

NORTH STAWELL MINERALS LTD

ACN 633 461 453

**2022
INTERIM FINANCIAL REPORT**

For the half-year ended 31 December 2022

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The financial report is presented in Australian dollars.

Registered Office:
167 Leviathan Road,
Stawell VIC 3380

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Directors' Report

The Directors of North Stawell Minerals Ltd (North Stawell Minerals or Company), have pleasure in submitting their report on the Company for the half year ended 31 December 2022.

DIRECTORS

The names of the directors in office at any time during the reporting period and since the end of the period are:

Jeremy Ellis, Chairman
Alistair Waddell, Non-executive Director
Graham Brown, Non-executive Director
Campbell Peter Olsen, Non-executive Director

COMPANY SECRETARY

Mr Lee Tamplin

OPERATING RESULTS

The financial results of the Company for the period after providing for income tax amounted to a net loss of \$950,304 compared to a net loss of \$1,040,649 for the comparative period in 2021.

REVIEW OF OPERATIONS

NSM continues to pursue its strategy to identify, multi-million ounce gold deposits, masked by a blanket of unmineralised sediments, based on the impressive resource at Stawell, at the immediate southern extent of NSMs tenements. The Stawell-type mineralisation is strongly associated with a core of basaltic rocks that can be "seen" with geophysics at depth and through cover. NSM has had multiple successes targeting interpreted basalts with aircore drilling programs in 2021-2022. The best of these (and some new targets) are the focus of 2022-2023 drill programs.

The first half of the financial year 2023 has remained busy. Drilling programs following up on the successful Phase 1 regional drilling (2021-2022) were designed and execution commenced as the rains stopped in December. Programs target prior results where air core had identified either strongly anomalous gold grades, thick intercepts of gold anomalism, or end-of-hole mineralisation. These intercepts are interpreted to be proximal to more significant mineralisation. Significant focus was applied to improving NSMs target pipeline for improved flexibility in programs and increased opportunities for successful exploration programs. Focus prospects include: Darlington, Caledonia, Wimmera Park, Lubeck Tip, Challenger, and Foresaken (Figure 1). Additional targets have been reviewed for drilling, including Ashens and Lubeck. As at end-December, only Caledonia had been drilled, returning significant gold mineralisation results on multiple drilling lines.

Following is an overview of activity during the period:

- Continued return of delayed drilling results (covid-impacted) for targets drilled in the previous half-year, including:
 - 1m @ 12.15 g/t Au from 36m (NSR0077) at Caledonia
 - 3m @ 2.34 g/t Au from 45m (NSR0077) at Caledonia
 - 1m @ 5.05 g/t Au from 56m (NSAC0172) at Lubeck Tip
 - 0.85m @ 5.65 g/t Au from 201.2m (DAD001) at Darlington
 - 3m @ 1.61 g/t Au from 75m (NSAC0442) at Lubeck Tip
 - 1m @ 4.31 g/t Au from 0m (NSAC0410) at Lubeck Tip
 - 1m @ 3.96 g/t Au from 137m (NSR0086) at Darlington
 - 1m @ 3.00 g/t Au from 42m (NSAC0173) at Lubeck Tip
 - 2m @ 1.48 g/t Au from 25m (NSAC0380)* at Old Roo
 - 1m @ 1.41 g/t Au from 112m (NSR0087) at Pleasant Creek
 - and 143 anomalous (0.05-1 g/t Au) results that will contribute to future targeting.
- Finalised drill designs focused on targets under Murray Basin cover and the Darlington-Germania trend (6 prospects) – programs commenced December 2022.
- Continued surface geochemistry in southern areas on the tenements where the geochemical signature is most likely to reach surface.
- Analysis of 10,000 drilling samples with portable XRF to catch up on databases.
- Geologically, drilling:
 - Identified additional granite related gold potential at Doctors Hill (as well as Wimmera Park),
 - Progressed the Caledonian target from a generative target to 250m strike length.
 - Intersected significant gold mineralisation at Lubeck Tip in the first 16 holes – an endorsement of NSM's exploration targeting.

Progressed the Darlington Target to 100m vertical depth with follow up sampling of historic core.
Identified significant mineralisation in basalt at the Old Roo Prospect.

