	<b>(1,601,965)</b>	<b>(1,388,015)</b>
<b>Other Comprehensive Income</b>		
Other Comprehensive Income for the half year, net of tax	-	-
<b>Total comprehensive loss for the half year</b>	<b>(1,601,965)</b>	<b>(1,388,015)</b>
<b>Loss for the period is attributable to:</b>		
Owners of the Parent	(1,610,630)	(1,387,443)
Non-controlling interest	8,665	(572)
	<b>(1,601,965)</b>	<b>(1,388,015)</b>
<b>Total comprehensive loss for the half year attributable to Owners of Great Northern Minerals Limited</b>	<b>(1,610,630)</b>	<b>(1,387,443)</b>
<b>Attributable to owners of Great Northern Minerals Limited:</b>		
Basic loss per share (cents per share)	<b>(0.09)</b>	(0.112)
Diluted loss per share (cents per share)	<b>(0.09)</b>	(0.112)

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

# Great Northern Minerals Limited

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## Consolidated Statement of Financial Position As At 31 December 2022

	Notes	31 December 2022 \$	30 June 2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	887,143	2,748,871
Trade and other receivables		111,976	71,437
Prepayments		167,378	29,125
<b>Total current assets</b>		<b>1,166,497</b>	<b>2,849,433</b>
<b>Non-current assets</b>			
Plant and equipment		76,904	78,297
Right of Use asset		25,925	40,415
Exploration and evaluation assets	5	3,231,691	3,231,691
<b>Total non-current assets</b>		<b>3,334,520</b>	<b>3,350,403</b>
<b>TOTAL ASSETS</b>		<b>4,501,017</b>	<b>6,199,836</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		98,661	179,310
Lease liability		17,114	33,319
Provision	6	4,345,852	4,345,852
<b>Total current liabilities</b>		<b>4,461,627</b>	<b>4,558,481</b>
<b>Non-current liabilities</b>			
Lease liability		11,669	11,669
Provision	6	2,218,108	2,218,108
<b>Total non-current liabilities</b>		<b>2,229,777</b>	<b>2,229,777</b>
<b>TOTAL LIABILITIES</b>		<b>6,691,404</b>	<b>6,788,258</b>
<b>NET LIABILITIES</b>		<b>(2,190,387)</b>	<b>(588,422)</b>
<b>EQUITY</b>			
Contributed Equity	7	86,341,207	86,341,207
Reserves		591,331	702,511
Accumulated losses		(87,904,995)	(86,405,545)
Equity attributable to owners of the Parent Entity		(972,457)	638,173
Non-controlling interest (60% Ion Minerals)		(1,217,930)	(1,226,595)
<b>TOTAL EQUITY</b>		<b>(2,190,387)</b>	<b>(588,422)</b>

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

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## Consolidated Statement of Changes in Equity For the Half Year Ended 31 December 2022

31 December 2022

	Ordinary Shares \$	Option Reserve \$	Accumulated Losses \$	Non- Controlling Interest \$	Total \$
Balance at 1 July 2022	86,341,207	702,511	(86,405,545)	(1,226,595)	(588,422)
Loss for the half year	-	-	(1,610,630)	8,665	(1,601,965)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the half year</b>	-	-	<b>(1,610,630)</b>	<b>8,665</b>	<b>(1,601,965)</b>
<i>Transaction with owners, recorded directly in equity</i>					
Expiry of share based payments options	-	(111,180)	111,180	-	-
Issue of lead manager options	-	-	-	-	-
Shares issued during the year (net of costs)	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	<b>86,341,207</b>	<b>591,331</b>	<b>(87,904,995)</b>	<b>(1,217,930)</b>	<b>(2,190,387)</b>

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

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## Consolidated Statement of Changes in Equity For the Half Year Ended 31 December 2022

31 December 2021

	Ordinary Shares \$	Option Reserve \$	Accumulated Losses \$	Non- Controlling Interest \$	Total \$
Balance at 1 July 2021	83,498,248	702,511	(79,480,158)	(1,224,835)	3,495,766
Loss for the half year	-	-	(1,387,443)	(572)	(1,388,015)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the half year</b>	-	-	<b>(1,387,443)</b>	<b>(572)</b>	<b>(1,388,015)</b>
<i>Transaction with owners, recorded directly in equity</i>					
Expiry of unlisted options	-	-	-	-	-
Issue of lead manager options	-	-	-	-	-
Shares issued during the year (net of costs)	1,690,324	-	-	-	1,690,324
<b>Balance as at 31 December 2021</b>	<b>85,188,572</b>	<b>702,511</b>	<b>(80,867,601)</b>	<b>(1,225,407)</b>	<b>3,798,076</b>

