



ABN : 42 127 042 773



# CONTENTS



---

Company Information	3
Directors' Report	4
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements	12
Directors' Declaration	26
Independent Auditor's Review Report	27
Shareholder Details	29

## COMPANY INFORMATION



---

Company / Group / Economic Entity	Scotgold Resources Limited and controlled entities
ABN	Scotgold Resources Limited, incorporated in Australia - 42 127 042 773
Company Secretary	Richard Barker
Registered Office	Suite 4, 189 Stirling Highway, Nedlands, Western Australia, 6009
Securities Exchange Listing	AIM board of the London Stock Exchange. AIM Code: "SGZ"
Nominated Adviser and Broker	SP Angel Corporate Finance LLP Prince Frederick House, 35-39 Maddox Street, London, W1S 2PP
Auditor	BDO Audit (WA) Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth, WA 6000
Website	<a href="http://www.scotgoldresources.com">www.scotgoldresources.com</a>

## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



Your Directors submit their report on the consolidated entity consisting of Scotgold Resources Limited and its controlled entities ("Scotgold") for the six months ended 31 December 2021. All amounts are presented in Australian Dollars, unless otherwise stated.

### DIRECTORS

The following persons were Directors of Scotgold Resources Limited during the half-year and up to the date of this report unless otherwise stated:

Peter Hetherington	Non-Executive Chairman (Non-Executive Director until 3 November 2021)
Phillip Day	Managing Director and CEO
Sean Duffy	Chief Financial Officer (appointed 16 March 2022)
Richard Gray	Non-Executive Director (resigned 16 March 2022)
Phillip Jackson	Non-Executive Director (resigned 16 March 2022)
Richard Barker	Company Secretary / Non-Executive Director
Nathaniel le Roux	Non-Executive Director (Non-Executive Chairman until 3 November 2021)
William Styslinger	Non-Executive Director
Ian Proctor	Non-Executive Director
Evan Spencer	Non-Executive Director (appointed 16 March 2022)

### REVIEW OF OPERATIONS

The principal activities of the consolidated entity during the period were the development of the Cononish gold and silver mine and mineral exploration.

#### Cononish Gold and Silver Project

The Company has continued to ramp up production during the period, after achieving its second shipment of gold concentrate during July 2021. During August 2021, Scotgold achieved production revenues that exceed operational costs. This however was not consistent over the period and therefore the Board do not consider the Company to have hit continuous commercial production, as outlined below.

Mining activity at Cononish continued uninterrupted during the period. During the period, significant improvement in production profile through continued by exploitation of a high-grade area of vein and improvements in processing plant efficiencies.

Meanwhile, the process plant is continuing to operate encouragingly, and the team is focusing on achieving more consistent runtime to allow for increased production.

## **DIRECTORS' REPORT**

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



---

### **CORPORATE**

The Group, through its subsidiary SGZ Cononish Ltd, settled the short-term funding provided by the Directors by issuing 3,301,420 of new ordinary shares of no par value at a price of 60.58p and a fair value of 82.5p in September 2021.

### **SUBSEQUENT EVENTS**

On 14 January 2022, the Group negotiated a debt restructure with Bridge Barn Limited, a company owned and controlled by Mr Nathaniel le Roux (non-executive director), which had provided the existing loan facility of £7.5m.

The principle points of the restructure facility include a new loan of £5 million in January 2022 which repaid tranches 1 and 2 and interest to date on those loans, plus makes available a further £131,561 of loan monies. The restructured loan will have a term of three years, with 9% annual interest rate to be paid quarterly.

Also on 14 January 2022, Jane Styslinger, a related party of William Styslinger (non-executive director of Scotgold), provided an additional loan of £500,000 at an interest rate of 9%, payable in three years from the date of drawdown.

On 3 March 2022, the Group entered into a short term Loan Facility with Bridge Barn Limited, a company owned and controlled by Nathaniel Le Roux (non-executive director) providing £250,000 to Scotgold.

The Short Term Loan Facility was provided to cover the Company's immediate working capital requirements which have been impacted by the delay in shipment of the Company's gold concentrate from port, due to current macro and geo-political events impacting global shipping lines. It is repayable by the Company within 30 days of the date of drawdown.

On 16 March 2022, the Company appointed Sean Duffy as Chief Financial Officer and Evan Spencer as Non-Executive Director and Chairman of the Technical Committee, to the Board of Directors.

Apart from the above, no other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial periods.

## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



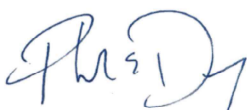
### AUDITOR

The Perth, Australia affiliate of BDO International, BDO Audit (WA) Pty Ltd, are the auditors of the Company.

### AUDITOR'S INDEPENDENCE DECLARATION

The Independence Declaration in relation to the review of the interim financial report which is required to be provided to the Directors of the Company by our Auditors, BDO Audit (WA) Pty Ltd, in terms of Section 307C of the Corporations Act 2001, has been received for the six months ended 31 December 2021 and forms part of the Directors' report.