- Commencement of a collaborative study with Australia's national science agency, CSIRO, working on determining likely gold pathways from the geophysics data.
- Review of the work completed previously at the Wildwood prospect (which includes a small Inferred Mineral Resource of 55,000 oz Au at 2g/t. A more thorough review will be completed in the first half of 2023.
- Community engagement and land holder access finalised for the Phase 2 drilling campaigns.
- Post drilling land rehabilitation completed and up to date.
- Completed migration to a new database and new database management.

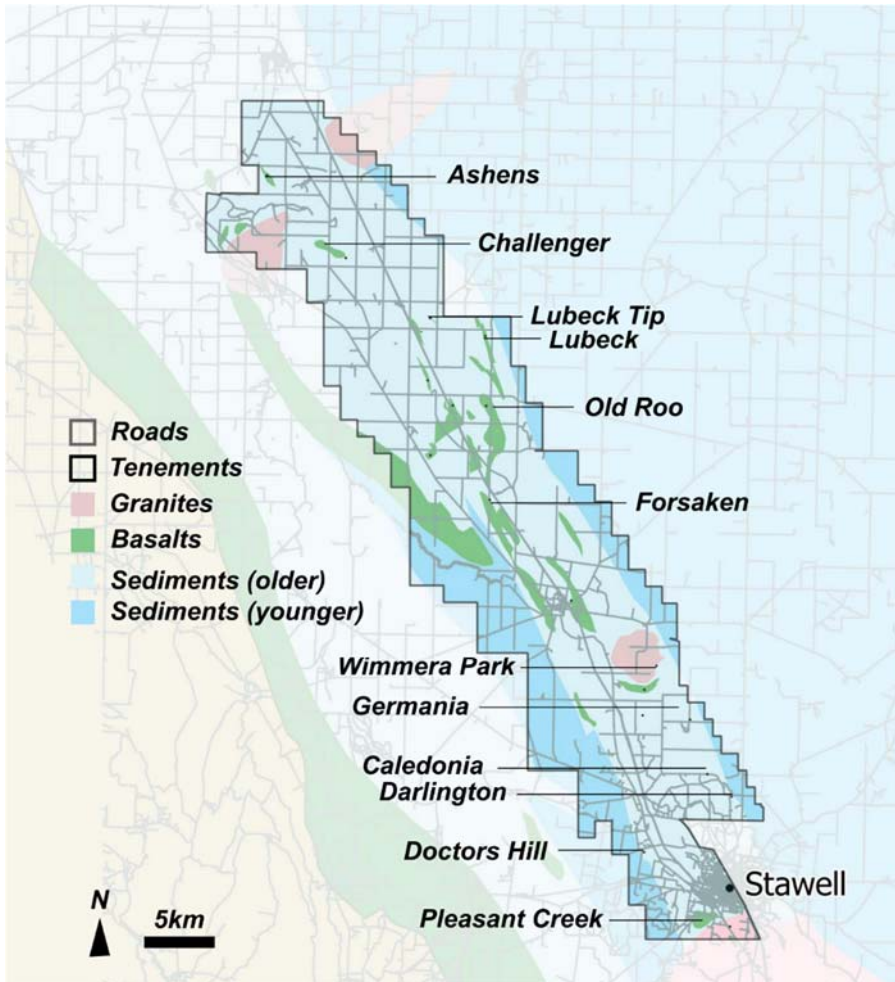


Figure 1 Principal targets within the NSM tenement package.

