

A C C E N T
R E S O U R C E S N . L .



ACN 113 025 808

HALF-YEAR REPORT

**FOR THE SIX MONTHS ENDED
31 DECEMBER 2022**

For personal use only

A C C E N T
R E S O U R C E S N . L .



ACN 113 025 808

CONTENTS

Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	12
Statement of Profit or Loss and Other Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17
Directors' Declaration	24
Independent Auditor's Review Report	25

For personal use only

Directors

Yuzi (Albert) Zhou – Executive Chairman
Dianzhou He - Non-Executive Director and
Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Jie You – Non-Executive Director

Company Secretary

Robert Allen

Auditors

RSM Australia Partners
Level 32 Exchange Tower
2 The Esplanade
PERTH WA 6000

Bankers

BankWest
1/1215 Hay St
WEST PERTH WA 6005

Solicitors

House Legal
86 First Avenue
MT LAWLEY WA 6050

Lawton Macmaster Legal
Level 9, 40 The Esplanade
PERTH WA 6000

Share Registry

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009

Stock Exchange Listing

Australian Securities Exchange Limited
(Home Branch - Perth)
ASX Code: ACS

Registered Office

Level 9, 250 Queen Street
MELBOURNE VIC 3000

Principal Office

Level 2,72 Kings Park Road
WEST PERTH WA 6005
Telephone +618 9481 3006

Contacts

E-mail: admin@accentresources.com.au
Website: www.accentresources.com.au

For personal use only



Your Directors present their report together with the financial report of Accent Resources NL (“the Company” or “Accent” or “ACS”) for the half-year ended 31 December 2022.

Directors

The Directors in office at the date of this report and at any time during the half-year are as follows:

Yuzi (Albert) Zhou – Executive Chairman
Dianzhou He – Non-Executive Director and Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Jie You – Non-Executive Director

Directors were in office for the entire period unless otherwise stated.

Principal Activities

The principal activities of the Company during the period was the exploration and evaluation of mineral deposits.

Results of Operations

The net loss of the Company after income tax for the six months ended 31 December 2022 amounted to \$1,523,593 (2021: \$980,533).

Accent has two projects in Western Australia, the Magnetite Range Iron Ore project located in the Midwest region of WA and the Norseman Gold project. Accent Resources NL (ASX: ACS) is pleased to provide the following report on its activities for the half-ended 31 December 2022.

Highlights for the half-year ended 31 December 2022

Magnetite Range Project (MRP)

- RCP drilling (61) was completed over the Julia Prospect M59/764 for a total of 6,732m;
- Metallurgical and Resource Davis Tube Recovery (DTR) test work (2021 RCP) Program 1 and 2 have been submitted; program 1 results have been received, program 2 is pending;
- Tenement applications granted during the reporting period include E59/2666, E59/2686, E59/2423, E59/2719; L59/0197 and L59/0210;
- Tenement applications submitted during the reporting period include E59/2756, E59/2757, E59/2758 and E59/2759;
- Tenement applications withdrawn during the reporting period include E59/2756, E59/2758, E59/2758 and E59/2759;
- MRP mapping, heritage and environmental surveys over highlighted exploration target areas are in planning stage for 2023;
- An updated geological model and resource model over Julia is due to commence upon receipt of all submitted assays over the Julia Prospect;

Norseman Project (NSP)

- Infill 2022 RCP drilling (14) has been completed between Surprise and Iron Duke Prospects for a total of 2066m;
- A QAQC exercise on 2020 and 2022 RCP has taken place and will be used in the updated resource model due to commence next reporting period;
- A Wamex review of historical reports is pending completion; validation and prioritisation of significant data entry will be required during the next phase of data collection;
- 2023 drill priorities have been identified and will be reviewed in line with updated modelling next reporting period;

