



# **ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**

**ABN: 15 120 973 775**

**Financial Report For The Half-Year Ended  
31 December 2024**

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# ADELONG GOLD LIMITED AND CONTROLLED ENTITIES



ABN: 15 120 973 775

## Financial Report For The Half-Year Ended 31 December 2024

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**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**DIRECTORS' REPORT**



Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of Adelong Gold Limited and its controlled entities for the half-year ended 31 December 2024.

**General Information**

**Directors**

The following persons were directors of Adelong Gold Limited during or since the end of the half-year up to the date of this report.

Mr Mena Habib  
Mr Ian Holland  
Mr Kurt Lingohr (appointed 29 November 2024)  
Mr Ian Hastings (resigned 29 November 2024)

**DIRECTORS' REPORT**

In accordance with continuous disclosure requirements, it is recommended that this half-year report be read in conjunction with any public announcements lodged with the Australian Securities Exchange for the half-year.

**Review of Operations**

The consolidated loss for the six month period ended 31 December 2024 was \$344,013 (31 December 2023 loss: \$464,323)

The net assets and net current assets of the Group as at 31 December 2024 were \$5,754,965 and \$1,817,392 respectively.

During the half-year ended 31 December 2024, the Company continued to advance the Adelong Gold Project in southern NSW. In addition, the Company continued to explore its two critical minerals projects in Brazil: the Santa Rita do Aracui Project in the state of Minas Gerais and the Paraiba Project in the state of Paraiba. Subsequent to the end of the reporting period, the Company entered into a transaction to acquire an advanced exploration project: the Apollo Gold Project in Victoria. The Company also finalised binding agreements on 12 March 2025 with Great Divide Mining Limited, to advance the Adelong Project.

There were also significant developments for the Company in terms of board composition and non-core assets over the course of the period that are described below.

**Adelong Gold Project**

The significant developments at the Adelong Gold Project during the period included:

- Completion of a successful soil sampling program to the north of Currajong

Entering into a binding farm-in agreement with Great Divide Mining Limited (ASX:GDM) for a staged acquisition of a 51% interest in the project subject to GDM achieving initial gold production within a 12 month timeframe

**Soil Sampling Program at Currajong North**

A program of soil sampling to the north of the Currajong deposit was undertaken during the year with the results reported in October 2024 (ASX Release: 15 October 2024). The soil sampling consisted of 46 samples taken on 7 traverses designed to in-fill and extend the previous soil sampling (ASX Release: 14 March 2024) over a strike length of >1,000m. There were a number of anomalous results with two samples returning in excess of 1 g/t gold and a peak result of 3.03 g/t gold and 30% of samples returning >0.1 g/t gold. The spatial distribution of the sample results supported the potential for multiple lines of mineralization striking NNW akin to the adjacent deposits in the immediate area (Challenger, Currajong and Caledonian).

**Farm-In Agreement with Great Divide Mining Limited**

During the period, the Company announced that it has entered into a binding farm-in agreement with Great Divide Mining Limited (ASX:GDM) for a staged acquisition of a 51% interest in the project subject to milestones (ASX Release: 24 October 2024). To achieve a 51% interest, GDM are required to initiate first gold production from the site within 12 months of execution of final agreement. Should GDM fail to meet this milestone, ADG has the right to reclaim 100% ownership of the Adelong Gold Project. ADG are not required to make any cash contributions until gold production has commenced.

**Brazil Projects**

The Company continued exploration of its Brazilian critical minerals projects. Details and progress for the period are outlined below:

***Santa Rita do Aracui Project***

An initial reconnaissance program was completed on the project (ASX Release: 27 February 2024). This program consisted of an initial mapping exercise aimed at identifying indicators of lithium mineralization. Importantly, the fieldwork was successful in identifying the highly prospective Salinas Formation which hosts lithium-rich pegmatites elsewhere in the region. Two areas of particular interest were identified based upon structural setting and observed lithology/mineralogy. Work undertaken during the current reporting period includes planning of a follow-up program of detailed mapping and stream sediment sampling which has yet to be implemented.

