



**ADVANCE METALS LIMITED (FORMERLY PACIFIC AMERICAN HOLDINGS LIMITED)**  
**ABN 83 127 131 604**

**CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2022**

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## CORPORATE INFORMATION

### *Registered Office*

Suite 706, Level 7  
89 York Street  
Sydney, NSW, 2000

### *Directors*

Geoff Hill (Chairman)  
Mark Sykes (Executive Director)  
Keith Middleton (Non-Executive Director)  
Melissa Sanderson (Non- Executive Director)

### *Company Secretary*

Wayne Kernaghan

### *Principal Place of Business*

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Telephone: +61 2 8964-4373  
Website: [www.advancemetals.com.au/](http://www.advancemetals.com.au/)

### *Share Registry*

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+61 2 9290 9600 (International)  
Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### *Banker*

National Australia Bank  
Westpac Banking Corporation  
Bank of Queensland

### *Auditor*

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Sydney NSW 2000

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## DIRECTORS' REPORT

The Directors of Advance Metals Limited (Formerly Pacific American Holdings Limited) ASX code: AVM (the Company) present their report for the half-year ended 30 June 2022. The Directors report as follows:

### 1. Directors

The names of the Directors of the Company during the half-year and up to the date of this report are:

Geoff Hill (Chairman) Appointed 15 May 2009

Simon Bird (Non-Executive Director) Appointed 13 July 2010 and Resigned 31 May 2022

Keith Middleton (Non-Executive Director) Appointed 1 February 2022

Melissa Sanderson (Non-Executive Director) Appointed 14 April 2022

Mark Sykes (Executive Director) Appointed 31 December 2017

### 2. Review of operations

The consolidated loss after income tax for the half-year ended 30 June 2022 was \$712,935 (2021: \$687,171).

During the first half of the year the Company expanded the footprint of its 100% owned gold and copper assets in Idaho and prepared an extensive exploration plan activity. To support these activities the Company brought on new skills at the Board level and engaged with recognised geological consultants with expertise in conducting exploration in Idaho. The outcome of these activities resulted in the commencement of exploration activity occurring prior to the end of the half year at the Company's Garnet Creek Copper Project. The objective of the exploration activity is to work towards identifying a JORC compliant Exploration Target by:

- Collecting soil and rock chip samples,
- Developing geological model, and
- Defining drill targets for the next round of exploration activity.

Over the course of the period, the Company expanded the footprint of the Garnet Creek Copper Project from 22 Federal Lode Claims to 56, an increase of 250%. This action was the result of datamining by the Company over the project region where there were areas identified that historically comprised of mined copper grades of between +1.5% and up to +5%, with some projects in the area reporting copper grades up to 30%. The Company has previously stated a strategic directive to pursue base metals projects such as copper, as the long term outlook for copper looks positive due to its enabling role in an increasingly electrified economy.

During the first half of the year, the Company commenced exploration activities at the Garnet Creek Copper Project. Activity was aimed at gaining a greater understanding of both the mineralisation potential over the project area and regionally, if there were opportunities to expand the footprint of the Garnet Creek Copper Project even further. The exploration activity that commenced, included:

- A large scale mapping and sampling program
- Soil Sampling and Geochemical Sampling
- Rock Chip Sampling and Analysis
- Structural Mapping and identification of alteration zones
- Mapping of mineralised areas
- Planning for drilling program
- Road mapping and drill pad locations

The Company also has 100% ownership over the Anderson Creek Gold Project located in eastern Idaho. The Anderson Creek Gold Project was allocated exploration spending that aligned with the timing of Garnet Creek. Additional work on Anderson Creek included desktop analysis of historical aeromagnetic surveys that could assist to better understand the potential strike distance of the project. Concepts arising from this initial work is scheduled to be tested as part of the exploration program commencing in the third quarter of the year..

The Company continues to support our renewable energy strategy through GP Hydro Pte Ltd (GP Hydro). The Company has experienced extended review and approvals processes by potential clients. This has resulted in the deferral of revenue and hence the Company has been in discussions with our partners to implement cost saving measures.

No activity occurred at the Elko Project during the period and the project remains a valuable asset for the Company. The Company has noted higher short-term increases in coking prices and continues to seek willing parties to assist in advancing the project through further exploration.

During the half year ended 30 June 2022, AVM's net cash used in operating activities totalled \$533,228 (2021: \$364,686).