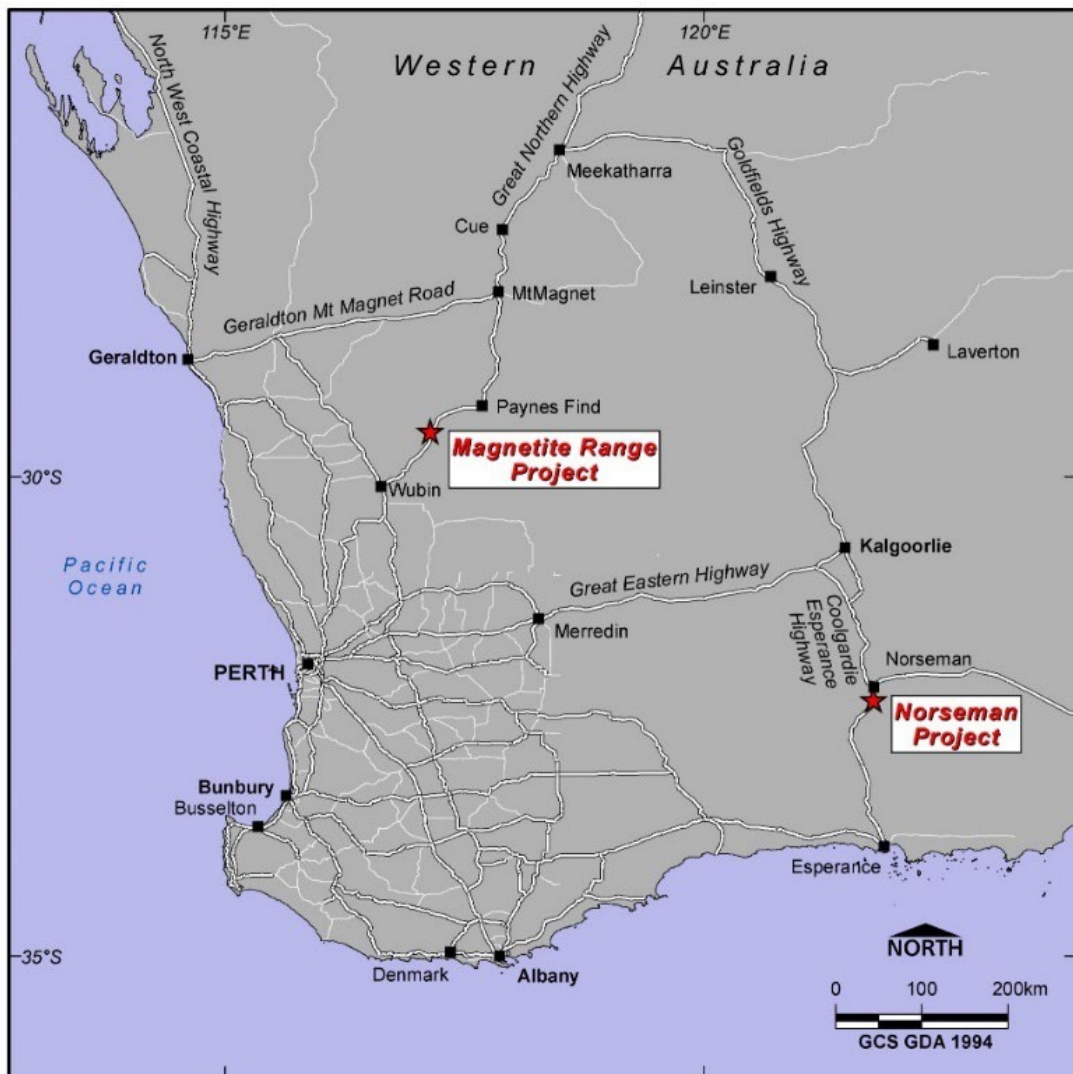


Figure 1 – Accent Resources Project Location Map



For personal use only

Magnetite Range Iron Ore Project (ACS 100%)

The Company's wholly owned Magnetite Range Project is located in the Midwest region of Western Australia, immediately adjacent to the Extension Hill iron ore mine, and contains a total JORC resource of 434.5 Mt at 31.4% Fe at 15% weight recovery cut off, as announced to the ASX on 28 November 2012.

An RCP infill drill program commenced on 16th September 2022 and concluded on 16th October 2022 over the Magnetite Range Project Julia Prospect. A total of 61 RCP infill drill holes for a total of 6732m (MGRC0153 – MGRC0213) were completed, four batches of assays were dispatched to the labs for XRF analysis between 5th October and 2nd November 2022. Final assays for the 2022 RCP drill program are pending and will be reported in the next reporting period.

The RCP drill holes are designed to:

- infill 2021 RC drilling;
- examine potential for depth continuity below existing drilling along strike;
- test any lateral extension drilling further NW and along strike;
- increase confidence in geological grade modelling and
- support an updated Mineral Resource Estimate 'MRE' of the Julia deposit

An update to the geology model and current resource estimate over the Julia deposit will commence next reporting period.

Two Metallurgical programs of work have been submitted to Nagrom Laboratories for Davis Tube Recovery test work. DTR composites have been selected from the Upper and Lower BIF zones within oxide, transitional and fresh zones in the main Julia deposit area.

Program 1 consists of 10 composites made from 2021 RCP drill samples, assays have been received and are currently under review by Neomet; The ten samples are outlined in Table 1. The purpose of this program was to perform a confirmation test on the targeted grind size for these works.

Table 1 MET Test Work – Magnetite Range Project Julia deposit area - Program 1

MET CompositeID	Drill hole	Resource Domain	DTR Composite		
			Length (m)	m From	m To
13-MET	MGRC106	Lower BIF	4	58	62
15-MET	MGRC106	Lower BIF	4	66	70
29-MET	MGRC107	Upper BIF	4	66	70
119-MET	MGRC141	Lower BIF	4	124	128
141-MET	MGRC101	Lower BIF	4	52	56
146-MET	MGRC101	Lower BIF	4	72	76
149-MET	MGRC102	Upper BIF	4	30	34
157-MET	MGRC102	Lower BIF	4	88	92
306-MET	MGRC099	Lower BIF	4	96	100
314-MET	MGRC100	Upper BIF	4	116	120

Program 2 is an RCP sample DTR program consisting of 332 individual composites. The composites are made up of contiguous 2m RC drill chip samples from 19 drill holes from the 2021 RC program. (Refer Table 2)

The results of this work will be factored into the resource for resource definition and mine planning. Samples have been submitted to Nagrom Metallurgical laboratory and are currently pending for Program 2.

Table 2 - MET Test Work – Magnetite Range Project Julia deposit area - Program 2

Drill hole	Northing MGA94-51	Easting MGA94-51	ZONE 1		ZONE 2		ZONE 3		No. of DTR Composites
			m From	m To	m From	m To	m From	m To	
MGRC106	6738831	507669	2	30	38	106			24
MGRC107	6738870	507691	50	70	84	148			21
MGRC144	6738911	507714	92	124	130	202			26
MGRC103	6738917	507487	40	100					15
MGRC104	6738956	507511	20	60	78	142			26
MGRC141	6739001	507534	88	112	124	192			23
MGRC101	6738996	507310	32	80					12
MGRC102	6739038	507336	26	50	76	124			18
MGRC145	6739089	507361	72	96	140	176			15
MGRC127	6738871	507934	150	170	186	250			21
MGRC115	6739097	507158	18	40	48	78			14
MGRC116	6739143	507185	22	90	102	122			22
MGRC117	6739180	507208	68	128	138	158			20
MGRC119	6739210	506968	10	42	54	74			13
MGRC120	6739249	506987	42	82	92	108			14
MGRC121	6739291	507016	88	128	136	152			14
MGRC099	6738566	508212	62	82	88	124			14
MGRC100	6738611	508234	112	148	166	170			10
MGRC140	6738656	508260	156	180	186	198	214	218	10
Total Holes (19)									332