***Paraiba Project***

An initial reconnaissance program was completed consisting of a preliminary mapping campaign and isolated rock chip sampling (ASX Release: 23 May 2024). The program was successful in identifying previously unknown pegmatite occurrences and indications of anomalous results within the rock chip sampling.

A more detailed follow-up program (Phase 2) of detailed mapping and stream sediment/rock chip sampling was designed and completed in the current reporting period. As reported to the ASX on 16 September 2024, the Phase 2 program consisted of 56 stream sediment samples and 7 rock chip samples and was successful in identifying areas with anomalous lithium pathfinder elements, including cesium (Ce), rubidium (Rb), niobium (Nb), tantalum (Ta) and others. Additionally, rare earth elements were also identified in several samples. Planning of a follow-up program is in progress.

#### **Apollo Gold Project**

Subsequent to the end of the period, ADG entered into a transaction to acquire the Apollo Gold Project in Victoria (ASX Release: 13 February 2025). The project consists of a 100% interest in EL006430 which encompasses approximately 102 km<sup>2</sup> at the under-explored northern end of the Walhalla Gold Belt, situated about 120 km north-east of Melbourne, Victoria. As reported in the release, there have been a number of exceptional results previously reported from drilling programs undertaken from 2020-2022 including:

39.5m at 7.25 g/t Au from 118.6m to 158.1m in GMDH28, including 10.6m at 17.6 g/t Au from 137.85m to 148.45m  
27.6m at 6.7 g/t Au from 59m to 86.6m in GMDH30, including 8.0m at 11.9 g/t Au from 71m to 79m  
28m at 10.2 g/t Au from 138m to 166m in GMDH36, including 13m at 17.5 g/t Au from 139m to 152m  
55.1m at 3.06 g/t Au from 210m to 266.8m in GMDH45, including 15.9m at 6.93 g/t Au from 219.1m to 235m  
47m at 2.7 g/t Au from 68m to 115m in GMDH35, including 4m at 11.8 g/t Au from 91m to 95m  
5.8m at 18.4 g/t Au from 91.8m to 97.6m in GMDH26, including 4.6m at 22.68 g/t Au from 93m  
77m at 1.14 g/t Au from surface in 22GMRC12, including 35m at 1.85 g/t Au from surface

#### **Exploration/Development Plans**

Execute farm-in agreement with GDM and provide support and knowledge transfer (non-financial) to facilitate the transition of the  
Develop and implement an initial exploration program (inclusive of drilling) for the Apollo Gold Project, leveraging from the work  
Plan follow-up exploration programs for the Brazilian critical minerals projects  
Continue to assess new projects which it believes would complement the existing portfolio both in gold and other commodities within  
Australia and overseas jurisdictions

#### **Corporate**

There were a number of changes to the board composition during the year:

November 2024: Ian Hastings retired as Non-Executive Director (ASX Announcement: 28 November 2024)

November 2024: Kurt Lingohr appointed as Non-Executive Director (ASX Announcement: 28 November 2024)

The Company completed a transaction during the period to settle the loan outstanding owed by Cosmo Gold Limited to the Company in exchange for shares and options in Sarama Resources Limited (ASX:SRR) which subsequently acquired a majority interest in Cosmo Gold's tenements (ASX Release: 6 December 2024). The Company received 25M shares in SRR with a market value of \$725,000 as at 31 December 2024.

The Company has a philosophy of efficiently employing capital and minimizing shareholder dilution where possible. With this in mind, the Board has decided to seek to sell a non-core property at Adelong. Consisting of a house and associated land, the local real estate agent (Ray White Tumut) has provided a valuation of \$530,000 - \$550,000 on the property (ASX Release: 19 June 2024). The property is now listed for sale with the agent.

#### **Auditor's Independence Declaration**

The lead auditor's independence declaration is included on page 5 of the half-year financial report.

Signed in accordance with a resolution of directors made pursuant to s.306(3)(a) of the Corporations Act 2001.



