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GOLD50

2023 Gold 50 Limited

Half Year Financial Statements

ASX: G50
ACN: 645 022 233

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Golconda, Arizona

Contents Page

Directors' report	2
Auditor's independence declaration	5
Consolidated statement of profit or loss and other comprehensive income	6
Consolidated statement of financial position	7
Consolidated statement of cash flows	8
Consolidated statement of changes in equity	9
Notes to the consolidated financial statements	10
Section 1. Basis of preparation and changes to the Groups accounting policies	10
Section 2. Financial performance	11
Section 3. Invested and working capital	13
Section 4. Funding and risk management	15
Section 5. Other	16
Directors' declaration	17
Independent auditor's review report	18

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“White Caps is the most prospective property within Nevada’s Manhattan Mining District and Gold 50 has a unique opportunity to secure a poorly tested Carlin-style gold system where ore grading more than an ounce per tonne was mined.”

Mark Wallace, Managing Director



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Directors' report

The directors of Gold 50 Limited present their report together with the consolidated financial statements of Gold 50 Limited ('Gold 50' or the 'Company') and its controlled entities (collectively the Group) for the six months ended 31 December 2022 ('half-year') and the Auditor's review report thereon.

Directors

Name	Title	Appointment Date
Mr Robert Reynolds	Non-executive Chairman	15 February 2021
Mr Bernard Rowe	Non-executive Director	12 October 2020
Mr Greg Foulis	Non-executive Director	16 August 2022
Mr Mark Wallace	Managing Director	19 April 2021

All directors held office during and since the end of the half year.

Results and review of operations

The Group reported a consolidated net loss of \$858,646 for the half year ending 31 December 2022 (2021: loss \$1,249,415).

Further details of the Group's Summary of performance can be found in the 'Summary of Performance and financial position' review on page 3.

Principal activities

The principal activity of the Group continues to be the exploration and future development of 5 acquired gold properties in Arizona and Nevada, United States of America.

No significant change in the nature of these activities occurred during the half year.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the group during the half year.

Matters subsequent to the end of the financial period

Other than where stated at Note 5.2 to the Financial Statements, at the date of this report there were no matters or circumstances which have arisen since 31 December 2022 that have significantly affected or may significantly affect:

- the operations of the Company,
- the results of those operations, or
- the state of affairs of the Company

Dividends

The directors have determined that there will be no dividend paid in respect of the half year ending 31 December 2022 (2021: \$nil). No dividends have been proposed or paid since the start of the financial year.

Operating and financial performance

The operating and financial performance review forms part of the Directors' Report and has been prepared in accordance with section 299A of the Corporations Act 2001 (Cth). The information provided aims to assist users better understand the operations and financial position of the Group.

Summary of performance and financial position

Half year ended	31 Dec 2022 \$	31 Dec 2021 \$
Total operating cash flows	(711,034)	(878,140)
Investing cash flows	(1,092,382)	(1,396,889)
Financing cash flows - equity	-	9,634,824
Total cash increased/(decreased) in the half year	(1,803,416)	7,359,795
Net profit /(loss)	(858,646)	(1,249,415)
Balance as at	31 Dec 2022 \$	30 Jun 2022 \$
Net cash	3,683,415	5,509,125
Capitalised exploration	7,132,690	5,417,317
Net assets	10,375,770	10,876,023

The Group recorded a Loss from Ordinary activities for the period of \$858,646 (2021: loss \$1,249,415).

The net assets of Gold 50 reduced to \$10,375,770 as at 31 December 2022, from \$10,876,023 at 30 June 2022.

Exploration and evaluation expenditure for the first half of FY2023 was \$1,715,373 (first half FY2022 \$1,533,279) advancing the exploration and permitting of the Projects.

Cash on hand at 31 December 2022 was \$3,683,415 (30 June 2022: \$5,509,125).

Highlights of the half year ended 31 December 2022

Exploration

- Completion of the maiden 2-hole diamond drilling program at flagship Golconda, Arizona project
- Significant 700+ soil sampling program completed at Caisson, Nevada
- 276 soil sampling program undertaken at White Caps Project, Nevada. The program has defined a 2 km x 500 m zone of anomalism of key pathfinder elements for Carlin-type gold deposits

Corporate

- Consolidation of the existing Nevada portfolio (Top Gun, Spitfire, Caisson and Broken Hills), through the movement to full ownership from option agreements
- Acquisition of high-grade White Caps, Nevada Gold Project. The project area covers 10 km² with 28 patented claims and 74 unpatented claims
- Appointment of Non-Executive Director, Mr Greg Foulis

Environmental performance

The Group holds unpatented mining claims and prospecting permits issued by the State of Arizona and the State of Nevada that have been issued by the relevant government authorities which specify guidelines for environmental impacts in relation to exploration activities. The conditions of these claims and permits provide for the full rehabilitation of the areas of exploration in accordance with regulatory guidelines and standards. There have been no known breaches of these conditions.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* forms part of this report and is set out on page 5.