For personal use only



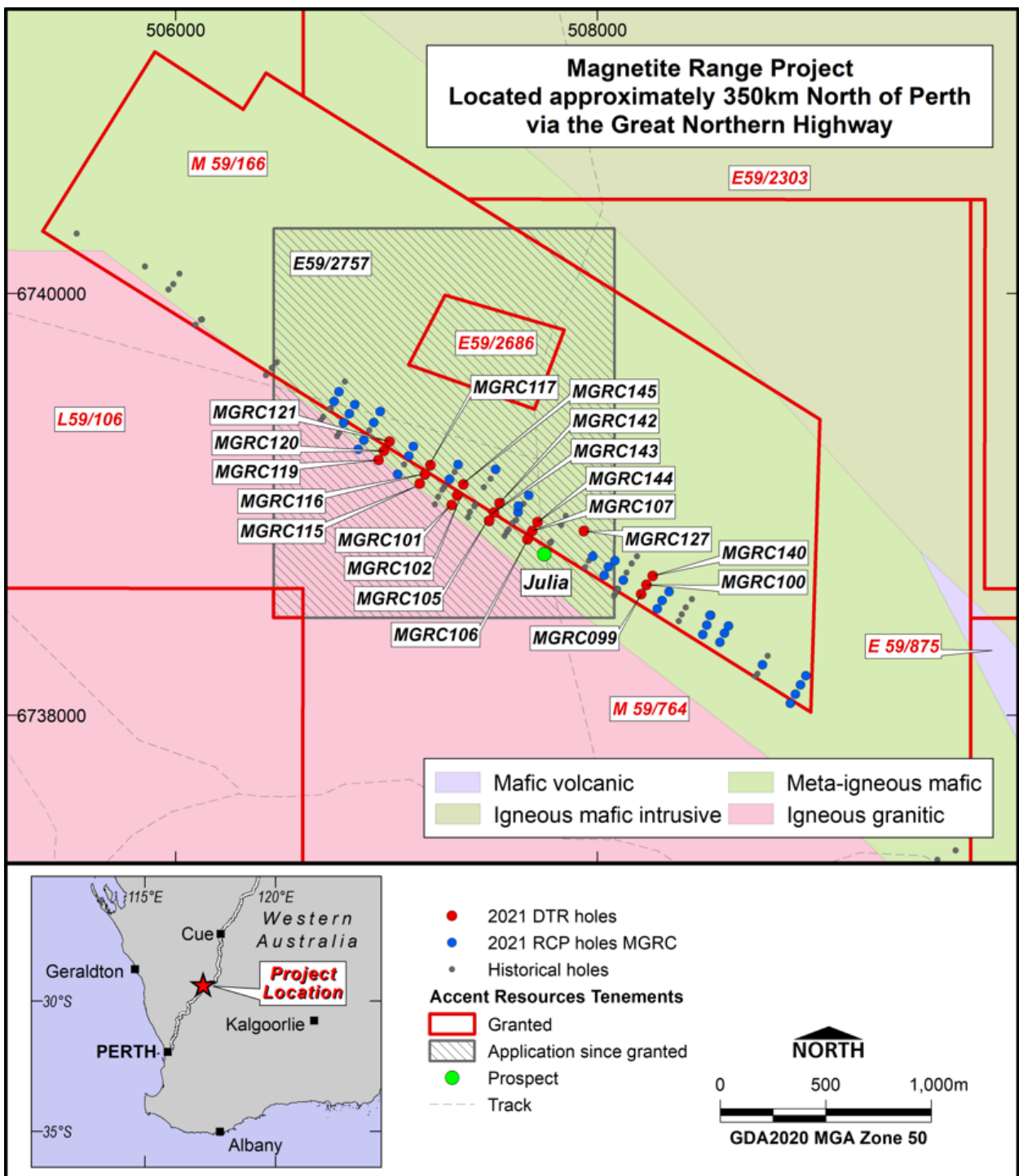


Figure 2 - Magnetite Range Project - DTR selection from RCP 2021 (19);

- Tenement applications granted during the reporting period include E59/2666 granted 01/07/2022, E59/2686 granted 02/09/2022, E59/2423 granted 13/09/2022, E59/2719 granted 24/10/2022; L59/0197 granted 30/09/2022 and L59/0210 granted 4/10/2022;
- Tenement applications E59/2756 (E59/2719), E59/2757 (E59/2686), E59/2758 (E59/2423) and E59/2759 (E59/2719) were all withdrawn upon grant of their original applications being granted;

Tenement applications E59/2756-E59/2759 were first in line applications for E59/2666, E59/2686, E59/2423 and E59/2719. The applications were triggered by the PANTORO vs TRUEFELLA precedent. (Refer [2022] WAMW19 <https://www.dmp.wa.gov.au/Documents/Wardens-Court/2022WAMW19.pdf>) All applications have subsequently been withdrawn upon grant of original applications during the reporting period.

Several field programs including geological mapping, heritage and environmental clearance surveys are been finalized over Hematite Hill resource area, field activities are scheduled to commence early 2023;

Further work planned for the next reporting period includes project wide logistics and strategic studies, 2022 RC data review and validation, DTR selection and submission of 2022 RCP intervals, commencement of geology and resource model updates, field mapping area selection and hydrogeological desktop and proposed field studies.