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



.....  
PHILLIP DAY – Managing Director and CEO

Tyndrum, Scotland

*29* March 2022

**DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF SCOTGOLD RESOURCES LIMITED**

As lead auditor for the review of Scotgold Resources Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Scotgold Resources Limited and the entities it controlled during the period.



**Phillip Murdoch**  
**Director**

**BDO Audit (WA) Pty Ltd**  
Perth, 29 March 2022

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



	Notes	31 December 2021 \$	31 December 2020 \$
Gold Concentrate Sales	2	6,431,437	-
Production Costs		(6,431,437)	-
Sale of scrap metal		2,411	-
<b>Net profit from operations</b>		<b>2,411</b>	<b>-</b>
Interest income		1,816	4,572
Loss on settlement of loan	3	(1,359,008)	-
Administration costs		(694,442)	(374,849)
Interest expense	4	(808,668)	(575,279)
Depreciation and amortisation of plant and equipment		(1,403,670)	(565,505)
Employee and consultant costs, excluding share-based payments		(842,503)	(443,316)
Share-based payments	13	(153,468)	(188,833)
Listing and share registry costs		(82,123)	(83,718)
Legal fees		(26,239)	(40,374)
Office and communication costs		(52,469)	(42,901)
Currency exchange expense		(96,883)	-
Other expenses		(57,726)	(47,474)
LOSS BEFORE INCOME TAX		(5,572,972)	(2,357,677)
Income tax benefit		-	-
LOSS FOR THE PERIOD		(5,572,972)	(2,357,677)
Other Comprehensive Income			
<i>Items that may be reclassified to Profit or Loss</i>			
Exchange difference on translation of foreign subsidiaries		281,768	(417,925)
Total comprehensive result for the period		(5,291,204)	(2,775,602)
Basic and diluted (loss) per share (cents per share)		(9.62)	(4.50)

These financial statements should be read in conjunction with the accompanying notes.



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021



	Notes	31 December 2021 \$	30 June 2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		963,171	2,624,342
Trade and other receivables	5	946,430	448,336
Inventories		288,403	187,276
Other current assets		697,307	296,657
Total Current Assets		<u>2,895,311</u>	<u>3,556,611</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	1,597,175	1,579,820
Plant and equipment	6	16,012,947	16,280,930
Right of use assets	7	4,163,677	2,777,962
Mineral exploration and evaluation	8	3,208,832	2,990,000
Mine development expenditure	9	27,267,258	25,770,548
Total Non-Current Assets		<u>52,249,889</u>	<u>49,399,260</u>
<b>TOTAL ASSETS</b>		<u>55,145,200</u>	<u>52,955,871</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,651,841	2,306,453
Other current liabilities		1,450,314	873,977
Borrowings	10	10,748,448	7,927,888
Total Current Liabilities		<u>15,850,603</u>	<u>11,108,318</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	10	9,449,151	11,986,714
Provisions	11	916,382	908,915
Total Non-Current Liabilities		<u>10,365,533</u>	<u>12,895,629</u>
<b>TOTAL LIABILITIES</b>		<u>26,216,136</u>	<u>24,003,947</u>
<b>NET ASSETS</b>		<u>28,929,064</u>	<u>28,951,924</u>
<b>EQUITY</b>			
Issued capital	12	57,755,221	52,640,345
Reserves		1,221,203	785,967
Accumulated losses		(30,047,360)	(24,474,388)
<b>TOTAL EQUITY</b>		<u>28,929,064</u>	<u>28,951,924</u>

These financial statements should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Issued Capital	Accumulated Losses	Options Reserve	Share-based payment reserve	Foreign Currency Translation Reserve	Total Equity
<b>HALF YEAR TO 31 DECEMBER 2020</b>						
Balances at 1 July 2020	\$ 44,978,659	\$ (19,493,446)	\$ 134,769	\$ 283,642	\$ (1,015,000)	\$ 24,888,624
Total comprehensive result for the period	-	(2,357,677)	-	-	(417,925)	(2,775,602)
<b>Transactions with owners in their capacity as owners:</b>						
Issue of shares	5,468,466	-	-	-	-	5,468,466
Share-based payments	-	-	-	560,488	-	560,488
Share issue expenses	(331,833)	-	-	-	-	(331,833)
Balances at 31 December 2020	50,115,292	(21,851,123)	134,769	844,130	(1,432,925)	27,810,143
<b>HALF YEAR TO 31 DECEMBER 2021</b>						
Balances at 1 July 2021	52,640,345	(24,474,388)	134,769	900,806	(249,608)	28,951,924
Total comprehensive result for the period	-	(5,572,972)	-	-	281,768	(5,291,204)
<b>Transactions with owners in their capacity as owners:</b>						
Issue of shares	5,114,876	-	-	-	-	5,114,876
Share-based payments	-	-	-	153,468	-	153,468
Share issue expenses	-	-	-	-	-	-
Balances at 31 December 2021	57,755,221	(30,047,360)	134,769	1,054,274	32,160	28,929,064

These financial statements should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