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

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## Consolidated Statement of Changes in Equity For the Half Year Ended 31 December 2022

	31 December 2022	31 December 2021
Note	\$	\$
<b>Cash generated from operating activities:</b>		
Payments to suppliers and employees	(408,861)	(368,899)
Interest received	15,476	307
Payment for exploration & valuation	(1,464,947)	(1,062,898)
Interest paid	(1,011)	-
<b>Net cash outflow in operating activities</b>	<b>(1,859,343)</b>	<b>(1,431,491)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of subsidiary	27,500	-
Acquisition of property, plant and equipment	(4,395)	-
<b>Net cash outflow from investing activities</b>	<b>23,105</b>	<b>-</b>
<b>Cash flows from financing activities:</b>		
Proceeds from the issue of shares	-	1,800,000
Proceeds from unissued shares	-	206,500
Transaction costs	-	(109,676)
Repayment of lease liabilities	(14,490)	(14,819)
Repayment of borrowing	(11,000)	-
<b>Net cash inflow from financing activities</b>	<b>(25,490)</b>	<b>1,882,805</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,861,728)</b>	<b>465,334</b>
Cash and cash equivalents at beginning of period	2,748,871	1,896,387
<b>Cash and cash equivalents at end of period</b>	<b>887,143</b>	<b>2,361,721</b>

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

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## Notes to the consolidated financial statements For the Half Year Ended 31 December 2022

### 1 Summary of Accounting Policies

#### (a) Basis of Preparation

These general purpose condensed financial statements for the half year reporting period ended 31 December 2022 have been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

These half year financial statements do not include all the notes of the type normally included in the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full financial statements. Accordingly, these half year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made by Great Northern Minerals Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

The same accounting policies and methods of computation have been followed in these half year financial statements as compared with the most recent annual financial statements; except for the adoption of the following new and revised accounting standards.

#### (b) New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. There were no changes to the financial statements arising from new standards.

Any new or amended Accounting Standards or Interpretations that are yet not mandatory have not been early adopted.

#### (c) Exploration and Evaluation Assets

Exploration and evaluation expenditure is generally expensed in the year it is incurred, except for acquisition costs which are carried forward where right to tenure of the area of interest (i.e. tenement) is current and is expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of 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 the area of interest. The carrying value of any capitalised expenditure is assessed by the Directors each year to determine if any provision should be made for the impairment of the carrying value. The appropriateness of the Group's ability to recover these capitalised costs has been assessed at year end and the Directors are satisfied that the value is recoverable.

The carrying value of exploration and evaluation expenditure assets are assessed for impairment at an overall level whenever facts and circumstances suggest that the carrying amount of the assets may exceed recoverable amount. An impairment exists when the carrying amount of the assets exceed the estimated recoverable amount. The assets are then written down to their recoverable amount. Any impairment losses are recognised in the income statement.



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## Notes to the consolidated financial statements For the Half Year Ended 31 December 2022

### (d) Impairment of Non-Financial Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined, and impairment losses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income where the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

### (e) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report 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.

#### *Share-based payment transactions*

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate option-pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

#### *Rehabilitation provision*

The group has recalculated its rehabilitation provision for Golden Ant under the ERC calculator provided by the Queensland Department of Environment and Science. Rehabilitation provision requires significant estimates and assumptions as there are many transactions and other factors that will ultimately affect this liability to rehabilitate the exploration sites. Factors that will affect this liability include changes in regulations, prices fluctuations, changes in technology, changes in timing of cash flows which are based on life of the site or the term of the exploration licence and changes to discount rates. When these factors change or are known in the future, such differences will impact rehabilitation provision in the period in which it becomes known or becomes certain.

