For personal use only

CGN RESOURCES LIMITED
ABN 51 122 958 810

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2023

CONTENTS

Page

Directors' Report 1

Auditor's Independence Declaration 3

Statement of Profit or Loss and Other Comprehensive Income 4

Statement of Financial Position 5

Statement of Changes in Equity 6

Statement of Cash Flows 7

Notes to the Financial Statements 8

Directors' Declaration 12

Independent Assurance Practitioner's Review Report 13

For personal use only

For personal use only

DIRECTORS' REPORT
31 DECEMBER 2023

The Directors present their report together with the financial report on CGN Resources Limited ("CGN Resources" or "the Company") for the half-year ended 31 December 2023.

DIRECTORS

The Directors of the Company during or since the end of the half-year are:

- Daniel (Stan) Wholley
- Darryl Harris
- Grant Mooney (appointed 4 July 2023)
- Ashley Martin (retired 26 July 2023)

The above-named directors held office during and since the end of the half-year, unless otherwise stated.

OPERATING RESULTS

The loss from ordinary activities of the Company for the half-year ended 31 December 2023 after income tax was $2,946,579 (2022: $200,562).

REVIEW OF OPERATIONS

About the Webb Project

The Webb Project is in the Eastern Kimberly region of Western Australia approximately 20km east of the Kiwirrkurra Aboriginal community. The Project comprises seven granted exploration licences and two exploration licence applications. The tenements cover 961 sq km of the highly prospective West Arunta Orogen, a package of Proterozoic to Archean aged rocks considered highly prospective for large magmatic base metal, precious metal, and kimberlitic diamond deposits. The project has been the subject of detailed exploration for diamonds resulting in the discovery of Australia's largest kimberlite field comprising at least 280 kimberlite pipes. Although microdiamonds have been discovered in in surface loam samples no diamonds have been discovered in the 50 kimberlite pipes tested to date. During exploration for diamonds multiple holes returned highly anomalous base metal intersections for copper, nickel, and rare earth elements. Based on these results CGN Resources has changed focus from diamonds exploration to base metal and specialty metal exploration which will be the focus of work over the coming years.

During the September quarter CGN Resources planned and permitted a maiden drilling program to evaluate two of the iron oxide copper gold targets (IOCG) targets at the Webb Project. The drilling program commenced on 9 October. The first two targets to be evaluated were Tantor and Surus. A 600m deep diamond drill hole has been planned to evaluate each of the targets prior to commencement of the wet season (weather permitting).

The holes were designed as a first pass test of the large gravity anomalies present at each target (Figure 2 and Figure 3). Geophysical modelling indicates target depths of 250m to 600m. The holes are designed to evaluate the central part of each anomaly to a vertical depth of 520m. These holes will provide valuable first pass information on the geology and geochemistry on these high priority targets.

The prospectus opened on the 1st of September 2023, and the Company raised the maximum $10 million in two weeks, closing the prospectus on the 15th of September 2023. There was significant interest in the project and the offering was closed oversubscribed. The Company commenced trading on ASX on 18 October 2023.

During the December Quarter, CGN Resources completed a major heritage survey and the maiden drilling program, testing the Tantor gravity target. The drilling program commenced on 9 October and was completed in mid-November. Significant weather events occurred in mid-November which meant CGN Resources was unable to complete the Surus drilling, and this hole will form part of the 2024 exploration campaign. The heritage Survey was highly successful with all programs cleared for CGN Resources substantial 2024 campaign.

The Tantor hole provided valuable insights into the geology, geochemistry, and structure of the Tantor target and has wider ranging and positive implications for the project. The most notable feature of the drilling was the discovery of previously unknown intrusive ultramafic rocks.

For personal use only

DIRECTORS' REPORT
31 DECEMBER 2023

REVIEW OF OPERATIONS (CONTINUED)

Planning for 2024 was also a focus during the December Quarter. Completing the heritage clearance survey has enabled us to get plans in place to commence our exploration programs as early as possible in 2024. To that end we have already contracted ground geophysics companies to commence in late February and are well advanced on contracting our preferred drilling contractors.

CGN Resources announced the appointment of James Potter as Exploration Manager in November 2023.

2024 Planned Activities

Key activities at the commencement of 2024 have been focussed on preparation for the substantial exploration campaign planned for the Webb Project in 2024. All permitting is in place to commence these programs and teams are due on site in the last week of February. The CGN Resources technical team is also well advanced in the selection process for drilling contractors planned to be on site in Q4 of FY24.