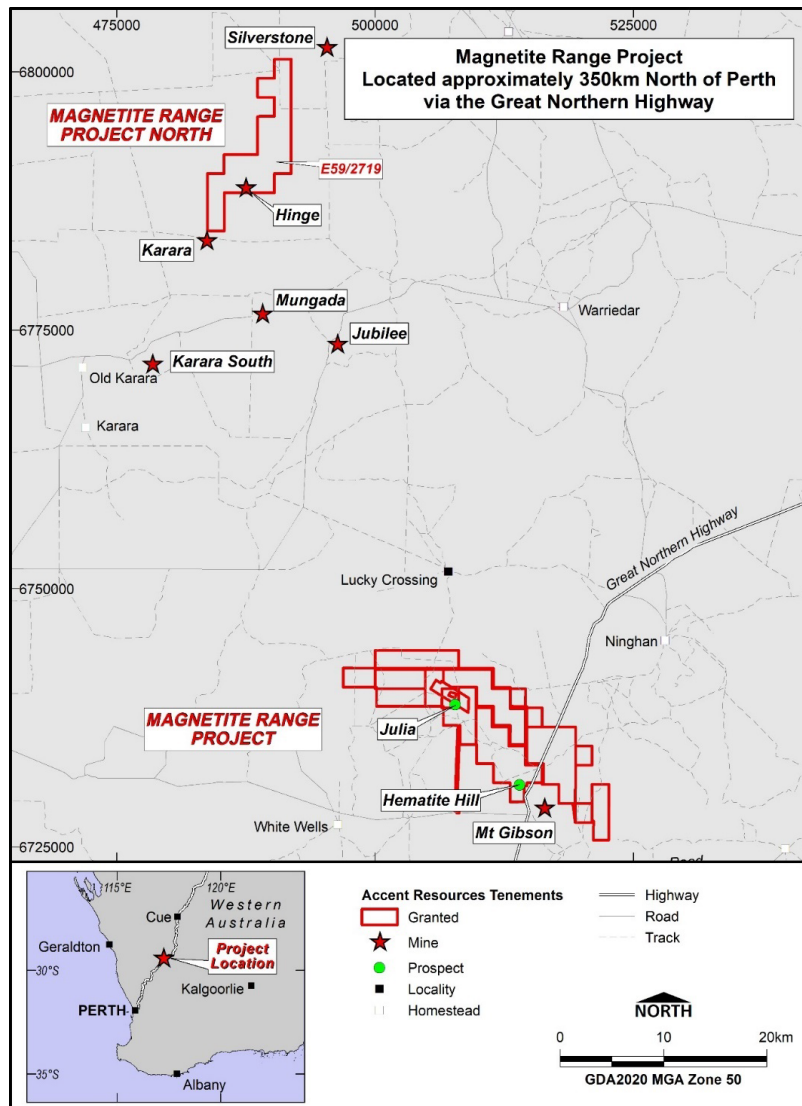


Figure 3 – Magnetite Range Project Tenement Map ending 31 Dec 2022

Norseman Gold Project (ACS 100%)

The Norseman Gold Project occurs within a strongly mineralized portion of the southern Norseman-Wiluna greenstone belt and is located 5km south of the Norseman town site. A JORC 2004 Code Mineral Resource for Iron Duke and Surprise deposits of 1,039,400 tonnes @ 1.8 g/t Au for 59,500 ounces (99 percentile upper cut, 1.0 g/t Au lower cut off) was announced to the ASX on 26 November 2012. Over 70-80% of the resource is shallow, within 50m of surface.