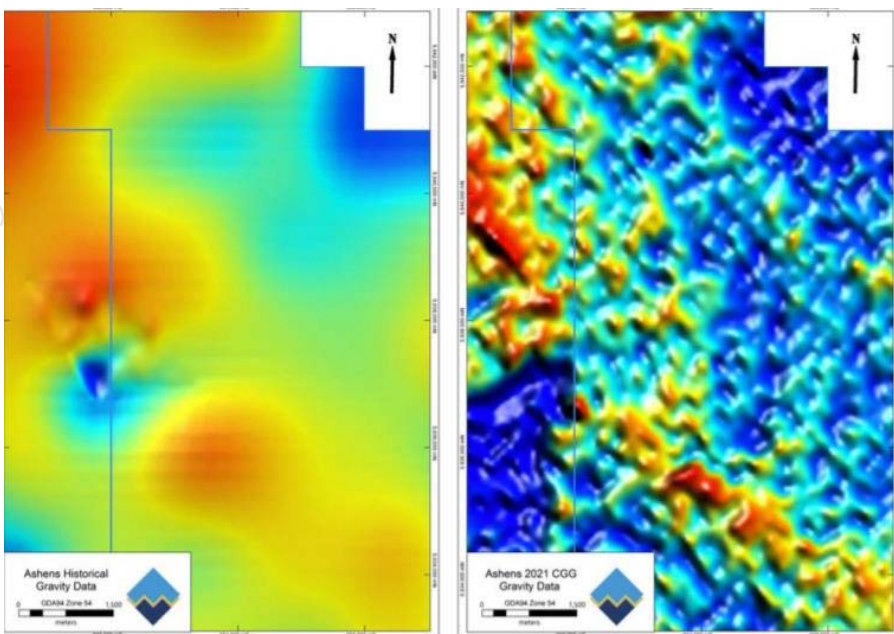


Figure 2 side by side images of historic regional gravity data versus the CGG survey data at Ashens. Structures and geology are much clearer and distinct in the new dataset – improving exploration interpretation and targeting

The Victorian Government Survey estimates up to 32Moz Au remain undiscovered under the Murray Basin sediments. The detailed geophysical and geochemical work undertaken by our technical team is designed to enable us to “look through” this sediment and identify the underlying likely gold bearing structures. NSM has identified 20+ major target structures and numerous smaller targets. Over the course of our exploration program, these targets will be tested with a combination of Air core (AC), Reverse Circulation (RC) and Diamond drill rigs.

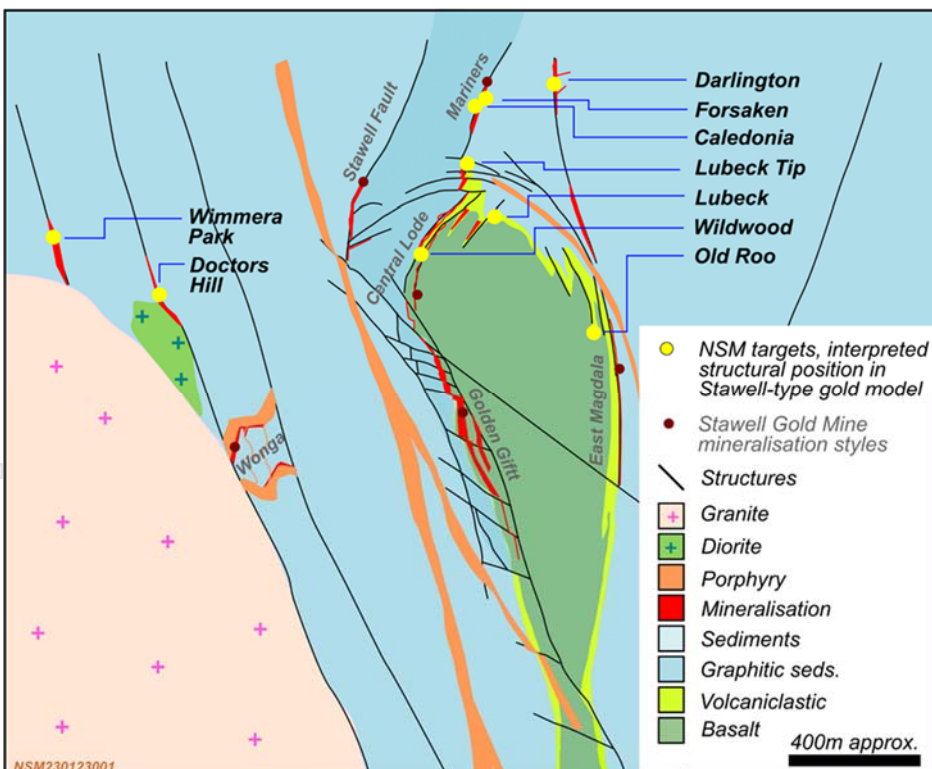


Figure 3 North Stawell exploration model schematic. Mineralisation at Stawell wraps around the margins of a basalt core (the Magdala Basalt). Where there are irregularities in the surface, mineralization is more likely to occur. Above the basalt, mineralisation “ramps” off into the host rock. NSM can detect the basalts through cover and target potential gold. This image shows the relative position of the NSM targets in relation to the Stawell gold model.