	Notes	31 December 2021 \$	31 December 2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		5,976,072	-
Payments to suppliers		(7,635,639)	(969,719)
Interest income received		1,816	4,572
<b>Net Cash Inflow from Operating Activities</b>		<b>(1,657,751)</b>	<b>(965,147)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for exploration expenditure		(92,229)	(346,289)
Payments for mine development activities		-	(7,140,729)
Purchase of plant and equipment		(382,544)	(357,069)
Proceeds from disposal of plant and equipment		-	400
<b>Net Cash Outflow from Investing Activities</b>		<b>(474,773)</b>	<b>(7,843,687)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares and options		-	5,468,466
Share issue costs		-	(331,833)
Proceeds on draw-down of tranches of non-current borrowings		-	4,545,272
Proceeds from short term unsecured loan		1,883,594	-
Repayment of lease liabilities		(1,422,739)	(547,890)
<b>Net Cash Inflow from Financing Activities</b>		<b>460,855</b>	<b>9,134,015</b>
Net (decrease)/increase in cash held		(1,671,669)	325,181
Effect of exchange rate fluctuations on cash and cash equivalents		10,498	(88,993)
Cash and cash equivalents at the beginning of the period		2,624,342	1,019,979
<b>Cash and cash equivalents at the end of the period</b>		<b>963,171</b>	<b>1,256,167</b>

These financial statements should be read in conjunction with the accompanying notes.

# NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

## NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation

These consolidated financial statements for the interim half-year reporting period ended 31 December 2021 are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations, including AASB 134 'Interim Financial Reporting', and other applicable requirements of the law.

These financial statements have been prepared on a historical cost basis and are presented in Australian dollars. 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 2021 and any public announcements made by the Company during the interim reporting period.

The Company is a listed public company, incorporated in Australia and operating in Australia and Scotland. The entity's principal activity is mine development and mineral exploration. These financial statements are for the consolidated entity consisting of Scotgold Resources Limited and its controlled entities.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim period, except for the policies stated below.

### Revenue from sale of goods

Revenue from the sale of goods is recognised when control of the goods has passed to the buyer based upon agreed delivery terms.

#### *Sale of concentrates*

Revenue from the sale of concentrates is recognised when control has passed to the buyer based upon agreed delivery terms, generally being when the product is loaded onto the ship and bill of lading received, or delivered to the customer's premises. In cases where control of the product is transferred to the customer before shipping takes place, revenue is recognised when the customer has formally acknowledged their legal ownership of the product, which includes all inherent risks associated with control of the product. In these cases, the product is clearly identified and immediately available to the customer and this is when the performance obligation is met.

The price to be received on sales of concentrate is provisionally priced and recognised at the estimate of the consideration receivable that is highly probable of not reversing by reference to the relevant contractual price and the estimated mineral specifications, net of treatment and refining charges where applicable. Subsequently, provisionally priced sales are repriced at each reporting period up until when final pricing and settlement is confirmed, with revenue adjustments relating to the quality and quantity of commodities sold being recognised in sales revenue.

Provisionally priced sales for which price finalisation is referenced to the relevant metal price index have an embedded commodity derivative. The embedded derivative is carried at fair value through profit or loss as part of trade receivables.

The period between provisional pricing and final invoices is generally 120 days.

# NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

## NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Provisional pricing adjustments*

The Group's sales contracts may provide for provisional pricing of sales at the time the product is delivered to the vessel with final pricing determined using the index on or after the vessel's arrival to the port of discharge. This provisional pricing relates to the quality and quantity of the commodity sold, which is included in sales revenue, and an embedded derivative relating to the pricing of the commodity sold. Provisional pricing adjustments relating to the embedded derivative are separately identified as movements in the financial instrument rather than being included within Sales revenue. The final pricing adjustment mechanism, being an embedded derivative, is separated from the host contract and recognised at fair value through profit or loss. These amounts are disclosed separately as Provisional pricing adjustments in Other revenue, rather than being included within Sales revenue for the Group.

### **Going Concern**

For the period ended 31 December 2021 the Group recorded a loss of \$5.6m (2020: \$2.4m) and had a working capital deficiency of \$13.0m (2020 deficit: \$10.9). The Group recorded net operating cash outflows of \$1.7m for the financial period (2020: \$1.0m).

Furthermore, reaching the point of commercial production has taken longer than planned whereby the Group is not yet continuously cash generative, whereby monthly revenue exceeds all fixed and variable operational costs for three consecutive months. However, regular shipments are now being made monthly.

These conditions indicate a material uncertainty that may cast significant doubt over the ability of the consolidated entity to continue as a going concern and therefore its ability to realise its assets and discharge its liabilities in the normal course of business.