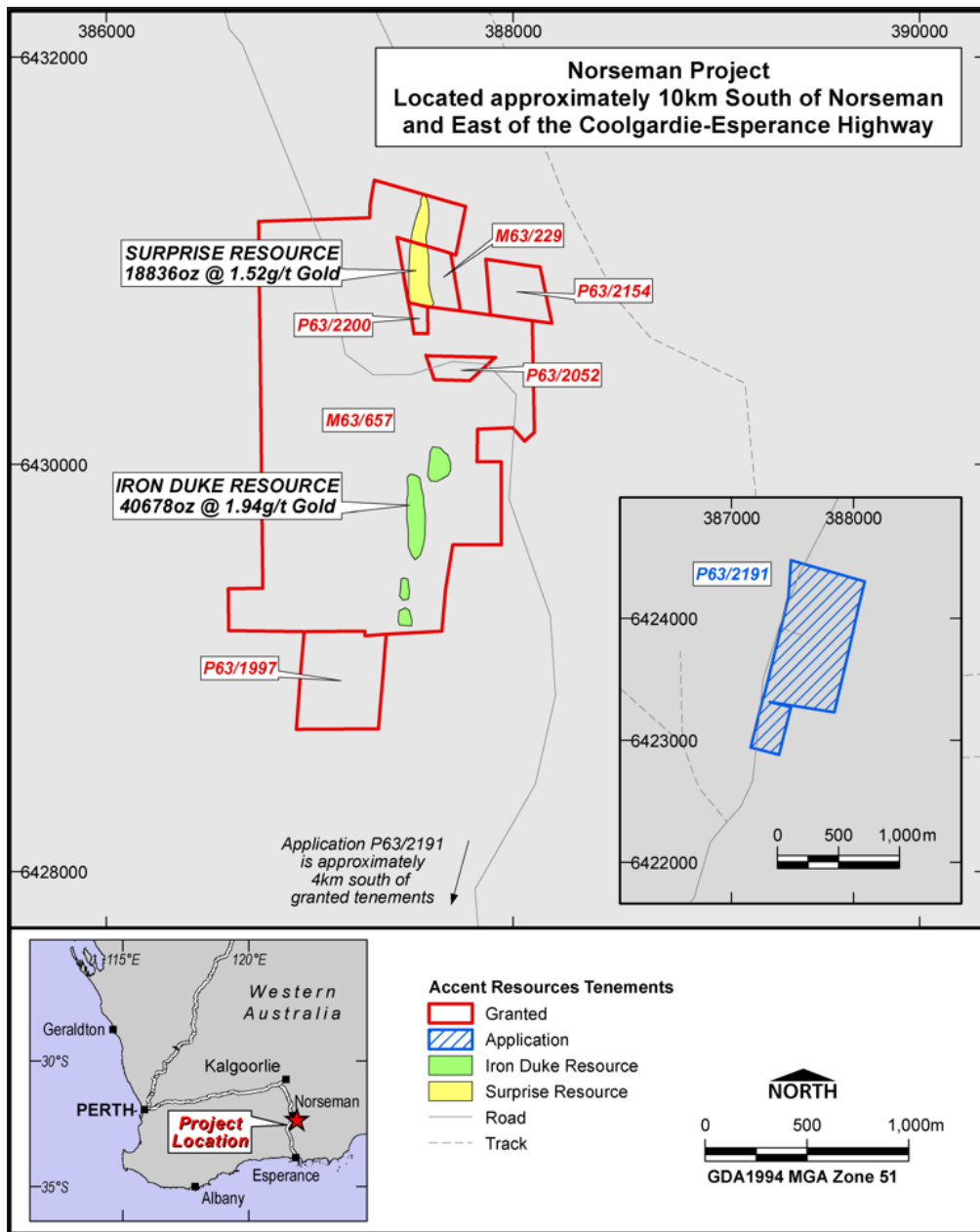


Figure 4 – Norseman Project Activities Map for quarter ending 31 Dec 2021



For personal use only

A total of 14 RCP drill holes were completed for 2,066m over the Norseman gold Project in August 2022 over tenements M63/657 and P63/2052. (Refer Table 3) Samples were submitted for gold analysis by fire assay (FA50/OE04) to Intertek analytical laboratories in Kalgoorlie, all results were received during the reporting period. 2020 and 2022 drilling are currently undergoing QAQC analysis and multielement selection.

The drill holes were designed to:

- Test any lateral extension drilling between the Surprise and Iron Duke resources;
- Examine potential for depth continuity below the Surprise Mineral Resource, and;
- Identify the source of the geophysical magnetic low to the west of Surprise and targeting northern extensions to the mineralisation at Lady Mary.

Table 3: Norseman Project RC Drilling 2022 (MGA94 Zone 51)

Hole_ID	Hole Type	Max Depth	Easting	Northing	Elevation	Dip	Azimuth	Lease_ID
NSRC015	RC	132	387510	6430281	333	-60	090	M 63/657
NSRC016	RC	132	387479	6430276	333	-60	090	M 63/657
NSRC017	RC	150	387502	6430237	336	-60	090	M 63/657
NSRC018	RC	156	387503	6430189	346	-60	090	M 63/657
NSRC019	RC	132	387493	6430476	321	-60	090	M 63/657
NSRC020	RC	120	387439	6430515	327	-60	090	M 63/657
NSRC021	RC	132	387686	6430502	313	-60	090	P 63/2052
NSRC022	RC	168	387370	6430388	323	-60	090	M 63/657
NSRC023	RC	198	387277	6430473	339	-60	090	M 63/657
NSRC024	RC	150	387231	6430428	336	-60	090	M 63/657
NSRC025	RC	100	387405	6430553	322	-60	090	M 63/657
NSRC026	RC	138	387492	6430705	330	-60	090	M 63/657
NSRC027	RC	220	387434	6430956	336	-60	090	M 63/657
NSRC028	RC	138	387361	6430783	332	-60	090	M 63/657
Total (m)		2066						

The drilling intersected a sequence of banded iron formation (BIF), basalt, gabbro, chert +/- black shale and ultramafics +/- massive sulphides and quartz veining. The data collected from the 14 RCP holes will improve the current geological model underpinning the Mineral Resource and increase our subsurface geological understanding along strike across the project.

Upon QAQC review of recent RCP assays, an update of the geological model will commence which will assist a planned mineral resource estimate 'MRE' update due to commence next reporting period. Rehabilitation on drill pads has commenced, plugging of all holes, disposal of green bags and backfill of sumps has taken place, the remaining rehab will be completed next reporting period upon completion of drill hole collar DGPS pickups and DH surveys.

Exploration results have been reported in a separate ASX announcement titled "Drilling confirms extensions to Gold Mineralisation at the Norseman Project" dated 26 October 2022.