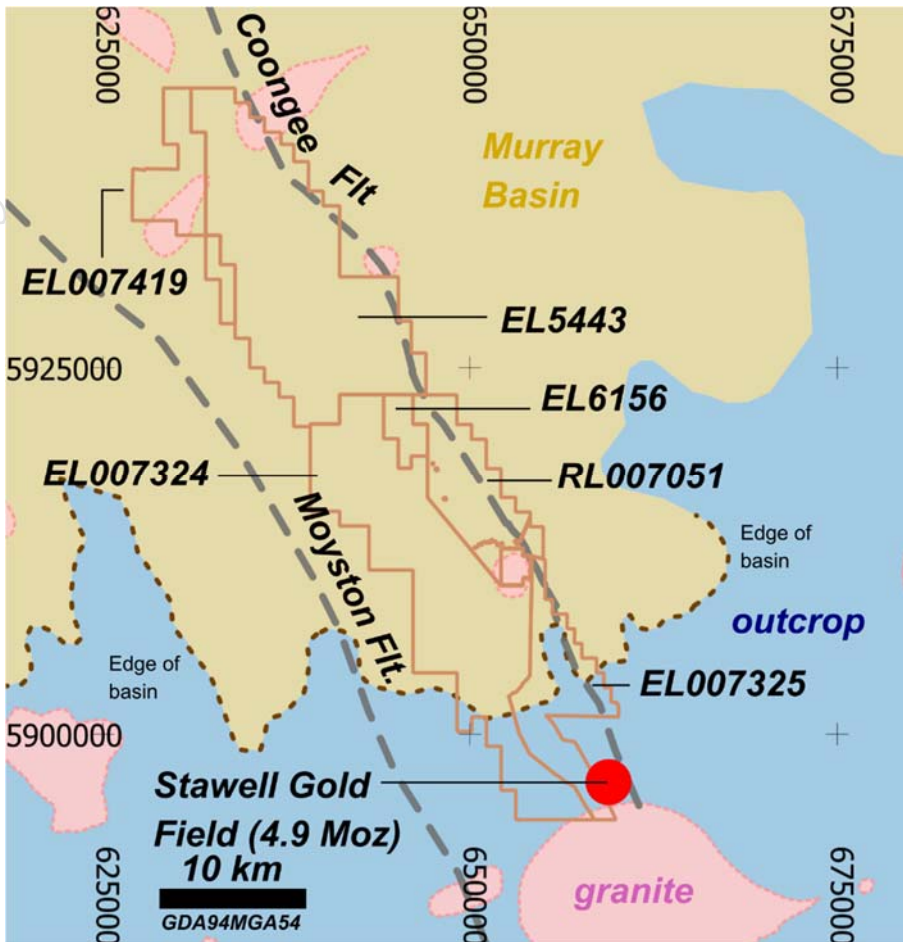


Figure 4 Air Core drilling at Caledonia. A larger rig – capable of drilling significantly deeper holes - has been mobilised to drill the northern, deeper targets.

There have been no substantive changes to NSM's tenement package during the reporting period. All tenements remain in good standing (Table 1, Figure 5)

Table 1 NSM tenement portfolio

Tenement Name	Status	Tenement ID	Area (km2)	Initial NSM holding	Earn-in potential
Wildwood	Granted	RL007051	50	51%	90%
Barrabool	Granted	EL5443	182	51%	90%
Glenorchy	Granted	EL006156	10	100%	n/a
West Barrabool	Granted	EL007419	37	100%	n/a
Wimmera Park Granite	Granted	EL007182	4.5	100%	n/a
Deep Lead	Granted	EL007324	167	51%	90%
Germania	Granted	EL007325	54	51%	90%
Total granted	100%		504.5		km²



PRINCIPAL ACTIVITIES

The principal activity of the Company during the period was to explore and develop its exploration licences in Victoria.

EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years that have not been disclosed elsewhere.

DIVIDENDS

There were no dividends paid or declared during the reporting period or to the date of this report.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 (Cth) is set out on page 8 and forms part of this directors' report.

Signed in accordance with a resolution of the Directors.

Jeremy Ellis
Chairman
Melbourne
15 March 2023

Wildwood Inferred Mineral Resource Estimate and Competent Person's Statement

The Wildwood JORC Inferred Mineral Resource Estimate is extracted from the report entitled "Prospectus" created on 22 September 2020 and is available to view on www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resource Estimates, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward-Looking Statements

This announcement contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of NSM and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and NSM assumes no obligation to update such information.