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

On behalf of the Directors.



Mark Wallace
Director
Sydney, 7 March 2023

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Gold 50 Limited and Controlled Entities

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

- a. no contraventions of the auditor independence requirements as set out in 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.

BDJ Partners

Gregory W Cliffe
Partner

6 March 2023

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Consolidated statement of profit or loss and other comprehensive income

For the six months ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Project generation expenditure		(47,807)	-
Employee benefits expensed	2.2	(355,862)	(245,806)
Other expenses	2.3	(469,433)	(1,003,214)
Results from operating activities		(873,102)	(1,249,020)
Finance income	2.4	15,606	1,650
Finance costs	2.4	(1,150)	(2,045)
Net finance income		14,456	(395)
Loss before tax		(858,646)	(1,249,415)
Income tax expense		-	-
Loss for the year		(858,646)	(1,249,415)
Loss attributable to members of the company		(858,646)	(1,249,415)
Items that may be reclassified subsequently to profit and loss			
Foreign currency translation difference on foreign operations		47,688	80,374
Other comprehensive income (net of tax)		47,688	80,374
Total comprehensive profit / (loss) for the period		(810,958)	(1,169,041)
Total comprehensive income / (loss) attributable to the owners of the company		(810,958)	(1,169,041)
		31 Dec 2022	31 Dec 2021
Earnings per share		Cents	Cents
Basic profit/(loss) per ordinary share		(0.89)	(1.43)
Diluted Profit/(loss) per ordinary share		(0.89)	(1.43)

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

Consolidated statement of financial position

As at 31 December 2022

	Note	31 Dec 2022 \$	30 Jun 2022 \$
Current assets			
Cash assets	3.1	3,683,415	5,509,125
Receivables	3.2	117,169	108,832
Total current assets		3,800,584	5,617,957
Non-current assets			
Receivables	3.2	78,180	40,818
Computer equipment and website		11,217	12,906
Exploration and evaluation expenditure	3.3	7,132,690	5,417,317
Total non-current assets		7,222,087	5,471,041
Total assets		11,022,671	11,088,998
Current liabilities			
Payables	3.4	607,825	186,689
Provisions	3.5	39,076	26,286
Total current liabilities		646,901	212,975
Total liabilities		646,901	212,975
Net assets		10,375,770	10,876,023
Equity			
Contributed equity	4.1	12,492,834	12,150,459
Reserves		1,336,029	1,320,011
Accumulated losses		(3,453,093)	(2,594,447)
Total equity		10,375,770	10,876,023

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

Consolidated statement of cash flows

For the six months ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Cash flows from operating activities			
Payment to suppliers and employees		(711,034)	(878,140)
Net cash flows used in operating activities		(711,034)	(878,140)
Cash flows from investing activities			
Expenditure on mining exploration		(1,075,631)	(1,377,914)
Payments for bonds		(36,514)	(11,272)
Payment for computer equipment and website		(2,300)	(9,353)
Interest received		22,063	1,650
Net cash flows used in investing activities		(1,092,382)	(1,396,889)
Cash flows from financing activities			
Proceeds from the issue of shares		-	10,000,000
Equity raising expenses		-	(365,176)
Net cash flows received from financing activities		-	9,634,824
Net increase (decrease) in cash held		(1,803,416)	7,359,795
Opening cash balance		5,509,125	440,781
Effect of exchange rate fluctuations on balances of cash held in USD		(22,294)	30,323
Closing cash carried forward	3.1	3,683,415	7,830,899

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

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Consolidated statement of changes in equity