For personal use only

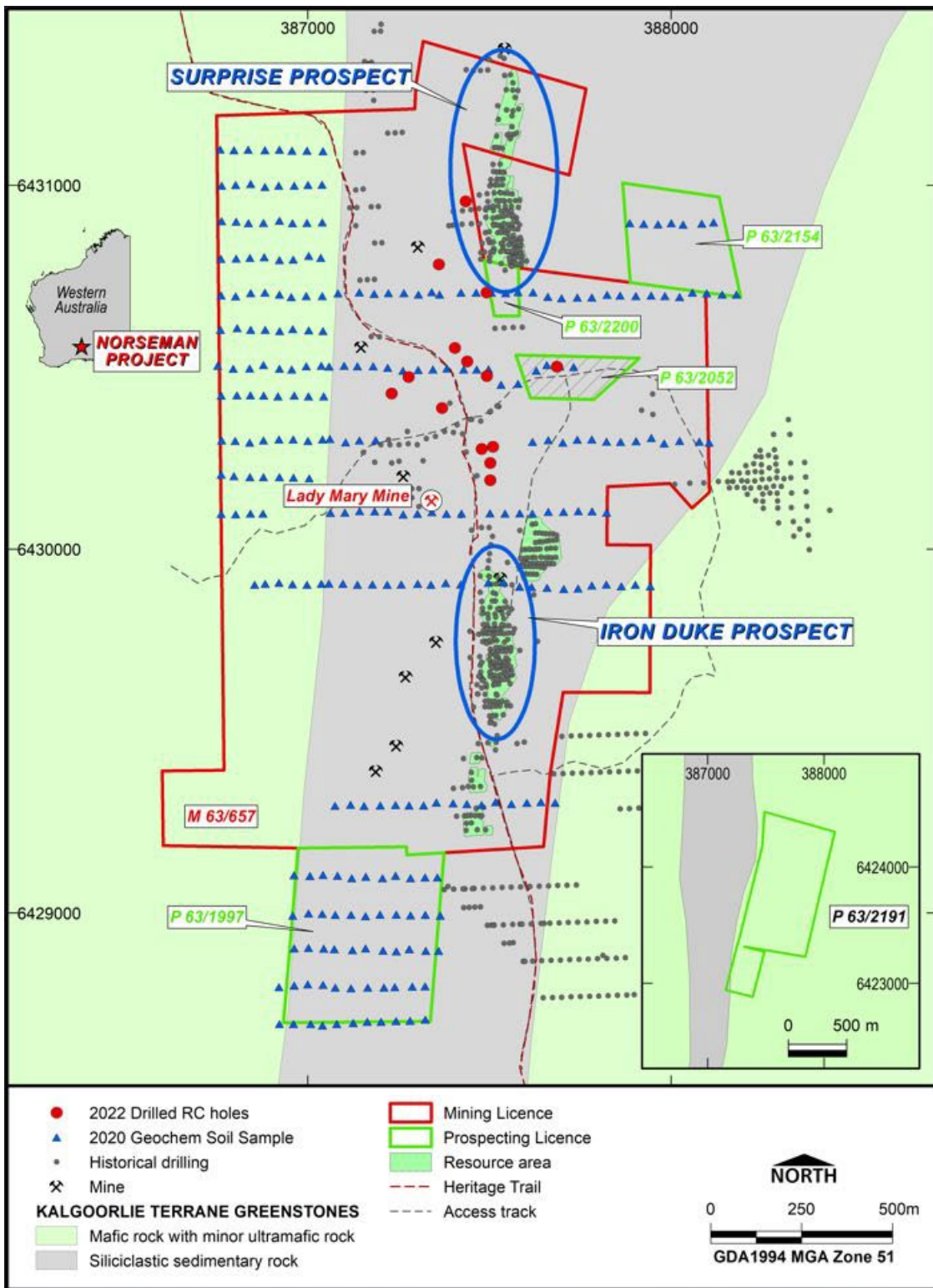


Figure 5 – Norseman Project – Tenement Location Map showing 2022 RC Drillholes (14)

For personal use only

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resource and Ore Reserves is based on information compiled by Ms George Morton, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Morton is a fulltime employee of Accent Resources NL. Ms Morton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Morton consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Subsequent Events

The Company signed a new loan agreement with Rich Mark Development (Group) Pty Ltd on 15 February 2023 for \$3,000,000. The loan is available for drawdown in 3 tranches through to 30 September 2023. The loan is unsecured and subject to interest of 3%, which accrues six monthly and is payable along with the principal at maturity and matures on 19 June 2028.

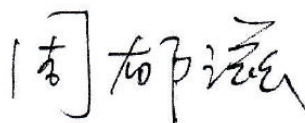
There were no other significant events after the balance date.

Declaration

The auditor's independence declaration has been received and is included with this half-year report.

Signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Yuzi (Albert) Zhou
Executive Chairman
16 March 2023

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Accent Resources NL 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:

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



RSM AUSTRALIA PARTNERS



AIK KONG TING
Partner

Perth, WA
Dated: 16 March 2023

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

For personal use only

ACCENT RESOURCES NL
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Note	31 December 2022 \$	31 December 2021 \$
Other income	3	5,454	280
Administration expenses		(460,085)	(309,050)
Depreciation		(34,313)	(22,216)
Occupancy expenses		(26,637)	(26,004)
Directors fees		(132,578)	(158,558)
Finance costs	4	(805,015)	(440,780)
Other expenses		(62,208)	(14,067)
Exploration expenditure written off	12	(8,211)	(10,138)
Loss before income tax expense		(1,523,593)	(980,533)
Income tax expense		-	-
Loss for the period attributable to the members of the company		(1,523,593)	(980,533)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the members of the company		(1,523,593)	(980,533)
		Cents Per Share	
Basic and diluted loss per share		(0.33)	(0.21)

The accompanying notes form part of these financial statements.

For personal use only

ACCENT RESOURCES NL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022



	Note	31 December 2022 \$	30 June 2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents		4,187,274	3,008,482
Trade and other receivables		117,703	128,587
Total Current Assets		4,304,977	3,137,069
Non-Current Assets			
Property, plant and equipment	11	484,890	514,444
Exploration and evaluation assets	12	8,624,968	6,758,677
Total Non-Current Assets		9,109,857	7,273,121
Total Assets		13,414,834	10,410,190
LIABILITIES			
Current Liabilities			
Trade and other payables		158,480	152,301
Provisions for employee entitlements		328,075	269,159
Lease liabilities		41,555	39,536
Total Current Liabilities		528,110	460,995
Non-Current Liabilities			
Borrowings	13	3,598,369	1,646,914
Convertible loan notes	14	7,071,676	6,459,180
Provisions for employee entitlements		-	16,798
Lease liabilities		67,988	89,283
Total Non-Current Liabilities		10,738,033	8,212,175
Total Liabilities		11,266,143	8,673,170
NET ASSETS		2,148,691	1,737,020
EQUITY			
Issued capital	10	33,665,126	33,665,126
Shareholder contribution		8,264,037	6,528,807
Share based payment reserve		447,615	247,581
Convertible note reserve		2,299,059	2,299,059
Accumulated losses		(42,527,146)	(41,003,553)
TOTAL EQUITY		2,148,691	1,737,020