The ability of the consolidated entity to continue as a going concern is dependent on the quantity and grade of ore mined and processed matching the forecast quantity and grade and adherence to the planned product shipment schedule.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

Directors believe that there will be sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report and that sufficient funds will be available to finance the operations of the Group for the following reasons:

- Since the period end, the Group refinanced its secured loan facility. Tranche 1 and 2 of the Restructured Loan (£5m principal) will be repayable by 01 January 2025, with the terms of the Existing Loan Facility for the remaining original tranches £3.5m principal (plus interest) remaining. The other tranches of the Existing Loan Facility are repayable on various dates from 7th March 2023 to 17 March 2024. This has significantly improved the Group's cash flow forecasts for the following 12 months. Refer to Note 14 for further details.
- The ability to successfully realise the quantity and quality of ore grades in line with the planned product shipment schedule.

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- The Company agreed to the settlement of the amounts owed under the short-term loan funding provided to the Company by certain directors of the Company. These Directors were Mr Nathaniel le Roux, Mr Bill Styslinger, Mr Peter Hetherington and Mr Ian Proctor, together with an unrelated third party. This was done by issuing of 3,301,420 new ordinary shares of no par value each in the Company at a price of 60.58p per new Ordinary Share.
- The availability of additional debt funding through either Directors or external parties.

Accordingly, the Directors believe that the consolidated entity has access to sufficient financing to be able to continue as a going concern.

Should the consolidated entity not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the consolidated entity be unable to continue as a going concern.

**Statement of Compliance**

The financial report was authorised for issue on 29 March 2022.

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

**New or amended standards adopted by the entity**

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.

**Key estimates and judgements**

Judgement is exercised in estimating variable consideration. This is determined by past experience with respect to the final selling price received on the assay results as taken at the goods final destination.

It is also exercised in concluding that due to the pre-commercial production stage of the Group, production costs are equal to revenue.

Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 2 – GOLD CONCENTRATE SALES**

	Six months to	
	31 December 2021	31 December 2020
	\$	\$
<b>From continuing operations</b>		
<i>Sales revenue from contracts with customers</i>		
Production and sale of gold concentrate	6,431,437	-
Sales revenue	<u>6,431,437</u>	<u>-</u>

**NOTE 3 – LOSS ON SETTLEMENT OF LOAN**

On 4 May 2021, four directors and one material shareholder who is not a director (collectively “the Loan Providers”), made available to SGZ Cononish Limited an unsecured, interest-free, short-term loan facility of £ 2,000,000, with the due date for repayment thereof being 4 November 2021. The loan facility was drawn down by SGZ Cononish Limited in two tranches of £ 1,000,000 each on 12 May 2021 and 6 August 2021 respectively.

On 24 September 2021, the loan was settled by Scotgold Resources Limited on behalf of SGZ Cononish Limited by the issuing by Scotgold Resources Limited of 3,301,420 shares to the Loan Providers (these shares being referred to hereinafter as “the Settlement Shares”) at a price of 154.93 cents. This is deemed a non-cash financing activity.

**NOTE 4 – INTEREST EXPENSE**

	Six months to	
	31 December 2021	31 December 2020
	\$	\$
Interest expense is attributable to the following:		
Secured loan (see Note 10)	648,450	472,190
Lease liabilities (see Note 10)	153,343	100,312
Unwinding of discount on provision for restoration and decommissioning (see Note 11)	6,875	-
Total interest cost expensed	<u>808,668</u>	<u>572,502</u>

**NOTE 5 – TRADE AND OTHER RECEIVABLES**

Current trade and other receivables comprise the following:

	31 December 2021	30 June 2021
	\$	\$
Trade debtors	532,591	20,011
GST/VAT receivable	400,534	414,455
Other receivables	13,305	13,870
	<u>946,430</u>	<u>448,336</u>

Non-current trade and other receivables comprise the following:



**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 5 – TRADE AND OTHER RECEIVABLES (continued)**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Rehabilitation, restoration and land management Bond deposits	1,541,372	1,524,561
Performance Bond deposits	55,803	55,259
	<u>1,597,175</u>	<u>1,579,820</u>

**NOTE 6 – PLANT AND EQUIPMENT**

<b>Plant and equipment</b>	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Cost	17,351,025	16,825,605
Accumulated depreciation	(1,338,078)	(544,675)
	<u>16,012,947</u>	<u>16,280,930</u>

**Movement for the six months ended 31 December 2021**

	<b>Plant and equipment</b>	<b>Motor vehicles</b>	<b>Furniture and office equipment</b>	<b>Total</b>
<b>Cost</b>				
Opening balance	16,686,237	58,522	80,846	16,825,605
Additions	311,052	-	53,539	364,591
Disposals	-	-	-	-
Foreign exchange movement	159,733	577	519	160,829
Closing balance	<u>17,157,022</u>	<u>59,099</u>	<u>134,904</u>	<u>17,351,025</u>
<b>Accumulated depreciation</b>				
Opening balance	489,900	33,117	21,658	544,675
Depreciation expensed	771,559	3,237	14,264	789,060
Disposals	-	-	-	-
Foreign exchange movement	3,825	323	195	4,343
Closing balance	<u>1,265,284</u>	<u>36,677</u>	<u>36,117</u>	<u>1,338,078</u>