For the six months ended 31 December 2022

	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
As of 1 July 2021		2,506,959	24,820	(555,376)	1,976,403
Loss for the period ended 31 December 2021		-	-	(1,249,415)	(1,249,415)
Other comprehensive income					
Foreign currency translation differences on foreign operations		-	80,374	-	80,374
Total other comprehensive income		-	80,374	-	80,374
Total comprehensive income for the year		-	80,374	(1,249,415)	(1,169,041)
Issue of share capital					
Ordinary shares cash	4.1	10,000,000	-	-	10,000,000
Share issue costs	4.1	(342,457)	-	-	(342,457)
Share based payments expensed/capitalised		-	532,010	-	532,010
As at 31 December 2021		12,164,502	637,204	(1,804,791)	10,996,915
As at 1 July 2022		12,150,459	1,320,011	(2,594,447)	10,876,023
Loss for the period ended 31 December 2022		-	-	(858,646)	(858,646)
Other comprehensive income					
Foreign currency translation differences on foreign operations		-	47,688	-	47,688
Total other comprehensive income		-	47,688	-	47,688
Total comprehensive income for the year		-	47,688	(858,646)	(810,958)
Issue of share capital					
Ordinary shares cash	4.1	-	-	-	-
Share issue costs	4.1	-	-	-	-
Share based payments expensed/capitalised		-	310,705	-	310,705
Performance rights vested		342,375	(342,375)	-	-
As at 31 December 2022		12,492,834	1,336,029	(3,453,093)	10,375,770

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

Notes to the consolidated financial statements

Section 1 Basis of preparation and changes to the Groups accounting policies

1.1. Corporate information

The consolidated financial statements of Gold 50 Limited and its subsidiaries (collectively the “Group” or the “Company”) for the six months ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 7 March 2023.

Gold 50 Limited is a for profit company limited by shares and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (“ASX”) under the ticker code “G50”. The registered office of the Company is Suite 1601, 213 Miller Street, North Sydney, NSW 2060 Australia.

1.2. Basis of preparation

The consolidated financial statements for the six months ended 31 December 2022 have been prepared in accordance with AASB 134 Interim Financial Reporting.

The consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 30 June 2022.

1.3. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 30 June 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the consolidated financial statements

Section 2 Financial performance

2.1. Operating segments

Description of segments

The Group operates predominantly as a mineral exploration and development company. The operating segments are based on the reports reviewed by the Managing Director for assessing performance and determining the allocation of resources and strategic decision making within the Group. The following summary describes the operations in each of the Groups reportable segments:

North America	Represents activity in the US, primarily in relation to the exploration assets
Australia	Represents head office expenditure, including ASX listing costs, exchange gains and losses and corporate assets (predominantly cash)

The following table presents segment information for the six months ended 31 December 2022 and 2021, respectively:

	North America		Australia		Total	
	31 Dec 2022 \$	31 Dec 2021 \$	31 Dec 2022 \$	31 Dec 2021 \$	31 Dec 2022 \$	31 Dec 2021 \$
Segment information						
Project generation expenditure	(47,807)	-	-	-	(47,807)	-
Reportable segment profit / (loss)	(47,807)	-	-	-	(47,807)	-
Employee benefits and other expenses	(100,282)	(48,627)	(725,013)	(1,200,393)	(825,295)	(1,249,020)
Net financing (expense) / income	(1,068)	(770)	15,524	375	14,456	(395)
Net loss before income tax	(149,157)	(49,397)	(709,489)	(1,200,018)	(858,646)	(1,249,415)

	31 Dec 2022 \$		30 Jun 2022 \$		31 Dec 2022 \$		30 Jun 2022 \$	
	Segment assets							
Exploration assets	7,132,690	5,417,317	-	-	7,132,690	5,417,317		
Other assets	1,155,691	459,004	2,734,290	5,212,677	3,889,981	5,671,681		
Total assets	8,288,381	5,876,321	2,734,290	5,212,677	11,022,671	11,088,998		
Segment liabilities								
Payables	575,428	84,280	32,397	102,409	607,825	186,689		
Provisions	-	-	39,076	26,286	39,076	26,286		
Total current liabilities	575,428	84,280	71,473	128,695	646,901	212,975		
Total liabilities	575,428	84,280	71,473	128,695	646,901	212,975		
Net assets	7,712,953	5,792,041	2,662,817	5,083,982	10,375,770	10,876,023		

Notes to the consolidated financial statements

2.2. Employee benefits expensed

	31 Dec 2022	31 Dec 2021
	\$	\$
Directors' fees	76,290	60,000
Employee benefits expense	279,572	185,806
Total employee benefits expensed	355,862	245,806

2.3. Other expenses

	31 Dec 2022	31 Dec 2021
	\$	\$
General and administrative expenses	203,958	182,908
Consulting and professional costs	64,846	131,124
Depreciation and amortisation	3,989	3,247
Share based payment expense	196,640	263,010
IPO costs	-	422,925
Total other expenses	469,433	1,003,214

2.4. Net finance income

	31 Dec 2022	31 Dec 2021
	\$	\$
Interest income	15,606	1,650
Finance income	15,606	1,650
Bank charges	(1,150)	(893)
Interest charges	-	(104)
Net foreign exchange loss	-	(1,048)
Finance expense	(1,150)	(2,045)
Net Finance Income	(14,456)	(395)

Notes to the consolidated financial statements

Section 3 Invested and working capital

3.1. Cash assets

	31 Dec 2022	30 Jun 2022
	\$	\$
Cash at bank	3,683,415	5,509,125
Total cash assets	3,683,415	5,509,125

Cash assets in the consolidated statement of financial position comprise cash at bank and deposits with an average maturity of three months or less.