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Issued Capital	Accumulated Losses	Financial Assets Reserve	Convertible Note Reserve	Shareholder Contribution	Share Based Payment Reserve	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	33,665,126	(37,981,884)	(760,000)	-	6,512,607	-	1,435,849
Loss for the year	-	(980,533)	-	-	-	-	(980,533)
Comprehensive Income	-	(980,533)	-	-	-	-	(980,533)
Transactions with owners in their capacity as owners							
Share based payments	-	-	-	-	-	10,171	10,171
Equity component of convertible note	-	-	-	2,299,059	-	-	2,299,059
Decrease in Contribution from shareholder	-	-	-	-	(1,420,440)	-	(1,420,440)
Balance at 31 December 2021	33,665,126	(38,962,417)	(760,000)	2,299,059	5,092,167	10,171	1,344,106
Balance at 1 July 2022	33,665,126	(41,003,553)	-	2,299,059	6,528,807	247,581	1,737,020
Loss for the year	-	(1,523,593)	-	-	-	-	(1,523,593)
Comprehensive Income	-	(1,523,593)	-	-	-	-	(1,523,593)
Transactions with owners in their capacity as owners							
Share based payments	-	-	-	-	-	200,034	-
Contribution from shareholder	-	-	-	-	1,735,230	-	1,935,264
Balance at 31 December 2022	33,665,126	(42,527,146)	-	2,299,059	8,264,037	447,615	2,148,691

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(417,842)	(291,930)
Interest received	5,454	278
Net cash used in operating activities	(412,388)	(291,652)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(9,208)	(2,775)
Payments for exploration and evaluation	(1,874,502)	(2,629,247)
Net cash used in investing activities	(1,883,710)	(2,632,019)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	3,500,000	2,500,000
Repayment of lease liabilities	(18,128)	(17,449)
Interest on lease liability	(6,982)	(7,661)
Net cash provided by financing activities	3,474,890	2,474,890
Net increase / (decrease) in cash and cash equivalents held	1,178,792	(448,781)
Cash and cash equivalents at the beginning of the financial period	3,008,482	1,851,034
Cash and cash equivalents at the end of the financial period	4,187,274	1,402,253

The accompanying notes form part of these financial statements.

1. GENERAL INFORMATION

Accent Resources NL (the Company) is a Company limited by shares incorporated and registered in Australia. The address of the Company's registered office is shown on page 1.

The principal activities of the Company and the nature of the Company's operations are explained on page 2.

The functional currency and presentation currency of Accent Resources NL is Australian dollars.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with the *Corporations Act 2001* and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent financial report.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2022 annual financial report for the financial year ended 30 June 2022, except for the impact of the Standards and Interpretations described below. The accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

The financial statements were authorised for issue on 16 March 2023.

Going Concern

The half-year financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company incurred a net loss of \$1,523,593 and had net cash outflows from operating and investing activities of \$412,388 and \$1,883,710 respectively, for the half-year ended 31 December 2022. As at 31 December 2022, the Company had a cash balance of \$4,187,274, a net current asset position of \$3,776,867 and a net asset position of \$2,148,691.

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Directors have prepared a cash flow forecast up to the period ending 31 March 2024 which indicates current cash resources will meet expected cash outflows in relation to the Company's planned exploration and evaluation program and working capital requirements;
- As disclosed in Note 15, the Company signed a new loan agreement with Rich Mark Development (Group) Pty Ltd maturing on 19 June 2028, amounting to \$3,000,000, of which \$1,500,000 will be drawn on 20 June 2023, with a further \$1,500,000 drawdown on 30 September 2023;
- Progressively receiving the remaining tranche drawdowns totalling \$3,500,000 under its current loan and convertible note agreement both with Rich Mark Development (Group) Pty Ltd as detailed in Notes 13 and 14 respectively; and
- Managing and deferring costs where applicable to coincide with the funding to be received outlined above to ensure all obligations can be met.

The directors are satisfied that they will achieve the matters set out above and therefore the going concern basis of preparation is appropriate.

Adoption of new and revised Accounting Standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period, being the half-year end 31 December 2022.

The adoption of the amendments and interpretation have not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods.

Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ending 31 December 2022. Management is in the process of assessing the impact of the adoption of these standards and interpretations on the Company.

3. REVENUE AND EXPENSES

	31 December 2022	31 December 2021
Other income	\$	\$
Interest income	5,454	280
Total other income	5,454	280

4. FINANCE COSTS

	31 December 2022	31 December 2021
Finance costs	\$	\$
Borrowing costs	17,218	1,153
Interest on borrowings	186,685	410,424
Interest on convertible note	595,278	21,542
Interest on lease liability	5,834	7,661
Total finance costs	805,015	440,780

5. DIVIDENDS PAID

There have been no dividends paid nor declared since the last reporting date.

6. COMMITMENTS

The Company has annual exploration expenditure commitments of \$540,970 (2021: \$482,942).

The Company currently has a contractual commitment in place for substitutable office space at 9/250 Queen Street, Melbourne. The agreement runs on a month-by-month basis at \$500 per month plus \$200 per month for outgoings.

7. CONTINGENT LIABILITIES

The Company has no contingent liabilities as at 31 December 2022. There has been no change since the last annual reporting date.

For personal use only



8. RELATED PARTY TRANSACTIONS

(a) Loans from Related Parties

The Company's related party loans remained consistent during the period, with the exception of the following:

The Company signed a new loan agreement (Loan-RM-ACS2022-008) with Rich Mark Development (Group) Pty Ltd on 18 August 2022 for \$3,000,000. The loan is available for drawdown in 3 tranches through to 30 June 2023. The loan is unsecured and subject to interest of 2.2%, which accrues six monthly and is payable along with the principal at maturity and matures on 31 December 2028. Rich Mark Development (Group) Pty Ltd have the option to convert the principal and interest in part or whole into Company shares. This will be subject to shareholders approval under ASIC and ASX regulations.

Borrowings

Party	Description	Balance 30 June 2022	Additions	Interest expense for period	Balance as at 31 December 2022
Xingang Resources (HK) Ltd.	Convertible Note	\$3,157,485	\$nil	\$285,595	\$3,443,079
Rich Mark Development (Group) Pty Ltd	Convertible Note	\$3,386,692	\$nil	\$309,683	\$3,696,373
	Loan-RM-ACS2021-007	\$1,646,914	\$1,573,148	\$186,535	\$3,406,597
	Loan-RM-ACS2022-008	\$nil	\$191,622	\$150	\$191,772

Shareholders Contribution

Party	Description	Balance 30 June 2022	Shareholder contribution	Balance as at 31 December 2022
Rich Mark Development (Group) Pty Ltd	Loan-RM-ACS2021-007	\$nil	\$1,426,852	\$1,426,852
	Loan-RM-ACS2022-008	\$nil	\$308,378	\$308,378

(b) Transactions with Related Parties

There has been no other changes to transactions with related parties that have already been disclosed in the annual financial report for the year ended 30 June 2022.