### 3. Outlook

The Company and its controlled entities (the Consolidated Entity) continue to assess the value of its assets and seek out new investment opportunities. Focus areas of the Company are in:

- a) Exploring and developing its 100% owned gold and base metal projects in Idaho. The Company is also seeking a third project that would provide all year-round access in North America in one of the target commodities. The Company aims at identifying a third project during the second half of the year.
- b) The Elko Coking Coal Project – Elko remains an asset of significant value to the Company, with the Company maintaining its commitment to ongoing investment in Elko Project. This ongoing investment will position Elko to benefit from a uplift in the coking coal market or interest from potential investors seeking direct ownership in a coking coal asset with 303Mt JORC 2012 compliant resource. The Company will continue to keep the Elko Project in good standing.

The Consolidated Entity has plans in place to undertake capital raising activities in the second half of the year to support the strategic objectives and direction of the Company.

### 4. Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The Auditor's Independence Declaration pursuant to Section 307C of the Corporations Act 2001 (Cth) is set out on page 7.

### 5. Rounding of Amounts to the Nearest Dollar

The Company is not of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and, as such, amounts in the Half Year Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

### 6. Competent Person's Statement

#### *Previously Released Information*

This Interim Financial Report refers to information extracted from reports available for viewing on AVM's website [www.advancemetals.com.au](http://www.advancemetals.com.au) and announced on:

- 01.10.2021 "Drill Ready Western Australian Gold Project"

AVM confirms it is not aware of any new information or data that materially affects the information included in the original market announcements, and, in the case of exploration targets, that all material assumptions and technical parameters underpinning the exploration targets in the relevant market announcements continue to apply and have not materially changed. AVM confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcements.

#### *Forward Looking Statements*

Statements contained in this Interim Financial Report, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of the Company, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking.

The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty. Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

Signed in accordance with a resolution of the Board of Directors.



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Keith Middleton  
Director  
Sydney  
13 September 2022

**ADVANCE METALS LIMITED  
ABN 83 127 131 604  
AND CONTROLLED ENTITIES**

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

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Advance Metals Limited. As the lead partner for the review of the half year financial report of Advance Metals Limited for the half year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



HALL CHADWICK (NSW)  
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**DREW TOWNSEND**  
Partner  
Dated: 13 September 2022

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## CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the Half-Year Ended 30 June 2022

	Note	Consolidated Entity June 2022	June 2021
		\$	\$
<b>Other revenue</b>			
Interest income		898	397
Other income		13	320
Recovery of impaired loss of receivable		-	50,370
Foreign currency exchange gains		-	11
<b>Expenses</b>			
Employee expenses		(258,157)	(128,328)
Administration costs		(267,360)	(203,512)
Share based payments		(86,020)	(52,800)
Impairment of exploration and evaluation costs	4	-	(353,629)
Impairment of receivable from associate	3	(102,036)	-
Foreign currency exchange losses		(273)	-
<b>Loss before income tax</b>		<b>(712,935)</b>	<b>(687,171)</b>
Income tax expense		-	-
<b>Loss after income tax</b>		<b>(712,935)</b>	<b>(687,171)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss			
Foreign currency translation differences		250,681	95,277
<b>Total other comprehensive income</b>		<b>250,681</b>	<b>95,277</b>
<b>Total comprehensive income</b>		<b>(462,254)</b>	<b>(591,894)</b>
		<b>Cents per share</b>	<b>Cents per share</b>
<b>(Loss) per share:</b>			
Basic	7	(0.15)	(0.22)
Diluted	7	(0.15)	(0.22)

The Consolidated Interim Statement of Profit and Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements



## CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2022

	Note	Consolidated Entity June 2022 \$	December 2021 \$
<b>Current Assets</b>			
Cash and cash equivalents		1,451,946	2,256,631
Trade and other receivables	3	42,202	40,638
Other assets		12,201	30,923
<b>Total Current Assets</b>		<u>1,506,349</u>	<u>2,328,192</u>
<b>Non-Current Assets</b>			
Security deposits		174,192	165,382
Deferred exploration and evaluation costs	4	3,878,037	3,369,994
<b>Total Non-Current Assets</b>		<u>4,052,229</u>	<u>3,535,376</u>
<b>Total Assets</b>		<u>5,558,578</u>	<u>5,863,568</u>
<b>Current Liabilities</b>			
Trade and other payables		251,971	180,727
<b>Total Current Liabilities</b>		<u>251,971</u>	<u>180,727</u>
<b>Total Liabilities</b>		<u>251,971</u>	<u>180,727</u>
<b>Net Assets</b>		<u>5,306,607</u>	<u>5,682,841</u>
<b>Equity</b>			
Contributed equity	5	17,782,931	17,782,931
Share option reserve	6	149,470	63,450
Foreign currency exchange reserve		289,507	38,826
Accumulated losses		(12,915,301)	(12,202,366)
<b>Total Equity</b>		<u>5,306,607</u>	<u>5,682,841</u>