**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 6 – PLANT AND EQUIPMENT (continued)**

Movement for the year ended 30 June 2021

	Plant and equipment	Motor vehicles	Furniture and office equipment	Total
<b>Cost</b>				
Opening balance	706,751	56,206	28,668	791,625
Reclassification as right-of-use assets	752,330	679	50,782	803,791
Transfer from mine development asset	15,192,588	-	-	15,192,588
Disposals	-	-	(403)	(403)
Foreign exchange movement	34,568	1,637	1,799	38,004
Closing balance	16,686,237	58,522	80,846	16,825,605
<b>Accumulated depreciation</b>				
Opening balance	292,204	23,995	6,311	322,510
Depreciation expensed	185,162	8,250	14,841	208,253
Disposals	-	-	(3)	(3)
Foreign exchange movement	12,534	872	509	13,915
Closing balance	489,900	33,117	21,658	544,675
<b>Net carrying value</b>				
At 31 December 2021	15,891,738	22,422	98,787	16,012,947
At 30 June 2021	16,196,337	25,405	59,188	16,280,930

**NOTE 7 – RIGHT-OF-USE ASSETS**

	31 December 2021 \$	30 June 2021 \$
Cost	7,226,196	4,601,501
Accumulated Depreciation	(3,062,519)	(1,823,539)
	4,163,677	2,777,962

The movements in Right-of-use assets are as follows:

	Period ended 31 December 2021 \$	Year ended 30 June 2021 \$
<b>Cost</b>		
Opening balance	4,601,501	2,411,627
Additions	1,684,065	1,840,777
Modifications of rights	895,204	243,692
Foreign exchange movement	45,426	105,405
Closing balance	7,226,196	4,601,501
<b>Accumulated Depreciation</b>		
Opening balance	1,823,539	673,389
Depreciation expensed	1,222,594	1,106,594
Foreign exchange movement	16,386	43,556
Closing balance	3,062,519	1,823,539

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 8 – MINERAL EXPLORATION AND EVALUATION**

	Six months to 31 December 2021 \$	Year to 30 June 2021 \$
Opening balance	2,990,000	2,441,728
Additional expenditure capitalised during the period	189,601	467,948
Foreign exchange movement	29,231	80,324
Closing balance	<u>3,208,832</u>	<u>2,990,000</u>

The ultimate recoupment of exploration expenditure carried forward is dependent upon successful development and commercial exploitation, or sale of the respective areas.

As at 31 December 2021, management have not identified any indicators of impairment in respect of this asset.

**NOTE 9 – MINE DEVELOPMENT EXPENDITURE**

	Six months to 31 December 2021 \$	Year to 30 June 2021 \$
Opening balance	25,770,548	28,805,352
Expenditure incurred	641,945	11,029,274
Share-based payment costs capitalised (see Note 13)	-	252,439
Movement in Provision for restoration and decommissioning (see Note 11)	(3,006)	220,447
Depreciation of processing plant buildings and machinery capitalised	607,984	-
Transfer to plant and equipment	-	(15,192,588)
Transfer to production costs	-	(404,734)
Foreign exchange movement	249,787	1,060,358
Closing balance	<u>27,267,258</u>	<u>25,770,548</u>

As at 31 December 2021, management have not identified any indicators of impairment in respect of the mine development asset.

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 10 – BORROWINGS**

	<b>31 December 2021</b>	<b>30 June 2021</b>
<b>Non-current</b>	<b>\$</b>	<b>\$</b>
Secured loan facility	7,188,432	11,055,263
Right-of-use lease liabilities	2,260,719	931,451
	<u>9,449,151</u>	<u>11,986,714</u>
<b>Current</b>	<b>\$</b>	<b>\$</b>
Secured loan facility	9,023,244	4,356,866
Short term unsecured loan	-	1,841,960
Right-of-use lease liabilities	1,725,204	1,729,062
	<u>10,748,448</u>	<u>7,927,888</u>
<b>Total borrowings</b>	<u><b>20,197,599</b></u>	<u><b>19,914,602</b></u>

All of the borrowings are denominated in £ (Pounds sterling).

**Loan from company controlled by shareholder**

There have been no material changes or variations to the terms of the secured loan facility agreement since the prior reporting year ended 30 June 2021.

The secured loan is in good standing at the reporting date.

**Movements on the secured facility loan for the six months ended 31 December 2021:**

	<b>First tranche</b>	<b>Second Tranche</b>	<b>Third Tranche</b>	<b>Fourth Tranche</b>	<b>Fifth Tranche</b>	<b>Sixth Tranche</b>	<b>Seventh Tranche</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>			<b>\$</b>
Balance at beginning of period	4,356,866	4,218,766	995,894	1,977,140	1,968,770	951,531	943,162	15,412,129
Drawdowns								
Interest at effective rate	189,419	174,123	42,040	82,851	82,149	38,934	38,934	648,450
Foreign exchange movement	42,706	41,364	9,763	19,384	19,302	9,330	9,248	151,097
Balance at end of period	4,588,991	4,434,253	1,047,697	2,079,375	2,070,221	999,795	991,344	16,211,676

The effective interest rate on the secured loan facility is 8.38% (Year ended 30 June 2021 – 8.38%) per annum.