## 2 Going Concern

For the period ended 31 December 2022 the Group recorded a consolidated loss of \$1,601,965 (31 December 2021: \$1,388,015) and incurred net cash outflows from operations of \$1,859,343. As at that date the Group had net current liabilities of \$3,295,130 (30 June 2022: net current liabilities \$1,709,048) and net liabilities of \$2,190,387 (30 June 2022: net liabilities of \$588,422). Included in current and net liabilities was an amount of \$4,345,852 representing the amount payable to the Queensland Treasury as a bond for the estimated rehabilitation costs relating to the Big Rush Project. In February 2023, the Group completed the sale of the project to a third party who acquired all the assets and assumed all the liabilities in respect of the project, including the amount payable to the Queensland Treasury and paid the Group \$250,000 in total of which \$25,000 was received prior to December 2022.

With the completion of the sale of the Big Rush Project, the amount of \$4,345,852 has been removed from the current and net liabilities.

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## Notes to the consolidated financial statements For the Half Year Ended 31 December 2022

### 2 Going Concern (continued)

As at 31 December 2022 the Group had cash on hand of \$887,143 to continue the exploration of its assets and meet its commitments. Subsequent to 31 December 2022 period, the Company received a non-refundable \$10,000 extension fee and the final cash consideration payment of \$225,000 from the completion of the sale of the Big Rush Project.

Based on a cashflow forecast prepared by management, the Company will be required to source additional capital going forward. The Company is reviewing a number of options to source additional capital over the coming months. The Directors reasonably expect that the Company will be able to source sufficient capital to fund the Group's exploration and working capital requirements and that the Group will be able to settle its debts as and when they become due and payable. If required, the Directors also have the ability to reduce expenditure as necessary.

After consideration of the factors above, the Directors believe there are reasonable grounds to believe the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. Whilst the company and the Directors have a good track record in successfully raising capital, the unpredictable nature of capital markets indicate the existence of material uncertainty.

### 3 Contingent Liabilities and Assets

The Group had contingent liabilities at 31 December 2022 in respect of:

- The Group has provided bank guarantees in favour of the Minister of Energy and Resources, Victoria with respect to a security deposit as at 30 June 2020. The total of these guarantees at 31 December 2022 was \$32,721 with a financial institution (30 June 2022: \$32,660).

#### *Contingent Assets*

The Group had no contingent assets at 31 December 2022.

### 4 Cash and Cash Equivalents

	31 December 2022	30 June 2022
<b>Cash and Cash Equivalents:</b>	<b>\$</b>	<b>\$</b>
Cash at bank	844,398	2,700,675
Short term deposits	42,745	48,196
<b>Total</b>	<b>887,143</b>	<b>2,748,871</b>

As at 31 December 2022 there is a restriction on available cash of \$42,745 comprising a number of short term deposits held as a security for various active North Queensland exploration licences.

# Great Northern Minerals Limited

ABN 22 000 002 111

Notes to the consolidated financial statements  
For the Half Year Ended 31 December 2022

## 5 Exploration and Evaluation Assets

### Movements in Exploration and Evaluation Assets

	31 December 2022	30 June 2022
	\$	\$
Opening balance	3,231,691	1,491,475
Acquisition/security costs incurred during the period	-	1,500
Impairment of exploration and evaluation expenditure	-	(4,595,795)
Rehabilitation Provision Asset	-	6,334,511
<b>Balance at 31 December 2022</b>	<b>3,231,691</b>	<b>3,231,691</b>

\$250,000 comprised of exploration and evaluation assets in respect of Big Rush which was sold subsequent to 31 December 2022 (refer to Note 9) along with the related rehabilitation liability and the balance primarily comprises the costs of Golden Cup and Camel Creek.

## 6 Provision

	31 December 2022	30 June 2022
	\$	\$
<b>CURRENT</b>		
Provision for exploration asset rehabilitation	4,345,852	4,345,852
	<u>4,345,852</u>	<u>4,345,852</u>
<b>NON-CURRENT</b>		
Provision for exploration asset rehabilitation	2,218,108	2,218,108
	<u>2,218,108</u>	<u>2,218,108</u>

The movement in the provision for exploration asset rehabilitation is set out below:

<b>CURRENT</b>		
Balance at beginning of period	4,345,852	4,170,316
Arising during the year	-	-
Reclassification to / (from) current provision	-	175,536
Balance at the end of period	<u>4,345,852</u>	<u>4,345,852</u>
<b>NON-CURRENT</b>		
Balance at beginning of period	2,218,108	229,450
Arising during the year	-	2,164,194
Reclassification to / (from) non-current provision	-	(175,536)
Balance at the end of period	<u>2,218,108</u>	<u>2,218,108</u>

The current provision represents the estimated rehabilitation liability based on the demand for payment of a security by the Queensland Government based on the estimated rehabilitation cost. The liability for this environment project, including future claims and existing claims were assumed by GEG following the sale of the Big Rush project subsequent to 31 December 2022 (refer to Note 9).