The Consolidated Interim Balance Sheet is to be read in conjunction with the Notes to the Financial Statements

## CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Half-Year Ended 30 June 2022

	Note	Contributed Equity \$	Share Option Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 January 2021		15,229,089	10,650	(190,324)	(10,989,921)	4,059,494
Transactions with owners in their capacity as owners						
Issue of share capital		80,000	-	-	-	80,000
Options issued		-	103,200	-	-	103,200
Share issue costs		(2,114)	-	-	-	(2,114)
		77,886	103,200	-	-	181,086
Comprehensive income						
Loss after tax		-	-	-	(687,171)	(687,171)
Foreign currency translation differences		-	-	95,277	-	95,277
Total comprehensive income for the half-year		-	-	95,277	(687,171)	(591,894)
Balance at 30 June 2021		15,306,975	113,850	(95,047)	(11,677,092)	3,648,686
Balance at 1 January 2022		17,782,931	63,450	38,826	(12,202,366)	5,682,841
Transactions with owners in their capacity as owners						
Issue of share capital		-	-	-	-	-
Options issued		-	86,020	-	-	86,020
Share issue costs		-	-	-	-	-
		-	86,020	-	-	86,020
Comprehensive income						
Loss after tax		-	-	-	(712,935)	(712,935)
Foreign currency translation differences		-	-	250,681	-	250,681
Total comprehensive income for the half-year		-	-	250,681	(712,935)	(462,254)
Balance at 30 June 2022		17,782,931	149,470	289,507	(12,915,301)	5,306,607

The Consolidated Interim Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements

## CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the Half-Year Ended 30 June 2022

	Consolidated Entity	
	June 2022	June 2021
	\$	\$
Cash Flows (Used In) / From Operating Activities		
Interest received	898	397
Other income	13	320
Cash payments in the course of operations	(534,139)	(365,403)
Net Cash used in Operating Activities	(533,228)	(364,686)
Cash Flows (Used In) / From Investing Activities		
Payment for exploration and evaluation costs	(271,184)	(286,298)
Net Cash used in Investing Activities	(271,184)	(286,298)
Cash Flows (Used In) / from Financing Activities		
Proceeds from the issue of securities	-	80,000
Costs associated with the issue of securities	-	(2,114)
Net Cash from Financing Activities	-	77,886
Net (decrease)/increase in cash and cash equivalents	(804,412)	(573,098)
Net foreign exchange differences	(273)	(488)
Cash and cash equivalents at beginning of financial period	2,256,631	1,014,973
Cash and cash equivalents at end of financial period	1,451,946	441,387

The Consolidated Interim Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Statement of Significant Accounting Policies

#### *Reporting Entity*

Advance Metals Limited (Formerly Pacific American Holdings Limited) (the Company) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ended 30 June 2022 comprises the Company and its controlled entities (together referred to as the Consolidated Entity). The comparative period is the six months ended 30 June 2021.

#### *Statement of Compliance*

The consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth).

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated annual financial reports of the Consolidated Entity as at and for the year ended 31 December 2021.

This consolidated interim financial report was approved on 13 September 2022 by the Board of Directors.

#### *Going Concern*

The Consolidated Entity had a net loss of \$712,935 and a net operating cash outflow of \$533,228 for the 6 months ended 30 June 2022. As at 30 June 2022, the Consolidated Entity had cash and cash equivalents of \$1,451,946, net current assets of \$1,254,378 and net assets of \$5,306,607.

Management continues to preserve operating cash and at the same time, process has started to raise additional capital to fund ongoing administration and budgeted exploration. The ability of the Consolidated Entity to continue as a going concern is principally dependent upon one or more of the following:

- the ability of the Consolidated Entity to raise additional capital in the form of equity;
- the continued support of current shareholders; and
- the ability to successfully develop and extract value from its projects that are under development.

These conditions give rise to a material uncertainty over the Consolidated Entity's ability to continue as a going concern.

Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Consolidated Entity has funded its activities through issuance of equity securities and it is expected that the Consolidated Entity will be able to fund its future activities through further issuances of equity securities; and
- Directors believe there is sufficient cash available for the Consolidated Entity to continue operating until it can raise sufficient further capital to fund its ongoing activities within the forecast period.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

## Notes to the Financial Statements (continued)

### 1. Statement of Significant Accounting Policies (continued)

#### Accounting Policies

The accounting policies and methods of computation applied by the Consolidated Entity in the consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 31 December 2021.

#### Associates

Associates are all entities over which the Consolidated Entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

The Consolidated Entity's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Any dividends receivable from associates are recognised as reduction in the carrying amount of the investment.