For personal use only



9. SEGMENT INFORMATION

Identification of Reportable Segment

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

The Company operates in mineral exploration in Australia. The financial information in the Statement of Profit or loss and other Comprehensive Income and the Statement of Financial Position is the same as that presented to the chief operating decision maker.

10. ISSUED CAPITAL

	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	Number of Securities No.		Value of Securities \$	
Issued Shares	466,027,283	466,027,283	33,665,126	33,665,126
Fully paid ordinary shares				
Ordinary shares on issue at beginning of period	466,027,283	466,027,283	33,665,126	33,665,126
Shares issued	-	-	-	-
Transaction costs relating to issues	-	-	-	-
Shares on issue at end of period	466,027,283	466,027,283	33,665,126	33,665,126

11. PROPERTY, PLANT AND EQUIPMENT

	31 December 2022 \$	30 June 2022 \$
PROPERTY		
Freehold land		
At cost	50,007	50,007
	<u>50,007</u>	<u>50,007</u>
RIGHT-OF-USE ASSET		
Right-of-use asset		
At cost	197,003	197,003
Accumulated depreciation	(98,501)	(78,801)
	<u>98,502</u>	<u>118,202</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	624,552	615,347
Accumulated depreciation	(288,171)	(269,112)
	<u>336,381</u>	<u>346,235</u>
Total Property, Plant and Equipment	<u>484,890</u>	<u>514,444</u>

12. EXPLORATION AND EVALUATION COSTS

	31 December 2022	30 June 2022
	\$	\$
Carrying amount at the beginning of the year (net of R&D incentives)	6,758,677	3,749,719
Deferred exploration expenditure incurred during the period	1,874,502	3,019,096
Expenditure written off	(8,211)	(10,138)
Closing Balance	8,624,968	6,758,677

The Company has changed its focus and decided to move towards development on the Magnetite Range Project in stages. The costs incurred prior to this decision are deemed to be in relation to the previous period of focus, which were based on maintaining development options on the Project and are separate to the refreshed development strategy. The Company has assessed the impairment triggers and deem the costs on the Project to be recoverable by mining or development of the Project.

13. BORROWINGS

	31 December 2022	30 June 2022
	\$	\$
Borrowings	3,598,369	1,646,914
	3,598,369	1,646,914

The Company signed a new loan agreement with Rich Mark Development (Group) Pty Ltd on 18 August 2022 for \$3,000,000. The loan is available for drawdown in 3 tranches through to 30 June 2023. The loan is unsecured and subject to interest of 2.2%, which accrues six monthly and is payable along with the principal at maturity and matures on 31 December 2028. Rich Mark Development (Group) Pty Ltd have the option to convert the principal and interest in part or whole into Company shares. This will be subject to ASIC and ASX regulations, an independent expert report and shareholder approval.

For personal use only



14. CONVERTIBLE NOTES

Non-Current	31 December 2022	30 June 2022
	\$	\$
Carrying amount of legality brought forward	6,459,180	-
Proceeds from issue of convertible notes	-	6,429,434
Shareholder contribution	-	2,413,801
Convertible note reserve	-	(2,299,059)
Borrowing costs	(17,218)	(84,996)
Interest expense	595,278	-
Carrying amount of legality at 31 December 2022	7,071,676	6,459,180

On 22 December 2021, the shareholders approved the Company to issue a convertible note to Rich Mark Development (Group) Pty Ltd and Xingang Resources (HK) Ltd, which replaced the loans advanced to the Company as well as further advances to be drawn down progressively to 31 March 2022. Interest related to the financial liability before conversion was recognised in profit or loss at an interest rate of 18.09% per annum.

The convertible notes have a subscription price of \$4,848,981 and \$4,500,778, respectively. The following terms are subject to shareholder approval:

- Will be convertible into fully paid ordinary shares in the Company at a conversion price of 6 cents per share;
- The convertible note can only be converted at 6 monthly intervals through to, and including, the redemption date of 23 December 2024 and for the full amount of the face value at that time;
- Have a nominal interest rate at 2.5%;
- The conversion of the convertible note is at Rich Mark Development (Group) Pty Ltd and Xingang Resources (HK) Ltd's election; and
- Rich Mark Development (Group) Pty Ltd have the option to convert the principal and interest in part or whole into Company shares.

15. SUBSEQUENT EVENTS

The Company signed a new loan agreement with Rich Mark Development (Group) Pty Ltd on 15 February 2023 for \$3,000,000. The loan is available for drawdown in 3 tranches through to 30 September 2023. The loan is unsecured and subject to interest of 3%, which accrues six monthly and is payable along with the principal at maturity and matures on 19 June 2028.

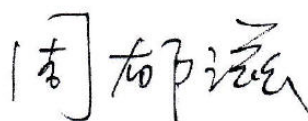
Other than the above, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

In the directors' opinion:

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

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Yuzi (Albert) Zhou
Executive Chairman

Dated this 16th day of March 2023

For personal use only



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111
www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ACCENT RESOURCES NL**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Accent Resources NL which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising 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 Accent Resources NL is not in accordance with the *Corporations Act 2001* including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of Accent Resources NL 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.

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

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

For personal use only

Directors' Responsibility for the Half-Year Financial Report


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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Perth, WA
Dated: 16 March 2023



RSM AUSTRALIA PARTNERS



AIK KONG TING
Partner