Subsequent to period end, tranches 1 & 2 have been repaid through issuance of new loan from the same shareholder. Refer to Note 14 for further details.

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 10 – BORROWINGS (continued)**

**Lease liabilities**

The movements in lease liabilities are as follows:

	<b>Six months to 31 December 2021 \$</b>	<b>Year to 30 June 2021 \$</b>
Opening balance	2,660,513	1,601,879
Additional rights acquired	1,826,881	1,840,777
Modifications to rights	895,204	243,692
Interest expense	153,343	213,635
Repayments	(1,577,033)	(1,297,746)
Foreign exchange movement	27,015	58,276
Balance at end of period	<u>3,985,923</u>	<u>2,660,513</u>
Non-current portion	2,260,719	931,451
Current portion	1,725,204	1,729,062

The effective interest rate on the lease liabilities is 7.44% (year ended 30 June 2021 – 9.13%) per annum. Right-of-use assets with an aggregate net carrying value of \$4,163,677 (30 June 2021 - \$2,777,238) are financed by the lease liabilities.

On 6 August 2021, the Group drew down the second tranche of £1,000,000 (AUD\$1,883,594) on the short term unsecured loan facility with four directors and one material shareholder who is not a director. On 24 September 2021, this facility was settled by Scotgold Resources Limited on behalf of SGZ Cononish Limited by the issuing by Scotgold Resources Limited of 3,301,420 shares to the Loan Providers (year ended 30 June 2021 - Nil). This loan had a settlement value of \$5.1m, resulting in a loss of settlement of \$1.4m recognised in the income statement due to the difference on share price between issue price and on settlement date.

**NOTE 11 – PROVISIONS**

	<b>31 December 2021 \$</b>	<b>30 June 2021 \$</b>
Provision for restoration and decommissioning	<u>916,382</u>	<u>908,915</u>

This provision represents the best estimate of the present value of expenditures required to effect restoration of the Cononish mine area at the end of mining operations at the mine as well as to carry out aftercare and monitoring activities in terms of the Decommissioning and Restoration Plan formulated in accordance with the requirements set out in the Section 75 Agreement entered into by SGZ Cononish Limited on 12 September 2018, based on the mine development activities carried out up to and including 31 December 2021.

In arriving at the amount of the provision, an annual inflation rate of 2.0% has been applied to estimated future costs stated at current levels and the resultant cashflows have been discounted back to 31 December 2021 using a discount rate of 0.98%.

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 11 – PROVISIONS (continued)**

The movements in the provision are as follows:

	Six months to 31 December 2021	Year to 30 June 2021
	\$	\$
Opening balance	908,915	657,934
Unwinding of discount	6,875	7,135
Adjustment for mine development progress and change in rate	(3,006)	220,447
Restoration provision attributable to right-of-use asset acquired	(5,364)	-
Foreign exchange movement	8,962	23,399
Closing balance	<u>916,382</u>	<u>908,915</u>

**NOTE 12 – ISSUED CAPITAL**

	31 December 2021	30 June 2021	31 December 2021	30 June 2021
	No. of shares	No. of shares	\$	\$
Ordinary shares – fully paid	<u>59,523,291</u>	<u>56,221,871</u>	<u>57,755,221</u>	<u>52,640,345</u>

**(a) Movements in ordinary share capital**

**During the six months ended 31 December 2021**

Date	Details	Shares	Value (cents)	\$
24/09/2021	Balance at the beginning of the period	56,221,871		52,640,345
	Conversion of directors' loan	3,301,420	154.93	5,114,876
	Balance at 31 December 2021	<u>59,523,291</u>		<u>57,755,221</u>

**During the year ended 30 June 2021**

Date	Details	Shares	Value (cents)	\$
16/10/2020	Balance at beginning of year	51,351,741		44,978,659
26/10/2020	Share subscription	999,545	200.50	2,004,192
26/10/2020	Share subscription	1,727,728	200.50	3,464,274
26/10/2020	Expenses related to share subscription			(331,833)
09/04/2021	Share subscription	819,286	126.00	1,032,218
16/04/2021	Share subscription	1,323,571	124.42	1,646,818
16/04/2021	Expenses related to share subscription			(153,983)
	Balance at 30 June 2021	<u>56,221,871</u>		<u>52,640,345</u>

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 12 – ISSUED CAPITAL (continued)**

On 24 September 2021, a loan with four directors and one material shareholder who is not a director was settled by Scotgold Resources Limited on behalf of SGZ Cononish Limited by the issuing by Scotgold Resources Limited of 3,301,420 shares to the Loan Providers (year ended 30 June 2021 - Nil). This loan had a settlement value of \$5.1m, resulting in a loss of settlement of \$1.4m recognised in the income statement due to the difference on share price between issue price and on settlement date.

**(b) Movements in options**

There have been no movements in options since the prior reporting year ended 30 June 2021, other than the share-based payment changes disclosed in Note 13.