When the Consolidated Entity's share of losses in an associate equal or exceed its interest in the associate, including any other unsecured long-term receivables, the Consolidated Entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Any unrealised gains on transactions between the Consolidated Entity and its associates are eliminated to the extent of the Consolidated Entity's interest in the associates. Any unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

#### Deferred Exploration and Evaluation Costs

Exploration and evaluation costs related to an area of interest are written off as incurred except they are carried forward as an asset in the balance sheet where the rights of tenure of an area are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area of interest, or alternatively be its sale.

Capital costs include costs directly related to exploration and evaluation activities in the relevant area of interest.

General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Capitalised exploration and evaluation expenditure are written off where the above conditions are no longer satisfied.

Identifiable exploration assets acquired are recognised as assets at their fair value.

Exploration and evaluation expenditure incurred subsequent to the acquisition of an exploration asset in a business combination is accounted for in accordance with the policy outlined above.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

#### Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of the Consolidated Entity at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the transaction date.

## Notes to the Financial Statements (continued)

### 1. Statement of Significant Accounting Policies (continued)

#### *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

#### *New and Revised Standards*

New and revised standards have been issued by the AASB and are effective for the half-year, however there are no material changes to the policies that affect the recognition and measurement of the results or financial position of the Consolidated Entity.

#### *Fair Values*

The fair values of Consolidated Entity's financial assets and liabilities approximate their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form.

### 2. Dividends

During the half year, no dividends were paid or provided for (2021: \$ Nil).

### 3. Trade and other receivables

	30 June 2022	31 December 2021
	\$	\$
Other receivables	42,202	40,638
Receivable from associates	312,788	210,752
	<u>354,990</u>	<u>251,390</u>
Impairment of receivables	(312,788)	(210,752)
	<u>42,202</u>	<u>40,638</u>

### 4. Deferred exploration and evaluation costs

#### *Movements during the period*

Balance at beginning of period	3,369,994	2,955,386
Additions	271,184	568,364
Foreign currency difference to Exchange Reserve	236,859	232,553
Amounts impaired	-	(386,309)
Balance at end of period	<u>3,878,037</u>	<u>3,369,994</u>

## Notes to the Financial Statements (continued)

### 5. Contributed Equity

	30 June 2022	31 December 2021
Issued Capital – Number of ordinary fully paid shares	<u>477,877,402</u>	<u>477,877,402</u>
Value of Issued Capital	<u>\$17,782,931</u>	<u>\$17,782,931</u>
Share Capital Movements during the period:	<div> <div>30 June 2022</div> <div>Number      \$</div> </div>	<div> <div>31 December 2021</div> <div>Number      \$</div> </div>
Fully paid ordinary shares at beginning of period	477,877,402      17,782,931	314,584,900      15,229,089
Shares issued under placement offer	-      -	4,000,000      80,000
Shares issued under rights offer	-      -	159,292,502      2,548,680
Share issue costs	-      -	-      (74,838)
Total fully paid ordinary shares at end of period	<u>477,877,402      17,782,931</u>	<u>477,877,402      17,782,931</u>

### 6. Share Option Reserve

	30 June 2022	31 December 2021
Unquoted options issued – Number of options	<u>20,500,000</u>	<u>13,500,000</u>
Value of options issued	<u>\$149,470</u>	<u>\$63,450</u>
Option Movements during the period:	<div> <div>30 June 2022</div> <div>Number      \$</div> </div>	<div> <div>31 December 2021</div> <div>Number      \$</div> </div>
Unquoted options at beginning of period	13,500,000      63,450	1,500,000      10,650
Unquoted options issued to directors expiring 29 June 2026 exercisable at \$0.03	-      -	12,000,000      52,800
Unquoted options issued to directors expiring 31 May 2027 exercisable at \$0.02	5,500,000      63,030	-      -
Unquoted options issued to employee option scheme expiring 31 March 2025 exercisable at \$0.018	3,800,000      22,990	-      -
Unquoted options issued to Salazar Farm-In Agreement expiring 30 June 2022 exercisable at \$0.02	-      -	7,000,000      50,400
Unquoted options issued to Salazar Farm-In Agreement expiry 30 June 2022 exercisable at \$0.02 which expired 2 December 2021.	-      -	(7,000,000)      (50,400)
Total fully paid ordinary shares at end of period	<u>22,800,000      149,470</u>	<u>13,500,000      63,450</u>

### 7. Earnings per share

	June 2022	June 2021
	\$	\$
Losses used to calculate basic and diluted earnings per share	<u>(712,935)</u>	<u>(687,171)</u>

## Notes to the Financial Statements (continued)

### Weighted average number of shares and options

	Number of shares	Number of shares
Weighted average number of ordinary fully paid shares outstanding during the period, used in calculating basic and diluted earnings per share	477,877,402	318,120,812

The effects from the potential ordinary shares of the Company arising from the exercise of share options for the financial period ended 30 June 2022 is deemed anti-dilutive. Accordingly, the basic and diluted earnings per share for the current financial period are the same.