Table 1. NSM Tenure Summary

Tenement	Number	Area (km ²)	Initial NSM holding	Earn-in potential
Wildwood	RL7051	50	51%	90%
Barrabool	EL5443	194	51%	90%
Glenorchy	EL6156	18	100%	N/A
West Barrabool	EL7419	40	100%	N/A
Wimmera Park	EL7182	9	100%	N/A
Deep Lead	EL7324	209	51%	90%
Germania	EL7325	82	51%	90%
Total Tenement n Area		602		

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Auditor's Independence Declaration

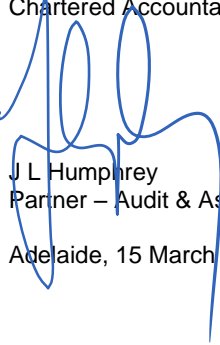
To the Directors of North Stawell Minerals Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of North Stawell Minerals Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 15 March 2023

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Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2022

	Notes	31 Dec 2022 \$	31 Dec 2021 \$
Interest income		72,691	19,518
Employee Benefits expense		(126,831)	(188,597)
Administration and corporate costs	3	(628,318)	(607,003)
Director's Fees		(120,000)	(110,000)
Share based payments	6	(147,846)	(154,567)
Loss before income tax expense		(950,304)	(1,040,649)
Income tax expense		-	-
Net loss after income tax benefit for the period		(950,304)	(1,040,649)
Other comprehensive income		-	-
Total comprehensive loss for the period		(950,304)	(1,040,649)
Basic and Diluted Loss per share (cents)	2	(0.0079)	(0.009)

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position
As at 31 December 2022

	Notes	31 Dec 2022 \$	30 June 2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	5,003,177	6,669,669
Trade and other receivables		25,359	510,366
Other current assets		217,625	57,649
		5,246,161	7,237,684
Non-Current Assets			
Exploration and evaluation assets		9,328,874	7,998,774
Plant and equipment		343,205	417,934
Other non-current assets		60,000	70,000
Total non-current assets		9,732,079	8,486,708
TOTAL ASSETS		14,978,240	15,724,392
LIABILITIES			
Current liabilities			
Trade and other payables		448,847	384,085
Provision for employee benefits		56,605	65,061
TOTAL LIABILITIES		505,452	449,146
NET ASSETS		14,472,788	15,275,246
EQUITY			
Issued capital	5	18,913,652	18,913,652
Share Based Payments Reserve		614,768	466,922
Accumulated losses		(5,055,632)	(4,105,328)
TOTAL EQUITY		14,472,788	15,275,246

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity
For the half year ended 31 December 2022

	Issued Capital \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2021	18,850,152	247,210	(2,089,395)	17,007,967
Total comprehensive loss for the period	-		(1,040,649)	(1,040,649)
Performance Rights exercised	63,500	(63,500)	-	--
Share based payments - Performance Rights	-	154,567	-	154,567
Balance at 31 December 2021	18,913,652	338,277	(3,130,044)	16,121,885

	Issued Capita \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2022	18,913,652	466,922	(4,105,328)	15,275,246
Total comprehensive loss for the period	-		(950,304)	(950,304)
Share based payments - Performance Rights	-	147,846	-	147,846
Balance at 31 December 2022	18,913,652	614,768	(5,055,632)	14,472,788

This statement should be read in conjunction with the notes to the financial statements.

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Statement of Cash Flows
For the half year ended 31 December 2022

	Notes	31 Dec 2022 \$	31 Dec 2021 \$
Operating activities			
Interest received		72,691	19,518
Payments to suppliers and employees		(779,495)	(734,460)
Net cash used in operating activities		<u>(706,804)</u>	<u>(714,942)</u>
Investing activities			
Payments to acquire plant and equipment		47,939	(36,271)
Payments for exploration and evaluation assets		(1,355,841)	(958,794)
Research and Development Tax Incentive		348,215	-
Net cash used in investing activities		<u>(959,687)</u>	<u>(995,065)</u>
Financing activities			
Proceeds from issue of shares		-	-
Transaction costs related to issue of shares		-	-
Net cash from financing activities		<u>-</u>	<u>-</u>
Net change in cash and cash equivalents		<u>(1,666,491)</u>	<u>(1,710,007)</u>
Cash and cash equivalents, beginning of reporting period		<u>6,669,669</u>	<u>11,778,344</u>
Cash and cash equivalents, end of period	4	<u>5,003,177</u>	<u>10,068,337</u>

This statement should be read in conjunction with the notes to the financial statements.

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Notes to the financial statements For the period ended 31 December 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

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.