Corporate Activities

The primary focus of the half year was preparation to complete an IPO to list the Company on the ASX. CGN Resources successfully completed all the required compliance documentation, completing a prospectus which was lodged with ASIC in late August 2023. The prospectus outlined our plan to raise funds by an issuing share at $0.20 per share aiming for a minimum of $8 million and 40,000,000 shares up to a maximum of $10 million for 50,000,000 shares. The Prospectus was closed late September fully subscribed and official listing on the ASX occurred on 18 October 2023.

EVENTS AFTER BALANCE DATE

There were no matters or circumstance subsequent to the end of the year that has significantly affected the operations of the Company, the results of operations or the state of affairs in future financial years.

Signed on 14 March 2024 in accordance with a resolution of the directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors:

Stan Wholley
Managing Director
15 March 2024

SW
Accountants & Advisors

Take the lead

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF CGN RESOURCES LIMITED

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

SW Audit

SW Audit
Chartered Accountants

Richard J Gregson

Richard Gregson
Partner

Perth, 15 March 2024

For personal use only

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Half-Year Ended 31 Dec 2023 $	Half-Year Ended 31 Dec 2022 $
Drilling grant Income	144,000	-
Other income	51,221	24
Total Revenue	**195,221**	**24**
Director's fees	(30,000)	-
Exploration	(1,250,902)	(175,457)
ASX Fees	(104,438)	-
Depreciation	(458)	-
Employee benefits	(215,234)	-
Rental expenses	(3,800)	-
Share-based payments	(1,199,322)	-
Prospectus expenses	(177,719)	-
Other administration and overheard expenses	(159,927)	(25,129)
Total Expenses	**(3,141,800)**	**(200,586)**
Loss before income tax	**(2,946,579)**	**(200,562)**
Income tax expense	-	-
Loss for the period	**(2,946,579)**	**(200,562)**
Other comprehensive income	-	-
Total comprehensive loss for the period	**(2,946,579)**	**(200,562)**
Total comprehensive loss for the half year is attributable to:		
Owners of CGN Resources Limited	**(2,946,579)**	**(200,562)**
	Cents	Cents
Loss per share:		
Basic loss per share (cents per share)	(3.75)	(0.58)
Diluted loss per share (cents per share)	(3.75)	(0.58)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

For personal use only

For personal use only

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	31 Dec 2023 $	30 June 2023 $
CURRENT ASSETS			
Cash and cash equivalents	4	4,181,644	215,505
Other Financial Assets – Term Deposits		4,500,000	-
Other receivables	5	265,282	2,930
Other current assets		35,902	2,093
TOTAL CURRENT ASSETS		**8,982,828**	**220,528**
NON-CURRENT ASSETS			
Property, plant and equipment		5,123	-
TOTAL NON-CURRENT ASSETS		**5,123**	**-**
TOTAL ASSETS		**8,987,951**	**220,528**
CURRENT LIABILITIES			
Trade and other payables	6	313,927	108,260
Employee entitlements		9,288	-
TOTAL CURRENT LIABILITIES		**323,215**	**108,260**
TOTAL LIABILITIES		**323,215**	**108,260**
NET ASSETS		**8,664,736**	**112,268**
EQUITY			
Issued capital	7	15,895,965	6,018,640
Share option reserve	8	1,621,722	-
Accumulated losses		(8,852,951)	(5,906,372)
TOTAL EQUITY		**8,664,736**	**112,268**

The above statement of financial position
should be read in conjunction with the accompanying notes.

For personal use only

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Issued Capital	Share Option Reserve	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2023	**6,018,640**	**-**	**(5,906,372)**	**112,268**
Loss for the period	-	-	(2,946,579)	(2,946,579)
Total other comprehensive income	-		-	-
Total comprehensive loss for the half year	-	**-**	**(2,946,579)**	**(2,946,579)**
Issue of shares	10,800,000	-	-	**10,800,000**
Issue of options	-	1,199,322		**1,199,322**
Share issue costs	(922,675)	422,400	-	**(500,275)**
Balance at 31 December 2023	**15,895,965**	**1,621,722**	**(8,852,951)**	**8,664,736**
		-		
Balance at 1 July 2022	**5,442,010**		**(5,471,640)**	**(29,630)**
		-		
Loss for the period	-		(200,562)	(200,562)
Total other comprehensive income	-	-	-	-
Total comprehensive loss for the half year	-	**-**	**(200,562)**	**(200,562)**
Issue of shares	576,630	-	-	**576,630**
Balance at 31 December 2022	**6,018,640**	**-**	**(5,672,202)**	**346,438**

The above statement of changes in equity
should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Half-Year Ended 31 Dec 2023 $	Half-Year Ended 31 Dec 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(1,753,516)	(377,264)
Interest received	3,498	42
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	**(1,750,018)**	**(377,222)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(17,721)	-
Other financial assets – Long term fixed deposit	(4,500,000)	-
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	**(4,517,721)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	10,800,000	576,630
Share issue costs	(566,122)	-
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	**10,233,878**	**576,630**
Net increase in cash and cash equivalents	3,966,139	199,408
Cash and cash equivalents at the beginning of the period	215,505	157,801
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**4,181,644**	**357,209**

The above statement of cash flows
should be read in conjunction with the accompanying notes.