On behalf of the Directors  
Mr Ian Holland

Dated 14 March 2025

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ADELONG GOLD LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



**MORROWS AUDIT PTY LTD**



**A.M. FONG**

Director

Melbourne: 14 March 2025



**ADELONG GOLD AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



	<b>Consolidated Group</b>	
	<b>31 December</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Continuing operations</b>		
<b>Revenue</b>	4,373	2,517
Administration expenses	(76,697)	(72,675)
Audit fees	(13,400)	(13,400)
Employee benefits expenses	(38,033)	(72,269)
Share registry costs	(19,404)	(10,889)
Depreciation and amortisation expense	(35,406)	(34,218)
Directors' fees	(125,325)	(108,500)
Consulting fees	(37,396)	(29,075)
Insurance	(21,547)	(22,884)
Legal and professional fees	(90,048)	(61,052)
Tenancy costs	(11,080)	(10,051)
Travel and accomodation	(8,146)	(21,800)
Doubtful debts - Loan to Cosmo Gold	128,096	-
Finance costs	-	(10,027)
<b>Loss before income tax</b>	<b>(344,013)</b>	<b>(464,323)</b>
Tax expense	-	-
<b>Net loss for the period</b>	<b>(344,013)</b>	<b>(464,323)</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss when specific conditions are met:</b>		
Fair value increase in investment holdings	-	-
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>(344,013)</b>	<b>(464,323)</b>
<b>Earnings per share</b>		
From continuing and discontinued operations		
Basic and diluted loss per share (cents)	3 (0.03)	(0.08)

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**



		<b>Consolidated Group</b>	
		<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		208,681	1,152,581
Trade and other receivables		17,127	11,833
Other financial assets	4	725,000	571,904
Asset held for sale		330,000	330,000
Other assets		646,115	667,087
<b>Total Current Assets</b>		<b>1,926,923</b>	<b>2,733,405</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		318,652	354,058
Exploration expenditure	6	3,618,921	3,407,192
<b>Total Non-Current Assets</b>		<b>3,937,573</b>	<b>3,761,250</b>
<b>Total Assets</b>		<b>5,864,496</b>	<b>6,494,655</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		109,531	170,677
Other financial liabilities	7	-	250,000
<b>Total Current Liabilities</b>		<b>109,531</b>	<b>420,677</b>
<b>Total Liabilities</b>		<b>109,531</b>	<b>420,677</b>
<b>Net Assets</b>		<b>5,754,965</b>	<b>6,073,978</b>
<b>Equity</b>			
Issued capital	8	22,270,957	22,270,957
Reserves	13	308,302	283,302
Retained earnings		(16,824,294)	(16,480,281)
<b>Total Equity</b>		<b>5,754,965</b>	<b>6,073,978</b>

The accompanying notes form part of these financial statements.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



	Issued Capital	Accumulated Losses	Option Reserve	Financial Asset Reserve	Foreign Currency Translation Reserve	Total
	\$	\$	\$	\$	\$	\$
<b>Consolidated Group</b>						
<b>Balance at 1 July 2023</b>	20,203,606	(14,230,651)	13,246	-	227	5,986,428
<b>Comprehensive income</b>						
Loss for the period	-	(464,323)	-	-	-	(464,323)
<b>Total comprehensive income for the period</b>	-	(464,323)	-	-	-	(464,323)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>						
Shares issued during the period	620,000	-	-	-	-	620,000
Transaction costs net of tax	(54,068)	-	-	-	-	(54,068)
Options issued during the period	-	-	6	-	-	6
<b>Total transactions with owners and other transfers</b>	565,932	-	6	-	-	565,938
<b>Balance at 31 December 2023</b>	20,769,538	(14,694,974)	13,252	-	227	6,088,043
<b>Balance at 1 July 2024</b>	22,270,957	(16,480,281)	283,075	-	227	6,073,978
<b>Comprehensive income</b>						
Loss for the period	-	(344,013)	-	-	-	(344,013)
Other comprehensive income for the period	-	-	-	25,000	-	25,000
<b>Total comprehensive income for the period</b>	-	(344,013)	-	25,000	-	(319,013)
<b>Balance at 31 December 2024</b>	22,270,957	(16,824,294)	283,075	25,000	227	5,754,965

The accompanying notes form part of these financial statements.