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

a) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

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

The Directors has considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the Board in allocating resources have concluded that at this time there are no separately identifiable segments.

b) Going concern

The Company's financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business. During the 6 months ended 31 December 2022, the Company recognised a loss of \$950,304, had net cash outflows from operating and investing activities of \$1,666,491 and had accumulated losses of \$5,055,632 as at 31 December 2022.

The continuation of the Company as a going concern is dependent upon its ability to generate sufficient net cash inflows from operating and financing activities and manage the level of exploration and other expenditure within available cash resources.

The Directors consider that the going concern basis of accounting is appropriate, as the Company has the following options:

- The ability to issue share capital under the Corporations Act 2001, by a share purchase plan, share placement or rights issue.
- The option of farming out all or part of its assets.
- The option of selling interests in the Company's assets; and
- The option of relinquishing or disposing of rights and interests in certain assets.

In the event that the Company is unsuccessful in implementing one or more of the funding options listed above, such circumstances would indicate that a material uncertainty exists that may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Notes to the financial statements
For the period ended 31 December 2022

2. EARNINGS PER SHARE

The weighted average number of shares for the purpose of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	31 Dec 2022	31 Dec 2021
Weighted average number of shares used in basic earnings per share	120,127,000	120,070,093
Weighted average number of shares used in diluted earnings per share	120,127,000	120,070,093
Loss per share – basic (cents)	(\$0.0079)	(\$0.009)
Loss per share – diluted (cents)	(\$0.0079)	(\$0.009)

In accordance with AASB 133 'Earnings per Share', there are no dilutive securities.

3. ADMINISTRATION AND CORPORATE COSTS

	31 Dec 2022	31 Dec 2021
	\$	\$
Accounting & Audit fees	60,147	27,104
ASX & Company Secretarial Fees	118,464	53,879
Consulting and contractor costs	65,088	181,778
Investor Relations & Marketing	69,291	55,985
Insurance	39,581	40,334
SGM Services Fee	120,000	120,000
Legal Fees	6,725	6,315
Software & IT costs	8,361	10,388
Travel, Accommodation & Catering	68,394	20,679
Staff uniforms and Protective clothing	1,273	7,343
Vehicle & Equipment Costs	-	21,572
Other Expenses	70,994	68,969
Total	628,318	614,346

4. CASH AND CASH EQUIVALENTS

	31 Dec 2022	30 June 2022
	\$	\$
Cash and cash equivalents include the following:		
Cash at bank and on hand	5,003,177	6,669,669
Cash and cash equivalents	5,003,177	6,669,669

The above figures are reconciled to cash at the end of the financial period as shown in the statement of cash flows as follows:

Cash and cash equivalents	5,003,177	N/A
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5. ISSUED CAPITAL

	Number of shares	31 Dec 2022
		\$
(a) Issued and paid-up capital		
Fully paid ordinary shares	120,127,000	18,913,652
(b) Movements in fully paid shares		
At 1 July 2022	120,127,000	18,913,652
Shares issued	-	-
Balance as 31 December 2022	120,127,000	18,913,652

Notes to the financial statements
For the period ended 31 December 2022

6. SHARE BASED PAYMENTS

Share Based Payments Reserve	31-Dec-22		30-Jun-22	
	Number	Reserve \$	Number	Reserve \$
Fair Value of rights issued, not vested	635,000	24,768	1,942,000	466,922
Fair Value of rights issued, vested but not exercised	1,180,000	590,000	1,815,000	13,026

The Company has established a performance rights plan (PR) to assist in the motivation, retention reward of senior executives and directors. The PR was adopted on 28 July 2020. Under the plan, the board can issue performance rights to executive and the non-executive directors, employees, and contractors as remuneration for additional duties performed and to incentivise them to align their interests more closely with those of shareholders. If the performance conditions and any other vesting conditions are met, an equivalent number of shares will be issued that rank equally with all other existing shares in all respects.

AASB 2 share-based payment requires that the company record the cost of all forms of director and employee remuneration in the company's accounts and sets out parameters for determining this cost. AASB 2 sets the valuation date (termed as grant date) as the date at which such a right has been approved. The directors have valued the performance rights using the Monte Carlo model; the model calculates performance right values the following inputs: • valuation date; • share price at valuation date; • expiry date; • risk free rate; • company-specific volatility; • strike price; and • maximum expected life.