The options outstanding at 31 December 2021, excluding options issued to key management and senior managers as share-based payment, are as follows:

Number	Exercise Price	Expiry Date	Option Reserve \$
30,000	\$8.00	31 March 2022	134,769

Details of options issued to key management and senior managers are set out in Note 13.

**NOTE 13 – SHARE-BASED PAYMENTS**

The rules of the Enterprise Management Incentive Scheme of the Company provide that the Board may at its discretion grant Enterprise Management Incentive Scheme options to employees of the Company and its controlled entities to acquire ordinary shares in the Company at such exercise price and in such numbers as it considers appropriate and to attach such performance conditions to the vesting of such options as it considers appropriate, subject to compliance with the provisions of Schedule 5 of the United Kingdom Income Tax (Earnings and Pensions) Act 2003 and other applicable legislation.

No new options were granted or cancelled in the period.

Charges in respect of share-based payment have been recognised as follows:

	Charged to profit or loss	Charged to mine development	Increase in share-based payment reserve
	\$	\$	\$
Cumulative to 30 June 2020	267,148	16,494	283,642
During year ended 30 June 2021	364,725	252,439	617,164
Cumulative to 30 June 2021	631,873	268,933	900,806
During period ended 31 December 2021	153,468	-	153,468
Cumulative to 31 December 2021	785,341	268,933	1,054,274

**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 14 – RELATED PARTIES**

Basic remuneration of £161,250 per annum is payable in terms of the service agreement and Mr Phillip Day shall be eligible to join the Group pension fund. The annual leave entitlement of Mr Phillip Day amounts to 18.75 days plus a pro rata number of public holidays in Scotland. The service agreement further provides that Mr Phillip Day shall be reimbursed for the reasonable cost of necessary travel incurred in connection with visits to the operations of the Group in Scotland, including flights to and from Switzerland and car hire in the United Kingdom, and that the Group shall provide accommodation to Mr Phillip Day while he is visiting the operations.

The agreement for the rendering of consultancy services with PAW Consulting Services GmbH provides for a consultancy service fee of £4,479 per month, excluding VAT, to be payable net of any amounts in respect of income tax and national insurance contributions required to be deducted by law. In addition, the Group shall reimburse all reasonable expenses incurred by PAW Consulting Services GmbH in rendering the consultancy services.

Each of the Directors is a related party.

Mr Richard Barker provides the services of Company Secretary through his service company Barston Corporation Pty Ltd. The services as Company Secretary provided by Mr Barker are charged at commercial, arm's length rates.

A company controlled by Mr Nat le Roux provided loan funds to the consolidated entity on commercial terms throughout the period, details of which are disclosed in Note 10. That company also paid an amount of £22,800 (\$40,304) in respect of recruitment fees on behalf of the Group during the period, which amount was included in trade and other payables at 31 December 2021. The recruitment fees were paid on normal commercial terms by Mr Nat le Roux's company and were reimbursed on normal commercial terms.

On 6 August 2021, the Group drew down the second tranche of £1,000,000 (AUD\$1,883,594) on the short term unsecured loan facility with four directors and one material shareholder who is not a director. On 24 September 2021, this facility was settled by Scotgold Resources Limited on behalf of SGZ Cononish Limited by the issuing by Scotgold Resources Limited of 3,301,420 shares to the Loan Providers (year ended June 2021 - Nil). This loan had a settlement value of \$5.1m, resulting in a loss of settlement of \$1.4m recognised in the income statement due to the difference on share price between issue price and on settlement date. The details of this are provided in note 12.

**NOTE 15 - COMMITMENTS FOR EXPENDITURE**

**Amounts payable to Loch Lomond and the Trossachs Countryside Trust**

The following amounts are payable to the Loch Lomond and the Trossachs Countryside Trust in terms of Clause 18 of the Section 75 Agreement entered into with the owner of the land on which the Cononish mine is situated, the Loch Lomond and the Trossachs National Park Authority and the Crown Estate Scotland in respect of the development of the Cononish mine:

	\$
Not later than one year	46,503
Later than 1 year but not later than 2 years	93,006
Later than 2 years but not later than 5 years	279,018
Later than 5 years	186,012
	<u>604,539</u>

Other than the commitments disclosed above, there have been no material changes during the period to the commitments disclosed in the annual report for the year ended 30 June 2021.



**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 16 - CONTINGENT LIABILITIES**

There have been no material changes during the period to the contingent liabilities disclosed in the annual report for the year ended 30 June 2021.

**NOTE 17 - SEGMENT INFORMATION**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Scotgold Resources Limited.

The comparative information disclosed is for the period ended 31 December 2020 in the case of segment loss, interest expense and depreciation and for the year ended 30 June 2021 in the case of balances of and movements in segment assets and liabilities.