**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



	<b>Consolidated Group</b>	
	<b>31 December</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest received	3,161	1,338
Payments to suppliers and employees	(465,741)	(354,474)
Net cash (used in) operating activities	(462,580)	(353,136)
<b>Cash flows from investing activities</b>		
Payments for exploration expenses	(222,662)	(107,341)
Payments for tenements	-	(177,116)
Loan to Cosmo Gold Limited	-	(50,000)
Net cash (used in) investing activities	(222,662)	(334,457)
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	500,000
Payments for capital raising costs	-	(54,068)
Repayment of convertible note	(258,658)	-
Net cash provided by financing activities	(258,658)	445,932
Net increase in cash held	(943,900)	(241,661)
Cash and cash equivalents at beginning of financial year	1,152,581	770,115
Cash and cash equivalents at end of financial year	208,681	528,454

The accompanying notes form part of these financial statements.

These consolidated financial statements and notes represent those of Adelong Gold Limited and Controlled Entities (the "group").

The financial statements were authorised for issue on 14 March 2025 by the directors of the company.

## **Note 1 Summary of Material Accounting Policy Information**

### **Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type usually included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2024 and any public announcements made by the Company since 30 June 2024 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

### **Basis of Preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

### **Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group's last reported annual financial statements at 30 June 2024, unless otherwise stated.

#### **(a) Exploration and Development Expenditure**

Exploration, evaluation and development expenditures incurred is capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

#### **(b) Critical Accounting Estimates and Judgements**

In applying the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. These estimates and assumptions are made based on past experience and other factors that are considered relevant. Actual results may differ from these estimates. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed if the revision affects both current and future periods.

The following describes critical judgments that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

##### *Impairment of deferred exploration costs*

The Group's accounting policy for exploration expenditure results in some items being capitalised for an area of interest where it is considered likely to be recoverable in the future where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Management is required to make certain estimates and assumptions as to future events and circumstances, which may change as new information becomes available. If a judgement is made that recovery of a capitalised expenditure is unlikely, the relevant amount will be written off to the income statement.

##### *Environmental Issues*

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors' understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

**Note 1: Summary of Material Accounting Policy Information (continued)**

*Taxation*

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

**(c) Going Concern**

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the half-year ended 31 December 2024 of \$344,013 (31 December 2023: loss of \$464,323) and net cash outflows from operating activities of \$462,580 (31 December 2023: outflows of \$353,136).

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity source.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

**Note 2 Dividends**

No dividends have been declared or paid during the financial period.

**Note 3 Earnings per Share**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$</b>	<b>\$</b>
(a) Reconciliation of earnings to profit or loss		
Losses	(344,013)	(464,323)
Losses used to calculate basic and dilutive EPS	(344,013)	(464,323)
	<b>No.</b>	<b>No.</b>
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,117,988,958	609,184,611
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	1,117,988,958	609,184,611
Basic loss per share from continuing and discontinued operations	(0.03)	(0.08)

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



**Note 4 Other Financial Assets**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
Current	<b>\$</b>	<b>\$</b>
Loan to Cosmo Gold Limited	571,904	1,538,957
Less:		
Provision for doubtful debts <sup>1</sup>	128,096	(967,053)
Fair value of shares received <sup>1</sup>	(700,000)	-
Total loan to Cosmo Gold Limited	-	571,904
Fair value of shares held in listed company	725,000	-
Total current assets	<u>725,000</u>	<u>571,904</u>

<sup>1</sup> On 5 December 2024, the Company received 25,000,000 fully paid ordinary shares and 7,500,000 options with an exercise price of \$0.05 and expiry date of 2 years from date of issue in Sarama Resources Limited in full settlement of the loan obligations owed by Cosmo Gold Limited to the Company. The fair value of the shares and options at the date was \$700,000 and as such, the Company has reversed the excess provision of impairment.