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## Notes to the consolidated financial statements For the Half Year Ended 31 December 2022

### 7 Issued Capital

	31 December 2022		30 June 2022	
	No.	\$	No.	\$
<b>Ordinary shares</b>				
- Opening balance	1,709,050,976	86,341,207	1,209,050,976	83,498,248
- Shares issued during the period	-	-	500,000	3,000,000
- Cost of listing shares	-	-	-	(157,041)
<b>Closing Balance</b>	<b>1,709,050,976</b>	<b>86,341,207</b>	<b>1,709,050,976</b>	<b>86,341,207</b>

### 8 Share Options

On 1 November 2022, the Company's 244,528,099 listed options (ASX: GNMOF) exercisable at \$0.01 expired unexercised.

As at the date of this report, the Company has the following options on issue:

	Exercise Price	Expiry Date	No. of Options
Listed Options	\$0.022	1 July 2023	469,653,803
Unlisted Options	\$0.024	19 November 2023	22,262,414
Unlisted Options	\$0.029	19 November 2023	22,262,414
Unlisted Options	\$0.033	19 November 2023	22,262,414
<b>Total Options</b>			<b>536,441,045</b>

### 9 Events after Reporting Date

On 20 February 2023 the Company announced the granting of EL9519, a prospective rare earths tenement in NSW.

On 1 March 2023 the Company announced the completion of the sale of the Big Rush Gold Project to Great Eastern Gold Ltd.

The key Agreement terms were as follows:

- GNM agreed to sell a 100% of the issued share capital of Alphasdale Pty. Limited and a 100% legal and beneficial interest in EPM 27283 held by Northern Exploration Pty Ltd; and
- Total consideration payable of \$250,000 (in cash) of which \$25,000 was a non-refundable exclusivity fee and the balance, being \$225,000 was payable on completion; and
- GEG assumed all liabilities and claims prior to and after completion including environmental claims.

There were no other significant changes in the state of affairs of the Company that occurred subsequent to the period under review not otherwise disclosed in this report or in the financial report.

# Great Northern Minerals Limited

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## Directors' Declaration

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred subsequent to the period under review not otherwise disclosed in this report or in the financial report.

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 18 are in accordance with the *Corporations Act 2001* and:
  - (a) give a true and fair view of the financial position of the consolidated entity as at 31 December 2022 and of its performance as represented by the results of its operations and cash flows for the half year ended on that date; and
  - (b) comply with Accounting Standard AASB 134: *Interim Financial Reporting, Corporations Regulations 2001* and other mandatory professional reporting requirements; and
2. 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 signed in accordance with a resolution of the Board of Directors.



Mr Kim Robinson  
Non-Executive Chairman  
Dated this 15<sup>th</sup> of March 2023

## Great Northern Minerals Limited

Independent auditor's review report

### Report on the Review of the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Great Northern Minerals Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

#### Basis for Conclusion

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

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates the consolidated group incurred a net loss of \$1,601,965 and net operating cash out flows \$1,859,343 during the Half-year ended 31 December 2022 and as of that date the consolidated group had net current liabilities of \$3,295,130 and net liabilities of \$2,190,387. As stated in Note 1, these events or conditions along with other matters as set forth in Note 2 indicate that a material uncertainty exists that may cast significant doubt on the consolidated group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

## Responsibility of Management for the Financial Report

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

## Auditor's Responsibilities for the Review of the 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 group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

William Buck

**William Buck Audit (WA) Pty Ltd**  
ABN 67 125 012 124

Amar Nathwani

**Amar Nathwani**  
**Director**

Dated this 15<sup>th</sup> day of March 2023