The performance rights are triggered by meeting the following performance vesting conditions:

Holder	Number	Total fair value on issue \$	Total amount expensed in current period \$	Vesting conditions
Mr. Jeremy Ellis	340,000	136,000	39,215	Two years continuous service with the company from its date of admission to ASX. These shares have now vested and were issued on the 24 th of September 2022, however, have not been exercised at 31 December 2022.
Mr. Graham Brown	280,000	112,000	32,296	Two years continuous service with the company from its date of admission to ASX. These shares have now vested and were issued on the 24 th of September, however, have not been exercised at 31 December 2022.
Mr. Alistair Waddell	280,000	112,000	39,296	Two years continuous service with the company from its date of admission to ASX. These shares have now vested and were issued on the 24 th of September, however, have not been exercised at 31 December 2022.
Mr. Campbell Olsen	280,000	112,000	39,296	Two years continuous service with the company from its date of admission to ASX. These shares have now vested and were issued on the 24 th of September, however, have not been exercised at 31 December 2022.
Mr. Russell Krause	635,000	140,589	11,742	1. Market capitalisation of \$40 m 2. Market capitalisation of \$50 m 3. Market capitalisation of \$60 m 4. Market capitalisation of \$70 m 5. Market capitalisation of \$80 m

The movement in the number of performance rights on issue is summarised below:

Performance Rights Movement	31 Dec 2022	30 June 2022
Opening Balance	1,815,000	1,815,000
Expired/lapsed	-	-
Granted	-	-
Exercised	-	-
Outstanding ^(*)	1,815,000	1,815,000

^(*) Performance Rights of 1,180,000 were vested and released from mandatory escrow for Mr. Jeremy Ellis, Mr. Graham Brown, Mr. Alistair Waddell and Mr. Campbell Olsen on the 24th of September 2022. These Performance Rights have not been exercised at December 31st 2022.

Notes to the financial statements

For the period ended 31 December 2022

7. RELATED PARTY TRANSACTIONS

The company has a support services agreement with Stawell Gold Mines Pty Ltd in relation to the use of certain administrative facilities, equipment and other services (these include administrative offices, human resources and safety, cleaning, data base management). The company pays a monthly service fee of \$40,000 (\$120,000 expensed for the period and \$120,000 capitalised as exploration and evaluation assets). In addition, the company reimburses Stawell Gold Mines Pty Ltd for other goods and services utilised in the shared facilities. This services agreement is considered to be at arm's length terms for the purposes of Chapter 2E of the Corporations Act.

The company has a support services agreement with Arete Capital Partners Pty Ltd, a company owned by Campbell Olsen (Director), in relation to the provision of media and administrative support services for NSM. The company incurred \$2,000 in costs to Arete Capital Partners Pty Ltd over the current reporting period for this support services agreement. This services agreement is considered to be at arm's length terms for the purposes of Chapter 2E of the Corporations Act.

8. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS

As at 31 December 2022, the Company did not have any contingent assets or contingent liabilities

The Company has minimum expenditure commitments on exploration licences as per the terms of each exploration license. Unexpended commitment for a particular year can be deferred or rolled over to subsequent years of the licence term.

9. EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years that have not been disclosed elsewhere.

Directors' Declaration

In the opinion of the Directors of North Stawell Minerals Ltd:

- a) the financial statements and notes of North Stawell Minerals Ltd are in accordance with the *Corporations Act 2001 (Cth)*, including:
- i. giving a true and fair view of its financial position as at 31 December 2022 and of its performance for the financial period ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001 (Cth)*; and
- b) there are reasonable grounds to believe that North Stawell Minerals Ltd will be able to pay its debts when they become due and payable.

The financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Jeremy Ellis
Chairman
Melbourne
15 March 2023

Independent Auditor's Review Report

To the Members of North Stawell Minerals Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of North Stawell Minerals Limited (the Company), which comprises the statement of financial position as at 31 December 2022, and 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, a description of accounting policies, 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 accompanying half-year financial report of North Stawell Minerals Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of North Stawell Minerals Limited's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- a complying with Accounting Standard AASB 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 1b) in the financial report, which indicates that the Company incurred a net loss of \$950,304 and had net cash outflows from operating and investing activities of \$1,666,491 during the half year ended 31 December 2022. As stated in Note 1b), these events or conditions, along with other matters as set forth in Note 1b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year 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 responsibility

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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J.L. Humphrey
Partner – Audit & Assurance

Adelaide, 15 March 2023