**Note 5 Interests in Subsidiaries**

**(a) Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

<b>Name of subsidiary</b>	<b>Principal place of business</b>	<b>Ownership interest held by the Group</b>	
		<b>31 December 2024</b>	<b>30 June 2024</b>
Platquest Resources Pty Ltd	Australia	100%	100%
Haiti Gold Aust Pty Ltd	Australia	100%	100%
Challenger Mines Pty Ltd	Australia	100%	100%
Adelong Gold Brasil Ltda.	Brazil	100%	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

**Note 6 Exploration Expenditure**

	\$
Balance at 1 July 2023	2,689,452
Acquisition of tenements in Brazil	320,006
Current year expenditure	397,734
Balance at 30 June 2024	<u>3,407,192</u>
Balance at 1 July 2024	3,407,192
Current half-year expenditure	211,729
Balance at 31 December 2024	<u>3,618,921</u>

The value of the Company's interest in exploration expenditure is dependent upon the:

- continuance of the economic entity's right to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

75% of Ian Holland's Directors Fees have been capitalised as Deferred Exploration and Evaluation Assets.

The recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and

No impairment (2023: \$Nil) was brought to account for the financial period. The Company still intends to exploit for economical gain the remaining tenements under its control.

The Group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or site of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subjected to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist and therefore, the quantum of such potential claims cannot be estimated.

The Group has reviewed all of its tenements and has only carried forward the expenses on the tenements that give rise to a potential economic benefit to the Company through development or exploration.

The Group has considered the impairment indicators below and confirms no such indicators are applicable at 30 June 2024. As such, the Group does not consider that a full impairment test is necessary.

**Impairment indicators**

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale;
- Evidence is available of obsolescence or physical damage of an asset; and
- The net assets of the Group exceeds its market capitalisation.

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



**Note 7 Other Financial Liabilities**

	Consolidated Group	
	31 December 2024	30 June 2024
	\$	\$
Current		
Convertible loans	-	250,000
	<u>-</u>	<u>250,000</u>
<b>Total Other Financial Liabilities</b>		
Current	-	250,000
Non-Current	-	-
	<u>-</u>	<u>250,000</u>

On 8 July 2024, the Company had settled the Convertible Note on issue via cash payment of \$250,000 plus accrued interest of \$8,657.53.

**Note 8 Issued Capital**

	No.	\$
<b>(a) Ordinary Shares</b>		
Balance at 1 July 2023	596,322,292	20,203,606
Shares issued during the year	521,666,666	2,330,000
Less transaction costs arising from issue of shares	-	(262,649)
Balance at 30 June 2024	<u>1,117,988,958</u>	<u>22,270,957</u>
Balance at 1 July 2024	1,117,988,958	22,270,957
Shares issued during the half-year	-	-
Less transaction costs arising from issue of shares	-	-
Balance at 31 December 2024	<u>1,117,988,958</u>	<u>22,270,957</u>
<b>(b) Unlisted Options</b>	No.	
Balance at 1 July 2023	43,249,996	
Options issued during the year	1,050,833,335	
Options lapsed during the year	(11,999,996)	
Balance at 30 June 2024	<u>1,082,083,335</u>	
Balance at 1 July 2024	1,082,083,335	
Reclassification of options to listed options	(1,012,083,332)	
Balance at 31 December 2024	<u>70,000,003</u>	
<b>(c) Listed Options</b>	No.	
Balance at 1 July 2023	-	
Options issued during the year	-	
Options lapsed during the year	-	
Balance at 30 June 2024	<u>-</u>	
Balance at 1 July 2024	-	
Reclassification of options to listed options	1,012,083,332	
Balance at 31 December 2024	<u>1,012,083,332</u>	

## Note 9 Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Unless stated otherwise, all accounts are reported to the Board of Directors, being chief decision makers with respect to operating segments, which are determined in accordance with accounting policies that are consistent to those adapted in the annual financial statements of the consolidated entity.