For personal use only

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 1. CORPORATE INFORMATION

The interim report of CGN Resources Limited ("the Company") for the half year ended 31 December 2023 was authorised for issue in accordance with a resolution of Directors on 14 March 2024. CGN Resources Limited is a public company limited by shares, which is listed on the ASX. The principal activities of the entities within the consolidated entity were mineral exploration and development.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

This condensed half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2023.

(b) Basis of preparation

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(c) Changes in accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2023.

The Company has adopted all mandatory new and amended standards and interpretations applicable for the current period. The adoption of these standards and interpretations had no material impact on these financial statements or on the financial position or performance of the Company.

The Company has not elected to early adopt any other new standards or amendments that are issued but not yet effective. Certain amounts in the comparative financial statements have been reclassified to conform to the current period presentation.

(d) Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Except as described below, in preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2023.

For personal use only

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 3. SEGMENT REPORTING

Operating segments are identified on the basis of internal reports about components of the Company that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The chief operating decision maker of CGN Resources Limited reviews internal reports prepared as financial statements and strategic decisions of the Company are determined upon analysis of these internal reports. During the period, the Company operated predominately in one business and geographical segment being the minerals exploration sector in Western Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

NOTE 4. CASH AND CASH EQUIVALENTS

	31 Dec 2023	30 June 2023
	$	$
Cash at bank	188,146	215,505
Term deposits	3,993,498	-
	4,181,644	215,505

NOTE 5. OTHER RECEIVABLES

	31 Dec 2023	30 June 2023
	$	$
GST receivable	112,267	2,930
Interest income accrual	47,723	-
Advance payments to supplier	105,293	-
	265,283	**2,930**

NOTE 6. TRADE AND OTHER PAYABLES

	31 Dec 2023	30 June 2023
	$	$
Trade creditors	229,995	12,566
Accruals	83,932	95,694
	313,927	108,260

NOTE 7. ISSUED CAPITAL

	31 Dec 2023	30 June 2023
	$	$
Issued and paid-up capital	15,895,965	6,018,640

Movements during the period	$	No of Shares
Opening balance 1 July 2022	5,442,510	24,952,191
Shares issued 28 September 2022	576,630	19,221,000
Closing balance 30 June 2023	**6,018,640**	**44,173,191**
Placement Shares issued 31 July 2023	800,000	16,000,000
IPO shares issued 16 October 2023	10,000,000	50,000,000
Less: Share issue costs	(922,675)	-
Closing balance 31 December 2023	**15,895,965**	**110,173,191**

For personal use only

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 8. SHARE OPTION RESERVE

	31 Dec 2023 Number	31 Dec 2023 $	30 June 2023 Number	30 June 2023 $
Balance at the beginning of the year	-	-	-	-
Options issued	29,166,666	1,621,722	-	-
Balance at the end of the period	29,166,666	1,621,722	-	-

At the date of this report the unissued ordinary shares of the Company under option are as follows:

Grant Date	Date of Expiry	Exercise Price $	Expensed or Capitalised value $	Outstanding at 1 July 2023	(Lapsed)/ (Cancelled) or issued	Outstanding at 31 December 2023
01/07/2023	18/08/2026	0.25	422,400	-	4,000,000	4,000,000(1)
01/07/2023	30/06/2026	0.25	-	-	4,166,666	4,166,666(2)
01/07/2023	18/08/2026	0.25	422,000	-	4,000,000	4,000,000(3)
01/07/2023	18/08/2026	0.30	297,000	-	3,000,000	3,000,000(4)
01/07/2023	18/08/2026	0.35	467,500	-	5,000,000	5,000,000(5)
31/07/2023	31/07/2026	0.25	-	-	4,600,000	4,600,000(6)
31/07/2023	31/07/2026	0.25	-	-	3,400,000	3,400,000(7)
28/10/2023	21/12/2026	0.30	4,787	-	250,000	250,000(8)
28/10/2023	21/12/2026	0.30	3,215	-	250,000	250,000(9)
28/10/2023	21/12/2026	0.30	4,820	-	500,000	500,000(10)
			1,621,722	-	29,166,666	29,166,666