**Six months ended 31 December 2021**

	Scotland Mining \$	Scotland Exploration \$	Australia \$	Other \$	Total \$
Segment income	6,431,437	33	-	-	6,431,470
Segment loss	5,171,720	6,315	394,937	-	5,572,972
Segment assets	51,567,251	3,278,721	297,442	1,786	55,145,200
Segment non-current assets	48,741,164	3,236,057	272,669	-	52,249,890
Segment liabilities	25,813,161	202,982	189,680	-	26,216,136
Segment non-current liabilities	10,360,118	5,415	-	-	10,365,533

**Included in segment result:**

Interest expense	808,213	455	-	-	808,668
Depreciation	1,399,608	4,062	-	-	1,403,670
Capitalised exploration	-	189,601	-	-	189,601
Mine development costs	6,692,038	-	-	-	6,692,038
Acquisition of fixed assets	364,591	-	-	-	364,591
Right-of-use assets acquired	2,579,269	-	-	-	2,579,269



**NOTES TO AND FORMING PART OF  
THE CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021



AND CONTROLLED ENTITIES

**NOTE 17 - SEGMENT INFORMATION (continued)**

**Comparative figures**

	Scotland Mining \$	Scotland Exploration \$	Australia \$	Other \$	Total \$
<b>For the six months ended 31 December 2020:</b>					
Segment other income	4,503	69	-	-	4,572
Segment loss	1,900,926	11,472	445,279	-	2,357,677
<b>As at 30 June 2021:</b>					
Segment assets	47,623,151	4,947,052	383,856	1,812	52,955,871
Segment non-current assets	46,105,614	3,020,977	272,669	-	49,339,260
Segment liabilities	23,777,823	114,560	101,102	10,462	24,003,947
Segment non-current liabilities	12,887,495	8,314	-	-	12,895,629
<b>Included in segment result for the six months ended 31 December 2020:</b>					
Interest expense	574,653	626	-	-	575,279
Depreciation	560,738	4,767	-	-	565,279
<b>Movement for the year ended 30 June 2021:</b>					
Capitalised exploration	-	467,948	-	-	467,948
Mine development costs	11,029,274	-	-	-	11,029,274
Acquisition of fixed assets	803,791	2,338	-	-	806,129
Right-of-use assets acquired	1,840,777	-	-	-	1,840,777

**NOTE 18 - MATTERS SUBSEQUENT TO THE END OF PERIOD**

On 14 January 2022, the Group negotiated a debt restructure with Bridge Barn Limited, a company owned and controlled by Mr Nathaniel le Roux (non-executive director), which had provided the existing loan facility of £7.5m. The principle points of the restructure facility include a new loan of £5 million in January 2022 which repaid tranches 1 and 2 and interest to date on those loans, plus makes available a further £131,561 of loan monies. The restructured loan will have a term of three years, with 9% annual interest rate to be paid quarterly.

Also on 14 January 2022, Jane Styslinger, a related party of William Styslinger (non-executive director of Scotgold), provided an additional loan of £500,000 at an interest rate of 9%, payable in three years from the date of drawdown.

On 3 March 2022, the Group entered into a short term Loan Facility with Bridge Barn Limited, a company owned and controlled by Nathaniel Le Roux (non-executive director) providing £250,000 to Scotgold. The Short Term Loan Facility was provided to cover the Company's immediate working capital requirements which have been impacted by the delay in shipment of the Company's gold concentrate from port, due to current macro and geo-political events impacting global shipping lines. It is repayable by the Company within 30 days of the date of drawdown.

On 16 March 2022, the Company appointed Sean Duffy as Chief Financial Officer and Evan Spencer as Non-Executive Director and Chairman of the Technical Committee, to the Board of Directors.

## DIRECTORS' DECLARATION



1. In the opinion of the Directors of Scotgold Resources Limited (the 'Company'):
  - a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
    - i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year then ended; and
    - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements,
  - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable,
  - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board,

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to Section 303(5) of the Corporations Act 2001

PHILLIP DAY – Managing Director and CEO

Dated at Tyndrum, this 29th day of March, 2022

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Scotgold Resources Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Scotgold Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial 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*.

#### 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 the 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 the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



### **Responsibility of the directors for the financial report**

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

### **Auditor's 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. 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 Group's financial position as at 31 December 2021 and its financial 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.

**BDO Audit (WA) Pty Ltd**

A handwritten signature in dark ink, appearing to read 'P. Murdoch', is written over a horizontal line. Above the signature, the letters 'BDO' are handwritten in a smaller, lighter script.

**Phillip Murdoch**

**Director**

Perth, 29 March 2022

### ANALYSIS OF SHAREHOLDING

#### Voting Rights

Article 16 of the Constitution specifies that on a show of hands every member present in person, by attorney or by proxy shall have:

- a) for every fully paid share held by him one vote
- b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares

#### Substantial Shareholders as at 29 March 2022

The following substantial shareholders have notified the Company in accordance with Corporations Act 2001,

Mr Nat le Roux	24,712,974	41.59%
Mr William Styslinger	6,220,531	10.47%
Mr Peter Hetherington	2,616,974	4.40%
The Holywell Alpaca Settlement	2,000,000	3.37%
Mr Charles Outhwaite	2,056,440	3.46%
Mr Ian Proctor	1,155,844	1.95%