### (a) Segment information

#### (i) Segment performance

	Adelong Gold	Challenger	Brazil	Platquest	Total
31 December 2024	\$	\$	\$	\$	\$
<b>REVENUE</b>					
Total segment revenue	-	-	-	-	-
<b>Total segment revenue</b>	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Other revenue					4,373
<u>Administrative expenses</u>					
Directors' fees					(125,325)
Consultancy fees					(37,396)
Occupancy costs					(11,080)
Travel and marketing costs					(8,146)
Provision for doubtful debts					128,096
Other costs					(294,535)
Net loss before tax from continuing operations					(344,013)
31 December 2023	\$	\$	\$	\$	\$
<b>REVENUE</b>					
Total segment revenue	-	-	-	-	-
<b>Total segment revenue</b>	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Other revenue					2,517
<u>Administrative expenses</u>					
Directors' fees					(108,500)
Consultancy fees					(29,075)
Occupancy costs					(10,051)
Travel and marketing costs					-
Other costs					(319,214)
Net loss before tax from continuing operations					(464,323)

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



**Note 9: Operating Segments (continued)**

**(ii) Segment assets**

	<b>Adelong Gold</b>	<b>Challenger</b>	<b>Brazil</b>	<b>Platquest</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>31 December 2024</b>					
Segment assets - opening balance	524,096	2,883,096	-	-	3,407,192
Segment assets increases for the year:					-
Capital expenditure/exploration	148,704	63,025	-	-	211,729
	<u>672,800</u>	<u>2,946,121</u>	<u>-</u>	<u>-</u>	<u>3,618,921</u>

*Reconciliation of segment assets to group assets*

Unallocated assets:

— Cash	208,681
— Receivables	17,127
— Other assets	646,115
— Other financial assets	725,000
— Asset held for sale	330,000
— Property, plant and equipment	318,652

**Total group assets**

5,864,496

	<b>Adelong Gold</b>	<b>Challenger</b>	<b>Brazil</b>	<b>Platquest</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>30 June 2024</b>					
Segment assets - opening balance	-	2,689,452	-	-	2,689,452
Segment assets increases for the year:					-
Capital expenditure/exploration	524,096	193,644	-	-	717,740
	<u>524,096</u>	<u>2,883,096</u>	<u>-</u>	<u>-</u>	<u>3,407,192</u>

*Reconciliation of segment assets to group assets*

Unallocated assets:

— Cash	1,152,581
— Receivables	11,833
— Other assets	571,904
— Other financial assets	667,087
— Asset held for sale	330,000
— Property, plant and equipment	354,058

**Total group assets**

6,494,655

**(iii) Segment liabilities**

	<b>Adelong Gold</b>	<b>Challenger</b>	<b>Brazil</b>	<b>Platquest</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>31 December 2024</b>					
Segment liabilities- opening balance	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Reconciliation of segment liabilities to group liabilities*

Unallocated liabilities

— Trade and other payables	109,531
— Other financial liabilities	-

**Total group liabilities**

109,531

	<b>Adelong Gold</b>	<b>Challenger</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>30 June 2024</b>					
Segment liabilities- opening balance	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Reconciliation of segment liabilities to group liabilities*

Unallocated liabilities

— Trade and other payables	170,677
— Other financial liabilities	250,000

**Total group liabilities**

420,677



#### **Note 10 Events After the Reporting Period**

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

On 23 January 2025 the Company announced that Great Divide Mining Limited (ASX:GDM) had successfully completed due diligence on the Adelong Gold Project. As a result binding agreements, including a Share Subscription Deed, were executed on 12 March 2025 for GDM's staged acquisition and operational management of the Project.

On 7 February 2025 the Company announced a successful capital raising whereby \$1.173 million was raised via the issue of 279,497,240 Fully Paid Ordinary Shares at \$0.0042 per share. The Company also agreed to issue 139,748,620 free attaching options with a exercise price of \$0.008 and an expiry date of 1 May 2025 subject to shareholder approval.

On 12 February 2025 the Company announced a further capital raise where an additional \$400,000 will be raised via the issue of 95,238,095 Fully Paid Ordinary Shares at an issue price of \$0.0042 per share subject to shareholder approval. The Company also agreed to issue 47,619,048 listed options with an exercise price of \$0.008 and an expiry of 1 May 2029.