(1) 4,000,000 options issued to lead manager of IPO, with exercise price and expiry date as per table above.
(2) 4,166,666 options issued as free attaching options to shareholders. Expiry date changed from 21/12/2024.
(3) 4,000,000 options issued in total to Directors, 1,000,000 of these options were issued to an entity associated with Darryl Harris, 1,500,000 of these options where issued to Grant Mooney and 1,500,000 of these options where issued to the spouse of Daniel (Stan) Wholley. The exercise price and expiry date are per table above.
(4) 3,000,000 options issued in total to Directors, 1,500,000 of these options were issued to an entity associated with Darryl Harris, and 1,500,000 of these options where issued to the spouse of Daniel (Stan) Wholley. The exercise price and expiry date are per table above.
(5) 5,000,000 options issued in total to Directors, 2,000,000 of these options were issued to an entity associated with Darryl Harris, and 3,000,000 of these options where issued to the spouse of Daniel (Stan) Wholley. The exercise price and expiry date are per table above.
(6) 4,600,000 options issued to seed investors on 2:1 basis. These were free attaching options to shareholders at exercise price and expiry date are per table above.
(7) 3,400,000 options issued to Directors and other investors who were seed investors on 2:1 basis. A company associated with Darryl Harris received 500,000 options, Grant Mooney received 250,000 of these options, a company associated with Grant Mooney also received 250,000 of these options and the spouse of Daniel (Stan) Wholley received 500,000 of these options. These were free attaching options to shareholders at exercise price and expiry date are per table above.
(8) 250,000 employee options issued under the Employees Securities Incentive Plan with a vesting condition to have 12 months of employment with CGN Resources. The expiry date and exercise price is as per the table above.
(9) 250,000 employee options issued under the Employees Securities Incentive Plan with a vesting condition to have 18 months of employment with CGN Resources. The expiry date and exercise price is as per the table above.
(10) 500,000 employee options issued under the Employees Securities Incentive Plan with a vesting condition to have 24 months of employment with CGN Resources. The expiry date and exercise price is as per the table above.

For personal use only

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 8. SHARE OPTION RESERVE (CONTINUED)

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted.

The following share-based payment arrangements were entered into during the half-year:

Equity Series (from the last table)	Expected Volatility %	Risk-free interest rate %	Expected life of option Days	Exercise price $	Vesting date	Fair Value at Grant Date $
1	100	4.1	1,147	0.25	1/07/2023	422,400
3	100	4.1	1,145	0.25	1/07/2023	422,000
4	100	4.1	1,145	0.30	1/07/2023	297,000
5	100	4.1	1,145	0.35	1/07/2023	467,500
8	100	4.1	1,151	0.30	1/11/2024	27,675
9	100	4.1	1,151	0.30	1/05/2025	27,675
10	100	4.1	1,151	0.30	1/11/2025	55,350

NOTE 9. EXPLORATION AND COMMITMENTS

The Company has $386,000 (June 2023: $315,000) of commitments for expenditure for tenements granted and held at the date of signing this report.

NOTE 10. RELATED PARTY DISCLOSURES

During the half year a Group associated with Grant Mooney, Mooney and Partners was paid for office rental totalling $3,800 which includes payment for the last year as well and the half year (June 2023: $0). Mooney and Partners was also paid for Company Secretary fees from the listing date $15,000 (June 2023: Nil). Grant Mooney was paid $45,000 (June 2023: Nil) for Corporate Advice related to the IPO.

NOTE 11. SUBSEQUENT EVENTS

There were no matters or circumstance subsequent to the end of the year that has significantly affected the operations of the Company, the results of operations or the state of affairs in future financial years.

For personal use only

DIRECTORS' DECLARATION

In the opinion of the directors of CGN Resources Limited ("the Company"):

1. The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
   a. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   b. giving a true and fair view of the Consolidated Company's financial position as at 31 December 2023 and of its performance for the half-year then ended.
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 made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Daniel (Stan) Wholley
Director

Dated in Perth this 15th day of March 2024.

For personal use only

SW
Accountants & Advisors

Take the lead

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF CGN RESOURCES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of CGN Resources Limited (the Company) which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss or other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, material accounting policy information 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 accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

a. giving a true and fair view of the CGN Resources Limited 's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and

b. 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 & 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.

Responsibility of the Directors' for the Financial Report

The directors of the CGN Resources Limited 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 Company's financial position as at 31 December 2023 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*.

For personal use only

Take the lead

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.

SW Audit

SW Audit
Chartered Accountants

Richard J Gregson

Richard Gregson
Partner

Perth, 15 March 2024

For personal use only