3.2. Receivables

	31 Dec 2022	30 Jun 2022
	\$	\$
Current		
Trade debtors and other receivables	32,723	32,084
Prepayments	84,446	76,748
Total current receivables	117,169	108,832
Exploration bonds	78,180	40,818
Total non-current receivables	78,180	40,818
Total current and non-current receivables	195,349	149,650

3.3. Exploration and evaluation expenditure

	31 Dec 2022	30 Jun 2022
	\$	\$
Exploration and evaluation expenditure	7,132,690	5,417,317
Reconciliation of movement		
Opening balance	5,417,317	1,799,279
Additions	1,715,373	3,618,038
Exploration expenditure – written off	-	-
Carrying amount at the end of the period	7,132,690	5,417,317

Notes to the consolidated financial statements

3.4. Payables

	31 Dec 2022 \$	30 Jun 2022 \$
Current		
Trade creditors and other payables	318,474	135,430
Accrued expenses	289,351	51,259
Total current payables	607,825	186,689
Total current and non-current payables	607,825	186,689

3.5. Provisions

	31 Dec 2022 \$	30 Jun 2022 \$
Current		
Employee benefits	39,076	26,826
Total current provisions	39,076	26,286
Total current and non-current provisions	39,076	26,286

Notes to the consolidated financial statements

Section 4 Funding and risk management

4.1. Share Capital

			31 Dec 2022	30 Jun 2022
			\$	\$
96,925,000 (June 2022: 95,500,000) ordinary shares, fully paid			12,492,834	12,150,459
	Half year ended 31 Dec 2022 Number	Year ended 30 Jun 2022 Number	Half year ended 31 Dec 2022 \$	Year ended 30 Jun 2022 \$
Reconciliation of movement:				
Balance at the beginning of the period	95,500,000	55,500,000	12,150,459	2,506,959
Ordinary shares	-	40,000,000	-	10,000,000
Share issue costs	-	-	-	(356,500)
Exercise of unlisted options	-	-	-	-
Performance rights vested	1,425,000	-	342,375	-
Balance at the end of the period	96,925,000	95,500,000	12,492,834	12,150,459

Notes to the consolidated financial statements

Section 5 Other

5.1. Contingent liabilities

Royalties

The commercial arrangements for most of the exploration properties acquired by Gold 50 have included an agreed royalty stream payable upon future commercial production from the properties.

Performance Rights

Performance rights on offer will be granted if performance hurdles are met.

There are no other known contingent liabilities as at 31 December 2022.

5.2. Events after reporting date

The Group has entered the below transactions or events that due to their material and unusual nature are likely, in the opinion of the directors to have a substantial effect on the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

White Caps acquisition

Gold 50 has entered into an agreement for the staged acquisition of 100% of the high-grade White Caps Project (WCP) located 54 km north of Tonopah, Nevada. The WCP area covers 10 km² with 28 patented claims and 74 unpatented claims. This acquisition includes mining claims, drill hole database and the leapfrog model.

Further information detailing the acquisition terms and exploration targets is available in the ASX announcement released 9 November 2022.

213 Miller Street, Office lease

Gold 50 has entered into a commercial lease at Level 16, 213 Miller Street, North Sydney NSW 2060 for the Australian corporate head office. The lease commences 1 March 2023 for a period of five years. The commencing annual rent is \$101,430 which is partially offset by a lease incentive and sublease arrangement. On each anniversary of the lease commencement the rent will be reviewed at CPI.

Directors' declaration

In accordance with a resolution of the directors of Gold 50 Limited, I state that:

(1) In the opinion of the directors:

- (a) The financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and the performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Mark Wallace
Director
Sydney, 7 March 2023

Independent Auditor's Review Report

To the members of Gold 50 Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gold 50 Limited and controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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.

Directors' Responsibility for the Half-Year Financial Report

The directors of Gold 50 Limited (the company) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Gold 50 Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gold 50 Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

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 Gold 50 Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

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

BDJ Partners

Gregory W Cliffe
Partner

7 March 2023

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Corporate Directory

Directors

Bernard Rowe
Non-executive Director

Robert Reynolds
Non-executive Chairman

Greg Foulis
Non-executive Director

Mark Wallace
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Gold 50 Limited 2023 Half Year Report

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