The Company entered into a contract with Bullseye Analytics Pte Ltd for the provision of digital marketing services and has agreed to issue, subject to shareholder approval, 150,000,000 listed options with a exercise price of \$0.008 and expiry of 1 May 2029 as settlement for the services to be provided.

On 13 February 2025 the Company announced that it had entered into a transaction to acquire the Apollo Gold Project in Victoria (ASX Release: 13 February 2025). The project consists of a 100% interest in EL006430 which encompasses approximately 102 km<sup>2</sup> at the under-explored northern end of the Walhalla Gold Belt, situated about 120 km north-east of Melbourne, Victoria. the Company has made a cash payment of \$350,000 and has agreed to issue, subject to shareholder approval \$350,000 worth of Fully Paid Ordinary Shares to be issued 6 months post completion at a price based on the 5 day VWAP prior to the date of issue.

#### **Note 11 Financial Risk Management**

The Group's financial instruments consist mainly of deposits with banks, receivables and trade and other payables

The Group's financial instruments consist of those which are measured at amortised cost including trade and other receivables and trade and other payables. The carrying amount of these financial assets and liabilities approximate their fair value.

#### **Note 12 Fair Value Measurements**

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- other financial assets

The Group does not subsequently measure any liabilities at fair value on a non-recurring basis.

##### **(a) Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

##### *Valuation techniques*

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

**Note 12: Fair value measurement (continued)**

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

		31 December 2024			
		Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
<b>Recurring fair value measurements</b>	<b>Note</b>				
<b>Financial assets</b>					
Financial assets at fair value					
— Investments at fair value through OCI	4	725,000	-	-	725,000
<b>Total financial assets recognised at fair value on a recurring basis</b>		<b>725,000</b>	<b>-</b>	<b>-</b>	<b>725,000</b>

**Note 13 Reserves**

**a. Option Reserve**

The option reserve records items recognised as expenses on valuation of employee share options and options issued as a result of capital raising exercises.

	Consolidated Group	
	31 December 2024	30 June 2024
	\$	\$
Balance at the beginning of the period	283,075	13,246
Issue of options during the period	-	283,075
Expiry of options during the period	-	(13,246)
Balance at the end of the period	<b>283,075</b>	<b>283,075</b>

The reserve arisen on the grant of share options to third parties as equity based payments and the issue of options as a result of a capital raise exercise.

**b. Foreign Currency Translation Reserve**

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

	Consolidated Group	
	31 December 2024	30 June 2024
	\$	\$
Balance at the beginning of the year	227	227
Foreign currency movements during the year	-	-
Balance at the end of the year	<b>227</b>	<b>227</b>

**c. Financial Assets Reserve**

The financial assets reserve records revaluations of financial assets

	Group	
	31 December 2024	30 June 2024
	\$	\$
Balance at beginning of year	-	-
Fair value movements during the year	25,000	-
	<b>25,000</b>	<b>-</b>

**d. Total Reserves**

Option reserve	283,075	283,075
Foreign currency translation reserve	227	227
Financial assets reserve	25,000	-
	<b>308,302</b>	<b>283,302</b>

**ADELONG GOLD LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 975 775**  
**DIRECTORS' DECLARATION**



In accordance with a resolution of the directors of Adelong Gold Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 4 to 16, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards applicable to the entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
  - (b) give a true and fair view of the financial position as at 31 December 2024 and of the performance for the year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

A handwritten signature in black ink, appearing to read "I. Holland".

Director      Mr Ian Holland

Dated          14 March 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ADELONG GOLD LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Adelong Gold Limited (the Entity), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other 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.

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 Entity is not in accordance with the Corporations Act 2001 including:

- i. giving a true and fair view of the Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the Entity 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 the 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Entity's financial position as at 31 December 2024 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 the Entity, 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.

### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.



MORROWS AUDIT PTY LTD



A.M. FONG

Director

Melbourne: 14 March 2025

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tailored your way



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