### 8. Contingent Liabilities and Assets

The Consolidated Entity has no financial guarantees as at 30 June 2022 and 31 December 2021.

### 9. Subsequent Event

There has not arisen in the interval between the end of the interim period and the date of this review report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity.



## Notes to the Financial Statements (continued)

### 10. Segment Reporting

#### Reportable Segments

The Consolidated Entity has identified its operating segments based on internal reports that are reviewed and used by the executive team in assessing performance and determining the allocation of resources. The Consolidated Entity does not yet have any products or services from which it derives an income.

During the half year to 30 June 2022, management identified the Consolidated Entity as having two reportable segments, being the geographic location of assets in the North America and Australia.

Below is an analysis of the Consolidated Entity's revenue and operating results from reportable segments:

<i>Consolidated 6 months to 30 June 2022</i>	North America	Australia	Total
	\$	\$	\$
<b>Other revenue</b>			
Interest income	-	898	898
Other income	-	13	13
<b>Expenses</b>			
Employee expenses	(192,009)	(66,148)	(258,157)
Administration costs	(62,022)	(205,338)	(267,360)
Share Based payments	-	(86,020)	(86,020)
Impairment of receivable from associate	-	(102,036)	(102,036)
Foreign currency exchange loss	(68)	(205)	(273)
<b>Loss before income tax</b>	<b>(254,099)</b>	<b>(458,836)</b>	<b>(712,935)</b>

#### *Consolidated 6 months to 30 June 2021*

<b>Other revenue</b>			
Interest income	-	397	397
Other income	-	320	320
Recovery of impaired loss of receivable	-	50,370	50,370
Foreign currency exchange gain	-	122	122
<b>Expenses</b>			
Employee expenses	(95,628)	(32,700)	(128,328)
Administration costs	(19,684)	(183,828)	(203,512)
Share Based payments	-	(52,800)	(52,800)
Impairment of exploration and evaluation costs	-	(353,629)	(353,629)
Foreign currency exchange loss	(111)	-	(111)
<b>Loss before income tax</b>	<b>(115,423)</b>	<b>(571,748)</b>	<b>(687,171)</b>

## Notes to the Financial Statements (continued)

Below is an analysis of the Consolidated Entity's assets and liabilities from reportable segments:

<i>Consolidated as at 30 June 2022</i>	North America	Australia	Total
	\$	\$	\$
Current assets	39,205	1,467,144	1,506,349
Non-current assets	4,052,229	-	4,052,229
Total assets	4,091,434	1,467,144	5,558,578
Current liabilities	178,339	73,632	251,971
Non-current liabilities	-	-	-
Total liabilities	178,339	73,632	251,971
Net segment assets	3,913,095	1,393,512	5,306,607
<i>Consolidated as at 31 December 2021</i>			
Current assets	39,782	2,288,410	2,328,192
Non-current assets	3,535,376	-	3,535,376
Total assets	3,575,158	2,288,410	5,863,568
Current liabilities	65,930	114,797	180,727
Non-current liabilities	-	-	-
Total liabilities	65,930	114,797	180,727
Net segment assets	3,509,228	2,173,613	5,682,841

## DIRECTORS' DECLARATION2

For the half year ended 30 June 2022

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001* (Cth), *Australian Accounting Standard AASB 134 'Interim Financial Reporting'*, *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



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Keith Middleton  
Director  
Sydney  
13 September 2022

**ADVANCE METALS LIMITED  
ABN 83 127 131 604  
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
ADVANCE METALS LIMITED**

**Report on the Half Year Financial Report**

We have reviewed the financial report of Advance Metals Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the half year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of Financial Report performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial report which indicates that the Group incurred a loss of \$712,935 and had operating cash outflows of \$533,228 during the half year ended 30 June 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**Responsibilities of the Directors for the Half Year Financial Report**

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

**ADVANCE METALS LIMITED  
ABN 83 127 131 604  
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
ADVANCE METALS LIMITED**

**Auditor's Responsibilities for the Review of the Half Year Financial Report**

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 410 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 30 June 2022 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.



HALL CHADWICK (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000



**DREW TOWNSEND**

Partner

Dated: 13 September 2022